

## MINUTES

A meeting of the Alabama Real Estate Commission was held May 26, 2016, at the Commission offices, 1201 Carmichael Way, Montgomery, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Carole Harrison; Commissioners Steve Cawthon, Cindy Denney, Clif Miller, Dorothy Riggins-Allen, Danny Sharp and Nancy Wright; Executive Director Patricia Anderson; Assistant Executive Director Teresa Hoffman; General Counsel Chris Booth; Assistant General Counsel Mandy Lynn; Education Director Ryan Adair; Licensing Administrator Anthony Griffin; and Investigators David Erfman, Chuck Kelly, K. C. Baldwin and Phil Bunch. The Hearing Officer was Tori Adams. Commissioner Reid Cummings was absent with notice.

Other staff members in attendance for all or part of the meeting were Public Relations Manager Vernita Oliver-Lane; Public Relations Specialist Lori Moneyham; Accounting and Personnel Director Molli Jones; and Information Technology 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 Riggins-Allen made a motion to approve the minutes from the April 21, 2016 meeting. Commissioner Wright seconded the motion and it passed unanimously 8-0.

Chairman Watts introduced guests Jeremy Walker, Acting CEO of the Alabama Association of REALTORS® and instructor Barbara Lancaster from Best Choice School of Real Estate in Montgomery, Alabama. They were present to observe the meeting.

Executive Director Patricia Anderson presented the April 2016 financial report. Revenue has increased and, by comparison, exceeds where it was in April 2015. Expenditures remain under projection and the Recovery Fund revenue continues to exceed payouts.

Ms. Anderson presented a final legislative overview. Both of the Commission's bills passed in the 2016 legislative session. Those were SB37, the Commission's Sunset Bill that continues the agency until 2020 and SB354 that will allow the Commission to add conducting federal criminal history checks to the existing state criminal history checks for applicants. Another bill of interest to the Commission was the passage of SB80. This legislation was proposed in response to the decision in the North Carolina Dental Board case where the Supreme Court ruled that Commissioners did not have state immunity in a suit filed by the Federal Trade Commission because the dental board was comprised mainly of active market participants and they did not have substantive state oversight. Under this new law, the State of Alabama Legislative Reference Service will review new rules and rule amendments for all licensing boards for language that may contain anti-trust or restraint of trade concerns. Legislative Reference will also review actions taken by boards and commissions entailing these same concerns as identified by the agency taking the action. Commissioners commended Ms. Anderson for her work during the legislative session in helping to educate legislators on the structure and responsibilities of boards and commissions in contrast to general fund agencies and for providing information and assistance to Mr. Cooper.

Ms. Anderson informed Commissioners that an increase in their insurance coverage was available through the Alabama Department of Risk Management. More information is forthcoming.

Commissioner Cawthon made a motion to have a separate meeting to review the 2013-2017 Strategic Plan. Commissioner Miller seconded the motion and it passed unanimously 8-0.

Commissioner Watts initiated discussion about the disbursement of security deposits by licensed property managers when the property management agreement is terminated. Commissioners offered comments on the subject and it was decided that more in-depth discussion was needed. Commissioner Sharp made a motion that the disbursement of security deposits be discussed at a separate meeting. Commissioner Cawthon seconded the motion and it passed unanimously 8-0.

Commissioner Cawthon made a motion to conduct disciplinary hearing disposition discussions and decisions in an Open Meeting. Commissioner Miller seconded the motion and it passed unanimously 8-0.

## HEARINGS

### **Alabama Real Estate Commission vs. Madison Hooton Jr., Formal Complaint No. 3384**

Madison H. Hooton Jr., Qualifying Broker, Pike Road Realty LLC, Montgomery, Alabama was charged on Count 1 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(23)b. for having a final money judgment rendered against him; charged on Count 2 with violating *Code of Alabama* 1975, as amended, Section 34-27-31(j) through Section 34-27-36(a)(19) by failing to notify the Commission within ten days of the institution of a civil suit against him which related to a real estate transaction; charged on Count 3 with violating *Code of Alabama* 1975, as amended, Section 34-27-31(k) through Section 34-27-36(a)(19) for failing to notify the Commission within ten days of a final money judgement in a civil suit against him which related to a real estate transaction; and charged on Count 4 with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(2) by engaging in misrepresentation, or dishonest or fraudulent acts when renting his own property.

Upon discussion of the evidence and testimony presented in the matter, Commissioner Wright made a motion to find Mr. Hooton guilty on all counts. Commissioner Miller seconded the motion and it passed unanimously 8-0. After reviewing previous disciplinary actions, Commissioner Riggins-Allen made a motion to fine him \$1,000 per count, \$4,000 total. Commissioner Wright seconded the motion. Commissioner Cawthon made a friendly amendment to the motion revoking Mr. Hooton's license, but staying the revocation pending payment of the fine within 90 days. The amendment was accepted by Commissioner Riggins-Allen. Commissioner Wright seconded the amended motion and it passed unanimously 8-0.

### **DeAngela Oriel Berryhill, Request to be Relicensed After Revocation, Investigative File I-14,732**

Upon discussion of the testimony presented by Ms. Berryhill regarding her request to be relicensed after a previous license revocation, Commissioner Cawthon made a motion to deny her request. Commissioner Harrison seconded the motion and it passed unanimously 8-0.

**Marcus Bradley, Application for Salesperson Temporary License, Investigative File I-14,785**

Upon discussion of the testimony presented by Mr. Bradley regarding his request for approval of his temporary salesperson license application, Commissioner Riggins-Allen made a motion to approve his application. Commissioner Harrison seconded the motion and it passed unanimously 8-0.

**Ashton Moody, Hardship Request to Submit Temporary Salesperson Application, Investigative File I-14,795**

Upon discussion of the testimony provided by Mr. Moody regarding his hardship request to obtain a temporary salesperson license after the 90-day deadline, Commissioner Miller made a motion to grant his request. Commissioner Riggins-Allen seconded the motion and it passed unanimously 8-0.

**James E. Hamilton, Hardship Request for Home Operation, Investigative File I-14,780**

Upon discussion of the testimony provided by Mr. Hamilton regarding his hardship request for home operation, Commissioner Riggins-Allen made a motion to approve his request. Commissioner Wright seconded the motion and it passed unanimously 8-0.

**Byron Pillow, Hardship Request to Submit Temporary Salesperson Application, Investigative File I-14,789**

Upon discussion of the testimony provided by Mr. Pillow regarding his hardship request to submit his temporary salesperson license application after the 90-day deadline, Commissioner Wright made a motion to grant his request. Commissioner Riggins-Allen seconded the motion and it passed unanimously 8-0.

**Zippora Williams, Request to Obtain Salesperson Temporary License, Investigative File I-14,787**

Upon discussion of the testimony provided by Ms. Williams regarding her request to obtain a temporary salesperson license, Commissioner Riggins-Allen made a motion to approve her request. Commissioner Denney seconded the motion and it passed unanimously 8-0.

NOT APPEARINGS

**Pamela Renea Patterson, Formal Complaint No. 3383**

Pamela Renea Patterson was charged with violating *Code of Alabama* as amended, Section 34-27-36(a)(16) by presenting to the Alabama Real Estate Commission, as payment for a fee or fine, a check which was returned unpaid by the bank upon which it was drawn. Commissioner Cawthon made a motion to find her guilty and fine her \$250. Commissioner Wright seconded the motion and it passed unanimously 8-0.

**Matthew R. Farris, Surrender of License, Investigative File I-14,765**

Upon review of the affidavit of license surrender submitted by Mr. Farris, Commissioner Riggins-Allen made a motion to accept the surrender of Mr. Farris' qualifying broker license and the license of Farris Real Estate and Development LLC. Commissioner Miller seconded the motion and it passed unanimously 8-0.

**David A. Phillips, Request to Reduce Amount of Fine, Formal Complaint No. 3374**

Upon review of Mr. Phillips' request for a reduced fine, Commissioner Cawthon made a motion to deny the request. Commissioner Wright seconded the motion and it passed unanimously 8-0.

**Confirm Next Meeting Date and Location for the Record: June 23, 2016, 9:00 a.m. – Montgomery**

Commissioner Cawthon made a motion to approve the next Commission meeting for June 23, 2016 at 9:00 a.m. in Montgomery, Alabama. Commissioner Miller seconded the motion and it passed unanimously 8-0.

There being no further business, the meeting adjourned at 12:13 p.m.

Done this 26<sup>th</sup> day of May, 2016.

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Bill Watts, Chairman

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Lori Moneyham, Recording Secretary