

MINUTES

A meeting of the Alabama Real Estate Commission was held August 18, 2022 at the offices of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama. This meeting was also available by video teleconference (VTC).

The meeting, having been duly noticed according to the Alabama Open Meetings Act, was called to order by Commission Chairman Emmette Barran at 9:00 a.m.

Chairman Barran called the roll, and the following Commissioners indicated their presence with a spoken "present": Vice Chairman Terri May; Commissioners Jimmie Ann Campbell, Betsy Echols, Randy McKinney, Susan Smith and Cerita Tucker Smith. A quorum was declared. Commissioner Joyce Harris was absent with notice. The seat for the Sixth District is currently vacant.

Commission staff members in attendance or participating via VTC for all or part of the meeting were Executive Director Vaughn Poe; Assistant Executive Director Teresa Hoffman; General Counsel Starla Leverette; Assistant General Counsel Zack Burr; Investigators K.C. Baldwin, David Erfman, Rickey Fennie and Marshall Simons; Communications and Public Relations Director Vernita Oliver-Lane; Communications and Public Relations Specialist Senior Lori Moneyham; State Professional Trainee Jess Sparks; Communications and Public Relations Intern Taylor Hooks; Education Director Ryan Adair; Education Specialists David Bowen and Julie Norris; Accounting and Personnel Director Molli Jones; Auditors Denise Blevins and Vickie Shackleford; Account Clerk Amber Green; Information Technology Director Brett Scott; Information Technology Systems Specialist Steven Brown; Licensing Director Anthony Griffin; Licensing Assistants Shy'kierra Knight and Price Sparks; and Executive Assistant Barbi Lee. The Hearing Officer was Jim Hampton.

Members of the public also attended via video teleconference.

Commissioner Echols made a motion to approve the minutes from the July 21, 2022 Commission meeting. Commissioner Campbell seconded the motion and it passed 6-0-1 with Commissioner Tucker Smith abstaining from the vote since she was not in attendance for that meeting.

Chairman Barran recognized Wes Grant, current President of the Alabama Association of REALTORS®, who was in attendance, and asked Mr. Grant to address the Commission. Mr. Grant expressed his appreciation for the opportunity and thanked everyone for the hard work of the Commission. He stated it is his hope that the lines of communication would stay open and that the Association and the Commission will continue working together.

EXECUTIVE DIRECTOR'S REPORT

Director Poe presented the July 2022 financial reports and gave Commissioners an update on revenues and expenditures in the operating and recovery fund accounts. Revenues and expenditures are on track as projected for the year. There have been no recovery fund payouts for the past 30 days. The Commission has paid \$565,939.25 to other state agencies for services during fiscal year 2022.

Director Poe reported the Commission has issued 40,072 total licenses. There are 4,490 licensed companies and branches. During July there were 432 licenses issued: 216 Temporary, 177 Original Salesperson; and 39 Broker. The average rate of growth for July was 8.5 new license applications per day, or roughly 255 per month. Presently there are 9,522 inactive licenses. Currently, there are 34,747 individuals licensed.

Director Poe discussed renewals and that there are 34,160 licensees (people) that are potentially renewing their real estate licenses this renewal cycle. This number includes Active Licensees: Brokers – 7,814; Salespersons – 16,614; Temporary Salespersons – 1,097 and Inactive Licensees: Brokers – 1,549; Salespersons – 6,713; Temporary Salespersons – 373. To date, approximately 17,200 licenses have been renewed, or about 51 percent. These numbers are tracked on a weekly basis. Commissioners were provided a listing of current licensees in their company and their license renewal status.

He stated that the Accounting Division reported that 20 desk audits and six assistance visits were completed since the July 2022 Commission meeting. He added that the assistance visits are still aiding new and current companies in maintaining their operations in accordance with license law.

The Education Division reported there are 776 total education licensees. Education staff performed eight course audits during July – seven continuing education courses and one salesperson prelicense course.

Director Poe advised Commissioners that the proposed Commission meeting dates for 2023 will be distributed at the next meeting on September 22, 2022 and approved at the November Commission meeting.

Director Poe stated the hotel information for the October 13, 2022 Commission meeting to be held in Mobile, Alabama will be emailed the week of August 22, 2022. Additional details for the meeting will be forthcoming.

Director Poe stated positive feedback is being received from licensees regarding the salesperson licensure restructure. The scope is now expanding in that the proposal is being shared with others. The Broker Licensure Restructure Task Force is being developed and the Commission has received initial recommendations for individuals to serve.

Director Poe announced that the Commission was notified that Alabama is the winner of the 2022 Fair Housing Award from the Association of Real Estate License Law Officials (ARELLO®).

Communications and Public Relations Specialist Senior Lori Moneyham will travel to Nashville and accept the award on behalf of the Commission. Assistant Executive Director Teresa Hoffman added that, when awards are presented at the meeting, the information is shared with other states in attendance, and it encourages attendees to go back to their respective jurisdictions and do similar things. The effect and influence of this submission is widespread and something to be very proud of for our staff and state. Commissioner Smith personally recognized Communications and Public Relations Division Director Vernita Oliver-Lane, and Lori Moneyham. Chairman Barran congratulated everyone involved in the submission of the Fair Housing award. He added that the leadership and staff of the Commission are incredible.

Director Poe discussed Coffee with the Commission, which was held on Wednesday, August 17, 2022. Continuing the promotion of renewal season, Education Director Ryan Adair, Education Specialist Pam Oates and Director Poe cohosted. There were 46 attendees and they had excellent questions regarding license renewals and verifying continuing education. There was also discussion of the salesperson licensure restructure.

Director Poe reminded Commissioners that the 2022 ARELLO® Annual Conference will be held August 29-September 2 in Nashville, Tennessee.

PUBLIC HEARING

At 9:25 a.m. Chairman Barran called for the Public Hearing for Rule Amendment 790-X-1-.07 Qualifications for Prelicense and Post License Instructors. Chairman Barran called for anyone who would like to speak on the proposed rule change. There was no response from anyone in person or through VTC. The deadline for written comments is September 9, 2022. The final rule will be presented for adoption at the September 22, 2022 Commission meeting.

COMMISSIONER DISCUSSION

None

HEARINGS – 9:30 Docket

Alabama Real Estate Commission VS. Sarah Petree Terry, Formal Complaint No. 3605

Attorney Robert B. Stewart from Birmingham, Alabama was present with Ms. Terry.

Sarah Petree Terry, Associate Broker, Russellville, Alabama was charged with violating the *Code of Alabama, 1975*, as amended, Section 34-27-36(a)(27) by acting negligently or incompetently in performing an act for which a person is required to hold a real estate license.

Upon discussion of the evidence and testimony presented in the matter, Commissioner Smith made a motion to find Ms. Terry not guilty. Commissioner Campbell seconded the motion

and it passed 5-2 with Vice Chairman May and Commissioner Tucker Smith voting against the motion.

Alabama Real Estate Commission VS. Kim H. Hagen AND Hagen Auction Company Inc., Formal Complaint No. 3607

Assistant General Counsel Zack Burr advised Commissioners that Mr. Hagen submitted an executed Not Appearing Waivers and entered guilty pleas for himself and his company. The facts of the case were presented.

Kim H. Hagen, Inactive Broker, Carrollton, Georgia was charged on **Count 1** with violating *Code of Alabama, 1975*, Section 34-27-36(a)(19) by failing to comply with *Code of Alabama, 1975*, Section 34-27-35(k) in that no act for which a license is required shall be performed under an inactive license. Respondent Hagen Auction Company, Inc., Lapsed License, Carrollton, Georgia was charged on **Count 2** by violating *Code of Alabama, 1975*, Section 34-27-30 and *Alabama Administrative Code 790-X-1-.03(1)* by engaging without a license in activity that requires a real estate license.

Upon discussion of the evidence and testimony presented in the matter regarding **Count 1**, Commissioner Echols made a motion to accept Kim H. Hagen's guilty plea. Commissioner Smith seconded the motion and it passed unanimously 7-0. Commissioner McKinney made a motion to fine Kim H. Hagen \$2,500. Commissioner Campbell seconded the motion and it passed unanimously 7-0. Regarding **Count 2**, Commissioner Smith made a motion to accept Hagen Auction Company Inc's., guilty plea. Commissioner Echols seconded the motion and it passed unanimously 7-0. Commissioner Tucker Smith made a motion to fine Hagen Auction Company Inc. \$2,500. Commissioner McKinney seconded the motion and it passed unanimously 7-0.

Jeremy Ray Marcum, Application for Determination of Licensing Eligibility, Investigative File I-22-216

Upon discussion of the evidence and testimony presented in the matter regarding Mr. Marcum's application for determination of licensing eligibility, Commissioner Smith made a motion to approve his application. Vice Chairman May seconded the motion and it passed unanimously 7-0.

Griffith Keith, Application for Real Estate Salesperson's Temporary License, Investigative File I-22-101

Upon discussion of the evidence and testimony presented in the matter regarding Mr. Keith's application for a real estate salesperson's temporary license, Commissioner Tucker Smith made a motion to deny his application. Commissioner Echols seconded the motion and it passed unanimously 7-0.

Christi Melissa Murphy-Thomas, Request for Approval to Hold a Real Estate License After License was Previously Revoked, Investigative File I-22-071

Upon discussion of the evidence and testimony presented in the matter regarding Ms. Murphy-Thomas' request for approval to hold a real estate license after her license was previously revoked, Vice Chairman May made a motion to deny her request. Commissioner Campbell seconded the motion and it passed unanimously 6-1 with Commissioner Tucker Smith voting against the motion.

NOT APPEARINGS

Robert Barlow, Application for Determination of Licensing Eligibility, Investigative File I-22-225

Upon review and discussion of Mr. Barlow's application for determination of licensing eligibility, Commissioner Smith made a motion to approve his application. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

Sandra K. Crowder, Hardship Request for Home Operation, Investigative File I-22-248

Upon review and discussion of Ms. Crowder's hardship request for home operation, Commissioner Echols made a motion to deny her request. Commissioner Vice Chairman May seconded the motion and it passed unanimously 7-0.

At 12:03 p.m. Hearing Officer Jim Hampton advised Chairman Barran that the 9:30 a.m. docket and Not Appearings requests were concluded. Considering that the 9:30 docket and Not Appearings requests were complete, Chairman Barran asked for a motion to stay in Open Session or go into Executive Session for approximately 40 minutes to deliberate these cases in accordance with the Alabama Open Meetings Act, *Code of Alabama* 36-25A-7(a)(9). Commissioner Smith made a motion that Commissioners go into Executive Session in accordance with the Alabama Open Meetings Act, *Code of Alabama* 36-25A-7(a)(9) for approximately 40 minutes. Commissioner Vice Chairman May seconded the motion and it passed unanimously 7-0.

At 12:51 p.m. Commissioners returned with all Commissioners named during the initial 9:00 a.m. roll call present. Chairman Barran asked for a motion to return to Open Session. Commissioner Smith made a motion to return to Open Session. Commissioner Echols seconded the motion and it passed unanimously 7-0.

Confirm October Meeting Date and Location for the Record: October 13, 2022, 9:00 a.m. in Mobile, Alabama at the University of South Alabama's Faculty Club located at 6350 Fincher Road, Mobile, Alabama.

Vice Chairman May made a motion to confirm the October meeting for October 13, 2022, at 9:00 a.m. in Mobile, Alabama at the University of South Alabama's Faculty Club located at 6350 Fincher Road, Mobile, Alabama. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

Next Commission Meeting: Thursday, September 22, 2022, 9:00 a.m. in Montgomery.

There being no further business, Commissioner McKinney made a motion to adjourn the meeting at 1:02 p.m. Commissioner Vice Chairman May seconded the motion and it passed unanimously 7-0.

Done this 18th day of August 2022.

Emmette Barran, Chairman

Barbi Lee, Recording Secretary