

## MINUTES

A meeting of the Alabama Real Estate Commission was held October 20, 2016, at the Baldwin County Association of REALTORS®, 23280 County Road 65, Robertsedale, Alabama.

Those present were Chairman Bill Watts; Vice Chairman Carole Harrison; Commissioners Steve Cawthon, Reid Cummings, Cindy Denney, Clif Miller, Dorothy Riggins-Allen, and Danny Sharp; Executive Director Patricia Anderson; Assistant Executive Director Teresa Hoffman; General Counsel Chris Booth; Investigators David Erfman, and K.C. Baldwin; and Legal Auditor Denise Blevins. The Hearing Officer was Jim Hampton. Commissioner Nancy Wright was absent with notice.

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.

In accordance with Section 34-27-7(f) of the License Law, Chairman Watts asked for a motion to elect a chairman and vice chairman. Commissioner Dorothy Riggins-Allen made a motion that Commissioner Bill Watts continue as chairman. Commissioner Steve Cawthon seconded the motion and it passed unanimously 8-0. Commissioner Carole Harrison made a motion that Commissioner Steve Cawthon be elected as vice chairman. Commissioner Cindy Denney seconded the motion and it passed unanimously 8-0. Chairman Bill Watts and Vice Chairman Steve Cawthon thanked the group.

Chairman Watts then presented Commissioner Harrison with a Certificate recognizing her completion of ARELLO's Commissioner College.

Chairman Watts recognized former Commissioner Sheila Hodges, Ms. Emily Marsh from the Alabama Association of REALTORS® and real estate instructor Mr. James Anderson who were present to observe the meeting.

Commissioner Harrison made a motion to approve the minutes from the September 29, 2016 meeting. Commissioner Sharp seconded the motion and it passed unanimously.

Executive Director Patricia Anderson presented the September 2016 financial report. The report represents the end of September, but is not the end-of-fiscal year report because previously encumbered money will be used to pay FY16 invoices through November 2016. The Commission finished the fiscal year with expenditures under projection and receipts slightly over projections. There were no payouts from the Recovery Fund in September.

Ms. Anderson presented the Fiscal Year 2018 Budget. Commissioner Cawthon moved to approve the Fiscal Year 2018 Budget. Commissioner Cummings seconded the motion and it passed unanimously 8-0.

Ms. Anderson called attention to screen shots of the website that now shows the salesperson and broker pass rates of all schools based on data from the previous 12 months for both first-time exam takers as well as pass rates for all exam candidates for each approved or

licensed school. Pass/fail statistics for each school can also be found under “Course Search” on the Commission’s website. This information is to assist consumers in their choice of schools and to address the Sunset Committee’s concerns regarding low pass rates.

Assistant Executive Director Teresa Hoffman presented the report from the Digital Fingerprint Collection Services RFP Task Force. Ms. Hoffman recognized the members of the Task Force who were: Commissioner Nancy Wright, Licensing Administrator Anthony Griffin, Information Technology Manager Brett Scott, General Counsel Chris Booth and Ms. Hoffman. Subsequent to review and evaluation of the response to the RFP, the Task Force recommended that the Commission award the bid to 3M Cogent who currently provides this service to the Alabama Departments of Education, Human Resources and Insurance. There would be no charge to the Real Estate Commission as all fees, including the fees charged by ALEA and the FBI, would be paid by the license applicant directly to 3M Cogent. Commissioner Cawthon moved to award the bid to 3M Cogent. Commissioner Sharp seconded the motion and it passed unanimously 8-0.

Chairman Watts addressed the adoption of Proposed Rules 790-X-3-.03, 790-X-3-.04, and 790-X-3-.06. Commissioner Sharp made a motion to adopt them with the changes made to Rule 790-X-3-.03 at the September meeting. Commissioner Miller seconded the motion and it passed unanimously 8-0.

Chairman Watts asked Executive Director Anderson to present the staff’s research and recommendations regarding AAR’s Professionalism Presidential Advisory Group (PAG) Report. Ms. Anderson shared the research on each item contained in the report primarily consisting of an increase in requirements for licensure and to maintain licensure. Commissioners discussed each of the recommendations. No action was taken. Ms. Anderson was directed to send a letter to Mr. Jeremy Walker, CEO of the Alabama Association of REALTORS®.

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

## HEARINGS

### **Alabama Real Estate Commission vs. Perry Richard Mason, Formal Complaint No. 3401**

Perry Richard Mason, Qualifying Broker, Lipscomb Martin LLC d/b/a/ Intervest Coastal Realty, Orange Beach, Alabama was charged on Count 1 of violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(8)a. by failing within a reasonable time, to properly account for or remit funds coming into his possession which belonged to others or by commingling money belonging to others with his own funds; and charged on Count 2 of violating *Code of Alabama* 1975, as amended, Section 34-27-36(a)(19) by failing to comply with Alabama Real Estate 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.

Upon discussion of the evidence and testimony presented in this matter, Commissioner Cummings made a motion to find Mr. Mason guilty on Count 1. Commissioner Cawthon seconded the motion and it passed unanimously 8-0. Commissioner Cawthon made a motion to find Mr. Mason not guilty on Count 2. Commissioner Riggins-Allen seconded the motion and it passed 6-2 with Commissioners Sharp and Miller voting no. Commissioner Cummings made a motion to fine Mr. Mason \$2,500 on Count 1. Commissioner Miller seconded the motion and it passed 7-1 with Commissioner Riggins-Allen voting no.

NOT APPEARINGS

**Jill Boothby, Surrender of License, Investigative File I-14,900**

Upon review of the affidavit of license surrender submitted by Ms. Boothby, Commissioner Riggins-Allen moved to accept the surrender of Ms. Boothby's license. Commissioner Cawthon seconded the motion and it passed unanimously 8-0.

**Confirm Meeting Date and Location for the Record: January 19, 2017, 9:00 a.m., Montgomery**

Commissioner Harrison made a motion to confirm the January meeting for January 19, 2017 at 9:00 a.m. in Montgomery. Commissioner Sharp seconded the motion and it passed unanimously 8-0.

There being no further business, the meeting adjourned at 12:50 p.m.

Done this 20<sup>th</sup> day of October, 2016.

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Bill Watts, Chairman

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Teresa Hoffman, Recording Secretary