

MINUTES  
Texas Real Estate Commission  
February 11, 2002  
Conference Room 235, Texas Real Estate Commission  
Austin, Texas

Chairman Michael Brodie called the regularly scheduled meeting of the Texas Real Estate Commission to order at 9:00 a.m., Monday, February 11, 2002. In addition to Chairman Brodie, members present were Kay Sutton, James Austin, Louise Hull, Larry Jokl, Maria Gil, Paul Jordan and John Walton. Mick Cantu, was absent.

Staff present were: Wayne Thorburn, Administrator; Sabrina Hassumani, Assistant Administrator; Loretta DeHay, General Counsel; Karen Alexander, Chief Accountant, Staff Services; Glen Bridge, Director of Information Services; Gwen Jackson, manager of the Education section; Michelle Bowens, manager of Licensing section; Lorie Deanda, manager of the Communication section; and Patricia Holder, Executive Assistant.

The Chairman called on Mr. Walton to lead the attendees in the pledge of allegiance.

Chairman Brodie moved to agenda item two, minutes of the December 3, 2001 Commission meeting. Mr. Jokl, seconded by Ms. Sutton, moved to approve the minutes as mailed. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item three, election of vice-chairperson and secretary. Ms. Gil, seconded by Mr. Austin, moved to nominate Mr. Jokl for vice-chairperson. As no others were nominated, the Chairman called for a vote. Mr. Jokl was elected vice-chairperson by unanimous vote. Ms. Sutton, seconded by Ms. Hull, moved to nominate Mr. Walton for secretary. No others were nominated and the Chairman called for a vote. Mr. Walton was elected secretary by unanimous vote.

The Chairman moved to agenda item four, monthly staff reports and committee reports. Ms. Hassumani referred to the L1 report, which contains comparisons between the present fiscal year and FY 2001 concerning applications received. Ms. Hassumani introduced a new staff member in the Communications section, Donna Englert. She also reported that four 1-800 lines were presently operational and soon another line would be added.

Ms. DeHay, General Counsel, reported on the Enforcement division's complaint statistics for the previous month. At the end of January a total of 605 cases were open. Mr. DeHay reported that Doug Wise, staff attorney, had left the Commission and she hoped to have his position filled soon. Mr. Thorburn reported that by March 1, 2002 the position for director of Enforcement should be filled.

Mr. Bridge, Director of Information Services, reported on the statistics concerning online applications and online renewals. Mr. Thorburn reported that he and Mr. Bridge had attended a meeting with the Texas On-Line Authority. The Authority is given the ability to recommend to the Department of Information Resources rule changes that would require agencies to charge a subscription fee of all licensees. This will replace the convenience fee now paid by people using the on-line renewal application. The fee would be \$7 for a two-year broker's renewal and \$3 for two-year salespersons renewals. A vote could be taken in June to allow TREC to collect these fees.

Karen Alexander, Chief Accountant, appeared for the Staff Services Division. Ms. Alexander reported on the Annual Report.

Mr. Thorburn reported on the TREC's participation in the State Employee Charitable Campaign. The campaign in 2001 was coordinated by Esta Hardy a legal assistant in the Enforcement Division. Ninety-two percent of the employees of TREC participated in the 2001 campaign and the amount of money collected increased by seventy-three percent over the previous year. The Chairman presented Ms. Hardy with the award TREC received for highest participation in agencies of its size.

Mr. Jokl reported on the meeting of the Real Estate Advisory Board for the Real Estate Center at Texas A&M.

Chairman Brodie moved to agenda item five, general comments from visitors. Comments were offered by Frank Solona concerning licensees working in the rental locator area.

Mr. Walton introduced his wife, Wanda. The Chairman requested Mr. Cantu's absence be excused. Ms. Sutton, seconded by Ms. Gil, moved to excuse Mr. Cantu's absence. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item five, discussion and possible action to adopt amendment to §535.51, concerning requirements for a license. Ms. DeHay presented agenda item five for discussion and possible action. Mr. Jokl, seconded by Ms. Gil, moved to adopt the rule amendment as proposed. The motion was adopted by unanimous vote. Mr. Jokl requested a report on the number of Moral Character Determinations filed in the last year. Ms. DeHay stated that she would have that information for him at the next meeting. The Chairman called for a vote on the motion. The motion was adopted by unanimous vote.

Mr. Brodie moved to agenda item seven, discussion and possible action to propose review of 22 TAC: (a) Chapter 531: Canons of Professional Ethics and Conduct for Real Estate Licensees; (b) Chapter 533: Practice and Procedure; (c) Chapter 534: General Administration; (d) Chapter 537: Professional Agreements and Standard Contracts. Ms. DeHay presented the agenda item for discussion and possible action. After discussion, Ms. Sutton, seconded by Ms. Gil, moved to propose the review of 22 TAC: (a) Chapter 531: Canons of Professional Ethics and Conduct for Real Estate Licensees; (b) Chapter 533: Practice and Procedure; (c) Chapter 534: General Administration; (d) Chapter 537: Professional Agreements and Standard Contracts. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item eight, discussion and possible action to approve the administrator's recommendation to award a contract for examination development and administration services. Mr. Thorburn presented the agenda item for discussion and possible action. Mr. Thorburn explained the process used to select a company for recommendation and stated that the recommendation was to award the contract to PSI Examination Services. Comments were offered by Tadas Dabsys, PSI Examination Services, Louise Lynn, Leonard/Hawes Real Estate School, and Shavauna Morgenroth-Hardin, Texas Real Estate Inspector Committee. Mr. Walton, seconded by Ms. Sutton, moved to award the contract for examination development and administration services. The motion was adopted by unanimous vote.

The Chairman moved to agenda item nine, discussion and possible action to approve strategic planning

process. Mr. Thorburn presented a proposed schedule for the development of the 2003-2007 Strategic Plan. Ms. Sutton, seconded by Mr. Austin, moved to accept the process and schedule as presented. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item ten, complaint matters and contested cases. Ms. DeHay requested authorization to initiate an investigation of Leta Dee Burnett based on information provided in connection with a complaint filed against another licensee for conduct which constitutes dishonest dealings, bad faith, or untrustworthiness and acting negligently or incompetently in performing an act for which a person is required to hold a real estate license in violation of Sections 15(a)(6)(V) and (W) of the Real Estate License Act. Mr. Jordan, seconded by Mr. Austin, moved to authorize the investigation. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization to initiate an investigation of Jeffrey L. Caughey, Camon Erick Hancock, and Alan Bennett Hart for failure to provide information in connection with their license renewals as required by 22 TAC §535.91(a). Ms. Sutton, seconded by Mr. Austin, moved to authorize the investigation. The motion was adopted by unanimous vote.

Ms. DeHay requested authorization to initiate an investigation of Raymond Alan Deyoe, Elizabeth P. McGuire, Eduardo Rios, Ralph Gilbert Shepard, Lourdes Vela, Zhen Ye for failure to complete their MCE hours or pay the \$200 fee needed to renew a license within the time required by 22 TAC §535.92(f). Mr. Jokl, seconded by Mr. Austin, moved to authorize the investigation. The motion was adopted by unanimous vote.

Mr. Brodie moved to agenda item eleven Motion for Rehearing in the Matter of Ricky Ray Andrews, Hearing No. 01-204-002105. The Chairman announced a recess at 10:30 a.m. for a prehearing conference.

The meeting was called to order at 10:42 a.m. by Mr. Jordan, the presiding member for the rehearing. Mr. Andrews appeared pro se. Mr. Andrews presented his motion for rehearing. Brad Bowman, staff attorney, appeared for the Enforcement Division and presented the response to Mr. Andrew's motions. After discussion, Mr. Jordan called for a vote on the motion for rehearing. The motion was overruled by unanimous vote.

Chairman Brodie moved to agenda item twelve, entry of orders in contested cases. No orders were presented for entry.

Chairman Brodie moved to agenda item thirteen, 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. The executive session began at 11:00 a.m. The executive session ended and the open meeting resumed at 11:10 a.m.

Chairman Brodie moved to agenda item fourteen, discussion and possible action to authorize payments from the recovery funds or other action on items considered in executive session. Ms. DeHay presented the following claims to be paid without contest:

RF 02-005, Irving and Linda Rubin v. Manzoor Ali, in the amount of \$1,590 in actual damages. Ms. Sutton, seconded by Ms. Gil, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-006, Delores and William Anderson v. Larry Norby and Marsha Weise, in the amount of \$14,051 in actual damages and \$9,776 in attorney fees. Ms. Gil, seconded by Mr. Sutton, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-007, Stacy L. Traylor v. Alberta Edwards,, in the amount of \$1,190 in actual damages and \$2,250 in attorney fees. Mr. Walton, seconded by Ms. Sutton, moved to approve payment. The motion was adopted by unanimous vote.

RF 02-008, Hilton W. Lyles v. Alvin Eugene Terry, in the amount of \$2,866 in actual damages and \$5,321 in attorney fees. Mr. Jokl, seconded by Mr. Walton, moved to approve payment. The motion was adopted by unanimous vote.

Chairman Brodie moved to agenda item fifteen, scheduling of future meetings. After discussion, the meeting scheduled July 15, 2002 was changed to July 22, 2002 by unanimous agreement. Meetings scheduled are April 10, 2002 in Fort Worth, and June 3, 2002, July 22, 2002 and September 9, 2002 in Austin. The Chairman adjourned the meeting at 11:14 a.m.

APPROVED this the 10<sup>th</sup> day of April, A.D. 2002.

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C. Michael Brodie  
Chairman

ATTEST: \_\_\_\_\_  
Wayne Thorburn  
Administrator