

MINUTES

The Alabama Real Estate Commission met February 11, 2009, at the Capstone Hotel on the University of Alabama campus, Tuscaloosa, Alabama.

Those present were Chairman Sheila Hodges; Vice Chair Jewel Buford; Commissioners Steve Cawthon, Bobby Hewes, Clif Miller, Jan Morris, Dorothy Riggins-Allen, Bill Watts and Nancy Wright; Executive Director Philip Lasater; Assistant Executive Director Patricia Anderson; Legal Counsel Charles Sowell; Assistant Counsel Chris Booth; Education Director Ryan Adair; and Education Specialist Pam Oates.

The meeting having been duly noticed according to The Open Meetings Act was called to order at 9:00 a.m. by Chairman Sheila Hodges.

Commissioner Watts moved to approve the January 22, 2009 minutes. Commissioner Riggins-Allen seconded the motion and it passed unanimously 9-0.

Executive Director Philip Lasater highlighted in overview the January 2009 financial statement. He noted that issuance of original and temporary licenses has declined but transfers have increased. Expenditures are under projections and the budget remains healthy.

Mr. Lasater reviewed the progress of legislation which will affect Alabama Real Estate License Law. SB 23 which contains amendments to size of letters in Section 34-27-36 and amendments to requirements for reciprocal licensing in Section 34-27-32 is expected to move soon in the Senate. SB 159 containing amendments to Section 34-27-6 is being sponsored in the Senate by Senator Jim Preuitt. The companion bill HB 428 in the House is being sponsored by Representative Cam Ward.

The process for continuing education approval of CCIM (Certified Commercial Investment Member) designation courses was discussed briefly at the request of Commissioner Watts. Mr. Chip Watts, current chapter president of IREM (Institute of Real Estate Management) and past chapter president of CCIM, addressed the Commission to urge a change in the approval process so that courses and instructors could be approved by the AREC when approved by CCIM national. He made note of complaints by instructors about having to go through the Commission's approval process. By consensus Commissioners decided to pursue a more in depth discussion of this matter on April 2 during the strategic planning session.

Assistant Counsel Chris Booth presented information to Commissioners regarding criminal background checks. He covered the Commission's statutory authority as it relates to criminal record searches, the primary sources of criminal records, identity of records compilers, comparison between conducting searches through presently used ABI (Alabama Bureau of Investigation) and CJIC (Alabama Criminal Justice Information Center) which may be a future possibility. Mr. Lasater reported to Commissioners that Senator Smitherman is to introduce a bill in the Senate that will allow regulatory boards to use CJIC and become a compact state in order to obtain national data on license applicants which is not available under the current system. Commissioners expressed interest and support of the bill that will allow the AREC access to national data.

Commissioners were directed to travel forms included in their folders for the Mid-Year ARELLO meeting scheduled to be held in April in Ashville, North Carolina. Subsequent to discussion, Commissioner Watts moved to approve Commissioner and staff attendance at the meeting. Commissioner Morris seconded the motion and it passed unanimously 9-0.

Assistant Counsel Chris Booth gave an overview of the timeshare program. He pointed out that there is currently only one active Alabama project and two active licensees. Commissioners were given a list of all projects and advertisements registered in Alabama.

Education Director Ryan Adair presented proposed amendments to Rules 790-X-1-.06, 790-X-1-.07, 790-X-1-.09, 790-X-1-.12, 790-X-1-.13, 790-X-1-.14, 790-X-1-.15, 790-X-1-.16, 790-X-1-.17, 790-X-1-.19, 790-X-1-.21, 790-X-2-.02, and 790-X-2-.03. Commissioner Morris made a motion to move forward with the administrative rule making process by submitting these changes to Legislative Reference and scheduling the rules for public hearing. The motion was seconded by Commissioner Hewes and it passed unanimously 9-0.

Mr. Lasater shared a few things about the recently completed compliance audit. One was that after carefully checking all receipts on each trip for twenty years, one personal charge was missed inadvertently, got through and was identified by Examiners on audit. Examiners have informed agencies that the Open Meetings Act requires that at each meeting Commissioners affirm the meeting date, place and time of the next meeting since a tentative calendar for the year is adopted in the fall. It was noted that Commissioners Miller and Wright along with several staff members attended the Examiner Board Training held in Montgomery on January 29, 2009.

Mr. Lasater pointed out information contained in packets about the Strategic Planning session scheduled for April 2, 2009 from 9 a.m. – 4 p.m. It will be held in the Jones Board Room in the Department of Archives and History at 624 Washington Avenue in Montgomery.

APPEARINGS

Jerrod C. Cook, Applicant for Temporary Salesperson's License, I-12,982

Upon discussion of the evidence and testimony presented in the matter of Jerrod C. Cook and his request for approval of his temporary salesperson's application, Commissioner Cawthon moved to approve Mr. Cook's application. The motion was seconded by Commissioner Hewes and passed 8-0 with Commissioner Watts abstaining.

Sharleen Smith, ATI Licensee Consumer Surveys

Ms. Smith, Associate Director of the ATI (Alabama Training Institute) of Auburn Montgomery, shared a history of the communications project they have been working on with the Commission over the past two and a half years and how it developed out of the Commission's Strategic Plan. The survey findings of licensees and of homebuyers and sellers are to be used to develop a communication strategy for the Commission's Public Awareness Initiative. Chairman Hodges stated that the genesis of this initiative is to make the public aware that the Commission has jurisdiction over unlicensed activity.

Both Ms. Smith and Commissioners expressed concern that only 74 of the 810 licensee respondents were from Jefferson, Shelby and Blount counties. Chairman Hodges suggested a direct mailing of the survey to licensees. Ms. Smith noted that they did not have reliable data on the homebuyers and sellers survey as they received only eleven responses. After analyzing the surveys and engaging in further discussion, the Commission took no action.

NOT APPEARING ITEMS FOR DISCUSSION

James J. Wallace, Jr., Hardship Request for Home Operation, I-12,981

Upon review of Mr. Wallace's request for home operation due to health problems and Commission approval for his wife to be licensed under him, Commissioner Watts moved to approve Mr. Wallace's request and limit him to only one licensee being licensed under him and further that his advertising comply with what the homeowner's association allows. The motion was seconded by Commissioner Hewes and it passed unanimously 9-0.

Johnny A. Moore, Hardship Renewal Request of Lapsed License, I-12,989

Upon review of the hardship renewal request by Mr. Moore, Commissioner Hewes moved to deny Mr. Moore's request. The motion was seconded by Commissioner Cawthon and it passed unanimously 9-0.

Sue Boles, Hardship Request for Issuance of License, I-12,990

Upon review of Ms. Bole's request for waiver of the 90 day deadline for issuance of her temporary license after taking the exam, Commissioner Riggins-Allen moved that Ms. Boles be granted a 90 day extension for submitting her application. The motion was seconded by Commissioner Cawthon and it passed unanimously 9-0.

Jessica D. Shore, Request for Extension to Complete 30-Hour Post License Course, I-12,991

Upon review of Ms. Shore's request for a 60 day extension for remaining active and applying for the original salesperson's license after her temporary license expired, Commissioner Morris made a motion to grant the request. The motion was seconded by Commissioner Cawthon and it passed unanimously 9-0.

Shaunese M. Anderson, Request for Extension of 90-Day Deadline to Have Temporary Salesperson's License Issued, I-12,992

Upon review of Ms. Anderson's request for an extension of the 90 day deadline for applying for the temporary salesperson's license, Commissioner Morris moved to deny Ms. Anderson's request. The motion was seconded by Commissioner Wright and it passed 8-1 with Commissioner Riggins-Allen voting no.

Parker Coleman Kennedy, Request for Extension to Have Original Salesperson's License Issued, I-12,993

Upon review of the request by Mr. Kennedy for additional time to apply for the original salesperson's license, Commissioner Morris moved to approve Mr. Kennedy's request. The motion was seconded by Commissioner Cawthon and it failed 1-8 with Commissioners Buford, Cawthon, Hewes, Hodges, Miller, Riggins-Allen, Watts and Wright voting no. Commissioner Morris made a motion to deny the request. The motion was seconded by Commissioner Buford and it passed unanimously 9-0.

Brinda Bouldin Purnell, Request for Extension to Take and Pass the Broker Examination, I-12,920

Upon review of the second request for additional time to take and pass the broker examination after having failed to do so during the first 60 day extension, Commissioner Watts moved that the request be denied. The motion was seconded by Commissioner Hewes and it passed unanimously 9-0.

C.B. Dement, Surrender of License, Formal Complaint No. 3106

Upon review of Mr. Dement's request for surrender of his broker's license for submitting a check to the Commission in the amount of \$195.00 on August 28, 2008 that was returned unpaid by the bank upon which it was drawn and shortly thereafter having suffered a massive stroke, Commissioner Watts moved to accept the surrender of Mr. Dement's license rendering it revoked. The motion was seconded by Commissioner Cawthon and it passed unanimously 9-0.

Commissioner Watts made a motion confirming that the next Commission meeting will be held on March 11, 2009 at 9:00 a.m. and that the Community Association Task force will meet on March 10 at 10:00 a.m. Both meetings will be held at the offices of the Alabama Real Estate Commission located at 1201 Carmichael Way, Montgomery, Alabama. Commissioner Cawthon seconded the motion and it passed unanimously 9-0.

There being no further business, the meeting adjourned at 11:25 a.m.

Done this 11th day of February, 2009.

Sheila Hodges, Chairman

Patricia Anderson, Recording Secretary