Minutes of
THE FLORIDA REAL ESTATE COMMISSION
October 18, 2004
Task Force Meeting of FREC Legislative Issues

Vice-Chairman Guy Sanchez called the meeting of the Florida Real Estate Commission to order, at approximately 3:00 p.m., at the Division of Real Estate Headquarters, Orlando, Florida.

The following Commission members were in attendance: Guy Sanchez, Vice-Chairman, Matey H. Veissi, and Nancy B. Hogan. Commissioner Hornsleth made a brief appearance via teleconference. Ms. Cathy Lannon, Senior Assistant Attorney General, appeared as counsel for the Commission.

Division of Real Estate staff present at the meeting: Juana C. Watkins, Acting Director; Sharon Thayer, Deputy Director; Christopher DeCosta, Acting Chief Attorney; Kathleen Koeberich, Bureau Chief of Enforcement; JoEllen Peacock, Education Coordinator; Lori Crawford, Regulatory Supervisor/Consultant; American Court Reporting Service (407-896-8313) provided court reporter services.

Interested parties in attendance: Robert Delmar, Ray Glynn, Carmen Pappa, Lori Rodgers and FAR Counsel, Randy Schwartz.

Chairman Sanchez turned the discussion over to Commissioner Hornsleth who was unable to attend in person. Commissioner Hornsleth provided comments on two issues, which were centralized files and electronic agenda materials. Commissioner Hornsleth stated that he would like to see the paper records of transactions centralized in the office of the broker.

Commissioner Hornsleth stated that on the subject of providing agenda materials to the Commissioners electronically he would prefer to receive a hard copy his agenda material. Ms. Lannon reported that the Department of Health has put the records for board meetings on computer for several boards and that the software actually allows the members to write notes on the page, highlight, underline and tag pages. Vice-Chairman Sanchez stated that Commissioners Hornsleth’s position is noted.

Chapters 475 & 494 Revision & Rule Making

Multiple Licenses

Vice-Chairman Sanchez stated that this has been a weak area of enforcement and a section in the Statutes that has been taken advantage of by the licensed brokers. Vice-Chairman Sanchez stated that the brokers are lending their licenses for a fee and not reviewing the records. Commissioner Veissi stated that she holds a multiple license and does not have a problem with a broker having a multiple license. Ms. Veissi added that s. 475.5015, Florida Statutes states that the records must be maintained for five years. Commissioner Veissi stated that the Department needs more investigators when there are over 300,000 licensees.
Commissioner Veissi commented that perhaps some multiple licenses should be eliminated, as it would be extremely difficult to monitor or control 36 licensees.

Commissioner Hogan stated that a solution would be to tighten up the licensing laws to eliminate brokers easily selling their license to other people and in return receive 2% of the sales. Mr. DeCosta stated that the FREC have a statute that specifically imposes the duty upon the broker to supervise their sales associates.

Additional comments were received from members of the audience.

Recommendation: Require any broker requesting a multiple licenses from this point on to come before the Commissioner prior to Department approval.

Change of Mailing Address

The issue is the inability to track, notify and or locate a licensee because the licensee fails to notify the Department of an address change.

General discussion held.

Recommendation: Increase the $100.00 citation fine to $1,000.00.

Ms. Lannon commented that the Commission might want to consider whether if the licensee comes before it, the penalty is not less than the citation.

Branch Offices

Issue: Failure to provide a change of address for the branch office.

General discussion held.

Recommendation: Impose a $500 citation fine for failing to notify the FREC within 10 days of change of address.

Broker's Office

Issue: Brokers and consumers unable to locate files of associates in branch offices.

Comments were received from the Commissioners and members of the audience.

Recommendation: Commissioner Veissi recommended bringing this issue before the full Commission.

Brokerage Home Office

Issue: Maintaining a brokerage office within personal residence.

General discussion held.
Recommendation: Change the rule to require the licensee to provide an occupational license together with the corporation license.

HUD Poster

Issue: FREC requiring offices display an equal opportunity housing poster.

General discussion held.

Vice-Chairman Sanchez requested that this issue be reviewed to determine the legality.

Identification

Issue: Requiring realtors to print their public license numbers on their business cards along with carrying a picture identification card.

General discussion held.

Recommendation: Print license numbers on business cards. Commissioner Hogan opposed the recommendation.

Legal Activities of an Unlicensed Personal Assistant

Issue: Establishing a list of activities an unlicensed personal assistant may perform.

General discussion held.

Recommendation: To develop a list for FREC approval and research what steps are necessary to implement requiring the broker to provide the list of legal activities that an unlicensed assistant may perform to the assistant for their signature and file.

Office Site Operations

Issue: Real estate, title and mortgage companies operating out of the same office, many with similar corporate names and the affiliation is never disclosed.

General discussion held.

Recommendation: To bring this issue before the full Commission to discuss requiring the brokerage disclose all conflicts and affiliations to all parties involved, including compensations and imposing an administrative fine of $500 and/or a 30-day suspension for failure to comply.

Escrow Deposit

This issue was withdrawn.

Advertisement by Licensed Realtors

This issue was withdrawn.
**Corresponding Mortgage Lenders - 494.0062**

Issue: Regulating corresponding lenders and requiring them to be licensed.

Vice-Chairman Sanchez suggested that the Commission endorse the regulation of corresponding lenders.

General discussion held.

No recommendation made.

There being no further business and no objection, the Vice-Chair adjourned the meeting at approximately 6:10 p.m.

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Guy Sanchez                      Juana C. Watkins
Chairman                         Acting Division Director

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