

MARYLAND REAL ESTATE COMMISSION
500 North Calvert Street
Baltimore, MD 21202

Mission: Protecting the health, safety, and welfare of the public
through examination, licensing, and regulatory activities regarding real estate

BUSINESS MEETING MINUTES
February 19, 2020 10:30 a.m.

PRESENT:

Commissioner Marla Johnson (Industry)
Commissioner Karen Baker (Consumer)
Commissioner Anne Cooke (Industry)
Commissioner Jeff Wright (Industry)
Commissioner J. Nicholas D'Ambrosia, Chair (Industry)
Commissioner Demetria Scott (Industry)
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director
Jillian Lord, Asst. Executive Director
Jessica Praley, AAG

ABSENT:

Commissioner Kambon Williams (Consumer)

PUBLIC IN ATTENDANCE:

Susan Mitchell, MR
Jason Brand, AACAR
Kathie Connelly, Broker
David Politzer, Keller Williams Legacy
Ebony McClenny, Coldwell Banker Residential

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:34 AM

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Jeff Wright, seconded by Karen Baker) **To approve the Administrative Dismissals for the month of February 2020. Motion carried.**

APPROVAL OF MINUTES:

Motion (made by Karen Baker, seconded by Jeff Wright) **To approve the minutes, of the January 15, 2020 business meeting.**

COMMITTEE REPORTS:

- **Education**
 - For the month of January 2020 PSI administered 852 salesperson and 53 broker exams, compared to 809 salesperson and 45 broker exams in January 2019.
 - There are over 40 active schools in Maryland offering salesperson and broker pre-licensing classes. Exam results are broken down into National and State exam pass rates.
 - Of those schools, 29% have 12-month pass scores of less than 30% and 7-8% have 12-month pass scores of less than 20%.
 - 14% of schools reported pass rates of 50% or better. It is notable that 5 of those were community colleges.
 - The top schools with the highest pass rates were the Academy of Real Estate Online (73%) & The CE Shop (70%).
 - Should the Commission consider taking some type of action for schools with pass rates of less than 20%?

- **Legislative** – Marla Johnson, Legislative Chair
 - Commissioner Johnson has no comments.
 - Counsel commented on several bills
 - HB349/SB280 – passed second reading in the house
 - HB483/SB297 – multiple agency wide bill; still in committee
 - SB799 – department wide bill; received unfavorable report
 - Also following progress of SB170/HB226 and HB172
 - SB06 is the sunset bill
 - HB1446/SB350 senate hearing 2/26/2020 and house hearing 2/21/2020
 - HB1006
 - HB929 – hearing was yesterday
 - HB825 & 826 – related bills from Howard County; hearing on both 2/25/2020
 - HB592
 - Susan Mitchell, Maryland Realtors (MR) commented on bills
 - MR tracking the same bills
 - MR testified at hearing for HB592

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- Current license count totals 46,448, of which 4,360 are brokers, 3,084 are associate brokers and 38,386 are salespersons, 142 are reciprocal brokers, 60 are reciprocal associate brokers, and 416 are reciprocal salesperson. Inactive total was not reported. There are 682 branch offices.
- Guaranty fund balance as of December 31, 2019 is \$1,051,795.
- Number of complaints increased.
- More meetings held with Enovational, company charged with revamping current system.
- Mr. Kasnic received letter from Consumer Federation of America. Maryland received mention but failed to get accolades across the board because many think our forms are long and full of legal jargon.

- RFP still being worked on; extension in place until October 21, 2020.
- Travel to Savannah, GA for mid-year ARELLO meeting, to be held April 29 – May 2, 2020, will include Commissioners Scott, Cooke, D'Ambrosia, and Wright.

COMMENTS FROM COUNSEL: Jessica Praley, AAG

- Ms. Praley already gave legal update of bills.
- Still working on wholesaling opinion.
- Moratorium on new regulation closed on the 10th of this month; window now open again.
- Vote on disclosure form needed.
- There are items which need to be discussed in closed session.
- Commission Wright raised question about new law pertaining to criminal background not being able to be used in jobs; wonders if this decision will affect real estate applications; Counsel not aware of any legislations that affects professional boards and commissions and expressed that MREC is not an employer.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- Chair took a brokerage relationship and disclosure class and thought it went well.

UNFINISHED BUSINESS:

- Real property disclosure form
 - Comment period closed on January 21, 2020 but comments were received three days late on January 24, 2020.

Motion (made by Karen Baker, seconded by Anne Cooke) **To hear and consider the late comments regarding the disclosure form.** Members in favor: Karen Baker; Opposed: Marla Johnson, Demetria Scott, Anne Cooke, Jeff Wright and J. Nicholas D'Ambrosia; Absent: Kambon Williams.

Comment from counsel was for Commission to consider precedence it sets and if comments received as much as ten days late would be heard by Commission. Comment period was for thirty days. **Comments will not be heard.**

Motion (made by Marla Johnson, seconded by Demetria Scott) **To accept and approve the changes to the disclosure form. Motion carried.**

Counsel will move forward with putting it through to the Maryland Register as a final regulation.

NEW BUSINESS:

- None

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

CLOSED SESSION started at 11:53AM and ended at 12:23 P.M. The purpose of the closed meeting was to consult with counsel, pursuant to Md. Code Annotated, General Provisions Article, § 3-305(b)(7), regarding qualification of consumer members of the board and limitation on the number of licenses an individual may hold. **Motion** (made by Jeff Wright, seconded by Marla Johnson) **To close meeting**. Members in favor: Jeff Wright, Marla Johnson, Demetria Scott, Anne Cooke, J. Nicholas D'Ambrosia and Karen Baker; Opposed: NONE; Abstaining: NONE; Absent: Kambon Williams.

Regular session resumed at 12:23 P.M.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:23 P.M. The next monthly business meeting is Wednesday, March 18, 2020.

APPROVED AS PRESENTED _____
J. Nicholas D'Ambrosia, Chairperson

APPROVED AS AMENDED _____
J. Nicholas D'Ambrosia, Chairperson