

MINUTES

A meeting of the Alabama Real Estate Commission was held April 23, 2014 at the offices of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Nancy Wright; Commissioners Jewel Buford, Steve Cawthon, Reid Cummings, Carole Harrison, Clif Miller, Dorothy Riggins-Allen and Danny Sharp; Executive Director Patricia Anderson; General Counsel Chris Booth; Assistant General Counsel Mandy Lynn; Licensing Administrator Anthony Griffin; Investigators David Erfman, Chuck Kelly, Phillip Bunch and K.C. Baldwin. Tori Adams served as Hearing Officer.

Other staff members present for all or part of the meeting were Public Relations Manager Vernita Oliver-Lane, Public Relations Specialist Lori Moneyham and IT Manager Brett Scott.

The meeting, having been duly noticed according to the Alabama Open Meetings Act, was called to order at 9:00 a.m. by Chairman Bill Watts and a quorum was declared.

Commissioner Sharp made a motion to approve the minutes from the March 20, 2014 meeting. Commissioner Buford seconded the motion and it passed unanimously 9-0.

Executive Director Patricia Anderson reported on the financials. Six months into FY2014 expenditures are under projection at slightly over \$1.6 million and it is anticipated that expenditures will be under budget at the end of the fiscal year. Revenues are above projections. The increase in revenue is directly related to an increase in examinations, which leads to an increase in the number of people obtaining temporary and original licenses. New licensees are required to pay the Recovery Fund fee; therefore, it is helping to close the gap between the amount collected for the Recovery Fund and the amount paid out.

HB416, the ACRE (Alabama Center for Real Estate) bill, was signed by the governor on April 10, 2014. This bill increased the real estate research and education fee from \$2.50 per year (\$5 for the two-year license period) to \$7.50 per year (\$15 for the two-year license period). The fee increase will be reflected in the upcoming renewal fees.

The Commission has been receiving questions about Internet advertising. Ms. Anderson reported that some information has been received through the ARELLO (Association of Real Estate License Law Officials) listserv regarding ways in which other states are addressing this issue. The matter was also discussed at the 2014 ARELLO Midyear Meeting in April, as it is a problem in other states as well. ARELLO's Law and Regulation Committee will conduct research to obtain feedback from all states. Kathie Connelly, ARELLO President-Elect, is arranging for representatives from Zillow, Trulia, Realtor.com and similar online real estate sites to attend the 2014 ARELLO Annual Conference in September to discuss the issues and concerns real estate regulators have regarding Internet advertising. Commissioners Steve Cawthon and

Carole Harrison also reported on their attendance at the 2014 ARELLO Midyear Meeting. Commissioner Cawthon attended the Law and Regulation Committee and the Timeshare Advisory Group meeting. He reported that Alabama is ahead of other states regarding timeshare and is one of only 20 states that is on the ARELLO Timeshare Registry. The Membership Resource Committee is working to revise the new Commissioner manual. Commissioner Harrison reported that the ARELLO Membership Committee is working on revamping the first-time meeting attendees' orientation, the new Commissioner orientation and the new member brochure.

Ms. Anderson reminded the Commissioners of upcoming meetings and deadlines:

- April 30 Deadline for completing the Statement of Economic Interests
- May 7 Examiners of Public Accounts Board Member Training
- June 3-5 2014 ARELLO District 2 & 3 Conference - Omaha, Nebraska
- June 8-11 2014 AAR (Alabama Association of REALTORS®) Summer Meeting
Destin, Florida
- June 10 Commission Forum at the AAR Summer Meeting - Destin, Florida

IT Manager Brett Scott updated Commissioners on the new login procedures for the Online Services section of the Commission's website. Upgrades will be made to Online Services May 13-15 so that real estate licensees will no longer log in using their social security numbers or dates of birth. The Commission's applications have been rewritten to remove the use of social security numbers and dates of birth and other safety upgrades have been implemented.

Commissioner Nancy Wright reported on the April 22, 2014 meeting of the Assistant Executive Directors Search Committee. The position will be posted on April 30 and the deadline for applications is May 25. Interviews will be conducted in July and August. The Search Committee anticipates filling the position no later than mid- to late-September.

General Counsel Chris Booth provided an update on the status of each pending appeals case.

Commissioner Cawthon made a motion that Commissioners conduct hearing disposition discussions and decisions in open meeting. Commissioner Miller seconded the motion and it passed unanimously 9-0.

HEARINGS AND APPEARINGS

Rebecca L. Grimes, Hardship Application for Renewal of Lapsed Salesperson's License, I-14,280

Upon discussion of Ms. Grimes' hardship request for renewal of a lapsed salespersons license, Commissioner Buford made a motion to deny her request. Commissioner Cawthon seconded the motion and it passed unanimously 9-0.

Alabama Real Estate Commission vs. Jeffrey J. Silverman AND Professional Services, LLC AND Century 21 Professional Services, LLC, Formal Complaint No. 3339

Upon discussion of the evidence and testimony presented in the matter of Jeffrey J. Silverman, Qualifying Broker, Professional Services, LLC, and Qualifying Broker of J & J Properties d/b/a Weichert Realtors 1st Choice, both at 9532 Wynlakes Place, Montgomery, Alabama, AND Professional Services, LLC, AND Century 21 Professional Services, LLC, and the alleged violations of the *Code of Alabama* 1975, as amended, Count 1: Section 34-27-36(a)(19) via the *Code of Alabama* 1975, as amended, Section 34-27-31(k) by Respondents having failed to notify the Commission that a final money judgment had been filed against them; Count 2: Section 34-27-36(a)(23)b. by Respondents having a final money judgment rendered against them from an act or omission occurring in the pursuit of his or her real estate business or that involved the goodwill of an existing real estate business; Commissioner Cummings made a motion to find Mr. Silverman guilty on Counts 1 and 2 and fine him \$2,500 per count. Commissioner Wright seconded the motion and it passed 8-1 with Commissioner Buford voting against the motion.

Cathy A. Adams, Application for Prelicense/Post License Instructor Approval, I-14,289

Upon discussion of Ms. Adams' application for prelicense/post license instructor approval, Commissioner Riggins-Allen made a motion to approve her application. Commissioner Cawthon seconded the motion and it passed 7-1 with Commissioner Harrison voting against the motion. Commissioner Watts abstained.

NOT APPEARING ITEMS FOR RULING

Daron Roy Bolen, Surrender of License, I-14,268

Upon review of the affidavit of license surrender submitted by Mr. Bolen, Commissioner Buford made a motion to accept the surrender of his license. Commissioner Riggins-Allen seconded the motion and it passed unanimously 9-0.

Extend 90-Day Deadline for June Broker, Reciprocal Broker and Reciprocal Salesperson Examinees

Upon discussion of the request to extend the 90-day filing deadline for June broker, reciprocal broker and reciprocal salesperson examinees to October 1, 2014 Commissioner Wright made a motion to extend the 90-day deadline. Commissioner Miller seconded the motion and it passed unanimously 9-0.

Confirm Next Meeting Date and Location for the Record: May 22, 2014, 9:00 a.m.

Commissioner Cummings made a motion to approve the next Commission meeting date and location for May 22, 2014 at 9:00 a.m. in Montgomery. Commissioner Sharp seconded the motion and it passed unanimously 9-0.

There being no further business, the Commission adjourned at 11:30 a.m.

Done this 23rd day of April, 2014.

Bill Watts, Chairman

Lori Moneyham, Recording Secretary