

Minutes
Regular Meeting/Hearings
South Carolina Real Estate Commission
Synergy Business Park, Kingstree Building
110 Centerview Drive, Room 201-03
July 18, 2007 – 10 am

Members attending: Jay Keenan, Chairman; Manning Biggers, Vice Chairman; Evelyn Young, Secretary; Buccie Harley; Robert Heos; Scott Moseley; and Steve Sloop
Absent: Tony Cox (excused)

Staff attending: Robert Selman; Assistant Deputy Director; Jay Pitts, Administrator; Sharon Dantzler, LLR Staff Counsel; Stan Bowen, Chief Officer, Office of Investigations and Enforcement; Beau Tiller, Education Manager; and Ann Parris, Administrative Assistant

Chairman Keenan called the meeting to order at 10:05 am. He stated for the record the following South Carolina 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. Please be aware that all conversations in the meeting room are being recorded and portions may be public in accordance with the Freedom of Information Act. A quorum was present at all times.

Minutes – May 26, 2007

Motion: Mr. Harley moved and Mr. Biggers seconded that the minutes of May 26, 2007 be approved as written. Motion carried.

Member Absence Excused

Tony Cox was granted an excused absence on motion of Mr. Sloop and second of Mr. Heos.

Management Update – Jay Pitts, Administrator

- 1) Online Renewal – Licensees responded to the option to renew online. Approximately 70% of licensees renewing this period, renewed online. Approximate number of licensees as of today is 45,000
- 2) The Commission has two task forces at this time. Tony Cox is chairing the Time Share Ad Hoc Committee. Several meeting and that there will be a report at the September meeting. In conjunction with SCAR, Task Force is working on the Residential Disclosure Statement in order to update it... There may be an update on this group as well.
- 3) Mandated Core curriculum courses- The first 2 hours are ready to be field tested and will be done this coming Monday in the upstate area. There is a meeting scheduled for August 13, 2007, to discuss
- 4) Next Board meeting is a regularly-scheduled meeting for September 19 and that four disciplinary hearings have been scheduled for August 21.
- 5) The number of people applying for licensure keeps increasing, but staff manages to stay on top of the workload. Mr. Pitts said on a personal note, some of the licensing staff have been with the Commission for many years and not only work hard, but offer a tremendous amount of experience. Mr. Pitts stated he receives a lot of positive comments from customers regarding the excellent service rendered by the staff. Chairman Keenan asked Mr. Pitts to convey to the staff on behalf of the Board their appreciation for a job well done. He said he has received complimentary statements regarding the staff's excellent work.

Old Business

Reciprocity – North Carolina

Chairman Keenan explained briefly the recent changes North Carolina has made in their licensing law and the difficulties that have ensued due to these changes. Mr. Pitts commented that he and Mr. Biggers were continuing to talk with Larry Outlaw, North Carolina Real Estate Commission, regarding these difficulties. Mr. Biggers briefly outlined how the changes in the North Carolina licensing classifications are no longer equivalent to South Carolina, but that he is hoping there would be some resolution in the near future. He said he hoped that he and Mr. Pitts would have a proposal to present to the Board at the September meeting.

Ms. Dantzler, advice counsel, stated she wanted to point out that the South Carolina Real Estate Commission statute is unusual because it has two relevant provisions in its statute that address the matter of reciprocity. She said the Commission relied on Section 40-57-120(A) for reciprocal agreements. She reviewed this section which states “the Commission may enter into reciprocal agreements with real estate regulatory authorities of other jurisdictions which provide for waivers of education requirements or examinations if the Commission considers the education and examination requirements of another jurisdiction to be substantially equivalent to the requirements of this chapter.” Ms. Dantzler said the interesting thing about that statute is that in order to legally enter into a reciprocity agreement, this Commission must consider the education and examination requirements of the other jurisdiction, regardless of which state it is, to be substantially equivalent to the requirements of this chapter. Ms. Dantzler said any time a state changes its educational and examination requirements such that they do not match South Carolina requirements; it gets very difficult to legally enter into a traditional reciprocity agreement. She said, however, the real estate statute includes Section 40-57-100 (B) which states “as a condition of licensure, an applicant shall submit to an examination which must be conducted by the department or a designated test provider at a time and place specified by the department.”

Ms. Dantzler discussed both options available to the Board and said that the important thing to remember is that when the Board engages in these conversations and discussions, they need to remember that under the South Carolina statute there are two ways to go. Ms. Dantzler said in some ways one of them will fit the needs of the state better than traditional reciprocity. Chairman Keenan said this is state law and the Board just can't change a state law. Ms. Dantzler stated when South Carolina enters into a reciprocity agreement, the first sentence in that reciprocity agreement says that South Carolina will have to recognize the educational and examination requirements of that state as substantially equivalent to its own because that is what the statute states. Ms. Dantzler stated if the Board is at all uncomfortable with that, it is nice to have that other provision because it allows the opportunity for reciprocity if the applicant can prove that the other state's requirements are substantially equivalent to what South Carolina requires.

Chairman Keenan stated the only thing to be done is to devise a test that would test just on the South Carolina law. Mr. Biggers stated the test is already in place and what was being done was to try and come up with a resolution without that.

Ms. Dantzler said the North Carolina statute is not now substantially equivalent; and that the Board almost has no choice but to void the old reciprocity agreement and start over. If the decision is to start over, there are two approaches as to how to handle across border licensing. The real estate statute is unusual because it has both versions in it and that is very valuable in these kinds of discussions.

Mr. Pitts stated when South Carolina received a copy of the changes, staff knew there would be problems with true reciprocity but it was decided to sit back and see what kind of problems would be encountered. He said one of the issues is that South Carolina requires three years experience before a licensee can become a broker and that is a problem. Staff is receiving numerous phone calls about this problem. Mr. Pitts stated he hoped there would be some resolution to report to the Board at the September meeting.

New Business – Investigative Review Committee Reports (IRC)

Mr. Pitts explained what the IRC is and the purpose of the committee. The committee is made up of the attorney, the administrator, a public member and the investigator. The Committee meets monthly to review complaints. Board members will receive on a monthly basis a report as to the findings of the IRC and asked to review and approve or disapprove the report. Mr. Pitts stated the Board is the final authority and will receive beginning today, a monthly report as to the finding of the IRC. The Board will be asked to review and approve the report. In the future, the report will be sent electronically to all Board members.

Motion: Mr. Moseley moved to accept the report as presented and Mr. Biggers seconded the motion. Motion carried.

Two interns working for the Real Estate Commission for the summer introduced themselves. Graham Lee, Greenville, SC, and Brad Matthews, Anderson, SC, are students at the University of South Carolina.

Chairman Keenan called a recess at 10:40am. Chairman Keenan reconvened the meeting at 10:55 am.

Application Appearances

Patrick Mr. Argoe

11:00 am

Chairman Keenan stated that the proceedings were being recorded; all witnesses must be sworn before they testify, and all remarks should be directed to the Chairman.

Mr. Argoe appeared before the Board without legal counsel to request that he be allowed to sit for the sales examination. Two witnesses: Dorothy Argoe, mother, Murrells Inlet, South Carolina, and his brother, John P. Argoe, Myrtle Beach, South Carolina. Following Mr. Argoe's presentation, Chairman Keenan stated the Board would take the matter under advisement and called for a motion to go into executive session.

Executive Session

11:25 am

Motion: Mr. Biggers moved and Mr. Heos seconded to go into executive session. Motion carried.

Public Session

11:35 am

Mr. Biggers moved and Mr. Sloop seconded the motion to come out executive session. Motion carried.

Chairman Keenan stated that while the Board was in executive session, there were no votes take 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. Heos moved and Mr. Harley seconded the motion that Mr. Argoe shall be authorized to take the real estate exam and, submit current application, provide a current financial statement which is acceptable within the guidelines of the Commission, two year probation (to begin the day license is issued) under supervising broker and Dorothy Argoe, mother, and continue to attend the Alcoholics Anonymous meetings and assure that his sponsor informs the Commission staff of his compliance by quarterly reports. Motion carried.

Karen Annette Chastain

11:40 am

Chairman Keenan stated that the proceedings were being recorded; all witnesses must be sworn before they testify, and all remarks should be directed to the Chairman.

Ms. Chastain appeared before the Board without legal counsel to request that she be allowed to sit for the sales examination. One witness: Steven Webb, Nashville, Tennessee. Following Ms. Chastain's presentation, Chairman Keenan stated the Board would take the matter under advisement and called for a motion to go into executive session.

Executive Session

12:00 Noon

Motion: Mr. Heos moved and Mr. Sloop seconded to go into executive session. Motion carried.

Public Session

12:10 pm

Mr. Biggers moved and Mr. Heos seconded the motion to come out executive session. Motion carried.

Chairman Keenan stated that while the Board was in executive session, there were no votes take 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. Sloop moved to allow Ms. Chastain to sit for the real estate sales examination on receipt of letter from Steve P. Loftis, Broker-in-Charge, Tinsley Real Estate, Inc., sent to Administrator, Jay Pitts, saying he will grant you a position with his company. Mr. Moseley seconded the motion. Motion carried.

Meeting adjourned at 12:30 pm. Disciplinary hearings followed a lunch break.

Submitted,

Evelyn Young
Secretary