

SUMMARY

NYS REAL ESTATE BOARD MEETING

May 29, 2014

The meeting was held at the Department of State, Division of Licensing Services, 99 Washington Avenue, Albany; 123 William Street, NYC; and, 65 Court Street, Buffalo and included an open public hearing session on general real estate issues following the Board meeting.

List of attendees:

Board Members:

Daniel Burstein, representing Benjamin Lawsky, Superintendent, Dept. of Financial Services

Joseph Berko

Dale Burnett

Sandra Erickson

Duncan MacKenzie

Trisha Ocona Francis

Diane Ramirez

Eileen Spinola

Excused:

David Dworkin

David Leno

David Rumsey

Gregory Weston

Department of State Staff:

Marcos Vigil, Deputy Secretary of State

Whitney Clark, Director of Licensing Services

Michael Elmendorf, Assistant Director

Dan Shapiro

Linda Cleary

Jack Bilello

MaryJo Moore

Amy Penzabene

Jodi DeLollo

Marc Mastrobuono

Donna Zoller

Carol Fansler

Visitors:

Priscilla Toth, NYS Association of Realtors (NYSAR)

Anthony Gatto, NYSAR

Mike Kelly, NYSAR

Neil Garfinkel, Real Estate Board of NY (REBNY)

CALL TO ORDER, INTRODUCTIONS and OFFICIAL ATTENDANCE

The meeting was called to order at 10:35am. Deputy Secretary of State Marcos Vigil made opening remarks, roll call was taken and it was announced that there was a quorum.

SUBCOMMITTEE AND DEPARTMENT REPORTS

M. Vigil asked for a motion to approve the summaries from the April 24, 2013 and August 14, 2013 board meetings.

S. Erickson made a motion to approve the April 24, 2013 and August 14, 2013 meeting summaries. The motion was seconded by J. Berko and passed unanimously.

J. DeLollo shared information about audits conducted on completion of continuing education (ce) course credits. She stated that after 1,200 audits on continuing education, results show a non-compliance rate of 20-30%. Therefore, the department is discussing sending a notification to all brokers informing them that renewal applications are being audited, and that they should ensure completion of their staff's ce requirements prior to renewing their license. When asked if brokers could be required to verify completion of ce courses of their salespeople, A. Penzabene shared that when this discipline is added to the new on-line Statewide e-licensing system in the future, brokers will be required to electronically approve completion of ce for their salespeople.

J. Bilello shared an update on enforcement cases. He stated that currently there are 394 open investigations in regard to real estate, which is about 68% of the total current open investigations for all disciplines. In an effort to become more efficient, in January 2014 the enforcement unit set a goal to complete cases in 120 days or less, and so far 80 cases have been completed in that time frame. Common cases involve co-mingling of deposit monies, agency relationships not being expressed, and unlicensed real estate brokers particularly in the NYC area. M. Vigil added that the Department is working on ads to educate the public on making sure a broker is licensed. Discussion followed about unlicensed brokers, and T. Ocono Francis suggested including the license number on all advertising/marketing products, and believes there is a sub-culture of unlicensed activity in NYC. Some members do not believe including a license number will stop unlicensed broker activity. D. Shapiro encouraged members to share any information they might have on unlicensed activity.

S. Erickson spoke for the education committee, and stated that the committee is continuing work on proposed revisions to the broker curriculum. They have eliminated some hours from the current curriculum and are now working to add them back in to other topics, such as broker office management and agency disclosure.

ACTION ITEMS

D. Shapiro shared the final draft of proposed changes to section 175.23 regarding records retention. He stated that no comments were received on the proposed changes, therefore, the board can vote to adopt. D. Ramirez stated that she believes one to four family dwellings should include condos and coops. Board members agreed.

D. Ramirez made a motion to approve the proposed changes to 175.23, with the addition discussed above. The motion was seconded by E. Spinola and passed unanimously.
NEW BUSINESS

M. Vigil shared a letter with board members from the National Association of Exclusive Buyer Agents (NAEBA) regarding the use of the term exclusive buyer agent. He asked members to review the letter and send any comments to Whitney Clark or Dan Shapiro, who will prepare the response.

PUBLIC COMMENT PERIOD

A. Gatto presented a proposal revising section 177.3 (regarding continuing education) to allow modules to be a minimum of one hour (currently is three hours), and revising section 177.7 to compute instruction time to be the same as section 176.5 (regarding qualifying education) which specifies an hour of instruction to be 50 minutes with a 10 minute break. The proposal will be discussed by both the education committee and the trends committee.

ADJOURNMENT

M. Vigil asked for a motion to adjourn the meeting.

A motion was made to adjourn the real estate board meeting. The motion was seconded and passed unanimously. The meeting was adjourned at 11:30am.

PUBLIC HEARING SESSION

The public hearing was opened at 11:30am.

There was no public comment.

The public hearing was closed at 11:30am.