# South Carolina Real Estate Commission Meeting Minutes

Wednesday, June 11, 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 – 5<sup>th</sup> Congressional District
David Burnett, Vice-Chair – 4<sup>th</sup> Congressional District
Daniel Moskowitz – 1<sup>st</sup> Congressional District
Allen Wilkerson – 2<sup>nd</sup> Congressional District
William "Andy" Lee – 3<sup>rd</sup> Congressional District
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
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

#### PRESENT:

Elizabeth Holt, Court Reporter Austin Smallwood, Esq., SCR Richard DeLong Katie Graham Amber Marsden Aimie Marsden

**CALLED TO ORDER:** Mr. Rinehart called the meeting to order at 10:02 a.m.

#### INVOCATION

Mr. Stackhouse 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

<u>Motion:</u> To approve the absence of Janelle Mitchell, W. Brown Bethune, and Gary Pickren; and to approve the absence of Allen Wilkerson from 10:30 am- 11:30am.

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

### APPROVAL OF AGENDA

**Motion:** To approve the agenda with amendments.

Mr. Burnett 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 May 14, 2025 meeting minutes.

Mr. Lee made a motion to approve, which was seconded by Mr. Wilkerson. The motion carried by unanimous vote. Mr. Burnett abstained from voting due to not being present at the May 14, 2025 meeting

### **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 expressed his appreciation to Commission Members for their time and dedication to the profession and protecting the public.

## **STAFF REPORTS**

a. Office of Investigations and Enforcement (OIE) Report

Mr. Wharton reported that from January 1, 2024, to June 6, 2025, 291 complaints have been filed. OIE currently has 66 active investigations and 7 cases have been closed during that time period.

b. <u>Investigative Review Conference (IRC) Report</u>

Mr. Wharton reported that the IRC met on May 28, 2025, via WebEx. The IRC recommends the following: 10 cases for dismissal, 3 cases for a letter of caution, 0 cases for Cease and Desist, and 9 formal complaints.

**Motion:** To accept IRC recommendations as presented.

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

# c. Office of Disciplinary Counsel (ODC) Report

Mrs. Davis reported as of May 28, 2025, there are 58 open cases of which 9 are pending hearings and agreements, 0 pending closure, 0 appeals, and 5 have been closed since the last report.

## d. <u>Board Executive Report</u>

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 April 30, 2025, is \$5,519,716.96. The Cash balance report for the Education and Research Fund as well as the Timeshare Fund were included in the meeting materials.

As of today, total number of licensees that have renewed is 15,933. Renewals will end on June 30, 2025. On July 1<sup>st</sup> reinstatements will begin and licensees will need to pay the reinstatement fee with the renewal fee.

On Wednesday, June 4<sup>th</sup>, Commission staff hosted the first workshop of our 2025 Educational Series. This workshop was centered around inspections, specifically, how to be prepared if you are randomly selected for an inspection. There were 643 attendees on the call. Staff sent out a survey to get feedback from the attendees and to also find out what future topics they would like the commission to cover. As of today, the feedback that has been received has been positive and licensees are requesting more workshops such as these. Overall, licensees felt the workshop was helpful, that they are more aware of what is expected, and are more comfortable that the inspectors are not out "to get anyone". The workshop was recorded and it is now on the website to watch. Staff is planning on updating the FAQs on the website with information from the inspection workshop. The next workshop in the Education series will be centered around Investigations with our lead Investigator, Wattie. The date is to be announced.

After receiving clarification from the commission at the May meeting in reference to the new bill H-3947, the Commission revised the reciprocity agreements with both North Carolina and Georgia to include language from the bill. Staff was able to get a signed agreement from the Georgia Commission (which is currently on the website) and are waiting for the North Carolina Commission to review at their commission meeting on June 18<sup>th</sup>. If the North Carolina Commission approves and signs the document, staff will notify the commission, licensees, and update the website. An eblast will go out to inform the licensees.

The Commission's Education staff have sent out evaluations to the providers that students are encouraged complete after completing the courses. The evaluation gives the Commission a picture of the student's overall experience from the school, instructor, and course itself. So far, the evaluations and feedback received have been positive. The Commission is utilizing Survey Monkey to capture the results for the evaluations and the workshops that we will be hosting.

Mr. Burnett inquired if the Commission would be holding any two-day meetings in the future. Staff stated that the next scheduled two-day meeting was November 19-20, 2025. Mr. Burnett believes it would be beneficial for the Commission to have a two-day meeting in August, which would be August 6-7, 2025.

Motion: To add August 7, 2025 as Commission Meeting date.

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

Mr. Wilkerson left the meeting at 10:24am.

### **APPLICATION HEARINGS**

#### a. Jennifer Carver

Ms. Carver did not appear before the Commission despite being properly noticed.

## b. Katie Graham

Ms. Graham appeared before the Commission for a property manager 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. Moskowitz, the motion carried by unanimous vote.

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

**Motion:** To exit executive session and return to closed session.

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

**Motion:** To return to open session.

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

Ms. Graham withdrew her property manager application at this time and may reapply.

## c. <u>Richard DeLong</u>

Mr. DeLong appeared before the Commission for an Associate 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.

**Motion:** To approve Mr. DeLong to sit for the associate exam.

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

#### d. Amanda Marsden

Mrs. Marsden appeared before the Commission for a property manager 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 approve Mrs. Marsden to sit for the property manager exam.

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

Mr. Wilkerson returned to the meeting at 11:43am.

#### **NEW BUSINESS**

a. <u>Criminal Background Check Guideline Document for Staff and Criminal History</u>

<u>Reporting Guidance Document for Applicants & Licensees – Discussion and Drafts for Review & Approval – Erica Wade & Brandy Duncan</u>

Mrs. Duncan presented a draft of Criminal Background Check Guideline Document for staff, as well as a draft of a Criminal History Reporting Guidance Document for applicants and licensees, for Commission review and potential approval.

**Motion:** To enter into executive session, to include staff, for legal advice where no votes will be taken.

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

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

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

The Commission requested Staff and Advice Counsel complete further research, update the drafted documents based on that research, and bring the updated documents to the August 7<sup>th</sup> meeting for Commission review.

b. 2025 Changes to the Real Estate Practice Act Guidance Document – Draft for Review & Approval – Brandy Duncan

Mrs. Duncan explained that the document will provide similar purpose as the 2024 Changes to the Real Estate Practice Act guidance document did. This guidance document will summarize the recent update with South Carolina bill H.3947. A portion of this document includes information regarding Continuing Education requirements, the document does reflect the new information found in the updated South Carolina & Georgia reciprocity agreement.

Motion: To approve the guidance document be posted to the Commission website, and should the North Carolina Real Estate Commission approve of the updated reciprocity agreement; staff can update the guidance document to reflect this information and post the updated guidance document to the Commission website.

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

## **OLD BUSINESS**

a. <u>Citation Issuance Authority Request for Additional Approval – Brandy Duncan</u>
Mrs. Duncan explained citation authority information for 2<sup>nd</sup> and 3<sup>rd</sup> offenses for wholesaling and unlicensed practice violations were not approved at the previous meeting and that staff need this information going forward with citations. Staff proposed citation amounts and provided examples for the Commission approval.

Mr. Stackhouse inquired where citation funds go, Mrs. Brown answered stating that it goes to the Commission Miscellaneous Revenue.

Mr. Burnett inquired how the time in between 2<sup>nd</sup> and 3<sup>rd</sup> offense dates were calculated. Mrs. Davis and Mrs. Duncan explained how staff determine that information.

<u>Motion:</u> To approve the proposed citation amounts for 2<sup>nd</sup> and 3<sup>rd</sup> offense for wholesaling and unlicensed practice violation at the level of \$1,000 for a 2<sup>nd</sup> offense and \$10,000 for a 3<sup>rd</sup> offense.

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

b. No Builder's Exemption in SC Guidance Document Draft for Review & Approval – Brandy Duncan & Gary Pickren

As Mr. Pickren was unable to attend the meeting, Mrs. Duncan presented the No Builder's Exemption guidance document draft for Commission review and approval. The use of real estate licensees that work directly for a builder of new real estate, are commonly referred to as Builder's Agents.

The guidance document goes into depth explaining that South Carolina law has no provisions built into its statutes to exempt Builder's Agents from having to be real estate licensees or from having to comply with all of the normal rules and requirements regarding agency. As a result, someone operating as a Builder's Agent in South Carolina must still comply with all South Carolina real estate laws.

**Motion:** To approve the No Builder's Exemption in SC Guidance Document as presented.

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

## c. <u>BIC Supervision Manual Draft for Review & Approval – Erica Wade</u>

Mrs. Wade presented the updated Broker-in-Charge Supervision manual that included recommendations and suggestions from previous Commission review and is requesting approval to post the document to the website. Mr. Lee discussed page 26 of manual-regarding Broker-in-charge supervised licensees' proximity to the Office location. He believes the definition including 100 miles is too much of an area. Mr. Rinehart reminded the Commission that a South Carolina license is for the state of South Carolina, not just specific areas within the state. Mr. Lee suggested amending the verbiage to something along the lines of such as "distance too great that the Commission deems unmanageable". Mr. Lee expressed gratitude for including information regarding Broker-in-Charge cannot designate tasks to others.

Mr. Burnett recommended shortening the manual as it is quite lengthy. He recommended putting the requirements of the law as bullet points, then a separate page with the laws in full, and then pages for best practices. Staff will rework the document and then send it to Mr. Rinehart and Mr. Burnett for review. After Chair and Vice-Chair approval, staff will then present to the Commission for any other final comments or suggestions and request approval.

# e. <u>Statutory Authority Regarding Failure to Respond to LLR Investigators Discussion –</u> Brandy Duncan

**Motion:** To enter into executive session, to include staff, for legal advice where no votes will be taken.

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

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

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

# f. Reminder of Advertising Laws Guidance Document Draft for Review & Approval – Brandy Duncan & Daniel Moskowitz

Mrs. Duncan and Mr. Moskowitz presented a five-page guidance document to remind licensees of restrictions regarding Advertising. This document is in addition to the current Advertising Memo currently on the website.

**Motion:** To approve the guidance document with amendments and post to the Commission website.

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

g. <u>Artificial Intelligence Use Guidance Document Draft for Review & Approval – Brandy</u> Duncan & John Rinehart

Mrs. Duncan explained how the use of Artificial Intelligence is impacting the real estate profession and presented a draft guidance document for Commission approval.

**Motion:** To approve the guidance document and post to the Commission website.

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

### **PUBLIC COMMENTS**

Mr. Lee requested the topic of "Only in office listings" or private listings be added to the August 7<sup>th</sup> meeting agenda.

Mr. Burnett requested a representative of LLR finance come speak before the Commission, Mrs. Middleton provide an education report that includes information of the remedial courses, updates on the Broker-in-Charge course currently being taught (it should be including information on inspections), a report from Mrs. Stillwell regarding inspections, and the topic of FDIC Insurance also be included on the August 7<sup>th</sup> meeting agenda.

Austin Smallwood, Esq. on behalf of SCR expressed thanks to Commission staff on working with the Georgia Real Estate Commission to update the Reciprocity agreement so quickly. Mr. Smallwood inquired if it is a requirement for the licensee's full name and name of their brokerage be listed on an arrow sign as well as advertising? The Commission confirmed that an arrow sign is only for directions, not deemed advertisement.

Mr. Smallwood provided a brief scenario if a brokerage has a sister company- they are considered two separate brokerages and have two different broker-in-charges'- can they share the same address? The Commission sees no issue as long as the building signage is clear that the address houses two separate brokerages.

Mr. Smallwood inquired if Real Estate Brokerage also does property management or also has a property management company, can the two do referral fees with each other/pay each other? The Commission agreed that is not in compliance with South Carolina Code of Laws.

### **ADJOURNMENT**

**Motion:** To adjourn.

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

The meeting adjourned at 2:49pm