

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
November 15, 2017, 10:30 a.m.

Highlights from the meeting:

- Current license count is 43,999
- Guaranty fund balance for September is \$996,231.96
- Guaranty fund balance for October is \$1,006,079.75
- Annual report for FY 2017 distributed

PRESENT:

Commissioner J. Nicholas D'Ambrosia, Chair (Industry)
Commissioner Jeff Wright (Industry)
Commissioner Owen Taylor (Consumer)
Commissioner Marla Johnson (Industry)
Commissioner Karen Baker (Consumer)
Commissioner Demetria Scott (Industry)
Commissioner Kambon Williams (Consumer)
Commissioner James Reeder (Consumer)
Brian Weeks, AAG
Susan Cherry, AAG
Katherine F. Connelly, Executive Director
Charlene Faison, Education Director, Session Recorder

ABSENT:

Commissioner Anne Cooke (Industry)

PUBLIC IN ATTENDANCE:

Mark Feinroth, MR
Bob Johnston, AACAR
Kim Caspari, Broker, MD Real Estate Brokerage

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:30 A.M.

Motion (made by Owen Taylor, seconded by Jeff Wright) **To start today's meeting with the Pledge of Allegiance and continue with further meetings. Those in favor included Commissioners Taylor, Reeder, Wright and Scott; against were Commissioners Johnson, Baker and Chair D'Ambrosia. Commissioner Williams abstains. Commissioner Cooke, absent from meeting. Motion carried.**

- Pledge of Allegiance recited
- Chair D'Ambrosia acknowledges Kathie Connelly's service to the MREC for the last twelve years, wished her well and presented her with a card from the Commissioners. Ms. Connelly thanked the Commissioners for their help during her tenure.

APPROVAL OF MINUTES:

Motion (made by Jim Reeder, seconded by Marla Johnson) **To approve the minutes of the October 18, 2017 business meeting with amendment to page three under new business, changed the word promises to proposes. Unanimous approval of minutes, as amended.**

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- Chair D'Ambrosia states he read through Title 17 and COMAR. He suggested others review former complaints for understanding of the decision making process that has taken place in the past.
- Chair provided an overview of how the MREC operates and its duties to the public.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Jeff Wright, seconded by Demetria Scott) **To approve the Administrative Dismissals for the month of November 2017. Motion carried.**

COMMITTEE REPORTS:

1. Education – Jeff Wright

- For the month of October 2017 PSI administered 915 salesperson and 32 broker exams, compared to 851 salesperson and 27 broker exams in October 2016.

2. Legislative – Marla Johnson, Legislative Chair

- No comment from Commissioner Johnson

COMMENTS FROM EXECUTIVE DIRECTOR: Katherine F. Connelly

1. Current license count totals 43,999, of which 4,338 are brokers, 3,064 are associate brokers, 35,481 salespersons. Of the total count, 1,603 are inactive.
2. Guaranty fund balance for September is \$996,231.96 and we paid out \$250 in claims. The guaranty fund balance for October is \$1,006,079.75 and we paid out \$0.00 in claims.
3. The 2017 Annual Report is ready. As of June 30, 2017, there were 43,390 licenses, an increase of 1,848 from FY 2016. There were 11,688 broker and salesperson examinations given, 641 complaints opened and thirteen failed continuing education audits. Staff changes included two employees transferring to other agencies or departments and one departing for medical reasons.
4. The next meeting is December 20, 2017

COMMENTS FROM COUNSEL: Brian Weeks, AAG

- Mr. Weeks provided updates from last month's meeting which include a letter, addressed to CityWorth Properties, being drafted for Ms. Connelly's signature, seeking clarification with a piece of advertisement being sent out by them.
- The second item Mr. Weeks provided an update to was the question of what other boards do as far as parliamentary procedures. Most, Mr. Weeks explained, follow Robert's Rules with counsel stepping in as needed.

CLOSED SESSION started at 11:08AM and ended at 12:11 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 the litigation policy towards unlicensed individuals – including discussion of whether and how to change that policy. **Motion** (made by Kambon Williams, seconded by Jeff Wright) **To close meeting.** Members in favor: James Reeder, Owen Taylor, Jeff Wright, Marla Johnson, Demetria Scott and Karen Baker; Opposed: NONE; Abstaining: NONE; Absent: Anne Cooke.

Regular session resumes at 12:11 P.M.

COMMENTS FROM CHAIR: J. Nicholas D’Ambrosia

Motion (made by Owen Taylor who believes the value may not always be appreciated by the public but the rationale is to be thorough and complete in providing the utmost protection to consumers, seconded by Demetria Scott) **to amend the current policy of pursuing former licensees by seeking statutory authority to pursue penalties against said licensees. In favor- Owen Taylor; Against – Nick D’Ambrosia, Demetria Scott, Marla Johnson, Karen Baker, Kambon Williams, Jeff Wright; Abstain – Jim Reeder. Motion fails.**

- Chair D’Ambrosia recaps the authority granted to the current Executive Director. He proposes that a **Motion** be made (made by Marla Johnson, seconded by Owen Taylor) **to rescind authority of the new Executive Director to make certain changes without agreement of the Commission. Motion carries.**
- Commissioner Johnson agrees with the motion because knowledge and expertise of the new Executive Director needs to be gauged.
- Discussion of bylaws will be added to unfinished business for next month’s meeting.
- Update on the Executive Director search provided. Twelve applicants were chosen for interviews. Six have already been interviewed. The remaining interviews will take place November 16, 2017 with five or six to be selected for a second interview on November 20, 2017.
- **Motion** (made by Demetria Scott, not seconded) **to hold a special meeting before next month’s regularly scheduled business meeting to review applications of those individuals being interviewed. Motion not seconded, therefore not before this meeting.**
- Commissioner Scott would like the record to reflect her disapproval in the process of selecting an Executive Director when the current Director’s resignation was announced in April. She calls the process slap-stick, to which Chair D’Ambrosia takes offense.
- Further discussion about the selection process ensues with questions being raised about who decided on the questions to be asked during the interviews, the process of selecting applicants to return for second interviews, will the Commissioners have an opportunity to actually see the applicants in person, and the review panel being the chosen body to select the applicants that will be passed on to the Secretary’s office.
- Chair explains that interviews will move forward. After second round of interviews, those resumes will be given to the Board with the panels’ notes and a discussion will be held on December 20, 2017.

UNFINISHED BUSINESS:

- None

NEW BUSINESS:

ADJOURNMENT:

There being no further business, the meeting adjourned at 1:00 P.M. The next monthly business meeting is Wednesday, December 20, 2017.

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

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