

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
October 18, 2017, 10:30 a.m.

Highlights from the meeting:

- Current license count is 43,813
- Guaranty fund balance for July is \$996,028.36
- Guaranty fund balance for August is \$976,747.01
- All Train the Trainer workshops for the MREC required supervision course have been held

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 Anne Cooke (Industry)
Commissioner Kambon Williams (Consumer)
Brian Weeks, AAG
Katherine F. Connelly, Executive Director
Charlene Faison, Education Director, Session Recorder

ABSENT:

Commissioner James Reeder (Consumer)

PUBLIC IN ATTENDANCE:

Mark Feinroth, MR
Bob Johnston, AACAR
Brenda Kasuva, Agent, GBBR

CALL TO ORDER:

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

APPROVAL OF MINUTES:

Motion (made by Marla Johnson, seconded by Karen Baker) **To approve the minutes of the August 16, 2017 business meeting. Unanimous approval.**

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Marla Johnson, seconded by Jeff Wright) **To approve the Administrative Dismissals for the month of October 2017. Motion carried.**
Amendment to motion (made by Demetria Scott) to pull cases 2017-RE-543 and 2017-RE-638 and to send them to investigation. Commissioner Scott later withdraws motion.

COMMITTEE REPORTS:

1. Education – Jeff Wright

- For the month of August 2017 PSI administered 1150 salesperson and 43 broker exams, compared to 971 salesperson and 48 broker exams in August 2016.
- For the month of September 2017 PSI administered 895 salesperson and 55 broker exams, compared to 901 salesperson and 50 broker exams in September 2016.

2. Legislative – Marla Johnson, Legislative Chair

- No comment from Commissioner Johnson
- Ms. Connelly provided a copy of the department-wide proposed regulation pertaining to public information act which would include MREC if bill passes.
- Mark Feinroth, Maryland Realtors (MR), adds MR is proposing no bills pertaining to Title 17. Mr. Feinroth had a meeting with DLLR Commissioner Wilkins, DLLR Secretary Schulz, Chair D'Ambrosia and others to inform them MR will propose legislation to allow MREC to borrow from the operating fund to sustain the guaranty fund and maintain a balance of \$1 Million.

COMMENTS FROM EXECUTIVE DIRECTOR: Katherine F. Connelly

1. Current license count totals 43,813, of which 4,351 are brokers, 3,061 are associate brokers, 35,293 salespersons. Of the total count, 1,584 are inactive.
2. Guaranty fund balance for July is \$996,028.36 and we paid out \$0 in claims. The guaranty fund balance for August is \$967,747.01 and we paid out \$35,645.64 in claims.
3. We have completed all of the Train the Trainer sessions for broker supervision. The schools and the instructors have been sent the PowerPoint to use from this point forward.
4. Ms. Connelly attended the Maryland Realtor Convention in September as well as the ARELLO annual conference. At the ARELLO conference, Commissioner Wright completed Commissioner College. Ms. Connelly presented Commissioner Wright with his Certificate of Completion. Also, Commissioner Taylor completed one of the two parts of the College while at the conference.
5. Ms. Connelly included in the commissioners' packet a copy of the regulation that is being promulgated regarding Public Information Act Requests as a FYI.
6. Also in the packets is a document from City Worth Properties that was received in the past two weeks by an office of agents. The advertisement is not stating that a second license is required for the type of service being offered or requested. Ms. Connelly is seeking the opinion of the commissioners as well as counsel. Brian Weeks, AAG, suggests sending a letter asking for more information to make a determination if anything is needed. Letter needs to determine if City Worth is requiring people to get a second license with them. Ms. Connelly and Mr. Weeks will work together to draft a letter. Mr. Weeks agrees this type of practice opens the Commission up to guaranty fund claims.
7. Ms. Connelly seeks information from Commission if anyone knows the individual named in another document included in the packets. The gentleman is appearing to be a broker and while we have a company by the name listed, the individual, noted as being the broker, does not appear to be licensed in Maryland. A letter will be sent to the company to clarify the individual's position with the company, as it is not broker.
8. The next meeting is Wednesday, November 15, 2017

COMMENTS FROM COUNSEL: Brian Weeks, AAG

- Mr. Weeks acknowledged that Chair D’Ambrosia and Commissioner Wright have taken the open meetings training act online.

COMMENTS FROM CHAIR: J. Nicholas D’Ambrosia

- Chair D’Ambrosia states the Advertising Task Force will be started since the supervision training is over.
- MR (formerly MAR) revived the practice of meeting just to communicate with DLLR Secretary Schulz, DLLR Commissioner Wilkins and Chair D’Ambrosia. Discussed use of third parties holding escrow, accolades were given to Ms. Connelly for desire to continue a good working relationship.
- At ARELLO, Chair D’Ambrosia chaired a roundtable. Next ARELLO meeting in April will be in New Orleans. Ms. Connelly reminded Chair D’Ambrosia to remind new director to submit travel requests.
- Chair D’Ambrosia provided an update on the Executive Director search; the position was posted and over two hundred responses received. In the next weeks, the applications will be reviewed and applicants chosen to be interviewed.
- Commissioner Scott proposes a consumer member be among the selection panel to review applications. Chair agreed to confer with Secretary Schulz and request a fourth member, a consumer. Commissioner Baker recommends herself for the consumer position, if granted. Commissioner Williams seconded her recommendation.

UNFINISHED BUSINESS:

- None

NEW BUSINESS:

- Commissioner Taylor proposes the Chair consider creating formal bylaws for the Commission.
- Commissioner Taylor questions why unlicensed individuals cannot be further penalized. Mr. Weeks offered to review Commissioner Taylor’s concerns and regulations he has identified to substantiate grounds MREC has to further penalize. He will confer with AAG Susan Cherry to look at past practices and rationale behind the current process. Commissioner Taylor cites title 17-322(E) as the law that needs revision or amendment.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:23 P.M. The next monthly business meeting is Wednesday, November 15, 2017.

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

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