
Maryland Real Estate Commission
Business Meeting
Meeting Minutes

DATE: January 17, 2024

TIME: 10:30 A.M.

LOCATION: 1100 N. Eutaw St.
5th Floor Conference Room
Baltimore, MD 21201
(Teleconference via Google Meet)

MEMBERS PRESENT:

Demetria Scott, *Commissioner*
Donna Horgan, *Commissioner*
Jean-Jacques Ellong, *Commissioner*
Michael Lord, *Commissioner*
Sandy Olson, *Commissioner*
Nea Maloo, *Commissioner*
Jacinta Bottoms-Spencer, *Commissioner*

MEMBERS ABSENT:

Kambon Williams, *Commissioner*
Michael Thomas, *Commissioner*

STAFF PRESENT:

Robert Pambianco, *AAG*
Raquel Meyers, *Interim Executive Director*
Charlene Faison, *Education Director*
John Dove, *Commissioner, Dept. of Labor*

PUBLIC PRESENT:

Christina McGee, *Maryland Realtors*
Bob Pettis, *Instructor*
Chuck Kasky, *Maryland Realtors*

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Brenda Kasuva, MREEA
Monica Stewart
Stephanie Gones, The CE Shop
Brandi Smith
Daisy Rezende, AARST
Jenifer League, GBBR

Roll Call/Quorum Announced and Meeting Called to Order

Chair called the meeting to order at 10:33 A.M.

Approval of Report of Complaints/Administrative Dismissals

Motion (made by Jacinta Bottoms-Spencer, seconded by Michael Lord) **To approve the Administrative Dismissals for the month of January. Motion carried.**

Approval of Minutes

Motion (made by Michael Lord, seconded by Jacinta Bottoms-Spencer) **To approve the minutes, of the December 20, 2023 business meeting. Motion carried.**

NAR Lawsuit:

Commissioner Donna Horgan introduced Chuck Kasky. Chuck Kasky briefed about the NAR lawsuit. The lawsuit is an antitrust case which is per se or rule of reason. On October 31, 2023, the verdict handed down in a Missouri court found *NAR* and two brokerage firms, Homeservices of America and Keller Williams were liable for \$1.8 billion in damages for conspiring to keep commissions artificially high, may mark the beginning of the end of how homes are bought and sold. *NAR* appealed to the 8th Circuit Court of Appeals to reduce the damages awarded by the jury. This case is still ongoing and will not be resolved for many years.

Committee Reports

Education – Jacinta Bottoms-Spencer, Chair

- For the month of December 2022, PSI administered 838 salesperson and 98 broker exams, compared to 686 salesperson and 38 broker exams in December 2023.
- Commissioner Bottoms-Spencer offers further info and her understanding of the NAR lawsuit.

Legislative – Donna Horgan, Chair

- Committee meetings will resume this month. Legislative committee will meet on the Tuesday after the commission meeting at 11:00A.M.
- Chair has asked for a representative from MD Dept. of the Environment to speak at a legislative committee meeting but has not heard back yet.
- Still collecting information and possible speakers to speak on background checks.
- Chair introduced Mr. Pettis who gave a presentation on radon. Assisting Mr. Pettis is Daisy Rezende of AARST.
 - **Radon Presentation:**
Commissioner Donna Horgan introduced Bob Pettis and Daisy Rezende. Mr. Pettis and Ms. Rezende briefed the Radon presentation. Montgomery County passed a Radon

Bill 26-22, Landlord-Tenant Relations - Radon Testing and Mitigation - Required. This Bill Landlords are required to mitigate elevated levels of radon below the EPA's action level of 4 pCi/L, instead of 2 pCi/L. Bill 26-22 would require a landlord to conduct radon testing prior to a tenant's occupancy for any rental housing that is a single-family home or multi-family building. There are 37 states that require radon disclosure during real estate transactions and 4 states (Colorado, Florida, Illinois, and Maine) that require tenant disclosure by the landlord. Radon testing when buying a house in Maryland is optional, except for homes sold in Montgomery County.

Comments from Executive Director

- First day of Legislative Session began on January 10, 2024
- Proposed Fees Reg posted in MD Register 12/29/23 issue. Comments will be accepted until January 29, 2024. Comments should be sent to the attention of Raquel Meyers, Interim Executive Director, 1100 N. Eutaw Street, Baltimore, MD 21201.
- Licensing (January 2024) and Guaranty Fund (December 2023) numbers (below):
 - Broker 4,149 (+5)
 - Associate Broker 3,106 (-12)
 - Salespersons 40,138 (-146)
 - Reciprocal Broker 166 (-2)
 - Reciprocal Assoc Br 78 (+1)
 - Reciprocal Salesperson 810 (+9)
 - Totals 49,242 (-144)
 - Branch Offices 794 (0)
- Guaranty Fund Balance – \$1,300,586 (+3,074)
- Applications –Interim Executive Director asked the Commission to consider MREC staff administrative approval of nonviolent misdemeanor offenses applications. Commissioners' Lord and Bottoms-Spencer did not see an issue with non-violent misdemeanors being administratively approved. Commissioner Lord suggested detailed summary describing the facts of those convictions should accompany these applications; these applications should be held to same standard as other conduct applicants have reported in the past. After a brief discussion, the Commission agreed to have MREC staff administratively approve nonviolent misdemeanor offenses prior to panel review.

Motion (made by Jacinta Bottoms-Spencer, seconded by Michael Lord) **To allow staff to vet applications of crimes of lessor nature. Motion carried.**

- Panels, Committees, and Taskforce are appointed by the Chair. Commissioner Horgan has already established these appointments.
- Hiring Education Assistant and recruiting for the vacant Licensing Supervisor position.

Comments from Counsel

- Robert Pambianco briefed the Commission on two bills that directly or indirectly relate to Real Estate below:
 - SB054 - Criminal History - Prohibited Disclosures and Predetermination Review Process

- SB0125 - Residential Property Sales - Contract Disclosures - Superfund Sites A number of issues being worked on that will be brought before the Commission at a later date.

Comments from Chair

- Chair reminds everyone it is Radon Awareness Month and to have your home tested.
- Reiterated importance of attendance if you serve on a board, task force or commission.
- General Assembly opened January 10, 2024.
- Reiterated completing continuing education early

Old Business

- Commissioner Olson is seeing a lot of agents using a platform called Final Offer. It is a platform where you make a bid and can see other bids. Commissioner Olson believes this to be a violation of confidentiality. She notes the website looks like an auction site and that is a concern.
- Commissioner Scott says the practice is frowned upon by ethical standards.

New Business

- None.

Public Comment

- Christa McGee, MR, thanks the Commission for support of the bill requiring continuing education to be complete at least 30 days prior to the expiration date of a license. Education Director, Charlene Faison, requested clarification on the portion of the bill that allows for a fee to be paid to expedite review of continuing education. Further clarification still needed.
- Brenda Kasuva, MREEA
 - Would like an update on the issue of continuing education being done at the last minute but the system not allowing an individual to renew because hours were taken the last day a license expires.
 - Ms. Kasuva would like to know if the education for persons that became licensed after October 1, 2023 applies to all licensees or just salespersons. Response was all but Education Director noted conversation is needed because there may be a possible issue with the requirement.

Adjournment

There being no further business, the meeting adjourned at 12:26 P.M. The next monthly business meeting is Wednesday, February 21, 2023.

APPROVED AS PRESENTED _____
Donna Horgan, Chairperson

APPROVED AS AMENDED _____
Donna Horgan, Chairperson