



**Executive Summary**  
**State Real Estate Commission**  
**One Penn Center**  
**2601 North Third Street, Harrisburg**  
**April 14, 2009**

Present at the regular meeting of the Commission were: Vice Chair John McGarry, Secretary Joseph Tarantino, Commissioners Beverly Brookes, Annie Hanna Cestra, Jeffrey Johnson, Joseph McGettigan, Gaetano Piccirilli, John Sommer, Alexis Barbieri (Office of Attorney General), and Mark Vessella (BPOA Deputy Commissioner). Also present were Commission Counsel Judith Pachter Schulder, Commission Administrator Patricia Ridley, and Real Estate Education Administrator Katie Douglas.

The following key discussions/actions were taken:

1. The Commission adopted the March minutes.
2. Report of Prosecution
  - File 08-56-09720 – This case involves a broker who was convicted of a DUI in December 2006. Commission rules provide that the Commission must be notified of criminal convictions within 30 days. The respondent did not notify the Commission of the criminal conviction until June 2, 2008. Terms of the Agreement: \$1,000 civil penalty. Commission approved.
  - File 08-56-09691 – This case involves a salesperson who was convicted of a DUI and marijuana possession in January 2008. Commission rules provide that the Commission must be notified of criminal convictions within 30 days. The respondent did not comply with this timeframe. Terms of the Agreement: \$1,000 civil penalty. Commission tabled consideration until presented with further information.
  - File 07-56-13665 – This case involves a licensee who was found guilty in federal court of “conspiracy to make false statements”. Terms of the Agreement: revocation of license. Commission approved.
  - File 07-56-06263, 07-56-06264, 07-56-00202 – This case involves the brokerage, broker of record, and salesperson. A \$3,000 deposit was made on a \$1 million home. The check was deposited in the escrow account, but subsequently bounced. There is a factual dispute between the parties as to when the agency received notification of the bounced check, and a dispute as to whether the salesperson notified the buyer of the bounced check. The transaction fell through. All parties are charged with failure to keep the seller aware of the events surrounding the transaction. In addition, the broker of record is charged with failure to supervise. Terms of the Agreement: reprimand on all records, and joint civil penalty of \$2,500. Commission approved.
  - File 09-56-01757 – This case is a continuing education violation stemming from the audit. The respondent submitted a renewal indicating that continuing education was

completed, however only 7 hours were actually completed. Terms of the Agreement: \$700 civil penalty, reprimand on record, and completion of 7 hours continuing education within six months. Commission approved.

- File 07-56-06899 – This case involves a salesperson with a lapsed license. During the lapse, seven transactions were conducted. Terms of the Agreement: \$1,400 civil penalty. Commission approved.
3. The Commission discussed and made revisions to the inspection forms used by officials during routine office inspections.
  4. The Commission authorized counsel to prepare an adjudication and order in the following cases:
    - Thomas Kazor (File 03-56-04882)
    - Vanda Tappan (File 06-56-02379)
    - Christine Cole/Sunita Arora (Files 04-56-03652 and 06-56-01363)
  5. The Commission deemed facts admitted and authorized counsel to prepare an adjudication and order in the case of Marlene H. Gush (File 05-56-07431).
  6. The Commission delegated the matter of Nova Tucker (File 06-56-07308) to a hearing examiner.
  7. The Commission discussed the status of reciprocal agreements with Colorado and Wyoming.

Recently, Colorado changed its law to require that reciprocal licensees will have to take the state portion of the exam. Since the PA reciprocal agreement does not mandate the same requirement of Colorado licensees, the agreement became null and void.

In February, Wyoming made the decision to rescind all reciprocal licenses effective May 1, 2009. Reciprocal licenses issued will automatically convert to nonresident Wyoming licenses and will no longer be governed by the terms of the agreement.

A motion was adopted to convert any licenses issued to licensees of those states who terminate reciprocal agreements to standard licenses. In addition, at the next renewal, these licensees must take continuing education as per all standard license holders.

8. Education Committee
  - The Commission denied approval of the following continuing education courses:
    - Using Time Management and Assistants to Improve Service to Your Customers and Clients
    - Real Estate and Tax Benefits
    - 2009 SIOR Spring World Conference
    - Real Estate Disclosures
    - Technology in Real Estate II
  - The Commission discussed transcript requirements. The current provision requires that licensees must provide an original transcript with seal as documentation of education

courses. With impending online licensure, the Commission considered if this provision is outdated. Staff will draft a policy for Commission discussion at the next meeting.

9. Rules and Regulations Committee

- Regulation 16A-5611 (Seller Disclosure) – This regulation would establish a standard Seller Disclosure statement. The Real Estate Seller Disclosure Law provides that the Real Estate Commission shall promulgate regulations. The proposed regulation includes subjects as outlined in 7304(b). The Commission submitted this regulation to interested parties for pre-draft input with comments due April 25, 2007.
  - Most Recent Action: In August 2007, the Commission discussed the incorporated changes in a new draft provided by counsel. The Commission adopted the regulation in proposed form. It was sent to the general counsel's office for review.
- Regulation 16A-5613 (Post-Licensure Education) – This regulation establishes a mandatory continuing education class for new licensees which must be completed within the first full renewal cycle. In 2005, this regulation was sent to interested parties as a pre-draft Annex. In June 2005, the Commission approved a motion to adopt the Annex and move forward with the proposed rule.
  - Most Recent Action: In October 2008, the Commission reviewed and approved the proposed outline for the 14 hour required course for new licensees.
- Regulation 16A-5615 (Fees) – This regulation would consolidate the initial licensure fee charged to new applicants from a two-tiered structure to a one-tier structure. The consolidation of these fees will enable the Commission to participate in online initial applications for certain licensure classes since, as currently constructed, the computer system cannot accommodate a two-tiered fee structure.
  - Most Recent Action: In September 2008, this regulation was issued as pre-draft to interested parties. PAR submitted comments in favor of the regulation.
- Regulation 16A-5619 (Property Management) – This regulation would define the term “property manager.”
  - Most Recent Action: In April 2008, the Commission discussed licensure of condominium managers, and put forward the idea of defining the term “property manager.” This regulation is still in the development stages.

10. Next Meeting – May 12-13, 2009 (Pittsburgh).

The foregoing represents the author's best interpretation of the significant actions and discussions of the Commission. Aside from the meeting agenda, the author receives no supporting documentation or materials in advance of the meeting, nor is the author present during any executive sessions of the Commission. Therefore, this summary may not accurately reflect official actions or positions taken. Official minutes of the proceedings may be secured by contacting the Bureau of Professional & Occupational Affairs.

Document Date: April 15, 2009.

For further information, contact Jennifer Shockley, Assistant Director, Government Affairs.