

South Carolina Real Estate Commission
Inspection Taskforce Teleconference Meeting Minutes
Thursday, April 13, 2023 at 10a.m., Via WebEx

Public notice of this meeting was properly posted at the S.C. Real Estate Commission Office, Synergy Business Park, Kingstree Building, Commission website, 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. The telephone number and access code were provided on the posted agenda for members of the public wishing to join.

Taskforce Members Present:

Andy Lee – Commissioner, Taskforce Chair
John Rinehart – Commissioner

SCLLR STAFF PRESENT:

Kyle Tennis, Esq., Office of Advice Counsel
Meredith Buttler, Administrator
Ashlynn Kirk, Administrative Coordinator
Jennifer Stillwell, Chief Inspector
Roger Richardson, Inspector

PRESENT:

Sean Cary, Court Reporter

CALLED TO ORDER: Mr. Lee, Chair, called the meeting to order at 10:05 a.m.

APPROVAL OF AGENDA

Motion: To approve the agenda.

Moved by Mr. Rinehart and seconded by Mr. Lee, the motion was approved unanimously.

INTRODUCTION OF TASKFORCE MEMBERS AND STAFF

Taskforce members and staff introduced themselves.

REVIEW OF CURRENT INSPECTIONS FORM, PROCESS AND PROCEDURES

Ms. Stillwell provided the taskforce with an overview of the current process and procedures for inspections. On a monthly basis, inspections are conducted for both new and existing brokerages and property management offices. In the event an inspector finds an issue during the inspection, a re-inspection is conducted within 45 days to determine if the issue has been resolved. If the issues have not been resolved, the licensee is reported to OIE for action.

Mr. Tennis stated the inspection form has not been updated in some time and revisions to address the change in technology and industry practice is needed. Based upon the taskforce discussion, Commission staff will draft amendments to the inspection form to be reviewed at the next Taskforce meeting.

Mr. Richardson, Commission inspector, discussed the current inspection form, highlighting several outdated portions. Supervision, banking information, and contract review are areas he

feels need attention and provided taskforce members with examples of each process shortcoming.

Commissioner Lee requested clarification on inspection process regarding review of listing agreements and brokerages/office that do not have escrow accounts. Ms. Stillwell confirmed that inspectors do not request review of deeds in conjunction with record review. Inspectors do review the office policy to confirm agents are following it.

Mr. Lee stated that usually there are escrow issues and asked what other issues inspectors are currently seeing. Mr. Richardson stated that during inspections, there are typically more issues found with property management than real estate brokerages. Additionally, electronic signatures are becoming more of an issue when reviewing records. Mr. Lee voiced a concern that the lack of BIC or PMIC supervision is a major concern of the Commission.

Mr. Rinehart asked Mr. Richardson if BICs or PMICs are available for questions on-site when inspection occur. Mr. Richardson explained that they are not always on-site for questions and often that inspectors have to track down the BIC or PMIC for information, with non-SC resident BICs and PMICs being particularly difficult to get in touch with.

Mr. Rinehart stated BIC and PMIC need to be sent reminders of the law regarding their responsibilities. Mr. Lee stated the BIC or PMIC should be required to be available during the inspection. Mr. Tennis stated that is not always possible as the inspections team performs both announced and unannounced visits; however, it may be possible to require the licensee-in-charge to be available for announced visits and will look into this further. The Taskforce further discussed procedures regarding appropriately elevating action with respect to non-responsive brokerages and offices to better protect the public.

DISCUSSION OF PROCESS AND PROCEDURES FOR NEW AND EXISTING OFFICE REGISTRATIONS

This information was discussed within the previous agenda topic.

DISCUSSION OF PROCESS AND PROCEDURES FOR INSPECTIONS FOLLOWING COMPLAINT INVESTIGATION

Mr. Tennis spoke with Ms. Stillwell and the inspections team is very willing to do follow-up inspections following the conclusion of a formal complaint, if the Commission finds that said follow-up inspection is needed.

REVIEW OF CURRENT INSPECTOR TRAINING

Ms. Stillwell explained the current process of training inspectors. The inspections team appreciates former licensees who apply for the inspections team as they bring their prior knowledge and experience to the team. Inspectors in training receive take the salesperson education courses and the one-week property manager course. Then, inspectors in training complete job shadowing with current inspectors. Inspectors in training work with current inspectors for about 2-3 months before they are able to go out in the field. Ms. Stillwell notified the Taskforce that all inspection team members participate in the ARELLO Investigator training that is held annually. Mr. Tennis explained that by law, only investigators are technically required to complete training, so it has proven beneficial that the inspection team has followed a similar training regime as the investigations team. Ms. Stillwell explained that the inspections

team is in a good spot regarding training and the newest inspectors currently in training are doing well.

PUBLIC COMMENTS

None

ADJOURNMENT

The meeting adjourned at 10:53 a.m.