

Holly Benson
Secretary

Charlie Crist
Governor

**Minutes of
THE FLORIDA REAL ESTATE COMMISSION
January 15 and 16, 2008
General Meeting**

Chair S.W. Ellis called the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., in Orlando, Florida, on this 15th day of January, 2008.

The Chair introduced the members of the Commission and its legal counsel. The following Commission members were in attendance: Chair S.W. Ellis, Vice-Chair Ralph McCoig, Matey Veissi, Poul Hornsleth, Richard DeNapoli, Michael Guju, and John Ruffier. Tom Barnhart, Assistant Attorney General, appeared as counsel for the Commission. Mr. Barnhart declared a quorum present.

Division staff present at the meeting: Thomas O'Bryant, Jr., Division Director and Executive Director for the Commission; James P. Harwood, Chief Attorney; Kathleen Koeberich, Bureau Chief of Enforcement; Joseph Solla, Shiv Persaud, Patrick Cunningham, and Bob Minarcin, Senior Attorneys; JoEllen Peacock, Education Coordinator; Alma Roberts, Operations Management Consultant II; Zack Hayhurst, Regulatory Specialist III; Lori Crawford, Regulatory Supervisor/Consultant. American Court Reporting (407.896.1813) provided court reporter services.

Approval of the Minutes

The Commission unanimously approved the Minutes of the December 11 and 12, 2007, General Meeting, as written.

Unlicensed Activity Report

Bureau Chief of Enforcement, Kathleen Koeberich, presented the Unlicensed Activity Report and the Enforcement Report. Director O'Bryant and Ms. Koeberich addressed questions from the Commission.

Director O'Bryant reported that there will be a joint meeting with the House Safety and Security Counsel as well as the Jobs Entrepreneurship Counsel. The meeting will address a potential bill and issues regarding mortgage fraud. Director O'Bryant stated that he had the opportunity to contribute his ideas on the proposed bill. The proposed bill will provide the opportunity to set up a mortgage fraud taskforce. Director O'Bryant explained that the taskforce meetings, to be held around the state, will also enable the Division to continue building its relationship with the State Attorney's Office.

Escrow Disbursement Orders

Senior Attorney Solla presented 36 Escrow Disbursement Orders (EDO) and 2 Orders for Commission consideration. Upon recommendation of the Legal Section, the Commission issued 36 Escrow Disbursement Orders and 2 Orders.

Ratification of Suspended Licenses

Director O'Bryant requested the Commission ratify reinstatement of the real estate licenses of Jennifer Coon, Alexandr Kadysev, Armand Procacci, Maria Vanessa Vignati and Patricia G. Walton, who have met all requirements for reinstatement. The Commission ratified the actions unanimously.

Rule Review Workshop

The purpose of this workshop is to review the Florida Administrative Code, Chapter 61J2, for possible changes to ensure compliance with the newly adopted statutory changes. The Commission addressed the following rules:

Chapter 1

- ◆ 1. 011 – ~~“(6) The Commission may conduct seminars and publish and sell the following documents at cost, which may or may not vary with each class or printing: Wall Certificate of License Course syllabus”~~
- ◆ 1.014 – (2) “...to the licensee's last known address of record the licensee....”
- ◆ No changes were recommended to 1.013, 1.015 and 1.016

Commissioner Veissi moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner Guju seconded the motion. The motion carried unanimously.

Chapter 2

- ◆ 2.027 – “Character Inquiry into Individual Applicants”
~~“The application of a natural person. An individual applicant for active licensure, whether the applicant expects to operate alone, or as a partner, or with a corporation, or as a sales associate is governed by substantially the same rule and forms. ...”~~ Strike language in (1) in its entirety. “... (2) The applicant must make it possible to immediately begin the inquiry...”
 Additional grammatical changes addressed. A copy of the recommended changes is attached hereto, incorporated herein as part of these minutes.
- ◆ 2.029 – (1) No Change. ~~“(2) A successful applicant may lawfully practice the services of real estate provided employment information is on file with the DBPR.”~~
- ◆ No changes were recommended to 2.030, 2.031 and 2.032.

Commissioner Veissi moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner Guju seconded the motion. The motion carried unanimously.

Chapter 3

- ◆ No changes were recommended to 3.008 and 3.009.

- ◆ 3.010 – (1) through (6) No Change. ~~“(7) Any active member in good standing with The Florida Bar, who is otherwise qualified under the real estate license law, is exempt from the reactivation education requirements of this rule.”~~ Attorneys are exempt from the continuing education requirement.
- ◆ 3.011 – (1) Any ~~All~~ persons holding “school instructor” permits shall...”
~~“(2) Satisfactory completion of the 7 classroom hour seminar is demonstrated by attending all 7 classroom hours of instruction. Satisfactory completion...”~~
- ◆ 3.012 – (1) – No change. “(2) Any person who has obtained a minimum of a bachelor’s degree or higher with a major in real estate which substantially covers the Commission prescribed course subject matter ~~at such college or university~~ shall also be deemed to have satisfactorily completed the course.”
(3) Application for equivalency...”
- ◆ 3.013 – Grammatical changes recommended.
- ◆ 3.015 – Remove reference to audits and change salesperson to sales associate.
- ◆ 3.016 and 3.017 – Repeal
- ◆ 3.020 – (1) through (9) – No change recommended. Strike (10) in its entirety.

Commissioner Hornsleth moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner DeNapoli seconded the motion. The motion carried unanimously.

Chapter 4:

- ◆ 4.007 through 4.009 – No changes recommended.
- ◆ 4.010 – Language simplified.

Vice-Chair McCoig moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner Veissi seconded the motion. The motion carried unanimously.

Chapter 5

- ◆ 5.012 through 5.013 – No changes recommended.
- ◆ 5.014 – Notice of Change published September 7, 2007.
- ◆ 5.016 through 5.020 – No change recommended.

Chapter 6

- ◆ 6.006 – Change salesperson to sales associate in (1) and (2). Additional grammatical language changes to (2).

Commissioner Hornsleth moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner Veissi seconded the motion. The motion carried unanimously.

Chapter 9

- ◆ 9.007 – Minor grammatical changes recommended.

Vice-Chair McCoig moved to proceed with the recommended changes for publication of a rule development workshop. Commissioner Ruffier seconded the motion. The motion carried unanimously.

Chapter 10

- ◆ 10.022 – “The required office...pursuant to Section 475.22(1), Florida Statutes, ~~and Rule 61J2-10.024, Florida Administrative Code.~~ Sales associates...”

Commissioner Veissi moved to proceed with the recommended changes for publication of a rule development workshop. Motion was not seconded. Rule will be published for rule development workshop.

- ◆ 10.023 – Commission requested a Rule Development Workshop be scheduled for March 18, 2008.
- ◆ 10.025 – Commission requested a Rule Development Workshop be scheduled for February 19, 2008.
- ◆ 10.027 through 10.038 – No changes recommended.

Chapter 14

- ◆ 14.008 – No changes recommended.
- ◆ 14.009 – Technical correction – “...61J2-14.008~~(3)(4)(d)~~, Florida Administrative Code.”
- ◆ 14.010 – Combine language in 14.014 into 14.010 and repeal 14.014.
- ◆ 14.011 – No changes recommended.
- ◆ 14.012 – Minor grammatical changes recommended.
- ◆ 14.014 – Repeal; language incorporated into 14.010.

Commissioner Veissi moved to proceed with the recommended changes for publication of a rule development workshop. Vice-Chair McCoig seconded the motion. The motion carried unanimously.

Chapter 17

- ◆ 17.009 – No changes recommended.
- ◆ 17.011 – Commission requested a Rule Development Workshop for March 18, 2008.
- ◆ 17.013 – “(1) “To guarantee that its pupils will pass any examinations required for licensure, given by the department” as prohibited...” (2) – No change.
- ◆ 17.014 – “...(2) Guest lecturers have prior written approval of the Director of the Division Commission; and...” No further changes recommended.
- ◆ 17.015 through 17.016 – No changes recommended.

Upon no objections the Division will proceed with the recommended changes for publication of a rule development workshop.

Chapter 20

- ◆ 20.009 through 20.052 – No changes recommended.

Chapter 23

- ◆ 23.001 through 23.002 – No changes recommended.

Chapter 24

- ◆ 24.001 through 24.003 – Commission requested a Rule Development Workshop be scheduled for February 19, 2008, to review the current guidelines for possible changes.

Chapter 26

- ◆ 26.001 through 26.003 – No changes recommended.

Legal Docket

The Commission addressed the Legal Agenda, consisting of 41 docket items. The Commission considered 31 docket items and approved the continuance or withdrawal of 10 docket items. The Commission's decisions on these matters are attached to the official minutes maintained at the Division of Real Estate headquarters.

Chair adjourned the meeting at approximately 5:15 p.m.

January 16, 2008

Chair S.W. Ellis reconvened the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., at Orlando, on this 16th day of January, 2008.

The Chair introduced the members of the Commission and its legal counsel. The following Commission members were in attendance: Chair S.W. Ellis, Vice-Chair Ralph McCoig, Matey Veissi, Richard DeNapoli, Poul Hornsleth, Michael Guju and John Ruffier. Tom Barnhart, Assistant Attorney General, appeared as counsel for the Commission. Mr. Barnhart declared a quorum present.

Division staff present at the meeting: Thomas O'Bryant, Jr., Division Director and Executive Director for the Commission; James P. Harwood, Chief Attorney; Kathleen Koeberich, Bureau Chief of Enforcement; JoEllen Peacock, Education Coordinator; Donna Salters, Operations Management Consultant II; Jeannie Adkinson, Regulatory Specialist III; Janis Dodd, Regulatory Specialist II; Lori Crawford, Regulatory Supervisor/Consultant. American Court Reporting (407.896.1813) provided court reporter services.

Consent Agenda

The Commission considered eight applicants from the Consent Agenda and required three applicants to appear at a future meeting.

Summary of Applicants

Ms. Jeannie Adkinson, Regulatory Specialist III, presented 37 Summary of Applicants requesting to sit for the real estate examination. The Commission's decisions on these matters are attached to the official minutes maintained at the Division of Real Estate headquarters.

Director's Comments

Director O'Bryant provided a brief update regarding the following topics:

- **Application Approval** – Requested the Commission review the FREC approved guidelines listing what the Commission will allow the Department to approve at next months FREC meeting.
- **March Renewal** – Reported approximately 96,000 licenses are due to renew and that he will meet with the Florida Association of Realtors to see how we can make this go smoothly. Further reported that March will be the end of the \$5.00 renewal fee holiday and that statute prohibits implementing fee holidays back to back.
- **March FREC meeting in Tallahassee** – The March FREC meeting will be held in Tallahassee and the FREC will tour the Customer Contact Center and Central Intake Unit at the Department.
- **Complaint Process** – Department is in the process of simplifying the complaint process and has mapped this process in detail. The Department will be creating a Department-wide brochure explaining the complaint process. Commission Veissi suggested putting this information in the newsletter upon completion of the brochure.
- **Plain Language Initiative** – The Division will have the Governors Plain Language Initiative completed this week.
- **Budget** – Legislature allocated the Division's spending authority for this fiscal year. Funds are usually released in total at the beginning of each fiscal year. Due to revenue concerns the approved funds are being released in quarterly installments with a 1% holdback. Director O'Bryant addressed questions from the Commission.
- **Commission Vacancy** – Division has been diligently working with the Governor's Appointment Office to fill Commissioner Veissi's seat.
- **FREC News & Report** – Need articles from the Commissioners and a letter from the Chair for the newsletter to move forward.

Chair Remarks

Chair Ellis requested that the Commission be provided with a proposal of the budget before it is submitted to the Governor so that it may provide input. Director O'Bryant responded that the Commission would be able to provide input for the 2010-2011 budget.

Chair Ellis requested a copy of the flow chart of the entire application process in Tallahassee as well as a copy of the complaint process flow chart before the Commission has its meeting in

Tallahassee. Director O'Bryant stated that he will contact the Director of the Division of Service Operations to find out if the charts are available.

Commissioners asked additional questions about the proposed budget cuts. Director O'Bryant addressed the Commissioner's inquiries.

The Commission thanked Commissioner Veissi for her services and stated it has been a pleasure to serve with her should this be her last meeting.

Public Comments

The Commission received comments from the audience.

Adjournment

There being no further business and no objection, the Chair adjourned the meeting at approximately 12:00 p.m. The next general meeting of the Florida Real Estate Commission is scheduled for February 19 and 20, 2008, in Orlando, Florida.

S.W. Ellis, Chair
Florida Real Estate Commission

Thomas W. O'Bryant, Jr.,
Executive Director
Florida Real Estate Commission

Respectfully submitted,

Lori L. Crawford
Deputy Clerk, FREC
Regulatory Supervisor/Consultant