

STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
Jeb Bush, Governor
Kim Binkley-Seyer, Secretary



Minutes of THE FLORIDA REAL ESTATE COMMISSION May 15, 2002 Meeting

Chairman Marie Powell called the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., in Orlando, Florida.

The following Commission members were present: Marie Powell, Chairman; Tina Richardson, Carlos Valdes, Noel P. McDonell, Poul Hornsleth, and Guy Sanchez, Jr. Vice-chairman Matey Veissi was absent. The Chair declared a quorum present. Daniel Villazon appeared as counsel for the Commission.

The following Division of Real Estate staff members were present: Buddy Johnson, Director; Jack Hisey, Deputy Director; Nancy Campiglia, Chief Attorney; Fred Seli, Bureau Chief of Enforcement; Judy Smith, Investigative Supervisor; Donna Ryan, Rania Soliman, Stacy Robinson Pierce, Juana Watkins, and Chris DeCosta, Prosecutors; Jo Ellen Peacock, Education Coordinator; Jeannie Adkinson, Regulatory Specialist II; Diana Dayton, Regulatory Supervisor/Consultant; and Lori Crawford, Regulatory Supervisor/Consultant. American Court Reporting Service (407/324-4290) provided court reporter services.

Commission Business

The Commission unanimously approved the Minutes of the April 17, 2002, meeting, as written.

Buddy Johnson requested, and the Commission unanimously ratified the reinstatement of licensure status for: Rita A. Hallenbeck, Bolley L. Johnson, Dacia G. Nikolas, and Boudy Shalam who had met all the requirement of reinstatement.

Chairman Marie Powell introduced Deputy Secretary Geoff Becker. Mr. Becker stated that he came down again this month to give another update relating to the Department's projects and the recent special Legislative Session regarding budget issues. Mr. Becker reported that Release III of the Project would begin on May 28, stating that the remainder of Professions and the Division of Technology and Regulation will be incorporated into the new system. He added that with each release more customers will have on-line access to information to determine whether a licensee in any profession regulated by the Department is current and whether there has been any discipline against the licensee. Mr. Becker further added that the new system would assist the public in choosing an individual to perform services requiring a license.

Mr. Becker added that the Department was chosen from among 65 other non-profit organizations to receive the Smithsonian Institute Honors Award for its licensing system and re-engineering project. He added that the Department is receiving recognition, not only in Florida, but on an international level as well.

Mr. Becker further reported that the Department records reflect that 36,000 licensees have activated their accounts on line. Mr. Becker stated that this is about ten percent of the licensees that have been moved to the new system. He added that without any media advertising, the Department has been able to attract a large segment of the licensed population to log in, set up accounts and perform transactions on-line. Further, he stated that over 100,000 callers have used the self-service phone system, which is saving numerous man-hours, enabling employees to assist customers in other ways, stating that this is roughly thirty-five percent of the calls received.

Mr. Becker stated that the Department plans on attending a number of local FAR chapters, and setting up a booth to demonstrate how to utilize the on-line system and added that the Department has already registered for the FAR conference in August.

Mr. Becker stated that Pat Parker, Director of Communications and her staff were present to demonstrate the on-line system. He encouraged brokers and salespersons to register if they are not currently set up on-line.

Mr. Becker also informed the Commission that the Department's budget which passed on Monday, is approximately \$128 million, an approximate \$3-million dollar deduction from last year. He reported that the full time employees for the Department will total 1,568. Mr. Becker encouraged Director Johnson to send the Commission a copy of last year's budget so that they can compare it to this year's budget when it become available. Additionally, he stated that the Department would be developing its spending plans over the next few months and he welcomes the Commission's input as it relates to the Division.

Finally, Mr. Becker informed the Commission that the Department plans meeting with all the Board Chairs to discuss major issues and concerns, on a quarterly basis. At the May meeting, the main topic of discussion concerns the budget.

Commissioner Valdes expressed his concerns about the new system, specifically regarding brokerage relationships or lack thereof. Mr. Becker stated that he would look into it and get back to him.

Commissioner McDonell reported that the Secretary had mentioned that one of the benefits of being the first state in the nation reengineering its system is that the State of Florida will be an example for other states. She added that the Secretary stated that since Florida would be the first state to use this system, it would receive funding when other states buy the same program. Mr. Becker stated that was correct. He added that the Department, however, would not show any profit in this year's budget.

Commission Valdes inquired as to what is the will the benefit of this system other than saying the Department is high tech. Mr. Becker responded that the benefit is the ease of use to the million or so licensees because it is customer friendly in that the customer may log in to the system at their convenience and make changes to their license or renew, when applicable. He added that the Department is saving man-hours but ultimately the Department is saving the customer and the licensee a lot of frustration trying to access various services the Department provides. Mr. Becker then asked the Commission if it had any other questions, there being none, Chairman Powell directed Nancy Campiglia to proceed with the Legal agenda.

Legal Matters

Upon recommendation of the Legal Section, the Commission unanimously issued 31 Escrow Disbursement Orders (EDO) and 4 Orders of denial. A list of the Orders is attached to the official minutes.

At approximately 9:00 a.m., the Commission took up the Legal Agenda, consisting of 16 cases. It heard 13 cases, continued 1 and withdrew 2. The Commission's decisions on these matters are attached to the official minutes.

FREC Counsel

FREC Counsel Daniel Villazon presented Mr. Michael Miscio's request for reinstatement of a null and void license. Mr. Miscio presented his mitigation. The Commission stated that it does not have the authority, regardless of the circumstances, to reinstate a null and void real estate license.

Mr. Villazon presented a request from Warren W. Dill, Esquire and recommended that the Commission not issue an opinion in this matter offering to draft a letter outlining the proper procedure.

Mr. Villazon presented a request from Sally A. Larson and, again recommended that that the Commission not issue an opinion in this matter offering to draft a letter explaining possible remedies.

Mr. Villazon presented the following rules for discussion:

- 61J2-1.014 The Commission unanimously approved proceeding with proposed rulemaking as presented.
- 61J2-2.027 The Commission recommended proceeding with proposed rulemaking as presented.
- 61J2-2.031 The Commission recommended proceeding with proposed rulemaking as amended.
- 3.008 Mr. Villazon recommended that the Commission withdraw the rule development and approve re-advertise for a rule development workshop. Commissioner McDonell moved to approve and notice a rule development workshop for the next available meeting. Commissioner Sanchez seconded it; it carried unanimously.
- ➤ 3.009 Mr. Villazon recommended that the Commission withdraw the rule development and approve re-advertise for a rule development workshop. Commissioner McDonell moved to

approve and notice a rule development workshop for the next available meeting. Commissioner Sanchez seconded it; it carried unanimously.

- 3.015 Mr. Workman stated that the changes were made to accommodate the Department's CE monitoring program and to conform with the one hundred percent monitoring. He added that these changes would bring the rule into compliance with the Department's statute. The Commission recommended proceeding with proposed rulemaking as amended.
- ▶ 5.016 The Commission recommended proceeding with proposed rulemaking as amended.

Next, Mr. Villazon requested that the Commission approve a rule development workshop for 61J2-3.020. Commissioner McDonell moved to approve. Commissioner Sanchez seconded it; it carried unanimously.

Mr. Villazon asked the Commission to approve 17.012 for repeal. Commissioner McDonell moved to approve. Commissioner Sanchez seconded it; it carried unanimously.

Bureau of Licensing

The Commission considered the Summary of Applicants Consent Agendas, at approximately 1:00 p.m., unanimously approving Consent Agenda #1 and requiring one from Consent Agenda #2 to appear before it. Jeannie Adkinson, Regulatory Specialist I, presented the Summary of Applicants requesting to sit for the real estate examination. The Commission's orders on these matters are attached hereto and made a part of these minutes.

The Commission received the following reports in writing: Interim Report, Education Report, Enforcement Report, Legal Section Activity, and Escrow Section Activity.

There being no further business and no objection, the Chair adjourned the meeting at 4:45 p.m. The next general meeting of the Florida Real Estate Commission is scheduled for June 19, 2002, in Orlando Florida.

Marie Powell Chairman Buddy Johnson Division Director

Written by:

Lori Crawford Deputy Clerk FREC MINUTES March 20, 2002