

## COMMISSION WELCOMES NEW COMMISSIONER DEBORAH LUCAS ROBINSON

Commissioner Deborah Lucas Robinson has been sworn in as our newest Commission member-at-large. She is a salesperson with Berkshire Hathaway Homeservices Cooper and Co. Inc. in Semmes, Alabama.

Commissioner Lucas Robinson was the first African American to lead the Women’s Council of REALTORS® as president of the local chapter in Mobile and the first African American to serve as president of the Mobile Area Association of REALTORS®. “Many, many shoulders were strong as they thrust me upon them in full support of my leadership skills and that same support continues today.” She said. “Through my professional ranks and first-ever African American positions, two of my absolute favorites, travel, and ongoing learning, always seem to be a major role in the tasks associated with the various positions.”

Commissioner Lucas Robinson has garnered many accolades over the years; however, she counts being named Mobile’s REALTOR® of the Year in 2016 as the proudest moment of her career. “With a membership of over 1,200 members at that time, to have such a title bestowed upon my name was then and still is today such a high honor of which I am most appreciative,” she said.

A total stranger sitting next to her on her first solo airplane ride clearly saw greatness in her future. As she recalled, “At an early age I was told by a total stranger occupying the seat next to me on my first airplane ride all by myself... ‘God has great plans for you.’ I heard the words she spoke and how comforting they were though quite confusing at the time. I just wanted God to get me safely to my destination, Los Angeles, California, to spend the summer with my oldest sister whose senior prom night was interrupted by my birth. From time to time, I am reminded of those rather soft-spoken words from the frail woman seated next to me. In my more mature years now, I still claim her (though nameless as I can never remember if she even told me her name) as my guardian angel. Hearing the scriptural text from Jeremiah 29:11 ‘For I know the plans I have for you’ often reminds me of that conversation oh so many years ago.”

Commissioner Lucas Robinson is sister to seven siblings, wife of her husband, Gerry, for nearly forty years, mother of



two daughters, and grandmother of four. She was raised by parents, Percy E. Lucas Sr. and Virginia James Lucas, who believed in and exhibited daily the Golden Rule. *Congratulations, Commissioner Lucas Robinson!*

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# Commission Bill HB13 Pre-filed for 2024 Legislative Session

After years of discussion and preparation by Commissioners, task forces, and real estate practitioners, the Alabama Real Estate Commission's 2024 legislative bill, HB13, has been pre-filed for the upcoming session. This bill is for the benefit of all Alabama licensees and consumers. The topics it addresses are the result of conversations and questions that have been posed over the years as the Commission has strived to stay on par with the ever-evolving real estate business model. A summary of the bill is below. The entire bill, including the pages and lines referenced in the summary, is available on the home page of our website, [arec.alabama.gov](http://arec.alabama.gov).

Be mindful that the introduction of this legislation provides the foundation for further debate. The discussion will be ongoing and, as a result, we anticipate that changes will be made prior to final passage. If you have questions or comments regarding the bill, contact Serena Cronier Grayson at [serena.cronier@arec.alabama.gov](mailto:serena.cronier@arec.alabama.gov).

## HB 13 - REAL ESTATE BILL SUMMARY

### 1. Definitions (Effective 10/01/24)

Under existing law, there is no definition of apartment (p.3 line 70), equitable interest (p.4 line 90), listing agreement (p.4 line 104), owner (p.4 line 110), principal broker (p.5 line 135), or residential (p.6 line 147). This bill would define those terms. Notably, the definition of owner is a person or entity legally deeded real property (p.4 line 110). This definition prevents marketing or listing only the equitable interest in property (commonly known as "wholesaling") without a real estate license. Without regulation by the Commission, wholesaling has the potential to lead to predatory practices, leaving consumers unprotected. This bill holds wholesalers to the same licensing requirements as other real estate professionals.

### 2. Co-brokerage Agreements (Effective 10/01/24)

Currently, out-of-state principal brokers may collaborate with a licensed Alabama principal broker to conduct real estate transactions in Alabama without first obtaining an Alabama license (p.7 line 184). Under existing law, there is no statutory provision that limits the number of co-brokerage agreements an out-of-state broker may enter within this state. This bill would limit out-of-state principal brokers to entering into a maximum of three co-brokerage transactions per year (p.7 line 190). A portfolio (a single transaction consisting of multiple properties) is considered one transaction for the purpose of this bill. This bill would prevent out-of-state principal brokers from using co-brokerage agreements to engage in transactions totaling more than fifty million dollars in a calendar year (p.7 line 193). This bill ensures out-of-state licensees conducting large amounts of real estate transactions in Alabama must obtain an Alabama real estate license.

### 3. Licensing of Administrators and Instructors (Effective 10/01/27)

Under existing law, real estate administrators and instructors are approved by the commission, rather than licensed. This bill would require real estate administrators (p.9 line 242) and instructors (p.10 line 271) to be licensed by the commission. This is for further consumer protection.

### 4. Certification of Distance Education Courses (Effective 10/01/27)

Under existing law, the commission does not certify synchronous distance education courses. The certification is done by ARELLO (Association of Real Estate License Law Officials). Under this bill the Commission would be able to certify synchronous distance education courses (p.17 line 455). Synchronous distance education is a course with defined attendance time allowing an instructor to offer live instruction virtually while students are in different locations.

### 5. Requirements for Salesperson and Broker Licenses (Effective 10/01/26)

Under existing law, there is no professional development course required for applicants for a broker license or temporary salesperson license and there is no requirement for a person to complete a specialty course in residential sales, commercial sales, or property management prior to obtaining an original salesperson license. This bill would require applicants for a broker license and temporary salesperson license to take a professional development course (p.34 line 944) and would require a person to complete a 15-hour post license specialty orientation in residential sales, commercial sales, or property management prior to obtaining an original salesperson license (p.35 line 969). This enhanced education will offer more protection for brokers, licensees, and consumers, likely resulting in less license law violations.

### 6. Requirements for Serving as Qualifying Broker (Effective 10/01/24)

Under existing law, a person can serve as a qualifying broker as soon as they are licensed as a broker. This bill would require brokers to complete a qualifying broker training provided by the commission and to be actively licensed as a broker for 24 of the last 36 months prior to serving as a qualifying broker (p.37 line 1022). This additional experience will offer more protection for brokers, licensees, and consumers, while increasing the quality of broker supervision, likely resulting in less license law violations.

### 7. Bad Checks (Effective 10/01/24)

Under existing law, it is a disciplinary violation for a real estate licensee to present to the commission, as payment for a fee or fine, a check that is returned unpaid. This bill would remove that violation from the list of disciplinary violations (p.58 line 1599). This bill would cause the license of any real estate licensee, who presents a form of payment to the commission that is declined or rejected by a financial institution or merchant service company, to become inactive, if payment is not made within thirty days, and lapsed, if payment is not made within six months (p.46 line 1284). Historically, many well-meaning licensees have violated license law by incorrectly inputting checking account numbers or not recognizing the vendor on their bill and stopping payment. This section will remove that violation while still providing protection for the Commission.

### 8. Advertising (Effective 10/1/24)

Under existing law, there is no definition of "prominent" in relation to advertising the name or trade name of the qualifying broker or company.

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This bill would define “prominent” as use of a font size that is equal to or larger in size than any other text or logo in the advertisement and situated and sized for the purpose of gaining the attention of consumers viewing the advertisement. (p.57 line 1594.). This is for consumer protection and to make our laws clearer for our licensees.

### 9. Tracking Escrow Trust Funds (Effective 10/01/24)

Under existing law, there is no specific requirement that licensees track the deposit of escrow trust funds. This bill would require licensees acting as a buyer’s agent to notify the listing agent in writing within 3 business days when the buyer has not deposited earnest money in accordance with a contract requiring the buyer to deposit escrow funds with any person or entity. (p.58 line 1600). This bill would require licensees acting as a listing agent to notify his/her client if no receipt of escrow funds has been provided to the listing agent within 3 business days of the time specified by the contract for deposit of escrow funds. This is a consumer protection measure to ensure that earnest money is actually deposited timely at the assigned location.

### 10. Duration of Listing Agreements (Effective 10/01/24)

Under existing license law, there is no limit to the duration of a listing agreement. This bill would limit the duration of a residential listing agreement to one year and would prohibit licensees from recording a listing agreement with a probate court to encumber the property that is the subject of the listing agreement (p.59 line 1644). This brings these issues under the jurisdiction of the Commission to better protect consumers.

### 11. Regulating Dealing in Equitable Interests in Contracts (Effective 10/01/24)

Under existing law, there is no specific regulation of licensees when dealing in an equitable interest in a contract. This bill would require licensees, when selling an equitable interest in a contract to purchase residential real estate, to disclose to the buyer that the seller does not

hold title to the property (p.60 line 1674). This bill would require anyone, when assigning or offering to assign an equitable interest in a contract to purchase residential real estate, to be licensed. Additionally, they must disclose to the seller both the intent to assign the seller’s real estate prior to offering to assign the interest and of the assignment of the interest. This is to protect consumers by ensuring that they understand the terms of the agreement.

### 12. Teams (10/01/26)

Under existing law, real estate teams are not recognized, licensed, or otherwise regulated. This bill would define and license real estate teams and allow for their regulation (p.6 line 152 and p.63 line 1741). Teams are licensees within the same company that group together to share consumers, resources, knowledge, and/or commission. Within the last decade, the formation of real estate teams has become a leading trend. While teams have enhanced the real estate industry in some capacities, the Commission has received an increasing number of complaints about teams’ advertising practices. Specifically, some teams have advertised in a manner that would mislead a consumer to believe that the team is actually a licensed company. By licensing teams, the Commission can formalize their formation and provide oversight to protect both consumers and licensees.

### 13. RECAD (Real Estate Consumer Agency Disclosure) (Effective 10/01/24)

Under existing law, if one licensee for a company represents a buyer and another licensee within the same company represents the seller in the same transaction, dual agency is created. This bill would allow for one licensee in a company to represent a buyer and another licensee in that same company to represent the seller in the same transaction without dual agency being automatically created (p.66 line 1822). For years licensees have requested an updated version of RECAD.





## Temporary Salespersons Completing the 30 Hour Post License Course... Timing is Everything!

All temporary salespersons must complete the 30-hour post license course and have their **permanent salesperson** license issued within the one-year time frame of the temporary license to remain licensed and to avoid a lapsed license. The temporary salesperson license can be **active** for the first six months of issuance. If you intend on maintaining an active license beyond that, you must complete the post license course and have your salesperson license issued within those first six months of having your temporary license. Should you not complete the course in the first six months the license must be inactive and you will have the remaining six months to complete the post license course and have your salesperson license issued. A temporary license cannot be extended beyond one year for any reason. On the one-year anniversary of having a temporary license, it will lapse. There are no exceptions in the law for an extension and you must start the process over to become licensed again.

When it comes to completing the post license course, timing is very important. You must ensure you provide adequate time prior to the expiration date of your temporary salesperson license to finish the course work, schedule your final exam, and provide up to three (3) days for your school to electronically report your credit to the Commission. You cannot have your salesperson license issued from the Commission's website until your 30-hour post license course credit has been reported; therefore, it is highly recommended that you do not wait until the last minute to complete the course. Completing your requirements ahead of time will help ensure you experience a smooth transition to your salesperson license.

If you have any concerns about your ability to have your salesperson license due to the reporting of your post license course credit, contact a member of the Licensing Division for assistance.



## Notification of Licensee-Involved Legal Matters

A handful of applicants have been found guilty this year of failing to notify the Commission of being a defendant in a legal proceeding. This charge can result in license revocation, but it is simple to comply with the notification statute.

*Code of Alabama, 1975 Section 34-27-31(j)* requires licensees to notify the Commission by certified mail within 10 days of notice of the institution of a criminal proceeding against them or within 10 days of being served a civil complaint naming them as a defendant in a lawsuit involving a real estate transaction or the goodwill of an existing real estate business. Although it may seem practical to just email or call the Commission to let us know of the legal proceeding, it is important to send a copy of the court documents by certified mail to comply with the statute and to obtain the return receipt proving your compliance.

Notably, it is not just felony arrests that require notice to the Commission. Misdemeanor arrests also require notice. However, traffic citations do not require notice. Regarding lawsuits, the notification requirement still applies even if the lawsuit is in small claims court, such as a lawsuit by a tenant to recover a security deposit.

*Code of Alabama, 1975 Section 34-27-31(k)* states that licensees also must notify the Commission by certified mail within 10 days of receiv-



ing notice of the disposition of a criminal prosecution against them or a lawsuit involving a real estate transaction or goodwill of a real estate business. In both civil and criminal proceedings, this means that you must send the Commission the court documents disposing of your case whether the result was against you or in your favor.

If you have any questions about the notification requirements, please contact the Commission's legal division.



# CE Requirements Reminder

I know there are many licensees who are beginning to think about CE courses that will be required for the 2024 license renewal. We are now in the second year of our two-year license period which is when more CE courses begin to be offered. As a reminder, here are the current CE requirements:

**Salespersons**

3-hour *Risk Management: Initial Contact to Accepted Offer* course  
12 hours of elective CE courses

**Associate and Qualifying Brokers**

3-hour *Risk Management: Initial Contact to Accepted Offer* course  
3-hour *Mandatory Broker CE Course*  
9 hours of elective CE courses

These courses may be taken through distance education or in the classroom. Please use *Course Search* on the Commission’s website to find available courses. This can be accessed in the *Education* section under the *Professionals* heading.

Save yourself the last-minute rush and anxiety that accompany waiting until the last minute to take CE courses for renewal of an active license. Go ahead and take them now to satisfy the renewal requirement and to improve your real estate knowledge.

# Alabama Well Represented in International Regulators Organization

The Commission has always been well represented as members of the Association of Real Estate License Law Officials (ARELLO) over the years and 2024 is no exception. ARELLO is an international membership-based organization that supports jurisdictions in the administration and enforcement of their real estate license laws. ARELLO supports real estate regulator members through resource materials, events, training and certification programs, and by facilitating collaboration around best practices in real estate regulation. Commissioners and Commission team members are actively involved, as members of various ARELLO committees, in planning, decision-making, and creating resources for regulators worldwide.

Commissioner James L. Dye  
Member, Law and Regulation Committee

Executive Director Vaughn T. Poe  
Director (District 2), ARELLO Board of Directors  
Member, ARELLO Finance Committee

Education Director Ryan Adair  
Trustee, ARELLO Foundation Board of Trustees  
Member, Education Certification Committee

Education Specialist Brittni Jones Anderson  
Member, Education Certification Committee

Commission General Counsel Starla Leverette  
Co-Vice Chair, Law and Regulation Committee.

Commission Assistant General Counsel Zack Burr  
Member, Investigators/Auditor Resource Committee.

Attorney Serena Cronier Grayson  
Member, Investigators/Auditor Resource Committee  
Member, Law and Regulation Committee

# Congratulations Commissioner Randy McKinney

We extend congratulations to Commissioner Randy McKinney (First Congressional District, Gulf Shores, Alabama) for completing the ARELLO Commissioner College. This is a highly regarded educational program that is designed to prepare new commission members for their role as regulatory decision-makers and also serves as a valuable refresher course for those with more experience.



Commissioner McKinney (R) receives certificate from Executive Director Vaughn T. Poe.



# DISCIPLINARY ACTIONS

*Penalties for violations of the Real Estate License Law and Commission rules vary depending upon the particular facts and circumstances present in each case. Due to space limitations in The Update, a complete description of the facts cannot be reported below.*

## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(16) for 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.

### **Sherri Ann Fauver**

**License No. 000149587**

Salesperson; Mobile, Alabama

Date of Hearing: June 22, 2023

**Fined \$100**

### **Hannah Brooke Johnson**

**License No. 000135606**

Salesperson; Birmingham, Alabama

Date of Hearing: June 22, 2023

**Fined \$150**

### **Brittney Melinda Filion**

**License No. 000152736**

Salesperson; Mobile, Alabama

Date of Hearing: September 14, 2023

**Fined \$100**

### **Megan Taylor Grant**

**License No. 000153249**

Salesperson; Warrior, Alabama

Date of Hearing: September 14, 2023

**Fined \$100**

### **Olivia Jeane Lowell**

**License No. 000117913**

Salesperson; Mobile, Alabama

Date of Hearing: September 14, 2023

**Fined \$500**

### **Charles E. Williams**

**License No. 000151416**

Salesperson; Ringgold, Georgia

Date of Hearing: September 14, 2023

**Fined \$100**



## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(8)a. by commingling money which belonged to others with company funds.

### **Rhonda Fain Gaskins**

**License No. 000074823**

Qualifying Broker; Dadeville, Alabama

Date of Hearing: June 22, 2023

**Fined \$250**

### **Rentals on Lake Martin LLC**

**License No. 000100568**

Company; Dadeville, Alabama

Date of Hearing: June 22, 2023

**Fined \$250**

## DISPOSITION

The below was found guilty of violating Section 34-27-36(a)(26) by exhibiting conduct that demonstrates dishonest dealings, bad faith, or untrustworthiness by altering the release form for the payment of earnest money without both parties to the contract agreeing to the terms of the release form.

### **Rudee Williams**

**License No. 000111770**

Salesperson; Montgomery, Alabama

Date of Hearing: May 25, 2023

**Fined \$2,500; License Revoked**

*(Continued on page 7)*

## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(19) by failing to comply with Section 34-27-31(j) in that they failed to notify the Commission of the institution of criminal charges against them within ten days of their arrests.

### Ashley Nicole Corriveau

**License No. 000138309-1**

Salesperson; Athens, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$1,500**

### Lydia A. Franz

**License No. 000071136**

Salesperson; Gulf Shores, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$1,500**

### Jessica Lynn (Jessi) Martinez

**License No. 000148334**

Salesperson; Fairhope, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$1,500**

## DISPOSITION

The below was found guilty of violating Section 34-27-36(a)(19) by failing to comply with Section 34-27-31(j) in that he failed to notify the Commission of the institution of criminal charges against him within ten days of his arrests and guilty of violating Section 34-27-36(a)(19) by failing to comply with Section 34-27-31(k) in that he failed to notify the Commission that criminal verdicts had been entered against him.

### Jason Gray

**License No. 000104633**

Salesperson; Northport, Alabama  
Date of Hearing: June 22, 2023  
**Fined \$4,500 and License Revoked**

## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(15) by advertising themselves as real estate agents without the names or trade names of their qualifying brokers or the companies under whom they are licensed appearing prominently in their advertising.

### Amy Cotney

**License No. 000108235**

Salesperson; Auburn, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$2,500 and Salesperson license suspended for 90 days pending the completion of an additional continuing education course.**

### Melek DeShawn Davis

**License No. 000135663**

Salesperson; Decatur, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$250**

## DISPOSITION

The below was found guilty of violating Section 34-27-36(a)(19) by failing, in accordance with Rule 790-X-3-.15, to ensure, as Qualifying Broker, that advertisements by a licensee in his company conformed with license laws.

### Daniel M. Dunlop II

**License No. 000035033**

Qualifying Broker; Auburn, Alabama  
Date of Hearing: October 26, 2023  
**Fined \$1,500**

## DISPOSITION

The below was found guilty of violating 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.

### Margaret (Meg) Terrell Reed

**License No. 000128708**

Salesperson; Foley, Alabama  
Date of Hearing: August 17, 2023  
**Fined \$100**

## DISPOSITION

The below was found guilty of violating Section 34-27-36(a)(19) by failing to comply with Rule 790-X-3-.15(9) by failing to ensure that all contracts and forms used by a licensee are reviewed for accuracy and compliance with applicable statutes, regulations, and office policies.

### David M. Egbert

**License No. 000059654-1**

Qualifying Broker; Gulf Shores, Alabama  
Date of Hearing: August 17, 2023  
**Fined \$100**

## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(31) by failing to keep copies of all contracts, leases, listings, and other records pertinent to real estate transactions for a period of three years and guilty of violating Section 34-27-36(a)(19) by failing to comply with Section 34-27-83(b) in that they failed to properly retain a form acknowledging receipt of the RECAD office policy statement and a satisfactory explanation of its contents signed by each licensee.

### Joseph A. Schneider

**License No. 000058189**

Qualifying Broker; Birmingham, Alabama  
Date of Hearing: August 17, 2023  
**\$5,000; Surrender of License**

### JAS Real Estate LLC

**License No. 000099584**

Company; Birmingham, Alabama  
Date of Hearing: August 17, 2023  
**\$5,000; Surrender of License**

## DISPOSITION

The below were found guilty of violating Section 34-27-36(a)(8)a. by commingling money which belonged to others with their own funds and 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 separately federally insured account or accounts in a financial institution located in Alabama.

### James Ravinell Wilson II

**License No. 000086686**

Qualifying Broker; Homewood, Alabama  
Date of Hearing: August 17, 2023  
**Fined \$5,000**

### Renting Earth Real Estate Inc.

**License No. 000146303**

Company; Homewood, Alabama  
Date of Hearing: August 17, 2023  
**Fined \$200**

## DISPOSITION

**The below surrendered her license for alleged license law violations in lieu of a formal complaint and hearing.**

### Jessie (Jessica) Escott

**License No. 000067193**

Salesperson; Birmingham, Alabama  
Date of Hearing: May 25, 2023



ALABAMA REAL ESTATE

# COMMISSION

EMPOWER, CONNECT, AND EDUCATE



**EMPOWER** Empowering the real estate professional and the consumer.



**CONNECT** Connecting the real estate professional and consumer to the resources they need.



**EDUCATE** Educating the real estate professional and the consumer.

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- Cerita Tucker Smith, Birmingham

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## THE UPDATE

is published for the benefit of the Alabama Real Estate Industry by the Alabama Real Estate Commission.

### COMMISSION MEETINGS OPEN TO THE PUBLIC

All Commission meetings are open to the public and that includes real estate licensees. Commissioners welcome and encourage attendance and observation by any licensee in any location. Locations, dates, and times can be found on the Commission's website at [arec.alabama.gov](http://arec.alabama.gov).

### REAL ESTATE LICENSES EXPIRE SEPTEMBER 30, 2024

Remember to renew all broker, salesperson, and company licenses in every even-numbered year.

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