

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
December 20, 2017, 10:30 a.m.

Highlights from the meeting:

- Current license count is 44,292
- Guaranty fund balance for November not available
- Application review panel created
- Michael Kasnic starts as new Executive Director

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)
Commissioner Anne Cooke (Industry)
Brian Weeks, AAG
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director
Jillian Lord, Asst. Executive Director
Victoria L. Wilkins, DLLR Commissioner
John T. Papavasiliou, DLLR Deputy Commissioner

ABSENT:

PUBLIC IN ATTENDANCE:

Bob Johnston, AACAR
Mark Feinroth, Maryland Realtors
Kathie Connelly

CALL TO ORDER:

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

PLEDGE OF ALLEGIANCE

Chair introduces Michael Kasnic, the newly hired Executive Director. Commissioners and Counsel introduced themselves. Mr. Kasnic introduced himself and expresses gratitude for being here.

APPROVAL OF MINUTES:

Motion (made by Marla Johnson, seconded by Anne Cooke) **To approve the minutes of the November 15, 2017 business meeting . Owen Taylor abstains. Motion carries.**

Motion (made by Jeff Wright, seconded by Marla Johnson) **To approve the minutes of the November 21, 2017 business meeting . Owen Taylor abstains. Motion carries, with amendment.**

Owen disagrees with the minutes of November 21, 2017 because he was marked as absent. It was explained by the Chair that yes, he was present for the initial telephone conference but it was never called to order. Minutes to be updated to reflect he was present for the first call which was not called to order and not present for the second call which started at 12:29 PM.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Karen Baker, seconded by Marla Johnson) **To approve the Administrative Dismissals for the month of December 2017. Motion carried.**

Jeff Wright raised concern about Chair D'Ambrosia signing dismissal letters. Chair explained that the Executive Director could sign administrative dismissals but the duty was rescinded at the last meeting. Chair explains he will not sign any letter(s) pertaining to companies for which he is the broker. Anne Cooke, Co-Chair, will sign those. Anne Cooke agrees not sign any letters involving any company she represents or are affiliated with the company she represents. This arrangement is acceptable to Commissioner Wright.

Commissioner Taylor raises question with the language in the third paragraph of one of the letters. It is agreed the wording will be changed.

COMMITTEE REPORTS:

1. Education – Jeff Wright

- For the month of November 2017 PSI administered 1079 salesperson and 59 broker exams, compared to 856 salesperson and 34 broker exams in November 2016.

2. Legislative – Marla Johnson, Legislative Chair

- No comment from Commissioner Johnson

Mark Feinroth, Maryland Realtors (MR), offers comments pertaining to earnest money deposits. MR has a bill in drafting to modify the language of the real property article to match that of Title 17. Bill sponsor has not yet been identified but the bill has been drafted. It is intended to address where earnest money deposit are to be held and how to disperse. No changes will be made to the sales contract. There would be a separate contract regarding the deposit.

Second bill going forward will address how to handle brokers who become disabled. The intent is to treat these situations in the same manner as deceased broker.

COMMENTS FROM ASST. EXECUTIVE DIRECTOR: Jillian Lord

1. Current license count totals 44,292, of which 4,352 are brokers, 3,078 are associate brokers, 35,734 salespersons. Of the total count, 1,658 are inactive.

- Chair D'Ambrosia informs all that ARELLO mid-year meeting is in April in New Orleans. Commissioners Cooke, and Wright and Chair D'Ambrosia will be attending as they are Committee Chairs. Chair recommends that Michael Kasnic goes. Commissioners Taylor, Baker and Scott would like to be considered for travel to the mid-year meeting.

COMMENTS FROM COUNSEL: Brian Weeks, AAG

- Mr. Weeks cautioned members about the motion to recite the Pledge of Allegiance, citing *West Virginia State Board of Education v. Barnette*; a decision by the United States Supreme Court holding that the Free Speech Clause of the First Amendment protects students from being forced to salute the American flag or say the Pledge of Allegiance in public school. Mr. Weeks advises it would be wise to respect one's beliefs that may not want to participate. Commissioner Williams also cited a similar case, *Lemon v. Kurtzman*; a case with the same finding.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- Chair D'Ambrosia looked at other states to see the practice of granting a license for persons with criminal backgrounds. Chair proposes that a panel be created, consisting of Commissioners Williams, Wright and Reeder, to review applications of persons the licensing supervisor questions.

Motion (made by Marla Johnson, seconded by Demetria Scott) **to establish a three-member panel, consisting of Commissioners Jeff Wright, Kambon Williams and Jim Reeder to review applications of individuals that have a "P" that may be denied. Motion carries.**

- Chair D'Ambrosia proposes a panel to review and prepare dismissals to be presented to the Commissioners. Kathie Connelly suggests having Jillian Lord work with Michael Kasnic on dismissals. Chair also suggests that dismissals be received earlier than five days prior to the meeting.

Motion (made by Marla Johnson, seconded by Anne Cooke) **to establish a procedure that after paralegals prepare dismissals, they are given to Michael Kasnic and Jillian Lord for review. Dismissals will also be received by Commissioners, sooner, to allow more time for review. Motion carries.**

UNFINISHED BUSINESS:

- Bylaws – This topic was brought up by Commissioner Taylor in a previous meeting. His concern is the MREC does not have bylaws. Chair D'Ambrosia talked to former DLLR Acting Commissioner and Deputy Commissioner, Harry Loleas. Mr. Loleas' comment was that while the boards and commissions have the right to have bylaws, none of them do.

Commissioner Scott does not feel we have enough info to discuss and create bylaws. **Motion** (made by Demetria Scott, seconded by Anne Cooke) **to research the process of creating bylaws. Motion carries.**

Commissioner Taylor advised he has already prepared a sample of bylaws and agreed to share with other Commissioners for discussion at next month's meeting. DLLR Commissioner Williams further suggests that the points needing clarification be highlighted. DLLR Commissioner Wilkins highlights that a procedure or policy manual for Commissioners and Board members may be helpful in decision of if bylaws need to be established.

- In preparing for today’s meeting, Commissioner Taylor points out that he looked at the Open Meetings Act. Chair D’Ambrosia confirmed individuals and staff have been trained. Those persons include himself, Charlene Faison, MREC Education Director and Commissioner Wright.
- Mark Feinroth requested update on status of the advertising task force that was to be established. Chair D’Ambrosia would like the new Executive Director to get acclimated to his position and will look at putting task force together in March.

NEW BUSINESS:

- Commissioner Wright announced that as of January 1, 2018 he will be retiring, as a broker, after forty-two years and will downgrade to an associate broker. He plans to do more in the sales area.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:02 P.M. The next monthly business meeting is Wednesday, January 17, 2018.

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

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