

MINUTES  
Texas Real Estate Commission  
March 27, 2000  
Conference Room 235, Texas Real Estate Commission  
Austin, Texas

Chairman Jay Brummett called the regularly scheduled meeting of the Texas Real Estate Commission to order at 9:02 a.m., Monday, March 27, 2000. In addition to Chairman Brummett, members present were Michael Brodie, James Austin, Lawrence Jokl, Chris Folmer, Kay Sutton and Deanna Mayfield. Ms. Gonzalez-Gil and Mr. Cantu were absent.

Staff present were: Wayne Thorburn, Administrator; Sabrina Hassumani, Assistant Administrator; Mark Moseley, General Counsel; Mia Nieman, Director of Licensing and Education; Alan Waters, Director of Staff Services; Loretta DeHay, Director of Enforcement; Glen Bridge, Director of Information Services; Christina Kaiser, manager of the Education Section; Michelle Bowens, manager of the Licensing Section; Patricia Holder, Executive Assistant and Deborah Kennedy, Administrative Assistant.

After calling the meeting to order, Chairman Brummett led the attendees in the pledge of allegiance and the Texas pledge of allegiance.

Chairman Brummett moved to agenda item two, minutes of February 7, 2000, Commission meeting. Ms. Sutton, seconded by Mr. Austin, moved to approve the minutes as submitted. The motion was adopted by unanimous vote.

Mr. Brummett moved to agenda item three, staff reports; committee reports. Ms. Hassumani reported on the strategic planning sessions that had been held in different areas of the state. Mr. Thorburn announced that a strategic planning would be held at 1:00 p.m. in Room 235.

Ms. DeHay introduced two new enforcement employees, Katherine Martin, field investigator and Esta Hardy, receptionist. Ms. DeHay reported on the current case load. Ms. DeHay also reported that a case manager, Rick Valdez, had been hired and the legal assistant position had been filled by Barbara Henderson from the Education section.

Mr. Bridge introduced the new Internet programmer, Paul Simpson and updated the Commission on the status of electronic renewal program.

Ms. Nieman reported on the current licensing activity. Ms. Nieman reported that at the end of February there were 40,398 brokers, 69,690 salespersons.

Mr. Waters reported on pending recovery fund payments. Mr. Waters also reported on two requests for proposals being worked on, one for lease space for the agency and one for an internal auditor.

Mr. Brummett moved to agenda item four, general comments from visitors. Nanci Hawes, Nanci Hawes Real Estate School, presented a proclamation, issued by the Governor, to the Commission announcing Real Estate Education week, April 6 through April 8, 2000.

Chairman Brummett moved to agenda item five, discussion and possible action to adopt: (a) proposed amendments to 22 TAC Chapter 537 concerning standard contract forms; (b) proposed repeal

of 22 TAC §535.222 and new §§535.227-535.231, concerning standards of practice; (c) proposed amendments to 22 TAC §§535.71-535.73, concerning mandatory continuing education.

Mr. Moseley presented item five (a) for discussion and possible action to adopt. Ms. Sutton, seconded by Mr. Brodie, moved to adopt the amendments to 22 TAC Chapter 537 concerning standard contract forms. The motion was adopted by unanimous vote.

Mr. Moseley presented item five (b) for discussion and possible action to adopt. Comments were offered by; Edward Martin, president of Texas Association of Real Estate Inspectors, and Larry Foster, Chairman of the Texas Real Estate Inspector Committee. Mr. Martin introduced Don Rogers, Capitol Inspection Service and president-elect of the Texas Association of Real Estate Inspectors. Mr. Brodie, seconded by Ms. Sutton, moved to adopt the proposed repeal of 22 TAC §535.222 and new §§535.227-535.231, concerning standards of practice, with an effective date of September 1, 2000. The motion was adopted by unanimous vote.

Mr. Moseley presented item five (c) for discussion and possible action to adopt. After discussion, Mr. Austin, seconded by Ms Sutton, moved to adopt the proposed amendments to 22 TAC §§535.71-535.73, concerning mandatory continuing education, with an effective date of June 1, 2000.

Mr. Brummett moved to agenda item six, discussion and possible action to propose: (a) repeal or amendments to 22 TAC §§535.91- 535.95, 535.101, 535.111-535.113, 535.121, 535.122, concerning provisions of The Real Estate License Act; (b) amendments to 22 TAC §§537.11, 537.30, 537.31, 537.33, 537.42, 537.46, and repeal of 22 TAC §537.24, concerning standard contract forms; (c) amendment to 22 TAC §535.64, concerning accreditation of schools and approval of courses and instructors.

Mr. Moseley presented item six (a) for discussion and possible action to propose. After discussion, Ms. Mayfield, seconded by Mr. Austin, moved to propose the repeal or amendments to 22 TAC §§535.91-535.95, 535.101, 535.111-535.113, 535.121, 535.122, concerning provisions of The Real Estate License Act, as presented. The motion was adopted by unanimous vote.

Mr. Moseley presented item six (b) for discussion and possible action to propose. Ms. Sutton, seconded by Mr. Brodie, moved to propose the amendments to 22 TAC §§537.11, 537.30, 537.31, 537.33, 537.42, 537.46, and repeal of 22 TAC §537.24, concerning standard contract forms. The motion was adopted by unanimous vote.

Mr. Moseley presented item six (c) for discussion and possible action to propose. Mr. Brodie, seconded by Ms. Sutton, moved to propose the amendment to 22 TAC §535.64, concerning accreditation of schools and approval of courses and instructors. The motion was adopted by unanimous vote.

Chairman Brummett moved to agenda item seven, discussion and possible action to authorize filing notice of intention to review 22 TAC §§535.131-535.192, concerning provisions of The Real Estate License Act. Mr. Moseley presented the item for discussion and possible action. After discussion, Mr. Jokl, seconded by Ms. Sutton, moved to authorize filing notice of intention to review 22 TAC §§535.131-535.192, concerning provisions of The Real Estate License Act. The motion was adopted by unanimous vote.

Mr. Brummett moved to agenda item eight, executive session to discuss pending litigation pursuant to Texas Government Code, § 551.071, and, if necessary, to receive legal advice from general counsel on posted agenda items under Texas Government Code, §551.071(2). The executive session began at 9:59 a.m.

The meeting was called back to order at 10:05 a.m. by Chairman Brummett. The Chairman moved to agenda item nine, discussion and possible action to authorize payments from recovery funds.

RF 00-008 Mark and Lori Bond v. Bette Williams, in the amount of \$50,000 as actual damages. Ms. Folmer, seconded by Mr. Jokl, moved approval. The motion was adopted by unanimous vote.

RF 00-009 Kathy Arceneaux v. James C. Patterson, in the amount of \$17,500 as actual damages and \$10,000 in attorney fees. Mr. Jokl, seconded by Ms. Mayfield, moved approval. The motion was adopted by unanimous vote.

RF 00-011 Josefa Ramos v. Louis Manuel Salas, in the amount of \$40,000 as actual damages and \$5,000 in attorney fees. Ms. Mayfield, seconded by Ms. Folmer, moved approval. The motion was adopted by unanimous vote.

RF 00-012 Eleanor Ruder and Jean Ruder v. Morris Olguin, in the amount of \$39,234 as actual damages and \$3,750 in attorney fees. Mr. Austin, seconded by Ms. Mayfield, moved approval. The motion was adopted by unanimous vote.

Chairman Brummett moved to agenda item ten, discussion and possible action on Commissioner travel. Mr. Brummett stated that the Commission had in past, by motion, elected to have the Chairman and the Administrator represent it at the Association of Real Estate License Law Officials (ARELLO) meetings. Since Mr. Brodie would become chairman after the meeting and Mr. Brummett had been elected a director of ARELLO, Mr. Brummett, seconded by Mr. Jokl, moved to be reimbursed for the two meetings during the year 2000. The motion was adopted by unanimous vote.

Ms. Folmer read the following resolution into the minutes:

**TEXAS REAL ESTATE COMMISSION**

**RESOLUTION**

*WHEREAS, Jay C. Brummett of Austin, Texas, was appointed Commissioner and Chairman of the Texas Real Estate Commission (TREC) by Governor George W. Bush in May of 1995; and*

*WHEREAS, Commissioner Brummett has held a Texas real estate license in good standing since 1969, and has served with great distinction as Chairman of the Texas Real Estate Commission for the past five years; and*

*WHEREAS, Throughout his tenure as Chairman, Commissioner Brummett has provided exemplary leadership in carrying out TREC's commitment to protecting consumers, assuring the availability of qualified and honest real estate business professionals, and fostering*

*economic growth within Texas; and*

*WHEREAS, with his knowledge and experience as an active real estate broker, investor and entrepreneur, **Commissioner Brummett** continues to lend his expertise, talent and integrity as a member of the Commission; and*

*WHEREAS, In addition to helping establish and oversee the implementation of successful TREC programs in professional licensing, education, and enforcement of regulations to protect all who are involved with real estate transactions, **Commissioner Brummett** also serves the State of Texas and his community through his active participation in various organizations including:*

*--membership on the Board of Directors for the international Association of Real Estate License Law Officials (ARELLO);*

*--the Board of Directors of the Texas Association of Realtors;*

*--as an ex-officio member of the Real Estate Center Advisory Committee at Texas A&M University;*

*--and as a member of the Austin Board of Realtors and Austin Women's Council of Realtors;*

*NOW, THEREFORE, BE IT RESOLVED, That **Commissioner Jay C. Brummett** is hereby recognized and honored by the Texas Real Estate Commission for his diligence and outstanding service as Chairman of the Commission; and*

*BE IT FURTHER RESOLVED, That **Commissioner Brummett** be commended for his ongoing dedication to improving and upholding TREC's high standards of excellence in serving and protecting the best interests of all Texans.*

*Adopted this (date) Day of (month), 2000, by the Texas Real Estate Commission.*

*[Signatures of Commissioners]*

*[Seal]*

Chairman Brummett moved to agenda item eleven, consideration of complaint information. Ms. DeHay requested authorization for the Enforcement Division to proceed with an investigation of Temple Houston Abney, for violations of Sections 15(a)(6)(F) and (S). Mr. Brodie, seconded by Mr. Jokl, moved to authorize the investigation. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization for the Enforcement Division to proceed with investigations on the following persons for failure to provide information in connection with their license renewals: Sandra Gail Anzalone; Robert Fuller Black; Sandra Gail Anzalone; Robert Fuller Black; Ira Dale Chain; Clifford Nawin Chambers; Rafael Manrique Delara; Thomas James Gillis; James Chaney Hardy; Francisco Javier Hernandez; Carson Scott Horton; Marion Jennische; David Ross Lyon; Jennifer Dee Nelson; Todd Miles Nelson; Robert Lee Obenoskey; John Mark Patterson; John Howard Remington; Arthur David Reyes;

Andrea Rocha Sawyer; Lynn Roach Sivertsen; Sherrie Lynne Sly; Harold Rankin Smith and Roderick Charles Valentine. Ms. Sutton, seconded by Mr. Brodie, moved to authorize investigations as requested. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization for the Enforcement Division to proceed with investigations on the following persons for failure to complete MCE hours or pay the \$200 fee as required by §535.92(h): Dora A. Aleman; Jonathan David Blum; Robert Castillo; Frederick James Elam; Phillip Talmadge Futrell; Roderick Joseph Gonzalez; Allen C. Gunter; James Chaney Hardy; Douglas L. Hicks; Paul Henry Ikard; Rodger Alton Johnson; Marion Dugger Jordan; Seth Aaron Kaplan; Patsy Louise Myers King; Cynthia Coleman McGuire; Scott Ferrell McMullin; Celia Mendez; Frances M. Phoenix; John Jacob Pickens; Tommie Jean Prichard; Marvin Guy Ramey; Barbara Gail Reynolds; Carolyn Bateman Rhodes; Thomas Randel Spell; Thomas Seay Strother; Bryon Terry; Emery James Waite and Robert Douglas Whitaker. Mr. Jokl, seconded by Ms. Mayfield, moved to authorize investigations as requested. The motion was adopted by unanimous vote.

Mr. Brummett moved to agenda item twelve, orders in contested cases. There were no orders to enter. Mr. Thorburn announced that a strategic planning session would be held after the meeting beginning at 1:00 p.m.

The next regularly scheduled meeting of the Commission is May 8, 2000. The meeting was adjourned at 10:18 a.m.

APPROVED this the 8<sup>th</sup> day of May, A.D., 2000.

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Chairman

ATTEST: \_\_\_\_\_  
Administrator