



**Minutes of
THE FLORIDA REAL ESTATE COMMISSION
June 20 and 21, 2006
Meeting**

Chairman Nancy B. Hogan called the meeting of the Florida Real Estate Commission to order, at approximately 8:30 a.m., at Orlando, Florida, on this 20th day of June, 2006.

The Chairman introduced the members of the Commission and its legal counsel. The following Commission members were in attendance: Chairman Nancy B. Hogan, Vice-Chairman S. W. Ellis, Matey Veissi, Poul Hornsleth, Bob Beals and James Varnado. The Chairman declared a quorum present. Tom Barnhart, Assistant Attorney General, appeared as counsel for the Commission.

Division staff present at the meeting: Michael E. Murphy, Division Director; Troy Bell, Deputy Director, James P. Harwood, Acting Chief Attorney; Shiv Persaud, Joseph Solla and Racquel White, Senior Attorneys; Kathleen Koeberich, Bureau Chief of Enforcement; Fred Clanton, Investigative Supervisor; Fred Seli, OPS Supervisor for Unlicensed Activity; JoEllen Peacock, Education Coordinator; Lori Crawford, Regulatory Supervisor/Consultant; Jeannie Adkinson, Regulatory Specialist III; Janis Dodd and Jocelyn Pomales, Regulatory Specialist II. American Court Reporting, Inc. (407-896-1813) provided court reporter services.

General Information

Director Murphy reported the Division has received five new positions, Ms. Crawford will be returning to the Legal Section as supervisor and that the Office of General Counsel has been interviewing individuals to fill the Chief Attorney position. Mr. Murphy announced the hiring of Mr. Troy Bell as the Division Deputy Director and further provided a brief summary of Mr. Bell's past experience.

Director Murphy further reported that Legislation increased the Division's budget for unlicensed activity and that the fee holiday is on track.

Chairman Hogan announced that Commissioner Marilyn Guevara stepped down for personal reasons and the Governor will be appointing a new Commissioner.

Chairman Hogan also wanted to commend Mr. Harwood for his services and for stepping up as Acting Chief Attorney.

Approval of the Minutes

The Commission unanimously approved the Minutes of the May 16 and 17, 2006, General Meeting, as written.

Legal Docket

At approximately 8:45 a.m., the Commission addressed the Legal Agenda, consisting of 27 docket items. The Commission considered 20 docket items. The Commission approved the continuance of 2 docket items and the withdrawal of 5 docket items. The Commission's decisions on these matters are attached to the official minutes maintained at the Division of Real Estate headquarters.

Escrow Disbursement Orders

Upon recommendation of the Legal Section, the Commission unanimously issued 117 Escrow Disbursement Orders. A list of the Orders is attached to the official minutes.

Unlicensed Activity Report

OPS Supervisor for Unlicensed Activity, Fred Seli presented the monthly report regarding unlicensed activity. DRE staff addressed questions from the Commission.

Mutual Recognition Requests

FREC Counsel Tom Barnhart presented a rough draft of the agreement received from Pennsylvania for discussion. Mr. Barnhart then recommended the drafting of a basic agreement, which could then be tailored to each individual state's request, based upon the Commission's wishes. Director Murphy stated that he believes this to be a sound approach and would recommend a basic agreement be presented to the Commission for review and comments and upon final FREC approval would have the Office of General Counsel review for a final evaluation to ensure they are comfortable with the proposed basic agreement. Mr. Barnhart and DRE staff addressed additional questions from the Commission.

Commissioner Beals suggested using Alabama and Arkansas as a sample of the standard agreement. Mr. Murphy stated that for future requests the standard agreement could be attached to the questionnaires along with any other information usually provided to the requestor. Chairman Hogan stated that it is the consensus of the Commission to create one standardized mutual agreement. Mr. Murphy stated that because it is an operational issue, he will take on the responsibility of drafting a proposal and after conferring with FREC Counsel, will present it to the Commission at a future meeting. The Commissioners tabled this topic to a future meeting.

Discussion of Rule Amendments Pursuant to JAPC Objections

Rule 61J2-3.010 – License Reactivation Education for Brokers and Sales Associates

The Commissioners were advised that the Governor recently signed the statutory change. The Commission took no action and tabled this topic for a future meeting.

Rule 61J2-5.014 – Registration of Corporation

Mr. Barnhart advised the Commission that the JAPC identified substantive errors which need to be addressed. Mr. Barnhart and DRE staff addressed the questions and comments from the Commission.

To address the first issue, Mr. Barnhart recommended deleting the first two sentences of the rule. Commissioner Hornsleth moved to delete first two sentences of the rule. Commissioner Varnado seconded the motion. The motion carried unanimously.

To address the second issue, Mr. Barnhart recommended removing “directly and indirectly” and changing “40 percent” to “50 percent”. Commissioner Hornsleth moved to approve the recommended changes. Commissioner Varnado seconded the motion. The motion carried unanimously.

The Commission addressed the last issue relating to corporations not operating as a real estate broker until they have received written notification from the Department that the corporation has been properly registered. JAPC requested the statutory authority for this rule provision and inquired what forms are used to submit the registration as there is no reference in the rule. Mr. Murphy requested that this issue be tabled to a future meeting to allow him to discuss this with department counsel. Mr. Barnhart stated that he would prefer to respond to JAPC when all the issues have been resolved. The Commission agreed to table this issue to August.

Ratification of Suspended Licenses

Director Murphy requested that the Commission ratify the reinstatement of real estate licenses of George J. Baraque, William J. Kachur, Mary Lawhon, Steven M. Leoni and Henry Norman, who have met the requirements for reinstatement. The Commission ratified the actions unanimously.

Consent Agenda

The Commission considered 144 applicants from the Summary of Applicants Consent Agenda, requiring 25 applicants from the Consent Agenda to appear at a future meeting.

Summary of Applicants

At approximately 2:00 p.m. Jeannie Adkinson, Regulatory Specialist III, presented the Summary of Applicants requesting to sit for the real estate examination. The Commission orders on these matters are attached hereto and made part of these minutes.

The Chair recessed the meeting at approximately 3:20 p.m., May 16, 2006.

June 21, 2006

Chairman Nancy B. Hogan reconvened the meeting of the Florida Real Estate Commission to order, at approximately 8:40 a.m., at Orlando, Florida, on this 21st day of June, 2006.

The following Commission members were in attendance: Chairman Nancy B. Hogan, Vice-Chairman S. W. Ellis, Matey Veissi, Poul Hornsleth, Marylin Guevara, Bob Beals and James Varnado. The Chairman declared a quorum present. Ms. Cathy Lannon, Senior Assistant Attorney General and Tom Barnhart, Assistant Attorney General, appeared as counsel for the Commission.

Department and Division staff present at the meeting: Michael E. Murphy, Division Director; James P. Harwood, Acting Chief Attorney; Kathleen Koeberich, Bureau Chief of Enforcement; JoEllen Peacock, Education Coordinator; Jeannie Adkinson, Regulatory Specialist III; Jan Dodd, Regulatory Specialist II; Lori Crawford, Regulatory Supervisor/Consultant. American Court Reporting (407-896-1813) provided court reporter services.

Summary of Applicants

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 orders on these matters are attached hereto and made part of these minutes.

Commission discussed whether an individual may be considered eligible for approval if the applicant is currently on probation or under investigation. Mr. Barnhart stated he would have to research this issue. Mr. Murphy stated that it has been the practice of the department to not to administratively approve applications under these circumstances but to forward them for the Commission's review and consideration. Mr. Barnhart and Mr. Murphy addressed questions from the Commission.

Other Matters

The Commissioners addressed various issues including application expiration date, exam review fees, and paying referral fees, transaction fees or bonuses to

unlicensed assistants. Mr. Barnhart and DRE staff addressed the Commissioners' questions and comments.

Adjournment

There being no further business and no objection, the Chairman adjourned the meeting at approximately 3:20 p.m. The next general meeting of the Florida Real Estate Commission is scheduled for July 18 and 19, 2006, at the Division Headquarters in Orlando, Florida.

Nancy B. Hogan
Chairman

Michael E. Murphy
Director, Division of Real Estate

Respectfully submitted,

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