

MINUTES

South Carolina Real Estate Commission

Wednesday, August 17, 2016, 10:00am

Synergy Business Park, Kingstree Building, Conference Room 105

110 Centerview Drive, Columbia, South Carolina 29210

Meeting Called to Order:

Chairman Crigler called the meeting of the South Carolina Real Estate Commission to order at 10:00 a.m. Board members participating in this meeting included:

David Crigler – Chair – 4th Congressional District
G. Hamlin O’Kelley – Vice Chair - Public Member
Candace Pratt – 1st Congressional District
David C. Lockwood, III, 2nd Congressional District
Andy Lee – 3rd Congressional District
John Rinehart – 5th Congressional District
Tony Cox – 7th Congressional District (via teleconference)
Wayne Poplin – At-Large Member
Johnathan Stackhouse – Public Member

Staff members participating during the meeting included Roderick Atkinson, Board Administrator; Wanda Cooke, Administrative Assistant; Georgia Lewis, Office of Advice Counsel; Sharon Wolfe, Office of Investigations and Enforcement; Erin Baldwin, Office of Disciplinary Counsel.

Public Notice:

Chairman Crigler announced that public notice of this meeting was properly posted at the S.C. Real Estate Commission Office, Synergy Business Park, Kingstree Building, 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.

Pledge of Allegiance:

The Pledge of Allegiance was recited by all present.

Invocation

Invocation was offered by Mr. Rinehart.

Introduction of Board Members and Staff

Excused Absences

None

Approval of Agenda:

MOTION:

Mr. O’Kelley made a motion to approve the agenda, with the removal of Bruce Harrell and Veldon Bates application hearings. Ms. Pratt seconded the motion, which carried unanimously.

Approval of the Meeting Minutes from June 15, 2016

MOTION:

Mr. Stackhouse made a motion to approve the minutes of the June 15, 2016 meeting, adding “to obtain legal advice” on lines 159, 187 and 195. Mr. Lee seconded the motion, which carried unanimously.

Chairman’s Remarks:

David Crigler

Chairman Crigler advised that a special called meeting will be held on September 7, 2016, to discuss changes in the Real Estate License Law, which will take effect on January 1, 2017.

Administrator’s Remarks:

Rod Atkinson

Mr. Atkinson announced that new South Carolina CORE course entitled *TRID Safely in a Flood of Disclosures* has won the Education Award at ARELLO. This award will be presented at the upcoming ARELLO Conference.

1. Licensure Update as of August 8, 2016

• Broker	5159
• Broker In Charge	7492
• Property Manager	1466
• Property Manager In Charge	1232
• Salesman	20839
• Salesman (Provisional)	2231
TOTAL ACTIVE	38,419

• Inactive Broker	1624
• Inactive Property Manager	536
• Inactive Salesman	5480
TOTAL INACTIVE	7,640

**TOTAL CURRENT LICENSES
AS OF 8/8/2016 46,059**

2. Budget - The board reviewed the budget reports for June 2016.

3. Investigations and Enforcement

Sharon Wolfe presented the Commission with an overview of the opened and closed cases from January 1, 2016 –August 17, 2016, as well as the same time frame for the previous year.

- 4. IRC Report -** The Commission reviewed the IRC reports from July 11 and August 8, 2016.

MOTION:

Mr. Stackhouse made the motion to approve the *Dismissals* portion of the IRC report from July 11, 2016. Mr. Lee seconded the motion, which carried unanimously.

MOTION:

Mr. Cox made the motion to approve the *Formal Complaints* portion of the IRC report from July 11, 2016. Mr. Poplin seconded the motion, which carried unanimously.

MOTION:

Ms. Pratt made the motion to approve the *Dismissals* portion of the IRC report from August 8, 2016. Mr. Lee seconded the motion, which carried unanimously.

MOTION:

Ms. Pratt made the motion to approve the *Formal Complaints* portion of the IRC report from August 8, 2016. Mr. Rinehart seconded the motion, which carried unanimously.

MOTION:

Mr. Cox made the motion to approve the *Letter of Caution* portion of the IRC report from August 8, 2016. Ms. Pratt seconded the motion, which carried unanimously.

- 5.** Erin Baldwin, Office of Disciplinary Counsel, briefly updated the Commission on pending cases.
- 6.** Mr. Atkinson announced that the next ARELLO conference will be held in Vancouver, Canada on September 21-25, 2016. Mr. Rinehart and Mr. Cox have expressed interest in attending this conference.

MOTION:

Mr. Stackhouse made the motion to approve funding for at least two (2) board members, and others they may express interest in attending, as long as a quorum is maintained for the September 21st Commission meeting. Mr. Poplin seconded the motion, which carried unanimously.

Mr. Atkinson informed the Commission that a new Agency Director, Emily Farr, has been named effective August 18, 2016. Any number of attendees over 2 would need to be approved by Ms. Farr.

MOTION:

Mr. Poplin made the motion to approve funding for 3 investigators and 1 staff member to attend the ARELLO Investigative Workshop to be held in Salt Lake City, UT – October 18-20, 2016. Mr. Lee seconded the motion, which carried unanimously.

MOTION:

Mr. Stackhouse made the motion to approve funding for one staff member to attend the ARELLO Conference. Ms. Pratt seconded the motion, which carried unanimously.

NEW BUSINESS

Pay at Close

Mitch Cook and Pauline Bennett from Coldwell Banker Residential Brokerage – addressed the Commission to discuss this topic, which has also been referred to in some states as *Same Day Pay Day*. Simply put, *Pay at Close* is a process where the Broker in Charge gives written authorization to the settlement agent to issue two checks at closing; one to the brokerage firm for its portion of the commission, and one to the agent for his/her portion of the commission.

MOTION:

Ms. Pratt made a motion to enter Executive Session to obtain legal advice. Mr. Rinehart seconded the motion, which carried unanimously.

MOTION:

Ms. Pratt made a motion to enter Open Session. Mr. Poplin seconded the motion, which carried unanimously.

MOTION:

Mr. Rinehart made a motion to deny Mr. Cook's request to follow *Pay at Close* procedures, since such procedures would be in violation of S.C. Code of Laws Section 40-57-135 (B) (8). Mr. O'Kelley seconded the motion, which carried unanimously.

Erin Baldwin introduced Roland Austin to the Commission. Mr. Austin will be serving as the new *Disciplinary Counsel* for the Commission.

APPLICATION HEARINGS

James Green

The Commission held an Application Hearing regarding James Green. Mr. Green appeared before the Commission to present testimony and was represented by Ray Chandler, legal counsel. Discussion ensued.

MOTION:

Mr. Cox made a motion to enter Executive Session to obtain legal advice. Mr. O'Kelley seconded the motion, which carried unanimously.

MOTION:

Mr. Cox made a motion to enter Open Session. Ms. Pratt seconded the motion, which carried unanimously.

MOTION:

Mr. O'Kelley made a motion to allow Mr. Green to sit for the Real Estate sales exam. Upon obtaining a license, Mr. Green will remain on probation for a period of three (3) years. During the probation period, Mr. Green will be required to complete Ethics/Escrow and Agency Law annually, which may not be counted for continuing education. Mr. Green must reappear before the Commission if/when he wishes to apply for a Broker's license. Mr. O'Kelley seconded the motion, which carried with a 7/1 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Claudine Rawl

The Commission held an Application Hearing regarding Claudine Rawl. Ms. Rawl appeared before the Commission to present testimony and was not represented by legal counsel. Commissioner Cox was recused from this hearing. Discussion ensued.

MOTION:

Mr. Lee made a motion to allow Ms. Rawl to sit for the examination. Mr. Lockwood seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Thomas Hill

The Commission held an Application Hearing regarding Thomas Hill. Mr. Hill appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

MOTION:

Mr. Lockwood made a motion to allow Mr. Hill to sit for the examination. Mr. Cox seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Troy Smith

The Commission held an Application Hearing regarding Troy Smith. Mr. Smith appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

MOTION:

Mr. Cox made a motion to enter Executive Session to obtain legal advice. Mr. Lockwood seconded the motion, which carried unanimously.

MOTION:

Mr. Lee made a motion to enter Open Session. Ms. Lockwood seconded the motion, which carried unanimously.

MOTION:

Ms. Pratt made a motion to allow Mr. Smith to sit for the examination. Upon obtaining a real estate license, Mr. Smith will be on probation for a period of one year. Mr. O’Kelley seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

English Robinson

The Commission held an Application Hearing regarding English Robinson. Mr. Robinson appeared before the Commission to present testimony and was not represented by legal counsel. Discussion ensued.

MOTION:

Mr. O’Kelley made a motion to allow Mr. Robinson to sit for the examination. Mr. Poplin seconded the motion, which carried on a 7/1 vote.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Tameika Pringle

The Commission held an Application Hearing regarding Tameika Pringle. Ms. Pringle appeared before the Commission to present testimony and was not represented by legal counsel. This is the second time Ms. Pringle has appeared before the Commission. Her application was denied at a previous hearing in September 2015. Discussion ensued.

MOTION:

Mr. Lockwood made a motion to deny Ms. Pringle’s application to sit for the examination. Mr. Lee seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Dewey Strang, Malik Kelly, Michelle Waters, and Bradley Martin did not appear today, therefore, their application hearings were not held.

Vice Chairman O’Kelley left the meeting at 3pm; however, a quorum was maintained.

Unfinished Business*Electronic Rent Payments to Unlicensed 3rd Party Clearinghouse*

A lengthy discussion was held with members of the profession, as well as staff from the Office of Investigation and Enforcement, regarding the receiving of rent payment through online 3rd party companies who are not licensed as Property Management companies.

MOTION:

Mr. Lee made a motion to enter Executive Session to obtain legal advice. Mr. Pratt seconded the motion, which carried unanimously.

MOTION:

Mr. Stackhouse made a motion to enter Open Session. Ms. Lee seconded the motion, which carried unanimously.

Chairman Crigler thanked the members of the public for attending to share their concerns regarding this ongoing issue. Mr. Atkinson will confer with ARELLO and some other boards across the country to see how they are handling this process. A committee will be formed, including Mr. Atkinson, Commissioner Stackhouse, Eric Wetherington (Carolina One), Austin Smalls (SCR) and a member of LLR's Investigative staff; to continue conversations to determine the best way to move forward with this matter.

Mr. Poplin informed the Commission that the Education Task Force will meet on Thursday, August 18th and will present a report at the September 7th meeting.

MOTION:

Mr. Stackhouse made a motion to adjourn at 4:00 p.m. Mr. Poplin seconded, which carried unanimously.