

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
March 17, 2021 10:30 a.m.
(held via Google Meet)

PRESENT:

Commissioner Kambon Williams (Consumer)
Commissioner Karen Baker (Consumer)
Commissioner Anne Cooke (Industry)
Commissioner Jeff Wright (Industry)
Commissioner J. Nicholas D'Ambrosia, Chair (Industry)
Commissioner Demetria Scott (Industry)
Commissioner Michelle Wilson (Consumer)
Commissioner Michael Lord (Consumer)
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director
Jillian Lord, Asst. Executive Director
Jessica Praley, AAG
Gregory Morgan, Labor Commissioner
Kausar Syed, Labor Deputy Commissioner

ABSENT:

Commissioner Marla Johnson (Industry)

PUBLIC IN ATTENDANCE:

Katalina Peter, GCAAR
David Politzer, KW Legacy
Susan Mitchell, MR
Sofia Jones
Brenda Kasuva, MREEA
Jason Brand
Kimberly Goudy
Marie McFarland, Coastal Assoc of Realtors
Matthew Peterson, Coldwell Banker RE School
Ana Ferguson, Douglas Real Estate Academy
Zac Trupp

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:31 AM.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Jeff Wright, seconded by Michael Lord) **To approve the Administrative Dismissals for the month of March 2021. Motion carried.**

APPROVAL OF MINUTES:

Motion (made by Demetria Scott, seconded by Jeff Wright) **To approve the minutes, with amendments, of the February 17, 2021 business meeting.**

COMMITTEE REPORTS:

- Education
 - For the month of February 2021, PSI administered 979 salesperson and 65 broker exams, compared to 948 salesperson and 61 broker exams in February 2020.
 - The education chair and MREC director received a letter from Maryland Realtors requesting continuation of virtual continuing education and would like input from the larger Commission; Chair D'Ambrosia added that similar letter received from GCAAR. The letter also addressed affidavit use in exchange for agents having to send a copy of their identification.
 - Susan Mitchell, MR, thanked the Commission for the increase in course size.
 - Jessica Praley, counsel for MREC, agrees with the security issue of agents having to send screenshot of identification.

Motion (made by Anne Cooke, seconded by Jeff Wright) **To extend virtual learning for continuing education. Motion carried.**

Motion (made by Jeff Wright, seconded by Anne Cooke) **To allows schools to receive and accept affidavits in lieu of identification being presented. Motion carried.**

- Also addressed in Maryland Realtor's letter is a change in the number of monitors required. Jessica Praley reminds all a change to the number of monitors would require a change of COMAR 09.11.06.08); Commissioner Baker does not feel it needs to be addressed at this time, Commission Scott, agrees.
- Letter emailed to MREC staff by Jessica Praley regarding licensing exam and application deadlines was discussed. Ms. Praley did revise the language reflecting the new executive order issued by Governor Hogan. The date the Gov. Hogan provided was June 30, 2021 but flexibility was given to the Labor divisions to choose its own date which is how the MREC ended up with a date of June 15, 2021.
 - Commissioner Scott would like to stay consistent and use the word "days instead of "months".

Motion (made by Karen Baker, seconded by Jeff Wright) **To accept draft document prepared by counsel pertaining to deadlines based on most recent executive order. Motion carried.**

Motion (made by Demetria Scott, seconded by Michael Lord) **To authorize counsel to add exact dates which are July 15, 2021 and December 13, 2021. Motion carried.**

- Legislative – Marla Johnson, Legislative Chair
 - Marla Johnson, Chair, absent.
 - Jessica Praley reviews bills being followed. Among them
 - SB73/HB239
 - SB584/HB486
 - HB19
 - HB541
 - HB329
 - HB972
 - HB560
 - HB952
 - HB1095/SB781
 - HB367
 - HB106/SB72

- Labor Commissioner, Gregory Morgan, received a request asking if SB73/HB239 had an impact on the agency’s fiscal state. He did an explanation of impact on the bill.
- Susan Mitchell – MR is tracking the same bills MREC’s counsel is tracking.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- Current license count totals 51,091 of which 4,512 are brokers, 3,197 are associate brokers and 42,658 are salespersons, 155 are reciprocal brokers, 69 are reciprocal associate brokers, and 500 are reciprocal salesperson. Inactive total was not reported. There are 702 branch offices.
- Guaranty fund balance as of January 30, 2021 is 1,096,576.30.
- Complaints are remaining steady; added about 45 since last meeting.
- Extensions- Licenses for real estate licensees whose expiration dates have been extended will now expire June 15, 2021; agents are reminded to take continuing education and renew, preferably online.
- License expiration dates will remain two years from the original expiration date even though the license may have been extended. This means some may not have a full two years after renewing.
- Virtual business meetings will be extended.
- Enovational (new licensing system) – We are nearing the end of the development phase. There will be a pilot period.
- Ownership of a brokerage – The Commission is still seeing an increase in salespersons and associate brokers, or a combination, owning more than 50% of the business.

Motion (made by Demetria Scott, seconded by Michelle Wilson) **To allow Commission to open a complaint against salespersons, associate brokers, or a combination of, that own more than 50% of a company. Motion carried.**

- The matter was brought in panel where an LLC is owned and there are concerns about the ownership of the LLC. There was a disclosure issue regarding the LLC and identity of the parties involved in the transaction.
 - Commissioner Scott has seen an increase in cases where disclosure is the issue. She's also noticed penalties were about \$500-\$1500 and with an increase in these types of cases, she would like to see more stringent penalties.
 - Chair D'Ambrosia suggests Commission thinks about the topic and revisit next month under old business.
- Michael Kasnic would also like to add to next month's meeting, showing services as he's still collecting information on the topic.

COMMENTS FROM COUNSEL: Jessica Praley, AAG

- No additional comments.
- After discussion, attention was brought to COMAR .08 Conduct of Courses (B)(1); after reviewing counsel believes the previous motion may need to be rescinded as the regulation requires licensees to show a picture ID for admittance to a class
 - Commissioner Scott makes recommendation to have education committee meet with counsel and return to the subject at a later meeting.
 - Previous motions to be held until next meeting after education committee and counsel can meet to review COMAR 09.11.09.08, in detail.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- No comments.

UNFINISHED BUSINESS:

- None

NEW BUSINESS:

- Mr. Kasnic introduced new Deputy Commissioner, Kauser Syed.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:25 P.M.. The next monthly business meeting is Wednesday, April 21, 2021.

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

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