

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
February 21, 2018 10:30 a.m.

Highlights from the meeting:

- Current license count is 44,596
- Guaranty fund balance for December is \$1,069,204.63

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 Anne Cooke (Industry)
Brian Weeks, AAG
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director
Matt Lawrence, AAG

ABSENT:

Commissioner James Reeder (Consumer)

PUBLIC IN ATTENDANCE:

Mark Feinroth, MD Realtors

CALL TO ORDER:

J. Nicholas D'Ambrosia, Chair, called the meeting to order at 10:32 AM

PLEDGE OF ALLEGIANCE

APPROVAL OF MINUTES:

Motion (made by Karen Baker, seconded by Anne Cooke) **To approve the minutes of the January 17, 2018 business meeting . Motion carries.**

Commissioner Wright disapproves of the language of minutes and makes motion to take out the words *again this month*.

Motion (made by Jeff Wright, seconded by Anne Cooke) **To amend the minutes of the January 17, 2018 business meeting to remove the words *again this month*. Motion carries.**

Commissioner Taylor questions the legality of closed session discussions. Chair D'Ambrosia advises Mr. Taylor if he believes meetings and minutes are not in compliance, that as a commissioner, he may file a formal complaint.

Commissioner Taylor questions why he was not given specific information regarding closed meetings. He seeks the actual language used to close a meeting.

Motion (made by Owen Taylor) **To amend the proposed minutes and add statement that he has prepared Supplemental and Additional Minutes to which he'd like included in the general minutes.**

Brian Weeks, AAG, clarifies what must be included in the minutes of an open session. Those in favor of Commissioner Taylor's motion: Taylor; Opposed: Anne Cooke, Chair D'Ambrosia, Marla Johnson, Karen Baker and Jeff Wright; Abstain: Demetria Scott, Kambon Williams. Motion fails.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Jeff Wright, seconded by Marla Johnson) **To approve the Administrative Dismissals for the month of February 2018. Motion carried.**

Commissioner Taylor raises discussion about a case, to which Chair D'Ambrosia recused himself. Case will be pulled from administrative dismissal list.

COMMITTEE REPORTS:

1. Education – Jeff Wright

- For the month of January 2018 PSI administered 928 salesperson and 71 broker exams, compared to 813 salesperson and 42 broker exams in January 2018.

2. Legislative – Marla Johnson, Legislative Chair

- No comment from Commissioner Johnson
- Brian Weeks brought up two bills of interest
 - HB55 (introduced by Delegate J. Lewis) received unfavorable vote and is dead in committee.
 - Companion bill (SB65, introduced by Senator Benson) has a hearing on March 1, 2018
 - HB1656/SB843, a MR bill, authorizes MREC to transfer funds from general fund to GF. Senate hearing is scheduled for February 22, 2018 and March 9, 2018 is the date for the House.

Commissioner Taylor believes the bill will change current Maryland code. Mark Feinroth, MR, explains new bill does not seek to replace current code. It avoids the assessment to agents. Commissioner Taylor wants to know the

Commission's position on the bill. Chair D'Ambrosia explains, per the DLLR Secretary's office, the Department has no position.

- HB1482/SB846 has a hearings scheduled for February 22, 2018 and March 9, 2018.
- HB1608, introduced by Delegate Morgan, has a hearing scheduled March 6, 2018.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

1. Current license count totals 44,596, of which 4,342 are brokers and 36,008 are salespersons. Of the total count, 1,605 are inactive.
2. In response to a query from the Commission about the MREC operating funds and guarantee fund, Mr. Kasnic briefly discussed information related to the normal operating budget and the timing of administrative charges.
3. Commissioner Taylor raises the question of what is deemed as "excess" funds with respect to where the money comes from.

COMMENTS FROM COUNSEL: Brian Weeks, AAG

- Mr. Weeks announced he has accepted a position with the Office of Administrative Hearings as an administrative judge. His last day with DLLR will be March 27, 2018.
- Matt Lawrence was introduced. He is currently counsel for the CPA and Tax Preparers boards.

COMMENTS FROM CHAIR: J. Nicholas D'Ambrosia

- Chair D'Ambrosia and Executive Director Kasnic attended the Maryland Realtors meeting. Commission Taylor was also there as a guest.
- They also attended the GBBR quarterly breakfast.
- The advertising task force has been put together. Next steps will include setting up meeting dates and locations.
- Elections – Elections come up in June. Chair reminds the Commission of the history of how votes have taken place in the past. He proposed different methods of how to vote so the Commissioners are ready in June.

UNFINISHED BUSINESS:

- None

NEW BUSINESS:

- Obtaining information from past cases – A question has been presented regarding Commissioners seeking permission to view a file. Commissioner Taylor believes records to be available to them. Attorney Weeks states it is his belief the request was for personal

use and to seek information that the payment of a debt, the request should be submitted to CCU, the collection arm of the state.

- Gap between statute and regulations – Chair reviewed past minutes and found that in 2013, the Commission, along with the Licensing Supervisor at the time, Charlene Faison, that as long as the licensee had three years of salesperson experience and had taken the 135-hour broker prelicensing course and passed the exam then yes, they were qualified to be a broker or associate broker.

The Commission also decided at that time, three years was too loose and because of line (F) in 17-305, the regulation (COMAR 09.11.01.11(f) was established.

Closed session last month addressed the statute and regulation possibly being in conflict. The decision before the Commission, now, is how to amend the statute.

Counsel suggests that the statute should have been revised, however, item (f) allowed the regulation to have been written.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:20 P.M. The next monthly business meeting is Wednesday, March 21, 2018.

APPROVED AS PRESENTED _____

J. Nicholas D'Ambrosia, Chairperson

APPROVED AS AMENDED _____

J. Nicholas D'Ambrosia, Chairperson