

Minutes
South Carolina Real Estate Commission
Meeting/Hearings
September 20, 2006 - 10:00 AM
Kingstree Building, Room 108
Columbia, South Carolina

Members attending: Jay Keenan, Chairman; Manning Biggers, Vice Chairman; Evelyn Young, Secretary; Tony Cox; Buccie Harley; Robert Heos; and Steve Sloop

Absent: Scott Moseley (Excused)

Staff: Robert L. Selman, Assistant Deputy Director; Jay Pitts, Administrator; Ann Parris, Administrative Assistant; and Beau Tiller, Education Manager

Chairman Keenan called the meeting to order at 10:10 AM. Members of the Commission introduced themselves. Chairman Keenan stated for the record the following Freedom of Information statement. Public notice of this meeting was properly posted at the Real Estate Commission office, Synergy Business Park, Kingstree Building, Columbia, South Carolina, 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. A quorum was present at all times.

Minutes – August 2, 2006

Motion: The minutes of the August 2, 2006 meeting were unanimously approved as written on motion of Mr. Cox and second of Mr. Biggers.

Vote – Members Absence

Motion: Mr. Harley moved to excuse Mr. Moseley's absence. Motion seconded by Mr. Biggers and carried.

Management Update – Jay Pitts, Administrator

- 1) ARELLO Conference, San Antonio, Texas – September 23-27, 2006
Mr. Biggers and Ken Kitts, Program Coordinator, Time Share, will be representing the Commission at the conference.

- 2) Mr. Pitts reported that currently there are approximately 44,000 licensees and that following renewals last year, the count was about 40,000. Mr. Selman estimated that in the past five years the numbers have increased probably twenty-five percent. Chairman Keenan asked if the number of staff had increased accordingly. Mr. Pitts stated that the Commission hires temporary staff to get through the high peak times of renewals and that seems to work fine. Chairman Keenan asked if the number of staff had grown accordingly in order to keep up with the number of licensees. Mr. Selman stated the Commission usually brings in temporary staff towards the end of the renewal period to handle those people who wait to the last minute. He said having the option of online renewal has increased the efficiency within the office. He said the number of licensees renewing online increases each renewal period, and that he can see that in the future that online renewal could be the only option.

- 3) PSI Examination Committee – Beau Tiller will be representing the State at this committee meeting in October. This committee meets every two years.
- 4) SCAR Annual Conference – Mr. Pitts and Mr. Cox attended the South Carolina Association of REALTORS (SCAR) annual conference in Myrtle Beach. Mr. Cox presented the Commission’s Resolution of Appreciation to Jim Peters, former CEO of SCAR.
- 5) Task Force – There will be a Task Force meeting, chaired by Wayne Poplin, on October 12 to discuss the mandated course development.

Old Business – None

Time Share – Jay Pitts

Mr. Pitts distributed copies of several news articles that recently appeared in various newspapers around the State concerning the time share industry in South Carolina. He said these articles stem from discussions with a reporter over a three-month period. This reporter had questions and the staff answered his questions. Mr. Pitts stated there were also some “Talking Points” in the packet that he and Mr. Selman had put together for Adrienne Youmans, Director, SC Labor, Licensing and Regulation. He said this might be helpful to the Board in answering questions they may receive from the public.

Mr. Pitts commented on the status of time share within the State. He said it is moving along just fine. The Commission has downsized but that staff is still doing what it needs to do to stay on top of problems that arise. He said there is more than one staff person involved in the time share program: Ken Kitts is the coordinator but the Commission has a host of other staff that answers questions by phone, handle investigations, and registration. Mr. Pitts stated the problem has been with one company and that staff is working with them trying to clear up complaints. He stated he did not need to disseminate too much information as this could require Board action in the future.

Comments from the Board: Mr. Cox suggested that the Board take a proactive approach. It was decided to form an ad hoc committee to review the time share program and see what changes, if any, should be made. Chairman Keenan asked Mr. Cox and Mr. Harley to sit on this committee along with Ken Kitts and two industry representatives. Chairman Keenan stated he would like to suggest that the committee look at two matters: the law to determine if there needs to be recommendations to the Legislature for changes in the statute and to review internal procedures on how complaints are handled. Chairman Keenan stated he would leave it up to Mr. Cox and Mr. Harley to come up with two industry members. He stated he would like to have a report from Messrs. Harley and Cox concerning the committee at the next meeting, if possible.

License Application Appeals

10:30 AM

Mr. Cox recused himself from the David J. DeLuca hearing.

David J. DeLuca

Mr. DeLuca appeared before the Board June 19, 2006, to request that he be allowed to sit for the sales examination. At that time, Mr. DeLuca withdrew his application and requested that he be allowed to come back before the Board with a broker who would be willing to employ him.

Mr. DeLuca was not represented by counsel. He had one witness, Kathy L. Hughes, Broker-in-Charge, Prudential Burroughs & Chapin, Little River.

Mr. DeLuca presented his case. At the conclusion of his presentation, Chairman Keenan stated the Commission would take the matter under advisement and called for a motion to go into executive session. Chairman Keenan stated that no determination would be made while in executive session.

Executive Session

10:50 AM

Motion: Mr. Biggers moved and Mr. Sloop seconded that the Board go into executive session. Motion unanimously carried.

Return to public session

10:55 AM

Motion: Mr. Biggers moved that the Board come out of executive session. Motion was seconded by Mr. Harley. Motion unanimously carried.

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

Motion: Mr. Sloop moved that the Board approve David J. DeLuca's request to sit for the sales examination. Mr. Harley seconded the motion. Motion unanimously carried.

Chairman Keenan called for a five-minute recess.

11:00 AM

Reconvened at 11:05 AM

Michael Taylor

11:05 AM

Represented by Harry C. DePew, Member of the Richland County Bar. There were no witnesses.

Mr. Taylor appeared before the Board to request that his broker license be reinstated.

Mr. DePew discussed two Orders that were brought against Mr. Taylor in 2002. He stated the first Order dated May 6, 2006, had a penalty of \$5,000 that was to be suspended upon payment of a \$1,000 fine within 60 days. Mr. DePew said Mr. Taylor had paid that fine as well as met the education stipulations imposed by the Board in that Order. The second Order dated September 18, 2002, imposed a \$1,000 fine which has not been satisfied. Mr. DePew said the Order could be interpreted two different ways regarding payment of the fine before the Board would hear Mr. Taylor's appeal, but stated that Mr. Taylor was ready to pay the \$1,000 fine today if the Board requires that he do so.

Mr. Wilson said Mr. DePew had fairly represented both sides of the issue involving the interpretation of the Order. Mr. Wilson said he believed that the Order of September 2002 had been interpreted properly by the Board as it defines that a \$1,000 fine be paid. The Order stated that Mr. Taylor was suspended in September 2002. He said ordinarily, a licensee would not be entitled to come before the Commission until all stipulations of the Order had been satisfied.

Mr. Wilson stated for the record that the issue before the Commission is whether the \$1,000 imposed by the Commission in the September 2002 Order is required to be satisfied before Mr. Taylor can appeal to the Board to have his license reinstated. He said this would require a motion from the Board.

Chairman Keenan stated the Commission members needed legal counsel from Mr. Wilson and called for a motion to go into executive session.

Executive Session

11:20 AM

Motion: Mr. Biggers moved and Mr. Cox seconded the motion to go into executive session in order to receive advice from Mr. Wilson. Motion unanimously carried.

Return to public session

11:30 AM

Motion: Ms. Young moved to return to public session and Mr. Sloop seconded the motion. Motion carried.

Motion: Mr. Heos moved that the Board would hear Mr. Taylor's case once the fine of \$1,000 was satisfied. Motion seconded by Mr. Harley. Motion carried.

Mr. Taylor paid the \$1,000 fine that was imposed in the September 2002 Order. 11:35 AM

Mr. Wilson had to leave the meeting and Shirley Robinson, LLR Staff Counsel, assumed the role of Advice Counsel for the Commission.

Mr. DePew presented Mr. Taylor's case. At the conclusion of his presentation, Chairman Keenan stated the Commission would take the matter under advisement and called for a motion to go into executive session. Chairman Keenan stated that no votes would be taken and no determination would be made while in executive session.

Executive Session

12:10 PM

Motion: Mr. Harley moved that the Board go into executive session for deliberation. Mr. Biggers seconded the motion. Motion carried.

Return to Public Session

12:40 PM

Ms. Young moved to come out of executive session and Mr. Harley seconded the motion. Motion carried.

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

Motion: Mr. Cox moved that Michael Taylor would be allowed to be licensed as a broker, not as broker-in-charge. Mr. Taylor would not be allowed to apply for a broker-in-charge license until the two-year period expires. Mr. Harley seconded the motion. Motion carried.

There being no further application appeals, the Chairman called a recess. Disciplinary hearings began when Board reconvened at 1:20 PM.

Disciplinary hearings were held on Thomas Gillease and Frances Smith. Board decisions were as follows:

1) Thomas J. Gillease - Complaint dismissed

2) Frances Smith - Respondent must complete 30 hours of course work in addition to the continuing education requirements of South Carolina Code 40-57-130. Course or courses must be preapproved by the Commission, and it shall be the Respondent's responsibility to provide the Commission or its designee with written documentation that requirements have been met within the time period specified in the Order.

There being no further business, the meeting adjourned at 6:45 PM.

Submitted,

Evelyn Young
Secretary