



Minutes of
THE FLORIDA REAL ESTATE COMMISSION
May 17 and 18, 2005
Meeting

Chairman Guy P. Sanchez called the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., at Orlando, Florida, on this 17th day of May, 2005.

The Chairman introduced the members of the Commission and its legal counsel. The following Commission members were in attendance: Chairman Guy P. Sanchez, Vice-Chairman Nancy B. Hogan, Matey H. Veissi, Bob Beals, S. W. Ellis and James D. Varnado. Commissioner Poul Hornsleth was excused. The Chairman declared a quorum present. Ms. Barbara R. Edwards appeared as counsel for the Commission.

Division staff present at the meeting: Elizabeth P. Vieira, Director; Sharon Thayer, Deputy Director; Bennett M. Miller, Chief Attorney; Kathleen Koeberich, Bureau Chief; James P. Harwood, Alpheus C. Parsons, Alfonso Santana Prosecutors; David Guerdan, Investigator Supervisor; Fred Clanton, Investigator Supervisor; Fred Seli, OPS Supervisor for Unlicensed Activity; JoEllen Peacock, Education Coordinator; Lori Crawford, Regulatory Supervisor/Consultant; Virginia Gordon, Administrative Assistant II. American Court Reporting, Inc. (407-896-1813) provided court reporter services.

Approval of the Minutes

The Commission unanimously approved the Minutes of the April 19 and 20, 2005, General meeting, as amended.

Legal Matters

At approximately 8:40 a.m., the Commission took up the Legal Agenda, consisting of 25 items. The Commission heard 20 items, withdrew 2 and continued 3. The Commission's decisions on these matters are attached to the official minutes maintained at the Division of Real Estate headquarters.

Commission Business

Unlicensed Activity Monthly Report

The monthly report on Unlicensed Activity was presented by Fred Seli. Mr. Seli addressed several questions regarding the report, the issuance of citations and the procedures for prosecuting individuals who do not pay the citations.

Bureau Chief of Enforcement Kathleen Koeberich provided an update of the magazine quotes from a variety of magazines covering a majority of the state with additional distribution to other states. Ms. Koeberich stated the Office of Communications has

prepared a press release and reported that the Department is looking into establishing a dedicated phone line in Orlando for Unlicensed Activity. Mr. Seli stated that the Commission would be updated once finalized. The Commissioners commended Ms. Koeberich and Mr. Seli on their recent efforts relating to unlicensed activity.

Commissioner Hogan reported that Investigator Supervisor Brian Piper will be speaking to several Coldwell Banker offices in South Florida regarding the Unlicensed Activities Program in South Florida. Ms. Koeberich and Mr. Seli addressed additional questions from the Commission relating to unlicensed activity.

Report regarding Real Estate Scholarship Disbursements

Director Vieira provided a report from Sandra Hartley regarding scholarship disbursements. Director Vieira reported that the contract expires in June and asked whether the Commission wishes the program to continue in the next fiscal year. Chairman Sanchez suggested that this item be added to the agenda for the June Commission meeting. Chairman Sanchez stated that he would like to see the Real Estate Scholarship Disbursements go to more schools in Florida. Chairman Sanchez requested that this issue be placed on the June agenda for further discussion.

ARELLO Conference

Chairman Sanchez thanked Director Vieira for sending the Association of Real Estate Law Officials (ARELLO) updated information on the current Commission members. The Commission discussed the upcoming ARELLO conference in Toronto scheduled for September 29 to October 2, 2005. Commissioner Veissi gave her personal insights and recommendations for attending the Toronto meeting. Commission also discussed the importance of the training and benefits received from attending the ARELLO meetings. Chairman Sanchez commented on how vital it is for Florida Real Estate Commissioners and Real Estate staff to represent the State of Florida at the ARELLO meetings. Chairman Sanchez further stated that the proposed agenda for the Toronto ARELLO meeting is on the organization's website for the Commissioners' information.

New Business

Discussion of Section 215.37, Florida Statutes

Ms. Edwards asked Director Vieira if the Division had been received information from the Department regarding budgetary information for the Florida Real Estate Commission. Director Vieira stated that the budget process would be discussed by representatives from Office of the Budget and Finance on the next item under New Business/Rule Discussion.

Quarterly Financial Report

Director Jean Whitten, Office of Budget and Finance provided a copy of the quarterly financial reports. Director Whitten stated that the five-year projections on revenue are available for review by the Commission. Director Whitten suggested that the Commission

should consider establishing a small finance committee to review the projections and that the Office of Budget and Finance would welcome recommendations from that committee.

Commissioner Veissi asked if it would be possible to have a "fee holiday" for licensees. Director Whitten said that was a possibility depending on the five year projections. Chairman Sanchez inquired whether excess funds could be allocated to other areas. Director Whitten explained that the licensure fees are statutorily mandated to be placed in specific accounts. Chairman Sanchez stated that any type of funding would have to be approved by the legislature. Director Whitten confirmed that an increase in funding would have to be approved by the Legislature.

Ms. Edwards discussed the budget submission process in regard to fixing the problems in the system by getting the authority to hire temporary employees through the budget. There was further discussion from the Commissioners regarding ways to correct the problem with processing the overwhelming number of applications.

Director Whitten gave a brief overview of the financial statements provided to the Commissioners. There was a discussion of the operating account, statement of revenue and expenditures, discussion of money on hand and operation costs.

Commissioner Beals asked whether enough money could be allocated to print four newsletters a year. Director Whitten stated that if the Commission submits a list of its priorities, it is a matter of looking at the Commission's budget on July 1 and setting priorities on how to choose to spend it. Director Whitten suggested the Commission submit their highest priorities to determine whether there is enough money to get there. Chairman Sanchez provided his input regarding the importance of frequent newsletters for the information and education of licensees. Commissioner Hogan asked about the steps towards getting money allocated for changes and/or improvements to the system. Commissioner Varnado acknowledged that the Office of Finance and Budget would welcome a list of priorities from the Commission.

Bruce Topp, Chief, Office of Planning and Budget provided a brief overview of the budgetary calendar stating that the fiscal year begins July 1 through June 31. Mr. Topp also stated that plans could be made on how to spend the funds once money has been appropriated and that budget requests for the following year are due by September 15. There were a various questions from the Commissioners regarding certain items in the reports. After discussion various items in the report, Bruce Topp stated that he would welcome inputs from the Commission for future budget requests.

Director Whitten addressed additional questions and comments from the Commissioners. Chairman Sanchez thanked Director Whitten and Bruce Topp for their attendance at the Commission.

Discussion of FREC Legislative Issues

At the request of Chairman Sanchez, Ms. Gina Stuart, of the Florida Association of Realtors (FAR), John Seabree, Vice-President of Public Policy and Trey Goldman, Legislative Counsel for FAR were present to solicit inputs from the Commission on how

FAR may assist the Florida Real Estate Commission in passing certain items through the Legislature.

Mr. Goldman provided an update as to the legislative issues FAR has been working on, which includes the Lien Law, Unlicensed Activity in Chapter 455, an insurance-related bill that pertains to the disclosure of sinkholes prior to selling property, home inspector bill, and a mold mediator bill.

Ms. Stuart reported that FAR has been working to assist the Department's efforts to curtail Unlicensed Activity. Mr. Seabree provided an update of items being discussed at the National level, which included, but not limited to, minimum service standards and unlicensed activity.

Ms. Stuart stated that the FREC/FAR committee is scheduled to meet in June and requested input from the Commissioners as to what they would like to work on mutually.

The Commissioners provided several comments and concerns, which include minimum standards, monthly FAR newsletter, more frequent FREC newsletters. FAR representatives responded to additional questions from the Commission.

License Status Updates

Deputy Director Sharon Thayer provided statistics received from Deputy Director Arlene Forbing, Service Operations. Chairman Sanchez inquired whether licensees could be notified of a status change when the change affects the relationship employer or employee. Ms. Thayer stated that the Department is developing a process to notify the licensees via post cards.

Commissioners expressed their concerns regarding status changes and the amount of time for the system to reflect the update. Ms. Thayer explained the benefits of licensees completing status changes on-line and that the Department encourages the licensees to use the portal. Commissioners expressed concerns regarding several issues relating to the system and requested that a representative from Service Operations come to a future Commission meeting to discuss the issues and the problems licensees are experiencing when making status changes on the required forms. Ms. Thayer stated that Director Scott Stewart addressed the Commission at a FREC meeting several months ago and the Division would ask Mr. Stewart to attend a future meeting. Director Vieira stated that the Division is communicating more with Service Operations concerning these issues.

Commissioner Varnado discussed providing the Commission information regarding specific complaints the Department receives regarding this issue.

Chairman Sanchez reported that he attended the recent Instructor's Seminar held in Miami and stated that it was a great learning experience and recommended that other Commissioners take the time to attend the seminar. Chairman Sanchez congratulated Sharon Thayer, JoEllen Peacock and the Real Estate staff on their extraordinary efforts. JoEllen Peacock stated that there are two more seminars scheduled in Orlando and one in Tallahassee.

Ratification of Suspended Licenses

Division Director Elizabeth P. Vieira requested that the Commission ratify the reinstatement of Anthony M. Licari, who has met the requirements for reinstatement. The Commission ratified the action unanimously.

Escrow Disbursement Orders

Upon recommendation of the Legal Section, the Commission unanimously issued 157 Escrow Disbursement Orders and 2 Orders. A list of the Orders is attached to the official minutes. Chairman Sanchez, Commissioner Beals and Commissioner Hogan had various questions regarding escrow dispute procedures. Mr. Solla clarified procedures for the Commission.

Recovery Fund Request

Senior Attorney, Joseph A. Solla, presented Recovery Fund Claim styled Ricardo Barredo and Carmen E. Gonzalez v. Andres Parra, Case Number RFC 2005015772. Vice-Chairman Hogan moved to deny payment from the recovery fund. Commissioner Beals seconded. The motion carried unanimously. A copy of the Commission's decision on this matter is attached to the official minutes.

Consent agenda

The Commission considered the Summary of Applicants Consent Agenda, requiring 24 applicants from the Consent Agenda to appear before it.

The Chairman recessed the meeting at approximately 4:00 p.m., May 17, 2005.

May 18, 2005

Chairman Guy P. Sanchez reconvened the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., at Orlando, Florida, on this 18th day of May, 2005.

The following Commission members were in attendance: Chairman Guy P. Sanchez, Vice-Chairman Nancy B. Hogan, Matey H. Veissi, Bob Beals, S. W. Ellis and James D. Varnado. Commissioner Poul Hornsleth was excused. The Chairman declared a quorum present. Ms. Barbara R. Edwards appeared as counsel for the Commission.

Division staff present at the meeting: Elizabeth P. Vieira, Director; Sharon Thayer, Deputy Director; Bennett M. Miller, Chief Attorney; Lori Crawford, Regulatory Supervisor/Consultant; Jeannie Adkinson, Regulatory Specialist III; Jan Dodd, Regulatory Specialist II; Virginia Gordon, Administrative Assistant II. American Court Reporting (407-896-1813) provided court reporter services.

Summary of Applicants- Bureau of Licensing

At approximately 8:40 a.m. Jeannie Adkinson, Regulatory Specialist III, 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.

Chairman's Remarks

Chairman Sanchez requested comments from the Commission. There were no comments from the Commission members.

Adjournment

There being no further business and no objection, the Chairman adjourned the meeting at approximately 3:00 p.m. The next general meeting of the Florida Real Estate Commission is scheduled for June 14 and 15, 2005, at the Division Headquarters in Orlando, Florida.

Guy P. Sanchez
Chairman

Elizabeth P. Vieira
Division Director

Respectfully submitted,

Lori L. Crawford