Maryland Real Estate Commission

Business Meeting

Meeting Minutes

DATE: **May 15, 2024**

TIME: 10:30 A.M.

LOCATION: 1306 Concourse Drive, Suite 340

Linthicum Heights, MD 21090

*(Teleconference via Google Meet)*

MEMBERS PRESENT:

Donna Horgan, *Commissioner, Chair*

Jacinta Bottoms-Spencer, *Commissioner, Vice Chair*

Demetria Scott, *Commissioner*

Nea Maloo, *Commissioner*

Sandy Olson, *Commissioner*

Michael Thomas, *Commissioner*

Jean-Jacques Ellong, *Commissioner*

MEMBERS ABSENT:

Michael Lord, *Commissioner*

Kambon Williams, *Commissioner*

STAFF PRESENT:

John Dove, *Commissioner, Labor*

Sarah McDermott, *Assistant Commissioner, Labor*

Raquel Meyers, *Interim Executive Director*

Robert Pambianco, *Assistant Attorney General*

*Lucinda Rezek, Paralegal*

*Brenda Iman, Paralegal*

*Verlena Williams, Education Assistant*

*Colyn Wall, Licensing Supervisor*

*Tinika Fraiser, Licensing Lead Specialist*

*Robert Vassar, Licensing Specialist*

*Tenensia Stanley, Licensing Specialist*

*Allison Simpson, Office Secretary*

*Patrick Richardson, Auditor*

*Frazier West, Investigator*

*Diane Carson*, *Investigator*

*Kristine Tricario, Investigator*

*Nathan Jackson, Investigator*

*Lindsey Anderson, Investigator*

PUBLIC PRESENT:

Christa McGee, *Maryland Realtors*

Brenda Kasuva, *MREEA*

Stephanie Gones, *The CE Shop*

Robert Pettis

Monica Stewart

Kathie Connelly

James Kidd Jr.

Jennifer League

Matt Vardin

*Dave Stromberg*

*Mike Walther*

*Jane Malone*

*Daisy Rezende*

*Julie Stevenson*

*Marie Lagos*

# Roll Call/Quorum Announced and Meeting Called to Order

The Chair called the meeting to order at 10:35 A.M.

# Approval of Report of Complaints/Administrative Dismissals

**Motion** (made by Sandy Olson, seconded by Michael Thomas) **To approve the Administrative Dismissals for the month of May 2024. Motion carried.**

# Approval of Minutes

**Motion** (made by Micheal Thomas, seconded by Nea Maloo) **To approve the minutes without corrections of the April 24, 2024, business meeting. Motion carried.**

# Committee Reports

## Education – Jacinta Bottoms-Spencer, Chair

* For the month of April 2024, PSI administered 916 salesperson and 25 broker exams, compared to 998 salesperson and 63 broker exams in April 2023.

## Legislative – Donna Horgan, Chair

* There were changes to the radon bill that was submitted last year and will be resubmitted. There were concerns if the bill passes will there be enough inspectors. Ms. Malone indicated the number of inspectors has increased by 40%.
* Mr. Pettis and Ms. Rezende explained what Radon is and where does it come from. Topics include but are not limited to testing for Carbon Monoxide and other possible hazardous gases.
* The Legislative Committee will meet on Tuesday, May 28th. The Maryland State Police agreed to attend to discuss Background Checks and Fingerprinting.
* Information-gathering on background checks continues.

# Comments from Interim Executive Director

* The Commission’s mission statement was shared.
* Licensing stats for May were shared.
* Guaranty Fund Balance for February is $1,302,150.29.
* Guaranty Fund Balance for March is $1,348,932.42.
* Complaints have fallen to 344. A discussion was held to create a complaints taskforce and create a checklist of what steps need to be followed to file a complaint.
* There were concerns about the new process to file a complaint by paper application. Mrs. Rezek explained that the complaint form is available on the MREC website and can be completed online. Complaint forms can be emailed with the supporting documentation.
* Mrs. Meyers reports the effective date of the fees increase is April 29, 2024, and will be implemented on June 1, 2024. Sending out an email notification to active licensees of fees increase by next week.
* The ARELLO Annual meeting is September 23 – 26, 2024, in Chicago, IL. Commissioners Thomas, Scott, and Horgan will attend. Commissioner Maloo is considering attending the meeting.
* Education Curriculum Outline was discussed. **Motion** (by Jacinta Bottoms-Spencer) **to approve the Education Committee review and approve all course outlines.** Ms. Connelly, former Execuitve Director, MREC explained it was the intent of the former Commission for the staff to approve course outlines due to volume and time constraints per regulation.
* **Motion amended** (by Jacinta Bottoms-Spencer, seconded by Nea Maloo) **to approve the staff to review and approve course outlines, then sent to the Education Committee for informational purposes only. Motion carried.**
* PSI Exam Extensions were discussed. **Motion** (by Jacinta Bottoms-Spencer, seconded by Nea Maloo) **to approve** **PSI** **exam extension requests reviewed by Commission on a case-by-case basis in a Closed Session. Motion carried.**
* Staff was briefly Introduced to the Commission.
* Charlene Faison, Education Director after 20 years with the Commission has accepted a promotion with the Maryland Department of Health. Ms. Faison was an integral part of the team, and she will be missed. The new Education assistant Verlena Williams started on May 1, 2024.
* We are still in the process of hiring the Administrative Officer – Paralegal Contractual position.
* Recruitment for Ms. Faison’s position is forthcoming.
* Interviews for the investigator positions are underway.
* Mrs. Meyers welcomed Labor Commissioner, John Dove, to have the floor. Commissioner Dove addressed the contractual positions becoming permanent by Fiscal Year 2025.

# Comments from Counsel

* HB 1408 Wholesaling bill did not pass.
* SB564 Passed
* SB462 Passed
* SB461/HB520 Passed
* SB542 Passed
* HB598/SB413 Protected classes – Active-Duty Military

The first bill signing was April 25, 2024, followed by May 9, 2024, and May 17, 2024.

# Comments from Chair

* 12.5% fees increase went into effect this year. **Motion** (by Demetria Scott, seconded by Jean-Jacques Ellong**) to approve fees increase by 12.5% for Fiscal Year 2025. Motion carried.**
* The Disclosure/Disclaimer Taskforce will be reviewing and updating the disclosure/disclaimer statement form.
* Remind agents not to give out lockbox combinations.
* Remind agents that once you have a contract signed and accepted, to handle escrow deposit money accordingly. Deposits need to be checked even if held by a title company.
* Social media advertising must be complete and contain all the required elements for advertising of any nature.
* Interview of the Execuitve Director position begins next week. Three names will be selected and submitted to the Secretary by June.

# Old Business

* There were no changes to the Wholesale Taskforce report. The wholesale legislative bill did not pass. The Commission briefly discussed the elements of wholesaling of what you should and should not do as a realtor.

# New Business

* Ms. McGee informed their instructor left today and requested the Commission to consider an emergency regulatory change for train the trainer.
* WV requirement to have brick in mortar location was briefly discussed.
* Suggested the Commission to consider reciprocity with WV.
* Commissioner Scott requested a representative from the Appraisers, Appraisal Management Companies and Home Inspectors Commission to attend the next meeting to discuss the Civil Rights MOU. Ms. Meyers agreed to invite the Executive Director of the Appraisal Commission to the next meeting.

# Public Comment

* Christa McGee, MAR
  + MAR conference is September 16 – 19, 2024, Ocean City, MD
  + Mr. Pambianco mentioned the bill that MAR follows.
* Brenda Kasuva, MREEA
  + Ms. Kasuva thanked everyone for attending the meeting.
  + Requested Commission clarification under the new CE law in which courses must be completed 30 days prior to renewal. Commission informed fees must be paid at time of renewal. The new CE law goes into effect October 1, 2024.
  + Requested MREC slides to be shared.
  + Suggested Commission Check to announce MREC changes to include the new CE requirements and Disclosure/Disclaimer form. Scott clarified the timeline of the disclosure/disclaimer form if not received prior to contract signing; the buyer has 5 days to review and up until lender approval to terminate. It is required that all homeowners complete either the disclosure or sign the disclaimer.
* Ms. Meyers announced its Military Appreciation Month and thanked all past and present active-duty members. The Chair thanked Mrs. Meyers for her service, and all military members and their families.

# Adjournment

There being no further business, **Motion** (by Demetria Scott, seconded by Donna Horgan) **to adjourn the meeting at 12:48 P.M. Motion carried.** The next monthly business meeting is Wednesday, June 12, 2024.

APPROVED AS PRESENTED \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Donna Horgan, Chairperson

APPROVED AS AMENDED \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Donna Horgan, Chairperson