

## **MINUTES**

### **South Carolina Real Estate Commission**

**Wednesday, May 17, 2017, 10:00am**

Synergy Business Park, Kingstree Building, Conference Room 105

110 Centerview Drive, Columbia, South Carolina 29210

#### **Meeting Called to Order:**

Chairman Crigler called the meeting of the South Carolina Real Estate Commission to order at 10:20 a.m. Board members participating in this meeting included:

David Crigler – Chair – 4<sup>th</sup> Congressional District  
G. Hamlin O’Kelley – Vice Chair - Public Member  
Candace Pratt – 1<sup>st</sup> Congressional District  
Andy Lee – 3<sup>rd</sup> Congressional District  
John Rinehart – 5<sup>th</sup> Congressional District  
Janelle Mitchell – 6<sup>th</sup> Congressional District  
Tony Cox – 7<sup>th</sup> Congressional District

Staff members participating during the meeting included Roderick Atkinson, Board Administrator; Wanda Cooke, Administrative Assistant; Mary League, Office of Advice Counsel; Sharon Cook, Office of Investigations and Enforcement; Rowland Alston, Office of Disciplinary Counsel.

#### **Public Notice:**

Chairman Crigler announced that public notice of this meeting was properly posted at the S.C. Real Estate Commission Office, Synergy Business Park, Kingstree Building, 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.

#### **Pledge of Allegiance:**

The Pledge of Allegiance was recited by all present.

#### **Invocation:**

Invocation was offered by Commissioner Rinehart.

#### **Approval of Absences:**

David C. Lockwood, III, 2<sup>nd</sup> Congressional District  
Wayne Poplin – At-Large Member  
Johnathan Stackhouse – Public Member

#### **MOTION:**

Mr. O’Kelley made a motion to approve the absences of Mr. Lockwood, Mr. Poplin and Mr. Stackhouse. Mr. Rinehart seconded the motion, which carried unanimously.

#### **Introduction of Board Members and Staff**

**Approval of Agenda:**

**MOTION:**

Mr. Cox made a motion to approve the Agenda for today's meeting. Ms. Pratt seconded the motion, which carried unanimously.

**Approval of the Meeting Minutes from April 19, 2017**

**MOTION:**

Mr. O'Kelley made a motion to approve the minutes of the April 19, 2017, meeting. Mr. Lee seconded the motion, which carried unanimously.

**Chairman's Remarks:**

*David Crigler*

**Administrator's Remarks:**

*Rod Atkinson*

**1. Licensure Update** as of May 9, 2017

• Broker	5164
• Broker in Charge	7545
• Property Manager	1516
• Property Manager in Charge	1273
• Salesman	23158
• Salesman (Provisional)	1217
<b>TOTAL ACTIVE</b>	<b>39,873</b>
• Inactive Broker	1578
• Inactive Property Manager	558
• Inactive Salesman	5618
<b>TOTAL INACTIVE</b>	<b>7,754</b>

**TOTAL CURRENT LICENSES  
AS OF 5/9/17 47,627**

**2. Budget Update** –The Board reviewed the budget reports for April 2017.

**3. Investigations and Enforcement** – *Sharon Wolfe* presented the Commission with an overview of the opened and closed cases from January 1, 2017 – May 9, 2017, as well as the same time period for the previous year.

**4. IRC Report** - The Commission reviewed the IRC report from May 8, 2017.

**MOTION:**

Mr. Lee made the motion to approve the *Dismissal* portion of the IRC report from May 8, 2017. Ms. Pratt seconded the motion, which carried unanimously.

**MOTION:**

Mr. O'Kelley made the motion to approve the *Cease & Desist* portion of the IRC report from May 8, 2017. Ms. Pratt seconded the motion, which carried unanimously.

**MOTION:**

Mr. Rinehart made the motion to approve the *Formal Complaint* portion of the IRC report from May 8, 2017. Mr. Cox seconded the motion, which carried unanimously.

5. ODC Report – **Rowland Alston** presented the Commission with the Office of Disciplinary Counsel case load report.
6. Mr. Atkinson gave a summary of the legislative activity currently affecting the Real Estate Commission and industry. Discussion ensued.
7. Introduction of Assistant Deputy Director (Robbie Boland) and Chief Inspector (Eric Thompson).
8. ARELLO Annual Conference – will be held this year in Honolulu HI, September 20-24, 2017. Typically the agency will allow 2 commissioners and 1 staff member attend.

**MOTION:**

Mr. O’Kelley made a motion to approve funding and request permission from the Director, to allow any Commissioners, staff members, investigators and/or inspectors to attend. Mr. Lee seconded the motion, which carried unanimously.

**NEW BUSINESS**

1. Offer Rejection Form – Seller Signature (SCR) – **Austin Smallwood**, SC Realtors, addressed the Commission to discuss the use of the current Offer Rejection Form. The staff at SC Realtors amended the form to add a line for the seller signature and have been using this form on Zip files. The Commission approved form does not have a line for the seller signature and the seller signature is not a current requirement.

**MOTION:**

Mr. O’Kelley made a motion that the Commission promulgated form is to be implemented and not altered in any way. Ms. Mitchell seconded the motion, which carried unanimously.

**2. Hearings:**

- a) **Consideration of Hearing Officer or Panel** – The Commission discussed the possibility of implementing the use of a Hearing Officer or Panel in the future.

**MOTION:**

Mr. Cox made a motion to enter Executive Session to receive legal advice. Ms. Pratt seconded the motion, which carried unanimously.

**MOTION:**

Mr. Rinehart made a motion to enter Open Session. Ms. Pratt seconded the motion, which carried unanimously.

- b) **Denied Applications** - While in Executive Session, the Commission discussed denied applications, and the reconsideration of previously denied applications.

**MOTION:**

Mr. O’Kelley made a motion that the Commission will consider a hearing on a previously denied application, with the following stipulations:

- 1) There was an error or defect in the notice of the initial hearing or in the thirty (30) day waiver;
- 2) There was an error of fact or of law in the Commission’s initial determination of the application;
- 3) There is new evidence that was not available at the time of the initial hearing that is relevant to the application and has substantial likelihood of affecting the Commission’s determination;
- 4) A request is made within thirty (30) days of receipt of the written Order.

The Chairman will have the ability to accept or deny any and all requests for reconsideration.

Ms. Pratt seconded the motion, which carried unanimously.

- c) **Licensed Applicants who failed to disclose convictions/discipline on prior applications** – While in Executive Session, the Commission discussed the procedures for handling licensees who failed to disclose convictions/discipline on prior applications. It was decided that a Task Force will be formed to draft procedures. Commissioner Rinehart will Chair the task force and will be assisted by Commissioners Lee and O’Kelley. The task force will meet and give the Commission an update at a future meeting.

**DISCIPLINARY HEARINGS**

***H. Clayton Jones***

The Commission held a Disciplinary Hearing regarding H. Clayton Jones. Mr. Jones was present and was not represented by legal counsel. Rowland Alston, Office of Disciplinary Counsel, represented the State, and presented the facts of the case. Mr. Alston informed the Commission that the parties have signed a Memorandum of Agreement. The Commission reviewed such agreement and discussion ensued.

**MOTION:**

Mr. Rinehart made a motion to enter Executive Session to receive legal advice. Mr. Lee seconded the motion, which carried unanimously.

**MOTION:**

Ms. Pratt made a motion to enter Open Session. Ms. Mitchell seconded the motion, which carried unanimously.

**MOTION:**

Mr. O’Kelley made a motion to reject the signed Memorandum of Agreement and request a full hearing in this matter. Mr. Lee seconded the motion, which carried unanimously.

***(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)***

Commissioner Mitchell left the meeting at 1:00 p.m., however, a quorum was maintained.

***Ruston Williams***

The Commission held a Disciplinary Hearing regarding Ruston Williams. Mr. Williams was present and was not represented by legal counsel. Rowland Alston, Office of Disciplinary Counsel, represented the State, and presented the facts of the case. Mr. Alston informed the Commission that the parties have signed a Memorandum of Agreement. The Commission reviewed such agreement and discussion ensued.

**MOTION:**

Mr. O'Kelley made a motion to enter Executive Session to receive legal advice. Mr. Cox seconded the motion, which carried unanimously.

**MOTION:**

Mr. Rinehart made a motion to enter Open Session. Mr. Cox seconded the motion, which carried unanimously.

**MOTION:**

Mr. O'Kelley made a motion to accept the Memorandum of Agreement, and to dismiss the charges, finding no violations of the South Carolina Real Estate Practice Act. Ms. Pratt seconded the motion, which carried unanimously.

*(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)*

***Charlotte Bova***

The Commission held a Disciplinary Hearing regarding Charlotte Bova. Ms. Bova was present and was represented by Michael Scarafile, legal counsel. Rowland Alston, Office of Disciplinary Counsel, represented the State, and presented the facts of the case. Mr. Alston informed the Commission that the parties have signed a Memorandum of Agreement. The Commission reviewed such agreement and discussion ensued.

**MOTION:**

Mr. Lee made a motion to accept the signed Memorandum of Agreement, and require Ms. Bova to complete a four (4) hour Ethics course within 180 days, which may not be used towards required continuing education. Mr. Cox seconded the motion, which carried unanimously,

*(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)*

***Gregory Babbitt***

The Commission held a Disciplinary Hearing regarding Gregory Babbitt. Mr. Babbitt was present and was not represented by legal counsel. Rowland Alston, Office of Disciplinary Counsel, represented the State, and presented the facts of the case. Mr. Alston informed the Commission that the parties have signed a Memorandum of Agreement. The Commission reviewed such agreement and discussion ensued.

**MOTION:**

Mr. O'Kelley made a motion to accept the signed Memorandum of Agreement, and issue a Letter of Caution. Mr. Rinehart seconded the motion, which carried unanimously,

*(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)*

***Sherry Phillips***

The Commission held a Disciplinary Hearing regarding Sherry Phillips. Ms. Phillips was not present and was not represented by legal counsel. Rowland Alston, Office of Disciplinary Counsel, represented the State, and presented the facts of the case. Discussion ensued.

**MOTION:**

Mr. O'Kelley made a motion to permanently revoke the license of Ms. Phillips and impose a fine of \$1000 for each of the five (5) violations. Mr. Rinehart seconded the motion, which carried unanimously,

*(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)*

**PUBLIC COMMENTS:**

Austin Smallwood, SC Realtors, requested that the Commission reconsider their decision to not allow the seller signature line be added to the Offer Rejection Form.

**MOTION:**

Mr. O'Kelley made a motion to adjourn at 3:15 p.m. Ms. Pratt seconded the motion, which carried unanimously.