

MINUTES

A meeting of the Alabama Real Estate Commission was held July 21, 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, Joyce Harris, Randy McKinney and Susan Smith. A quorum was declared. Commissioner Cerita Tucker Smith 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, Julie Norris and Pam Oates; Education Assistant Nancy Williamson; Auditors Denise Blevins and Vickie Shackelford; Senior Accountant Pam Garner; Staff Accountant Hattie Thomas; Account Clerk Amber Green; Information Technology Director Brett Scott; Information Technology Systems Specialist Steven Brown; Licensing Director Anthony Griffin; Licensing Assistants Princess Grice, 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 Campbell made a motion to approve the minutes from the June 23, 2022 Commission meeting. Vice Chairman May seconded the motion and it passed 6-0-1 with Commissioner McKinney abstaining from the vote since he was not in attendance for that meeting.

EMPLOYEE RETIREMENT RECOGNITION – Princess Grice

Executive Director Poe recognized Licensing Assistant Princess Grice and announced her upcoming retirement on August 1, 2022. Director Poe read and presented to Ms. Grice a retirement proclamation from Governor Kay Ivey recognizing her 27 years of service to the State of Alabama. Ms. Grice expressed her appreciation to her work family.

EXECUTIVE DIRECTOR'S REPORT

Director Poe discussed the influx of telephone calls and emails received daily at the Commission by licensees, and not just during renewal season. There are times when staff members are on the receiving end of a caller's frustration. Even so, our staff members show up again the next day with smiles on their faces.

Director Poe presented the June 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 \$497,722.70 to other state agencies for services during fiscal year 2022.

Director Poe reported the Commission has issued 39,817 total licenses. There are 4,479 licensed companies and branches. During June there were 551 licenses issued: 239 Temporary, 262 Original Salesperson; and 50 Broker. The average rate of growth for June was 11.06 new license applications per day, or roughly 332 per month. Presently there are 9,320 inactive licenses.

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 7,000 licenses have been renewed, or about 20 percent. These numbers are tracked on a weekly basis.

Commissioner McKinney asked how many unique individuals have licenses. This information will be added to the monthly report. Director Poe stated there are 34,352 people who have active and inactive licenses.

He stated that the Accounting Division reported that 39 desk audits and four assistance visits were completed since the June 2022 Commission meeting. He added the assistance visits are still aiding the new and current companies with their operations in accordance with license law.

The Education Division reported there are 767 total education licensees. Education staff performed six course audits during June. Director Poe called the Commissioners' attention to the Exam Pass Rate Report in the packet. The current overall pass rates for first-time exam takers are 51.7 percent and is a direct reflection of what happened in the classroom. These passage rates are followed very closely by the Commission's staff and the Examiners of Public Accounts for Sunset Review.

Director Poe announced the contract for the current exam provider will be expiring soon and the process to obtain another provider has begun. Education Director Ryan Adair informed Commissioners a Request for Proposal will be sent out in early August and the goal will be to present the results at the September meeting. The effective date of the contract will be January

1, 2023. This date allows for a transition period beginning October 1, 2022 for instructors of Prelicense courses to be notified of the upcoming change if a different exam provider is selected. There are currently two exam providers: PSI and Pearson VUE.

Commissioner Smith explained that the broker exam will change formats as well. The national test will go back to full multiple-choice questions with no simulation exercises. Instructors for the Broker Prelicense course will be notified of these changes.

Director Poe solicited and Commissioners provided feedback from the Prelicense and Post License Task Force Summary packet. Commissioner Smith stated she loved the detail of the course and appreciated the task force members going into such elaborate discussions. She expressed her appreciation to Pam Oates in the Education Division for putting together the flow chart provided. Commissioner Echols stated this change is much needed and applauded everyone for their work on the task force. Commissioner McKinney expressed his appreciation and applauded everyone's effort for the work done as well.

Director Poe stated a request has been made to add some element of Fair Housing to license law and what is done for protected classes. A Fair Housing element has been added to the new salesperson licensure process. A meeting with the Commission's Legal staff members will take place and the possibility of a rule amendment may be forthcoming.

Director Poe stated the details of the October 13, 2022 Commission meeting in Mobile on the University of South Alabama's campus were being finalized. An email containing hotel information will be sent soon.

Director Poe discussed Coffee with the Commission, which was held on Wednesday, July 20, 2022. Continuing the promotion of renewal season, Licensing Director Anthony Griffin, Education Director Ryan Adair, Education Specialist Julie Norris and Director Poe cohosted. There were over 50 attendees and they had excellent questions regarding license renewals.

Director Poe reminded Commissioners that the 2022 ARELLO® Annual Conference will be held August 29 – September 2 in Nashville, Tennessee. Commissioner College will be available for in-person attendance. The deadline to register is Friday, July 22. Commissioners were asked to contact Barbi Lee or Molli Jones to finalize their attendance plans.

COMMISSIONER DISCUSSION

1. Approve October Meeting Date and Location
Thursday, October 13, 2022 at the University of South Alabama in Mobile, Alabama

Commissioner Echols made a motion to approve the October meeting date and location for Thursday, October 13, 2022 at the University of South Alabama in Mobile, Alabama. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

HEARINGS – 9:30 Docket

Alabama Real Estate Commission VS. Gregory Brian Comer, Formal Complaint No. 3583

Attorney William H. Weems, Jr., from Birmingham, Alabama was present with Mr. Comer.

Gregory Brian Comer, Associate Broker, Birmingham, Alabama was charged with violating the *Code of Alabama, 1975*, as amended, Section 34-27-36(a)(19) by violating or disregarding any provision of this chapter or any rule, regulation, or order of the commission by failing to comply with Section 34-27-31(j) in that he did not notify the Commission of the criminal charges within ten days.

Upon discussion of the evidence and testimony presented in the matter, Vice Chairman May made a motion to find Mr. Comer guilty. Commissioner Smith seconded the motion and it passed unanimously 7-0. Commissioner Harris made a motion to fine him \$2,500. Vice Chairman May seconded the motion and it passed 6-1 with Chairman Barran voting against the motion.

Yolanda Carole Russell, Application for Determination of Licensing Eligibility, Investigative File I-22-191

Upon discussion of the evidence and testimony presented in the matter regarding Ms. Russell's application for determination of licensing eligibility, Commissioner Smith made a motion to approve her application. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

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

This hearing was continued until August 18, 2022.

Bonita L. Wilson, Application for Determination of Licensing Eligibility, Investigative File I-22-202

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

Thomas Hayes (Trey) Kelly, III, Request for Extension of Deadline to Apply for Original Salesperson License, Licensing File 2022-006

Upon discussion of the evidence and testimony presented in the matter regarding Mr. Kelly's request for an extension of the deadline to apply for original salesperson license,

Commissioner Smith made a motion to grant him a 14-day extension. Commissioner Harris seconded the motion and it passed unanimously 7-0.

HEARINGS – 10:30 DOCKET

Meloney D. Reliford, Application for Determination of Licensing Eligibility, Investigative File I-22-184

Upon discussion of the evidence and testimony presented in the matter regarding Ms. Reliford's application for determination of licensing eligibility, Commissioner Smith made a motion to approve her application. Commissioner Harris seconded the motion and it passed 4-3 with Commissioners Barran, Harris, McKinney and Smith voting in favor of the motion and Commissioners Campbell, Echols and May voting against the motion. The motion carried.

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

This hearing was continued until August 18, 2022.

Robert Ellis Steffens, Application for Real Estate Salesperson's Temporary License, Investigative File I-22-178

This hearing was continued until October 13, 2022.

NOT APPEARINGS

Amanda Lee Wilson, Application for Real Estate Salesperson's Temporary License, Investigative File I-22-211

Upon review and discussion of Ms. Wilson's application for a real estate salesperson's temporary license, Commissioner Campbell made a motion to approve her application. Commissioner Harris seconded the motion and it passed unanimously 7-0.

Gail Trotter, Application for Real Estate Salesperson's Temporary License, Investigative File I-22-214

Upon review and discussion of Ms. Trotter's application for a real estate salesperson's temporary license, Commissioner Harris made a motion to approve her application. Commissioner Echols seconded the motion and it passed unanimously 7-0.

At 10:51 a.m. Hearing Officer Jim Hampton advised Chairman Barran that the 9:30 a.m. and 10:30 a.m. dockets and Not Appearings requests were concluded. Considering that the 9:30 and 10:30 dockets and Not Appearings requests were complete, Chairman Barran asked for a

motion to stay in Open Session or go into Executive Session for approximately 15 minutes to deliberate these cases in accordance with the Alabama Open Meetings Act, *Code of Alabama* 36-25A-7(a)(9). Vice Chairman May 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 15 minutes. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

At 11:23 a.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 Echols made a motion to return to Open Session. Commissioner Harris seconded the motion and it passed unanimously 7-0.

Confirm September Meeting Date and Location for the Record: September 22, 2022, 9:00 a.m. in Montgomery, Alabama.

Vice Chairman May made a motion to confirm the September meeting for September 22, 2022, at 9:00 a.m. in Montgomery, Alabama. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

Next Commission Meeting: Thursday, August 18, 2022, 9:00 a.m. in Montgomery.

There being no further business, Commissioner Smith made a motion to adjourn the meeting at 11:32 a.m. Commissioner Campbell seconded the motion and it passed unanimously 7-0.

Done this 21st day of July 2022.

Emmette Barran, Chairman

Barbi Lee, Recording Secretary