

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 16, 2019 10:30 a.m.

PRESENT:

Commissioner Marla Johnson (Industry)
Matthew Lawrence, AAG
Commissioner Kambon Williams (Consumer)
Commissioner Karen Baker (Consumer)
Commissioner Anne Cooke (Industry)
Commissioner J. Nicholas D'Ambrosia, Chair (Industry)
Commissioner Demetria Scott (Industry)
Charlene Faison, Education Director, Session Recorder
Michael Kasnic, Executive Director
Jillian Lord, Asst. Executive Director

ABSENT:

Commissioner Jeff Wright (Industry)

PUBLIC IN ATTENDANCE:

Susan Mitchell, MR
Jason Brand, AACAR

CALL TO ORDER:

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

REPORT OF COMPLAINTS/ADMINISTRATIVE DISMISSALS:

Motion (made by Marla Johnson, seconded by Karen Baker) **To approve the Administrative Dismissals for the month of October 2019. Motion carried.**

APPROVAL OF MINUTES:

Motion (made by Karen Baker, seconded by Marla Johnson) **To approve the minutes, of the August 21, 2019 business meeting. Demetria Scott abstained.**

COMMITTEE REPORTS:

- Education
 - For the month of September 2019 PSI administered 890 salesperson and 36 broker exams, compared to 959 salesperson and 54 broker exams in September 2018.
 - Commission Scott would like to discuss agency as she and some MREC staff will be meeting with a PSI representative on Friday to discuss test question revisions needed.

- MREC Agency – Commercial class outline and materials need to be looked at to ensure content is up-to-date per Chair D’Ambrosia. Chair also questions if MREC Supervision course needs updating. Would like other commissioners to decide which takes precedent. Mr. Kasnic suggests counsel review the commercial agency class materials and provide a decision at next month’s meeting. All agree to put supervision on the table to revise sooner rather than later.
- Chair D’Ambrosia has received calls concerning school pass rates posted on MREC website. Some believe the data is misleading as a result of repeat test takers. He advises MHEC only publishes first time passes, whereas, MREC data includes repeats. Chair would like to request a representative from MHEC to join a future meeting.
- Legislative – Marla Johnson, Legislative Chair
 - Commissioner Johnson has no comments.
 - Counsel has no comments.
 - Susan Mitchell, MR, advises the organization has sent a letter concerning reciprocity. Michael Kasnic advises Secretary’s office will not be moving forward with topics the commission voted on to be submitted.

COMMENTS FROM EXECUTIVE DIRECTOR: Michael Kasnic

- Current license count totals 46,149, of which 4,352 are brokers, 3,084 are associate brokers and 38,118 are salespersons, 134 are reciprocal brokers, 58 are reciprocal associate brokers, and 403 are reciprocal salesperson. Inactive total was not reported. There are 703 branch offices.
- Guaranty fund balance not available before meeting.
- 2020 business meeting dates shared.
- Education data shared.
- Enovational – MREC staff have participated in 3 sessions with the company since last commission meeting
- Licensing test contract – MREC staff participated in pre-proposal meeting. Deadline for vendor submissions is the end of the month.
- Advertising checklist – Update suggested in the team section; document will be reviewed to determine if further updates are necessary.
- Devices in classroom – Chair reminds all about the policy of no devices allowed in the classroom. Subject raised because it comes in the industry. Commissioner Scott wants to pose the question to the ARELLO education email list and talk to Commissioner Wright, former Education Chair.

COMMENTS FROM COUNSEL: Matthew Lawrence, AAG

- Counsel addressed letter from Maryland Realtors regarding reciprocal address and principal place of business. Counsel concludes that under reciprocity, licensee must have office outside of Maryland to qualify for the reciprocal license. Suggests rewording line from website to read principal place of business instead of business address.

Motion (made by Demetria Scott, seconded by Marla Johnson) **To change the language on website from broker’s business address to principal place of business. Motion carried.**

- Second issue raised in MR letter regarding multiple licenses expiring at the same time. Issues surrounding this matter are administrative as opposed to legal. Mr. Kasnic raises concern about the law stating licenses are good for two years. Counsel recommends new system somehow needs to have the person acknowledge they are agreeing to change their expiration date.

COMMENTS FROM CHAIR: J. Nicholas D’Ambrosia

- Question brought to Chair regarding if a licensee has ownership in an entity that owns a piece of property, can they represent the buyer in a buyer/agency agreement? Looking for discussion, not necessarily an opinion from the commission.
- Earnest money deposit (EMD) – How does a broker release EMD when two persons have signed an addendum amongst themselves? Maryland law states EMD can only be released under specific conditions. 17-505 sets out the basis for releasing EMD and nothing supersedes that.

UNFINISHED BUSINESS:

- New law about persons with convictions took place October 1, 2019. Commissioner Scott would like to hear more about this law.

NEW BUSINESS:

- Teams – Commissioner Johnson brought two scenarios before the Commission.
 - Individual emailed MREC and told all is good and has now assumed MREC has registered his/her team.
 - Agent called MREC and told team name was not important.

Commissioner Johnson would like staff to be on same page when responding the agents/consumers.

Do’s and Don’ts of teams from website will be reviewed and suggestions made for updates.

- Commissioner Scott would like names of persons to participate in the supervision task force emailed to her by October 23rd.

ADJOURNMENT:

There being no further business, the meeting adjourned at 12:05 P.M. The next monthly business meeting is Wednesday, November 20, 2019.

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

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