

**South Carolina Real Estate Commission**  
**Special-Called Teleconference Meeting Minutes**  
Monday, October 9, 2023 at 2:00 p.m.

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.

**Commission Members Present:**

William “Andy” Lee, Chair – 3<sup>rd</sup> Congressional District  
John Rinehart, Vice Chair – 5<sup>th</sup> Congressional District  
Candace Pratt – 1<sup>st</sup> Congressional District  
Allen Wilkerson – 2<sup>nd</sup> Congressional District  
David Burnett – 4<sup>th</sup> Congressional District  
Janelle Mitchell – 6<sup>th</sup> Congressional District  
W. Brown Bethune – 7<sup>th</sup> Congressional District  
Gary A. Pickren, Esq. – At-Large Member

**SCLLR STAFF PRESENT:**

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

**PRESENT:**

Katherine Boone, Court Reporter  
Austin Smallwood, Esq., SCR  
Lindsay Jackson, Esq., SCR

**CALLED TO ORDER:** Mr. Lee, Chair, called the meeting to order at 2:01 p.m.

**APPROVAL OF AGENDA**

**Motion:** To approve the agenda.

Moved by Mr. Bethune and seconded by Ms. Pratt, the motion was approved unanimously.

**APPROVAL OF EXCUSED ABSENCES**

**Motion:** To approve the absence of Jonathan Stackhouse.

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

**INTRODUCTION OF COMMISSION MEMBERS AND STAFF**

Commissioners and staff introduced themselves.

**DISCUSSION OF TITLE 40, CHAPTER 57 REVISIONS PER S.C. CODE ANN. § 40-57-60(A)(3) CONTINUED**

Mr. Tennis began the meeting reiterating that today’s meeting is a continuation of the October 5<sup>th</sup> Special-Called Meeting regarding the Commission’s authority to recommend changes in legislation pursuant to S.C. Code Ann. § 40-57-60(A)(3). As provided before, Mrs. Buttler and Mr. Tennis have been working on a draft of recommended changes that they are presenting to the Commission and asking the Commission to review for discussion, edits and/or approval. Draft edits that were discussed included but were not limited to the following:

**Section 40-57-310. Qualifications for Licensure**

It was recommended to specify that applicants must pass both the state and national portions of the applicable examination.

Other recommendations included grammatical changes and updated verbiage based upon updated definitions.

**Section 40-57-320. Conditions for license application; education;examination;fees**

Recommended changes included the following:

- For S.C. Code Ann. § 40-57-320(A)(2)(a), “one hundred fifty hours” was stricken and “Sixty hours” was added, the phrase “ninety of which may be the hours required for an associated salesperson license” was stricken, and “ three years active salesperson licensure withing the past five years” was amended to “five years active associate licensure within the past seven years”.
- For S.C. Code Ann. § 40-57-320(B)(2), amended to include “both the state and the national portions of the examination”.
- -For S.C. Code Ann. § 40-57-320(B)(3), amendments to include “both the state and national portision of the examination”
- For S.C. Code Ann. § 40-57-320(B)(6) recommended changes to remove residency references

Other recommendations included grammatical changes and updated verbiage based upon updated definitions.

**Section 40-57-330. Broker-in-Charge license requirements; active broker or associate must be license under broker-in-charge**

Recommended the addition of S.C. Code Ann. § 40-57-330(C) as follows: “When a designated broker-in-charge becomes disassociated with the office registered with the Commission, the broker-in-charge shall immediately notify the Commission. The broker-in-charge designation will be removed and the licensee’s license will be inactivated.”

Other recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-340. Conditions for license renewal; background chekcs; continuing education; exemptions.**

Recommended changes included the following:

- S.C. Code Ann. § 40-5-340(A)(2), continuing education hours were increased from ten to sixteen hours.
- S.C. Code Ann. § 40-57-350(B)(1)(c) was stricken

- Part of Section 40-57-340(C) was stricken and replaced with information regarding carrying forward continuing education hours.
- S.C. Code Ann. § 40-57-340(E)-(H) was stricken and largely moved to new Article 8, which is focused on education

Other recommendations included grammatical changes and updated verbiage based upon updated definitions.

**Section 40-57-350. Real estate brokerage firm duties to client; agency relationship; applicability of common law.**

In the recommended changes, the sentence “Pursuant to the aforementioned duties owed to a client, a real estate brokerage firm and its subagents are prohibited from engaging in, representing others in, or assisting others in in the practice of wholesaling.” Was added to S.C. Code Ann. § 40-57-350(A). A similar prohibition was added to S.C. Code Ann. § 40-57-350(L)(5) as it applies to customers. Other recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-360. Broker-in-Charge responsible for team supervision.**

Recommended changes included team advertising requirements, team name requirements, registration regulations, the combination of S.C. Code Ann. § 40-57-360(D) and (F), and an effective date for any future regulations. Other recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-370. Duty of licensee to provide disclosure of brokerage relationships; exceptions.**

Recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-380. Effect of termination, expiration, completion or performance of agency agreements; accounting and confidentiality.**

Recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-510. Manager or property manager-in-charge license.**

As to recommended changes, the paragraph “When designate property manager-in-charge becomes disassociated with the office registered with the Commission, the property manager-in-charge shall immediately notify the Commission. The property manager-in-charge designation will be removed and the licensee’s license will be inactivated.” was added as S.C. Code Ann. § 40-57-510(F), with later paragraphs being re-numbered. Recommendations included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-520. Management of residential multiunit rental locations.**

Recommendations included grammatical changes. The Commission had no further recommendations for this section.

**Section 40-57-710. Grounds for denial of issuance of license or for disciplinary action against licensee.**

Recommended changes included the following:

- Specifically including shoplifting in S.C. Code Ann. § 40-57-710(A)(9)
- Adding complying with an inspector to S.C. Code Ann. § 40-57-710(A)(25)
- Adding rejection forms to the list of what must be promptly submitted to S.C. Code Ann. § 40-57-710(A)(26)
- Adding a requirement that the supervising broker-in-charge or property manager-in-charge must attend the hearing in the event a supervised licensee appears before the Commission for a disciplinary hearing, and that a broker-in-charge or property manager-in-charge failing to do so, absent showing good cause why they did not attend, may face disciplinary action

Recommendations also included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-720. Investigations; order, investigation and disciplinary procedures; surrender of license; disciplinary action; report to be posted.**

Recommendations included “restraining orders” be stricken from the section heading; S.C. Code Ann. § 40-57-720(B) being updated to include cease and desist orders, action seeking injunctive relief, and an additional statutory reference; S.C. Code Ann. § 40-57-720(C)(3) being updated from ninety to one hundred twenty days; removing the minimum fine amount; and raising the maximum fine amount from five thousand dollars to ten thousand dollars per violation.

Recommendations also included grammatical changes and updated verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-730. Licensure after revocation.**

This section was updated to better align with recent statutory changes to S.C. Code Ann. § 40-1-10 et seq.

**Section 40-57-740. Actions against owners and agents; education standards; education providers or instructors.**

Recommendations were to strike S.C. Code Ann. § 40-57-740(C) through (I), with the substance of the stricken statutes moved to new Article 8, which is focused on education. The Commission had no further recommendations for this section.

**Section 40-57-750. Costs of investigation and prosecution of violations.**

There were no recommended changes for this section.

**Section 40-5-760. Imposition of costs; collection.**

There were no recommended changes for this section.

**Section 40-57-770. Confidentiality and privileged communications.**

Discussions were held regarding whether a supervising broker-in-charge or property manager-in-charge should be made aware of a supervised licensee receiving a complaint against their license. Further research was requested.

**Section 40-57-780. Failure to renew or register license; penalties**

Recommendations included updating verbiage based upon updated definitions. The Commission had no further recommendations for this section.

**Section 40-57-790. Civil actions.**

There were no recommended changes for this section. The Commission had no further recommendations for this section.

**Section 40-57-800. Service of notice; continuance.**

Recommendations included grammatical changes. The Commission had no further recommendations for this section.

**Section 40-57-810. Severability.**

There were no recommended changes for this section. The Commission had no further recommendations for this section.

**Section 40-57-810. Education Providers, instructors and Courses.**

Recommendations in this section included moving information from S.C. Code Ann. § 40-57-340(E) through (H) to this section. The majority of the amendments were focused on reorganizing current statutes and incorporating the hybrid language for in-person and distance learning synchronous and asynchronous courses. Amendments also include language correction, reflective of ARELLO and IDECC standards as well. It was noted that this education section should be updated to begin with 40-57-910 to differentiate from and avoid confusion with existing S.C. Code Ann. § 40-57-810.

**Section 40-57-820. Applications.**

The majority of the recommendations were focused on reorganizing current statutes and including updated information based on current administrative procedures.

**Section 40-57-830. Renewals**

The majority of the recommendations were focused on reorganizing current statutes and including updated information based on current administrative procedures.

The Commission will have an additional special-called WebEx meeting continuing this discussion on October 10, 2023, at 2:00pm to finish discussing the draft recommended changes.

**PUBLIC COMMENTS**

Mr. Smallwood wanted to bring to the Commission's attention *Darby v. Furman Co., Inc.* 343 S.C. 343 (1999), as it relates to S.C. Code Ann. § 40-57-135(I)(8).

Mr. Smallwood also stated that the number one call SCR receives is about earnest money, so this being addressed in statute is helpful.

**ADJOURNMENT**

**Motion:** To adjourn.

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

The meeting adjourned at 3:50 p.m.