

South Carolina Real Estate Commission  
Regular Meeting/Hearings  
Kingstree Building, Room 108, 10:00 AM  
Columbia, South Carolina 29210  
March 18, 2009

Members attending: Tony Cox, Chairman; Manning Biggers, Vice Chairman;  
Carl Edwards, Jay Keenan, and Sarah Takacs  
Absent: Buccie Harley (excused); Scott Moseley, (Excused); Evelyn Young (excused)

Staff attending: Jay Pitts, Administrator; Ann Parris, Administrative Assistant; Sheridan Spoon, LLR Advice Counsel, Beau Tiller, Manager, Education; and Sharon Wolfe, (OIE)

The meeting was called to order at 10:20 am by Chairman Cox. Chairman Cox asked if public notice of this meeting was properly posted and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act. Staff responded affirmatively. It was noted that all conversations in the meeting room were being recorded and portions may be made public in accordance with the SC Freedom of Information Act. A quorum was present at all times.

#### Pledge of Allegiance

Chairman Cox stated this was his first meeting since being elected as Chairman of the Commission at the January 14, 2009, meeting. He thanked Mr. Keenan for the excellent job he had done as Chairman and as the At-Large Member of the Commission.

Introduction – New Member of the Commission  
Mr. Cox introduced and welcomed Sarah Takacs, Hilton Head, new member representing the Second Congressional District. Ms. Takacs made a brief statement as to her real estate background and stated she is looking forward to serving on the Commission. The other Members of the Commission and staff introduced themselves.

#### Member Absences Excused

Upon motion of Mr. Keenan and second by Mr. Edwards, the absences of Buccie Harley, Scott Moseley, and Evelyn Young were excused.

#### Minutes – January 14, 2009

Motion: Mr. Keenan moved to accept the minutes of the January 14, 2009, meeting as written. Mr. Edwards seconded the motion and it unanimously carried.

Chairman Cox stated the Commission received a thank you note from Carol Sloop, Steve Sloop's wife, expressing her family's appreciation of the kind remembrances she had received from the Commission in memory of Steve. The note was circulated among the members.

Chairman Cox stated that since the Commission was late in convening today's meeting that he would recommend the agenda be modified by moving the application appearances to the top of the agenda. There were no objections to amending the agenda.

License Application Appearances

10:40 am

Corwyn J. Melette

Chairman Cox stated Mr. Melette was here to request that he be approved to be an instructor of real estate courses. Chairman Cox stated that the proceeding would be recorded and all witnesses must be sworn before testimony. He said all questions should be directed to the Chair. Mr. Melette was not represented by counsel nor were there any witnesses.

Following Mr. Melette's presentation of his case, Chairman Cox stated that the Board would take the matter under advisement and called for a motion to go into executive session to receive legal advice concerning this matter. Chairman Cox stated that while in executive session no votes would be taken and no determinations made.

Executive Session

11:00 am

Mr. Biggers moved to go into executive session and Mr. Keenan seconded the motion.

Public Session

11:20 am

Mr. Edwards moved to come out of executive session and Mr. Biggers seconded the motion.

Chairman Cox stated that while the Board was in executive session, there were no votes taken and no determinations made on the disposition of the case. He asked if there was a motion any Board member cared to make.

Motion: Mr. Keenan moved that Mr. Melette's application to be an instructor of real estate courses be denied until his parole has been completed and proof of the completion has been submitted to the Real Estate Commission Administrator. Once the Commission receives that information, his application would be processed and he would not have to come back before the Board. Mr. Biggers seconded the motion and motion carried.

Dennis K. Manning

11:25 am

Chairman Cox stated Mr. Manning was here to request that he be approved to sit for the real estate sales examination. Chairman Cox stated that the proceeding was being recorded and that all witnesses must be sworn before testimony. He said all questions should be directed to the Chair. Mr. Manning was not represented by counsel. There were no witnesses.

Following Mr. Manning's presentation of his case, Chairman Cox stated that the Board would take the matter under advisement and called for a motion to go into executive session to receive legal advice concerning this matter. Chairman Cox stated that while in executive session no votes would be taken and no determinations made.

Executive Session

11:30 am

Mr. Edwards moved to go into executive session and Ms. Takacs seconded the motion.

Public Session

11:40 am

Mr. Keenan moved to come out of executive session and Mr. Biggers seconded the motion. Chairman Cox stated that while the Board was in executive session, there were no votes

Mr. Keenan moved to come out of executive session and Mr. Biggers seconded the motion.

Chairman Cox stated that while the Board was in executive session, there were no votes taken and no determinations made on the disposition of the case. He asked if there was a motion any Board member cared to make.

Motion: Ms. Edwards moved that Mr. Schneider be allowed to sit for the real estate sales examination. The motion was seconded by Mr. Keenan and carried.

Chairman Cox stated the meeting would be adjourned for a lunch break and would reconvene at 1:30 pm. The meeting reconvened at 1:30 pm.

#### Administrator's Report – Jay Pitts

Mr. Pitts reported that a conference call between Randy Bryant, LLR, Assistant Deputy Director, Jay Pitts, Tony Cox and Jay Keenan took place Monday, March 16. During this call many of the concerns that the Commission raised at the November meeting were addressed. He said these concerns had been outlined by Chairman Keenan in a letter written to Randy Bryant following the November 2008 meeting. These concerns included a need for a mandatory criminal background check for all applicants, financial status of the Commission, continued decline in the number of staff, LLR policy regarding publication of a paper newsletter (electronic only), abolishment of office audits by investigative staff, and changes in the licensing procedures in LLR

#### Mandatory Criminal Background Checks

Board members discussed the requirement of mandatory criminal background checks for new applications. Mr. Pitts commented that LLR supports criminal background checks. He stated during the Legislative session last year, a bill regarding criminal background checks was introduced, but it did not pass. He said he was told the opposition to the bill was with the privacy issue. Mr. Spoon discussed the legality of requiring a mandatory criminal background check. He stated the clear answer is that it could be done through Statute or Regulations. He said the less clear answer is that if in the Real Estate Practice Act the Commission has the power to determine good moral character, that it is probably defensible.

Motion: Mr. Keenan moved that the Commission adopt a policy that requires that each new application for a real estate license in the State of South Carolina include a national criminal background check that must be submitted with the application. The application will not be considered complete until the background check has been received. All costs for obtaining the national criminal background check will be the responsibility of the applicant, not the Commission. The mechanics will be worked out by the Real Estate Commission staff. Ms. Takacs seconded the motion and it carried.

#### Board Newsletters

Mr. Pitts stated that the LLR policy has been for several years not to have paper newsletters, only electronic. He said email addresses of real estate licensees are being

all be in agreement before this legislation is introduced in the General Assembly. He said he feels if representatives from these groups show up at the Legislature and are not in agreement regarding this bill, nothing is going to happen. There was discussion on the confusing format in which the proposed legislation is written.

Sheridon Spoon, Advice Counsel, commented that it is not unusual to have differences of opinions about legislation particularly since this had been drafted from an external source. He said since this is a major rewrite of the Practice Act, he suggests that the Commission should use its resource, Bob Selman, Legislative Liaison for LLR. He stated in addition to Mr. Selman being the Legislative Liaison, he also knows the Real Estate program very well. He stated Mr. Selman would want to know what the Commission's concerns and feelings were about this matter. He said LLR is not allowed to lobby and that Mr. Selman does not lobby, but he needs to know what the Commission's perspective is on this bill. There was discussion on whether or not board members should be at the subcommittee meeting for support and actually answer questions. Mr. Spoon closed by saying he felt sure that Mr. Selman would want to be informed of the Commission's position.

Chairman Cox suggested that the Commission task force members (Tony Cox, Evelyn Young, Beau Tiller, Jay Pitts and add Carl Edwards to fill Steve Sloop's position) be resurrected so they can review this bill before a meeting is set up with the SC Realtors. Chairman Cox stated he would like to make sure that Mr. Kremydas understands there is a lot that needs to be worked out before this bill goes to the State House.

#### Property Disclosure Statement

Mr. Pitts stated that the revision of the Property Disclosure Statement was discussed at the January. He said he relayed to Mr. Kremydas the position of the Commission and was waiting to hear back from him. He said as of today, he has not heard anything further.

#### Reciprocity North Carolina

Mr. Biggers reported on the status of reciprocity with the North Carolina Real Estate Commission. He said at this time North Carolina is denying licenses to South Carolina candidates if they do not have their number of education hours. He said he would be in touch with the North Carolina Real Estate Commission to discuss the issue and would keep the Commission informed.

#### Safety Issue - Real Estate Licensees

Mr. Biggers reported on the shooting of a real estate licensee in Rock Hill, South Carolina, over a dispute of earnest money. Mr. Biggers inquired if there was something more that could be done in the agency law to have the earnest money held somewhere else other than by the broker. Chairman Cox stated licensees cannot be too careful. He said his company had a safety expert present a safety demonstration to their employees. Ms. Wolfe, Chief, Office of Investigations and Enforcement, briefly discussed the Interpleader Act 184 (Section 22-3-25) which became law in 2002. She said this act provides that magistrates take jurisdiction of Interpleader actions filed over claims of disputed real estate money where claims do not exceed \$7,500.

Jay Keenan stated since this was his last meeting, he wanted to express how much he had enjoyed being a Member of the Commission. He said that it was nice to know and work with people that felt as strongly as he does about professionalism in the industry. Commission members expressed their gratitude for the fine job Mr. Keenan had done and how much he would be missed.

Adjourned 3:40 PM

Yours truly,

A handwritten signature in black ink, appearing to read "Jay Pitts", with a long horizontal flourish extending to the right.

Jay Pitts  
Administrator