South Carolina Real Estate Commission Meeting Minutes

Wednesday, May 14, 2025 at 10:00 am 110 Centerview Dr., Kingstree Building, Upstate Conference Room Columbia, South Carolina 29210

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.

Commissioners Present:

John Rinehart, Chair – 5th Congressional District Daniel Moskowitz – 1st Congressional District Allen Wilkerson – 2nd Congressional District William "Andy" Lee – 3rd Congressional District W. Brown Bethune – 7th Congressional District Gary A. Pickren, Esq. – At-Large Member Johnathan Stackhouse – Public Member Thomas Dugas, Esq. – Public Member

SCLLR STAFF PRESENT:

Erica Wade, Commission Executive
Ashlynn Brown, Administrative Coordinator
Brandy Duncan, Esq., Office of Advice Counsel
Joi Middleton, Education Manager
Meredith Buttler, Program Director
Shannon Davis, Esq., Office of Disciplinary Counsel
Wattie Wharton, Lead Investigator Office of Investigations and Enforcement
Chuck Waters, Office of Investigations and Enforcement
Chuck Turkal, Office of Investigations and Enforcement
Jennifer Farmer, Office of Investigations and Enforcement
Eboni Best. Administrative Coordinator

PRESENT:

Katherine Boone, Court Reporter Austin Smallwood, Esq., SCR Erika Wilson Tanesha Duckett Megan Alexander Sean Scapelatto, Esq. Brian Tice Wesley Kyzer Thomas Burch Laina Harvey **CALLED TO ORDER:** Mr. Rinehart called the meeting to order at 10:02 a.m.

INVOCATION

Mr. Bethune gave the invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited by all present.

INTRODUCTION OF COMMISSIONERS AND STAFF

Commissioners and staff introduced themselves.

APPROVAL OF EXCUSED ABSENCES

Motion: To approve the absence of Janelle Mitchell and David Burnett; and to approve the absence of Allen Wilkerson beginning at 1:00 pm.

Mr. Lee made a motion to approve, which was seconded by Mr. Bethune. The motion carried by unanimous vote.

APPROVAL OF AGENDA

Motion: To approve the agenda as written.

Mr. Wilkerson made a motion to approve, which was seconded by Mr. Lee. The motion was carried by unanimous vote.

APPROVAL OF MEETING MINUTES

Motion: To approve the April 23, 2025 meeting minutes.

Mr. Lee made a motion to approve, which was seconded by Mr. Moskowitz. The motion carried by unanimous vote.

COMMISSION PURPOSE & CHAIRMAN'S REMARKS

The purpose of the Real Estate Commission is to regulate the real estate industry so as to protect the public's interest when involved in real estate transactions. The Commission also investigates complaints and conducts application and disciplinary hearings in accordance with State statutes and regulations.

Mr. Rinehart reminded licensees to consistently check the Commission website for updates and alerts.

DISCIPLINARY HEARINGS

a. 2023-464

The purpose of this hearing was to consider the Memorandum of Agreement ("MOA") for Case No. 2023-464.

Mr. Pickren recused himself from the hearing.

Disciplinary hearings are recorded by a certified court 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. Lee and seconded by Mr. Bethune, the motion carried by unanimous vote.

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

Moved by Mr. Moskowitz and seconded by Mr. Lee, the motion carried by unanimous vote.

Motion: With respect to Case No. 2023-464, a Letter of Caution be issued.

Moved by Mr. Bethune and seconded by Mr. Dugas, the motion carried by 7 in favor to 1 opposed.

Mr. Pickren returned to the meeting

a. 2023-347 Wesley Kyzer

The purpose of this hearing was to consider the Memorandum of Agreement ("MOA") for Case No. 2023-347. Mr. Kyzer appeared before the Commission and was not represented by counsel and was sworn in.

After opening statements were made, Mrs. Davis, with the Office of Disciplinary Counsel presented the State's case. The respondent presented his case and answered questions posed by the Commission.

Mr. Stackhouse left the meeting at 11:30am.

Disciplinary hearings are recorded by a certified court 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 public session.

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

Motion: To dismiss the case.

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

b. 2022-298 Christopher Best

The purpose of this hearing was to consider the Formal Complaint for Case No. 2022-298. Mr. Best did not appear before the Commission despite being properly noticed. Wattie Wharton (LLR) served as witness for the state and was sworn in.

After opening statements were made, Mrs. Davis, with the Office of Disciplinary Counsel presented the State's case. Disciplinary hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary.

Motion: To find that all violations alleged have been proven and to permanently revoke Mr. Best's license.

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

Mr. Stackhouse returned to the meeting at 12:45pm.

c. <u>2023-394 Erika Wilson</u>

The purpose of this hearing was to consider the Memorandum of Agreement ("MOA") for Case No. 2023-394.

Mr. Dugas recused himself from the hearing.

Ms. Wilson appeared before the Commission and was not represented by counsel. Ms. Wilson and Ms. Duckett were sworn in.

After opening statements were made, Mrs. Davis, with the Office of Disciplinary Counsel presented the State's case. The respondent presented her case and answered questions posed by the Commission.

Disciplinary hearings are recorded by a certified court 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. Bethune and seconded by Mr. Stackhouse, the motion carried by unanimous vote.

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

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

Motion: With respect to Case No. 2023-394, the state had proven Respondent violated S.C. Code Ann. § 40-1-110(1)(f) and S.C. Code Ann. § 40-57-710(A)(5). The motion included the following sanctions: Respondent be issued a public reprimand and fined \$500 per violation for a total of \$1,000 in fines to be paid within 90 days from the date of the final order.

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

Mr. Dugas returned to the meeting.

APPLICATION HEARINGS

a. Thomas Burch

Mr. Burch appeared before the Commission for an Associate reinstatement application hearing. He was not represented by counsel, was sworn in by the court reporter, testified, and answered questions from the Commission. 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. Lee and seconded by Mr. Bethune, the motion carried by unanimous vote.

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

Moved by Mr. Lee and seconded by Mr. Moskowitz, the motion carried by unanimous vote.

Motion: To deny Mr. Burch reinstatement for the Associate licensure because the Commission does not have authority to allow him to apply past the six month time period set in statute.

Moved by Mr. Lee and seconded by Mr. Pickren. The motion carried by unanimous vote.

b. Laina Harvey

Ms. Harvey appeared before the Commission for an associate application hearing. She was not represented by counsel, was sworn in by the court reporter, testified, and answered questions from the Commission. 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. Lee and seconded by Mr. Pickren, the motion carried by unanimous vote.

Motion: To return to open session

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

Motion: To approve Ms. Harvey to sit for the associate exam.

Moved by Mr. Lee and seconded by Mr. Dugas, the motion carried by unanimous vote.

STAFF REPORTS

a. Office of Investigations and Enforcement (OIE) Report

Mr. Wharton reported that from January 1, 2024, to May 7, 2025, 240 complaints have been filed. OIE currently has 54 active investigations and 5 cases have been closed during that time period.

b. Investigative Review Conference (IRC) Report

Mr. Wharton reported that the IRC met on April 30, 2025, via WebEx. The IRC recommends the following: 9 cases for dismissal, 7 cases for a letter of caution, 0 cases for Cease and Desist, and 10 formal complaints.

Mr. Pickren inquired why case 2024-1934was recommended for a Letter of Caution. Mr. Wharton provided the IRC's logic for the case.

Motion: To accept IRC recommendations as presented with the exceptions of cases: 2024-134to be dismissed.

Moved by Mr. Pickren and seconded by Mr. Stackhouse. The motion was carried by unanimous vote. Mr. Pickren recused from all cases involving wholesaling.

c. Office of Disciplinary Counsel (ODC) Report

Mrs. Davis reported as of May 12, 2025, there are 48 open cases of which 13 are pending hearings and agreements, 0 pending closure, 0 appeals, and 5 have been closed since the last report.

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

Mr. Stackhouse left the meeting at 3:05pm.

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

Moved by Mr. Lee and seconded by Mr. Moskowitz, the motion carried by unanimous vote.

d. Board Executive Report

Mrs. Wade reported there are currently 7,313 active broker-in-charge licensees; 4,954 active broker licensees; 34,218 active associate licensees; 1,574 active property manager-in-charge licensees; and 2,063 active property manager licensees. The Commission was also presented the totals for timeshare salesperson registrants, real estate or property management office registrations, and initial application volume from 2015 to present.

The Commission's current account balance as of March 31, 2025, is \$5,403,307.86. The Cash balance report for the Education and Research Fund as well as the Timeshare Fund were included in the meeting materials.

As of May 14, 2025, the total number of licensees that have renewed is 8,958. Staff is anticipating a surge in renewal numbers with the passing of the updated bill H. 3947.

At a previous meeting, Commissioners shared some concerns of how a Broker-in-Charge or Property Manager-in-Charge that is supervising so many licensees can monitor when

their supervised licensees expire. Under the LLR Licensee Look Up tool on the website, when a Broker-in-Charge or Property Manager-in-Charge inputs their office credentials, they will be able to see all the licensees under that office along with the license expiration dates right next to each license listed.

e. <u>Education Report</u>

Mrs. Middleton brought to the attention of the Commission, that at its April 11, 2024 meeting, the South Carolina Real Estate Commission extended its temporary waiver of the in-person final exam proctoring requirement for distance pre-licensing courses until June 30, 2025, in accordance with S.C. Code Ann. Regs. 105-6(C). This allows for virtual proctoring of the final examinations required for pre-licensing course completion. Mrs. Middleton received multiple requests to ask the Commission to reconsider the expiration of the waiver and to make this a permanent implementation. Mrs. Middleton asked if the Commission would like to make the waiver permanent or further extend the waiver. After discussion, the following motion was made.

Motion: To extend the allowance of remote proctoring of the pre-licensing course final exam to June 30, 2026

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

Mr. Rinehart charged staff with reaching out to PSI and education providers to see how they plan on protecting information from AI.

Mrs. Middleton presented the after-course survey draft to the Commission for review, potential edits, and approval. Mr. Moskowitz suggested adding a survey question regarding if the individual felt pressured or encouraged to accept employment at one brokerage over another or if the provider was scouting, etc.

Motion: To approve the survey to include Mr. Moskowitz suggested survey question with final approval by the chair.

Moved by Mr. Lee and seconded by Mr. Moskowitz, the motion carried by unanimous vote.

Mrs. Middleton requested Commission guidance on steps for implementing the updated Continuing Education requirements for non-resident licensees that was recently approved in Bill H. 3947. Mr. Lee explained that for this bill, the terminology of 'may' versus 'shall' is an important factor and that the Commission can accept Continuing Education from other states that South Carolina has reciprocity agreements with as long as it is written in the reciprocity agreements.

Motion: To update the Georgia and North Carolina reciprocity agreements for equal acceptance of Continuing Education with final approval by the Chair and for reciprocity of continuing education with any state that will also give reciprocity for the same to South Carolina residents.

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

CRIMINAL BACKGROUND CHECK GUIDELINE DOCUMENT FOR STAFF

Mrs. Duncan requested Commission indulgence as she would like to re-draft the document based off of Commission discussion, and will present it for Commission review and approval at the next Commission meeting.

PUBLIC COMMENTS

Austin Smallwood of SCR inquired if a brokerage, or agent, can hire a marketing company and pay that company based off of commission (written within the contract). The Commission stated that cannot be done as that is considered a referral. Mr. Smallwood also requested the Commission to consider placing the topic of IDX in the practice of real estate to a future Commission meeting agenda.

ADJOURNMENT

Motion: To adjourn.

Moved by Mr. Lee and seconded by Mr. Pickren. The motion carried by unanimous vote.

The meeting adjourned at 3:49pm