

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 21, 2018 10:30 a.m.

Highlights from the meeting:

- Guaranty fund balance for September is \$1,126,644.71
- David Finneran, Executive Director of the Maryland Home Improvement Commission, was a guest speaker

PRESENT:

Commissioner J. Nicholas D'Ambrosia, Chair (Industry)
Commissioner Marla Johnson (Industry)
Commissioner Demetria Scott (Industry)
Commissioner Anne Cooke (Industry)
Commissioner Kambon Williams (Consumer)
Commissioner James Reeder (Consumer)
Matthew Lawrence, AAG
Jessica Praley, AAG
Commissioner Karen Baker (Consumer)
Commissioner Jeff Wright (Industry)
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director

ABSENT:

PUBLIC IN ATTENDANCE:

Kathie Connelly, Broker
Jason Brand, AACAR
Susan Mitchell, MR
David Politzer, Keller Williams Legacy

CALL TO ORDER:

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

Chair D'Ambrosia, on behalf of the Maryland Real Estate Commission, expressed condolences to the friends, family and DC Real Estate Commission on the passing of Josephine (Jo) Ricks, Chairman of the DC Real Estate Commission and associate broker with City Houses.

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

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

COMMITTEE REPORTS:

1. Education – Jeff Wright

- For the month of October 2018 PSI administered 926 salesperson and 48 broker exams, compared to 915 salesperson and 45 broker exams in October 2017.
- Commissioner Wright acknowledged, from Maryland Realtor magazine, an article about the new advertising checklist. Commissioner Johnson and Chair D'Ambrosia both acknowledge receiving positive feedback. Chair thanks the advertising task force for their time and hard work.

2. Legislative – Marla Johnson, Legislative Chair

- Commissioners Reeder, Williams and Johnson had a discussion about how the Commission could go about not hearing property management cases since MREC cannot get regulation passed. Question for the other commissioners is if you do not have to be licensed to do property management, why does the Commission hear these cases out.
- Matt Lawrence, AAG, points out the hook is a person providing property management services is most likely using their real estate license to promote themselves as an experienced licensed agent.
- Chair D'Ambrosia asks counsel if the Commission has the option to not hear such cases. Jessica Praley, AAG, will research this option and provide comment at a later date.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

1. Current license count totals 44,944, of which 4,327 are brokers, 3,096 are associate brokers and 37,264 are salespersons, 121 are reciprocal brokers, 54 are reciprocal associate brokers, and 345 are reciprocal salesperson. Inactive total was not reported. There are 755 branch offices.
2. Guaranty fund balance for August is \$1,126,664.71
3. Travel requests were submitted for those travelling to the ARELLO Leadership Symposium in Tucson, AZ in January 2019.
4. Mr. Kasnic presented at a Keller Williams office and Berkshire Hathaway last month.
5. Education spreadsheet – Sample has been completed; Mr. Kasnic referred to counsel regarding posting the information to the website. Counsel advises the state should not be seen as promoting one business over another. Counsel recommends not to post online. One option would be to inquire if PSI will provide the information. Commissioner Scott recommends the Commission goes ahead and post information online. Counsel suggests adding a disclaimer that Commission is not promoting one school over another. Mr. Kasnic will check with Secretary's office to see if they have an opinion.

COMMENTS FROM GUEST: David Finneran, Exec. Director, MD Home Improvement Commission

- Mr. Finneran was present at the request of the Commission to offer insight on MHIC, its function, types of cases it reviews and problems it sees between consumers and contractors.
- Mr. Finneran sites house flipping has been the source of the increase in its complaints. In deciding the validity of a complaint, MHIC looks for abandoned, incomplete or unsatisfactory work. They will dismiss a claim that has no contract between the buyer and contractor.
- MHIC licensees are required, by law, to ensure all permits have been pulled.

- Similar to MREC, MHIC is having to deal with companies like Angie’s List, Tackle and Amazon providing home improvement services without a license. They’re looking to cover that loophole in their law.
- Commissioner Scott thanks Mr. Finneran for his information and added she has certainly learned a lot. Others echo her sentiment.

COMMENTS FROM COUNSEL: Matthew Lawrence, AAG

- Another draft of COMAR 09.11.02.01 Code of Ethics presented which should clarify one-click rule and what “directly connected to” means.

Motion (made by Anne Cooke, seconded by Jeff Wright) **To accept the change in language to COMAR 09.11.02.01 and move forward with seeking approval from the Secretary’s Office. Motion carried.**

COMMENTS FROM CHAIR: J. Nicholas D’Ambrosia

- Chair attended services for Josephine Ricks of the DC Real Estate Commission.

UNFINISHED BUSINESS:

- None.

NEW BUSINESS:

APPROVAL OF MINUTES:

Motion (made by Karen Baker, seconded by Marla Johnson) **To approve the minutes of the October 17, 2018 business meeting.**

ADJOURNMENT:

There being no further business, the meeting adjourned at 11:23 A.M. The next monthly business meeting is Wednesday, December 19, 2018.

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

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