South Carolina Real Estate Commission Meeting Minutes

Wednesday September 13, 2023 at 10:00 am 110 Centerview Dr. Kingstree Building, Upstate Conference Room Columbia, South Carolina

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.

Commission Members Present:

William "Andy" Lee, Chair – 3rd Congressional District John Rinehart, Vice Chair – 5th Congressional District Allen Wilkerson – 2nd Congressional District David Burnett – 4th Congressional District W. Brown Bethune – 7th Congressional District Gary A. Pickren, Esq. – At-Large Member Jonathan Stackhouse – Public Member

SCLLR STAFF PRESENT:

Kyle Tennis, Esq., Office of Advice Counsel Meredith Buttler, Commission Executive Ashlynn Kirk, Administrative Coordinator Joi Middleton, Education Manager

PRESENT:

Nadine Garrett, Court Reporter Austin Smallwood, Esq. (SCR) Bill Decker Tracy Lambert Gessica Vargas Carela Chris Hendrickson

CALLED TO ORDER: Mr. Lee, Chair, called the meeting to order at 10:16 am.

INVOCATION

Mr. Rinehart gave the invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by all present.

INTRODUCTION OF COMMISSION MEMBERS AND STAFF

Commission members and staff introduced themselves.

APPROVAL OF EXCUSED ABSENCES

Motion: To approved the absences of Candace Pratt and Janelle Mitchell.

Moved by Mr. Burnett and seconded by Mr. Rinehart, the motion carried by unanimous vote.

APPROVAL OF AGENDA

Motion: To approve the agenda.

Moved by Mr. Pickren and seconded by Mr. Stackhouse, the motion carried by unanimous vote.

CHAIRMAN'S REMARKS

Mr. Lee elected to forego remarks.

APPLICATION HEARINGS

a. Bill Decker

(Mr. Decker appeared later in the meeting, and was heard after Ms. Carela and Mr. Hendrickson; these minutes maintain the original order in which the application hearings appeared on the agenda.)

Mr. Decker appeared before the Commission for a salesperson application hearing. He waived his right to counsel and was sworn in by the court reporter. Application hearings are recorded by a certified reporter in the event a verbatim transcript is necessary.

Motion: To enter into closed session.

Moved by Mr. Rinehart and seconded by Mr. Bethune, the motion carried by unanimous vote.

Motion: To approve Mr. Decker to sit for the salesperson exam.

Moved by Mr. Bethune and seconded by Mr. Pickren, the motion carried by a vote of 5 in favor to 1 opposed.

Motion: To return to open session.

Moved by Mr. Pickren and seconded by Mr. Rinehart, the motion carried by unanimous vote.

b. Michael Landry

Mr. Landry did not appear before the Commission for a salesperson application hearing, despite being properly noticed.

c. Gessica Vargas Carela

Ms. Vargas Carela appeared before the Commission for a salesperson application hearing via WebEx. She waived her right to counsel and was sworn in by the court reporter. Application hearings are recorded by a certified reporter in the event a verbatim transcript is necessary.

Motion: To enter into executive session for legal advice where no votes will be taken. Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by unanimous vote.

Motion: To exit executive session and return to open session.

Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by

Motion: To deny Ms. Vargas Carela to sit for the salesperson exam.

Moved by Mr. Pickren and seconded by Mr. Rinehart, the motion carried by a vote of 5 in favor to 1 opposed.

d. Chris Hendrickson

unanimous vote.

Mr. Hendrickson appeared before the Commission for a salesperson application hearing via WebEx. He waived his right to counsel and was sworn in by the court reporter. Application hearings are recorded by a certified reporter in the event a verbatim transcript is necessary.

<u>Motion:</u> To enter into executive session for legal advice where no votes will be taken. Moved by Mr. Bethune and seconded by Mr. Burnett, the motion carried by unanimous vote.

Motion: To exit executive session and return to open session.

Moved by Mr. Stackhouse and seconded by Mr. Bethune, the motion carried by unanimous vote.

Motion: To approve Mr. Hendrickson to sit for the salesperson exam. Following passing of the exam and issuance of license, Mr. Hendrickson must take the 4-hour "Disclose, Disclose, Disclose" continuing education course within six (6) months of license issuance and provide to the Commission office proof of completion of the course. The hours received for this course will not be computed in and will not count toward the calculation of total continuing education hours required for licensure or renewal. Failure to do so will result in his license being administratively suspended.

Moved by Mr. Rinehart and seconded by Mr. Pickren, the motion carried by a unanimous vote.

APPROVAL OF MEETING MINUTES

Motion: To approve the August 16, 2023 Commission meeting minutes.

Moved by Mr. Burnett and seconded by Mr. Wilkerson, the motion carried by unanimous vote.

Motion: To approve the August 21, 2023 Education Taskforce meeting minutes. Moved by Mr. Burnett and seconded by Mr. Rinehart, the motion carried by unanimous vote.

STAFF REPORTS

a. Executive Report

Mrs. Buttler reported there are currently 7,230 active broker-in-charge licensees; 4,861 active broker licensees; 32,739 active salesperson licensees; 1,431 active property manager-in-charge licensees; and 1,741 property manager licensees. The Commission was also presented the totals for timeshare salesperson registrants, real estate or property manager office registrations, and initial application volume from 2015 to present.

The Commission's current account balance as of July 31, 2023 is \$7,642,473.85. Also included in the meeting materials was the cash balance report for the Education and Research Fund as well as the Timeshare Recovery Fund.

Mr. Pickren requested a notice be sent to all licensees and their BIC following lapse of licensure to inform them that they cannot practice real estate until the license is reinstated.

b. Education Report- Joi Middleton

Mrs. Middleton reported that exam scores are trending slowly upward. This can be seen now on the newly posted monthly and yearly exam statistics posted on the Commission's Pre-Licensing Education webpage.

Mrs. Middleton shared an update published by PSI indicating an update to the National Real Estate Broker and Salesperson Examination, with an implementation date of October 1, 2023. Notice of the update will be sent to providers and schools via eblast.

TASKFORCE REPORTS

a. Education Taskforce- David Burnett

Mr. Burnett and Mrs. Buttler presented the proposed amendments to Regulations 105, explaining the proposed amendments for each section. The majority of the amendments center around reorganization and clarifying the differences in pre-licensing and continuing education requirements. The Commission reviewed and discussed the request to lower the elective CE minimum time from two hours to one hour.

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Motion: To enter into executive session for legal advice where no votes will be taken.

Moved by Mr. Wilkerson and seconded by Mr. Bethune, the motion carried by unanimous vote.

Motion: To exit executive session.

Moved by Mr. Rinehart and seconded by Mr. Wilkerson, the motion carried by unanimous vote.

Motion: To leave 105-6(D)(2)(a) as written with a 2-hour minimum for CE Elective Courses.

Moved by Mr. Burnett and seconded by Mr. Rhinehart, the motion did not carry by vote of 2 in favor to 5 opposed.

Motion: To amend the recommendation for 105-6(D)(2)(a) from 2 hours to 1 hour minimum for CE Elective Courses and removing the 10-minute break requirement for CE courses lasting 1 hour.

Moved by Mr. Pickren and seconded by Mr. Wilkerson, the motion carried by vote of 5 in favor to 2 opposed.

<u>Motion:</u> To approve the proposed amendments to Regulations 105 with leave for the correction of scrivener errors by Commission staff.

Moved by Mr. Pickren and seconded by Mr. Bethune, the motion carried by a unanimous vote.

PUBLIC COMMENTS

Mr. Smallwood from SCR advised the Commission that the SCR has received multiple calls regarding vacant land scams. Licensees are unaware it is a scam until after earnest money has been presented and deposited. In these cases, SCR requestes clarification as to whether or not a broker is clear to return this money to the buyer in these types of situations. The Commission agreed that the vacant land scam "seller" is not the actual seller, therefore there a contract would not exist and the earnest money can be returned.

Mr. Smallwood also requested clarification if an unlicensed personel can assist with contacting potential buyers to set up appointments on behalf of a licensee. The Commission referred to the Practice Act, including Section 40-57-135(k) which addresses activities unlicensed employees may not perform, and discussed the difference between ministerial acts performed by unlicensed employees and cold-call solicitations by unlicensed employees.

ADJOURNMENT

Motion: To adjourn.

Moved by Mr. Rinehart and seconded by Mr. Pickren, the motion carried by unanimous vote.

The meeting adjourned at 2:27 pm.