MINUTES

A meeting of the Alabama Real Estate Commission was held Thursday, March 23, 2017, at the offices of the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Steve Cawthon; Commissioners Carole Harrison, Reid Cummings, Cindy Denney, Clif Miller, Vaughn T. Poe, Danny Sharp and Nancy Wright; Executive Director Patricia Anderson; Assistant Executive Director Teresa Hoffman; General Counsel Chris Booth; Assistant General Counsel Mandy Lynn; and Investigators David Erfman, Chuck Kelly, K.C. Baldwin and Rickey Fennie. The Hearing Officer was Jim Hampton.

Other staff members in attendance for all or part of the meeting were Public Relations Manager Vernita Oliver-Lane, Public Relations Specialist Lori Moneyham, IT Manager Brett Scott, Education Director Ryan Adair, Licensing Administrator Anthony Griffin, and IT Programmer William Perkins.

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

For the first order of business, Commissioner Wright made a motion that the resolution honoring the distinguished service of Commissioner Dorothy P. Riggins-Allen be spread upon the minutes of the March 23, 2017 meeting. Commissioner Cawthon seconded the motion and it passed 9-0.

The oath of office was administered to new Commissioner Vaughn T. Poe by Executive Director Patricia Anderson.

Commissioner Harrison made a motion to approve the minutes from the February 14, 2017 meeting. Commissioner Miller seconded the motion and it passed with 8-0. Commissioner Poe abstained as he was not serving on the Commission at the time of the February meeting.

Commissioner Cummings made a motion nominating Commissioner Steve Cawthon as Vice Chairman. Commissioner Miller seconded the motion and it passed unanimously 9-0. Commissioner Cawthon made a motion nominating Commissioner Bill Watts as Chairman. Commissioner Wright seconded the motion and it passed unanimously 9-0.

Chairman Watts recognized guests who were attending the Commission meeting: former Commissioners Sheila Hodges and Jewel Buford, Alabama Association of REALTORS® CEO Jeremy Walker and Commission Consultant JDanny Cooper.

Executive Director Anderson presented the February 2017 financials. Revenues have increased compared to February 2016. The number of temporary and original salespersons and original brokers are increasing as more people are taking and passing the exam. Expenditures

have slightly increased compared to February 2016 expenditures. There have been no Recovery Fund payouts so far this fiscal year; however, a \$4,000 payment is anticipated.

Information Technology Manager Brett Scott introduced new IT programmer William Perkins from Dothan, Alabama.

Ms. Anderson reminded Commissioners to complete their Statement of Economic Interests by April 30 and to view the ethics training video. She also reminded Commissioners to submit travel information to Accounting and Personnel Director Molli Jones if they plan to attend the ARELLO Mid-Year Meeting, April 26-29, 2017.

Commission Strategic Planning Consultant JDanny Cooper provided a legislative update. Commission bill HB281 is on the special order calendar for April 4. The Joint Legislative Task Force on Budget Reform is still meeting and will continue to meet after the end of the regular session. The legislature is also working on redrawing districts.

Ms. Anderson reported on HB341, which is legislation from the Home Builders Licensure Board and explained how it could affect real estate licensees and consumers. This prompted discussion regarding the scope of real estate licensure and the lack of definition of property management in License Law. Chairman Watts called for the creation of a task force to review this issue. Commissioner Poe volunteered to serve on the task force. Also serving will be Commissioners Cummings (Chair) and Commissioner Sharp.

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

HEARINGS

<u>Cynthia Smith Abercrombie (Carson), Application for Determination of Licensing Eligibility,</u> Investigative File I-14,994

Upon review of the information obtained by the Commission staff regarding Ms. Abercrombie's application for determination of licensing eligibility, her application was approved in lieu of a hearing.

Alabama Real Estate Commission vs. Monica R. Hatcher, Formal Complaint No. 3402

Ms. Hatcher requested and was granted a continuance until the April meeting.

Alabama Real Estate Commission vs. Kristin Walden, Formal Complaint No. 3403

Kristen Walden, Inactive Salesperson, Huntsville, Alabama, was charged on Count 1 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)b. by failing to deposit and account for at all times all funds belonging to, or being held for others, in a separate

federally insured account or accounts in a financial institution located in Alabama; charged on Count 2 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to comply with Alabama Real Estate Commission Rule 790-X-3-.03(2) which states that each salesperson or associate broker shall pay over to his or her qualifying broker all funds coming into his possession in trust for other parties immediately upon receipt of same; and charged on Count 3 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(26) by exhibiting conduct that constitutes or demonstrates dishonest dealings, bad faith, or untrustworthiness.

Ms. Walden was served notification of the Commission meeting date, but did not appear, and the hearing was held in her absence. Upon review of the evidence and testimony presented by the Commission's attorneys and investigators, Commissioner Sharp made a motion to find Ms. Walden guilty on all counts. Commissioner Cawthon seconded the motion and it passed unanimously 9-0. Commissioner Harrison made a motion to revoke her license on all three counts. Commissioner Denney seconded the motion and it passed unanimously 9-0. Commissioner Miller made a motion to fine her \$1,000 on each count (total \$3,000). Commissioner Cawthon seconded the motion and it passed unanimously 9-0.

Alabama Real Estate Commission vs. Randy Estel Wilson, Formal Complaint No. 3415

Randy Estel Wilson, Salesperson, Legacy Realty Group, Cullman, Alabama, was charged on Count 1 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to notify the Commission of the institution of a civil suit against him, pursuant to Section 34-27-31(j); charged on Count 2 of violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to notify the Commission of the disposition of a civil suit filed against him, pursuant to Section 34-27-31(k); and charged on Count 3 with violating the *Code of Alabama* 1975, as amended, Section34-27-36(a)(23)b. by having a final money judgment rendered against him; charged on Count 4 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to disclose in writing to a tenant that he was a real estate licensee and the owner of the property subject to the rental agreement pursuant to Section 34-27-84(a)(6); and charged on Count 5 with violating the *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to comply with Alabama Real Estate Commission Rule 790-X-3-.03(2) in that he failed to pay over to his qualifying broker funds coming into his possession in trust for other parties immediately upon receipt of same.

Upon discussion of the evidence and testimony provided by Mr. Wilson, Commissioner Cawthon made a motion to dismiss all five Counts. Commissioner Poe seconded the motion and it passed unanimously 9-0.

<u>Tanginika LaShay Holland, Application for Determination of Licensing Eligibility, Investigative</u> <u>File I-14,969</u>

Upon discussion of the evidence and testimony presented by Ms. Holland regarding her application for determination of licensing eligibility, Commissioner Cawthon made a motion to deny her application. Commissioner Denney seconded the motion and it passed 8-1 with Commissioner Cummings voting against the motion.

<u>Cameron Howard Seals, Hardship Application for Original Salesperson's License, Investigative</u> File I-15,005

Upon discussion of the evidence and testimony presented by Mr. Seals regarding his hardship request for additional time to obtain an original salesperson's license, Commissioner Cummings made a motion to approve his request. Commissioner Harrison seconded the motion and it passed unanimously 9-0.

Mykell Delesia Hudson, Application for Determination of Licensing Eligibility, Investigative File I-15,007

Upon discussion of the evidence and testimony presented by Ms. Hudson regarding her application for determination of licensing eligibility, Commissioner Cummings made a motion to approve her application. Commissioner Sharp seconded the motion and it passed unanimously 9-0.

NOT APPEARINGS

Hugh T. Praytor, III, Request for Dismissal of Count 5 in Formal Complaint #3400, Formal Complaint No. 3400

Upon review of the "Request for Dismissal" submitted by Mr. Praytor requesting that the guilty verdict and penalty assessed against Praytor Properties LLC under Count 5 of Formal Complaint #3400 be dismissed because Praytor Properties LLC was not named in the law suit, Commissioner Harrison made a motion to dismiss Praytor Properties LLC as a respondent on Count 5 of Formal Complaint #3400. Commissioner Sharp seconded the motion and it passed 6-0. Commissioner Miller, Commissioner Denney and Commissioner Poe abstained.

Hugh T. Praytor, III, Request for Rehearing or Dismissal of Formal Complaint #3400

Upon review of Mr. Praytor's request for a rehearing or a dismissal of Formal Complaint #3400, Commissioner Cawthon made a motion to deny his request. Commissioner Wright seconded the motion and it passed 6-0. Commissioner Miller, Commissioner Denney and Commissioner Poe abstained.

Bryan K. James, Request for Home Operation, Investigative File I-15,017

Upon review of Mr. James' request for home operation, Commissioner Denney made a motion to deny his request. Commissioner Harrison seconded the motion and it passed unanimously 9-0.

Erica Lee Roebuck, Bad Check, Formal Complaint No. 3416

Ms. Roebuck was charged with violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(16) by presenting to the Alabama Real Estate Commission, as payment for a fee or fine, an electronic check unpaid by the bank upon which it was drawn. Commissioner Miller made a motion to find her guilty and fine her \$250. Commissioner Wright seconded the motion and it passed unanimously 9-0.

Next Commission Meeting: April 20, 2017, 9:00 a.m. in Montgomery

Confirm May Meeting Date and Location for the Record: **May 25, 2017, 9:00 a.m. in Montgomery**

Commissioner Wright made a motion to confirm the May Commission meeting date for May 25, 2017 at 9:00 a.m. in Montgomery. Commissioner Harrison seconded the motion and it passed unanimously 9-0.

There being no further business, the meeting adjourned at 12:00 p.m.	
Done this 23 rd day of March 2017.	
ll Watts, Chairman	
	
ori Moneyham, Recording Secretary	