

MINUTES OF THE MEETING OF THE
TEXAS REAL ESTATE COMMISSION
October 27, 2008
Roma 235, 1101 Camino La Costa
Austin, Texas

On Monday, October 27, 2008, at 9:02 a.m. there was a duly posted regular meeting of the Texas Real Estate Commission (the "Commission"). Chairman John Eckstrum presided, and Patricia Holder recorded the minutes. The following commissioners, constituting a quorum, were in attendance:

John Eckstrum, Chairman

Troy C. Alley, Jr.

Adrian Arriaga

Mary Frances Burluson

Chris Day

Bill Flores

Elizabeth Leal

Tom Mesa

Avis Wukasch

Staff present included Karen Alexander, Devon Bijansky, Loretta DeHay, Patricia Holder, Tim Irvine, Gwen Jackson, Della Lindquist, and Tom Watson.

Chairman Eckstrum asked Commissioner Leal to lead the attendees in the pledges of allegiance to the United States and Texas flags.

The Chairman recognized Gary Maler (Research Center at Texas A&M); Lori Levy (Texas Association of Realtors) and former Commissioner Henry Santamaria.

Mr. Eckstrum moved to agenda item two(a), minutes of August 18, 2008, Commission meeting and agenda item two(b), minutes of the September 23, 2008, Commission meeting. Upon motion of Mr. Arriaga, duly seconded by Ms. Wukasch, the Commission unanimously approved the minutes of the two meetings as presented.

Chairman Eckstrum moved to agenda item number three, discussion and possible action to excuse commissioner absence(s). As no members were absent, no action was taken.

The Chairman moved to agenda item four, staff reports. Ms. Jackson introduced two new employees in Licensing Services: Amy Johnson in Licensing, and Rebecca Jones in Cashier. Ms. Jackson stated that for fiscal year 2008 there was a 28% decrease in the number of licenses issued from original applications. Salesperson licenses issued from original applications accounted for the majority of the decrease. The total number of licensees and registrants for fiscal year 2008 was 154,209. There was discussion concerning the decrease in the number of licenses issued from salesperson original applications. Gary Maler, Director of the Real Estate Center at Texas A&M, stated that their research suggested there would be a 7-10 percent decrease in the number of licensees for the next three years.

Ms. Lindquist, Director of Enforcement, reported on the division's activities. She stated that although the number of licensees was decreasing, the number of complaints was not decreasing. There was discussion concerning the decrease in administrative cases due to the change in the MCE rules. She stated that staff was finding that some of the older cases were more complicated than expected.

Mr. Watson, Director of Technology Services, reported that there was a 10% increase in web activity over FY 2007. The percentage of online applications for this fiscal year has increased.

Ms. Alexander, Director of Staff Services, reported on the current status of the budget and the end of year balances.

The Chairman moved to agenda item five, report on Inspector Advisory Committee. Larry Foster, Chairman of the Inspector Advisory Committee, reported on the completion of the standard of practices for inspectors. Chairman Eckstrum congratulated the Inspector Committee on their diligence and hard work concerning the standards of practice, forms and other rules proposed to the Commission by the Committee. There was discussion concerning the pass rate for inspectors and the difficulty of that examination.

Chairman Eckstrum moved to agenda item six, report on Broker Responsibility Advisory Committee. Ms. Wukasch stated that Suzanne Jackson-Corbin was appointed Chair and Tom Branch was appointed vice-chair. She stated that there was discussion during the meeting concerning the chain of command in a brokerage office and various other items, but no decisions had been made and no recommendations were being offered at this time.

Mr. Eckstrum moved to agenda item seven, report on Education Advisory Committee. Mr. Arriaga stated that the committee had met October 3, 2008. No recommendations were being made at this time.

The Chairman moved to agenda item eight, general comments from visitors. No comments were offered.

Chairman Eckstrum moved to agenda item nine, executive session, to discuss pending litigation pursuant to Texas Government Code, §551.071 and if necessary, to receive legal advice from counsel on posted agenda items. Staff stated that there were no items to present in executive session. Agenda item ten, discussion and possible action to authorize settlement of recovery fund claims or take other action on items considered in executive session was a none action item.

Chairman Eckstrum moved to agenda item eleven, discussion and possible action to withdraw proposed new 22 TAC §537.51 concerning Addendum for Reservations of Oil, Gas, and Other Minerals. Ms. DeHay presented the agenda item for discussion and possible action. The rule was originally proposed at the August 2008 meeting. In response to comments received regarding the proposed Addendum for Reservation of Oil, Gas, and Other Minerals, the Broker-Lawyer Committee developed a new draft to present to the Commission. In order to propose the new form, the previous proposal must be withdrawn. Upon motion of Ms. Wukasch, duly seconded by Mr. Mesa, the Commission unanimously approved to withdraw the rule and form adopted by reference as proposed at the August meeting.

The Chairman moved to agenda item twelve, discussion and possible action to propose new (a) 22 TAC §537.51 concerning the Addendum for Reservation of Oil, Gas and Other Minerals and (b) 22 TAC §537.52 concerning the Short Sale Addendum. Ms. DeHay presented the agenda item for discussion and possible action.

Section 537.51 proposes to adopt by reference a new TREC addendum for reservation of oil, gas, and other minerals. The form would be used in situations where a seller in a real estate transaction wishes to reserve all or an identified percentage of the interest in the mineral estate owned by the seller, as defined in the addendum. Section 537.52 proposes to adopt by reference a new short sale addendum. The addendum would be used in transactions where the seller requires the consent of the lienholder to sell the property and the lienholder agrees to accept the seller's net proceeds in full satisfaction of seller's liability under the mortgage loan. Upon motion of Ms. Wukasch, duly seconded by Ms. Leal, the Commission unanimously approved the proposals of 22 TAC §537.51 and §537.52 and the forms adopted by reference, requesting staff to have them published in the *Texas Register* for comment.

Chairman Eckstrum moved to agenda item thirteen, discussion and possible action to propose amendments to: (a) 22 TAC §534.2 concerning Processing Fees for Dishonored Checks; (b) 22 TAC §535.51 concerning General Requirements; (c) 22 TAC §535.52 concerning Individuals; (d) 22 TAC §535.400 concerning Registration of Easement and Right-of-Way Agents; and (e) 22 TAC §541.1 concerning Criminal Offense Guidelines.

Ms. DeHay presented agenda item thirteen (a), amendments to 22 TAC §534.2 concerning Processing Fees for Dishonored Checks, for discussion and possible action. The amendment changes the title to the section and amends the rule to clarify that the processing fee for dishonored payments does not only apply to dishonored checks but to any other type of dishonored payments such as a charge back to a credit card. Mr. Flores, duly seconded by Ms. Leal, moved to publish the amendments to §534.2. The motion was adopted by unanimous vote.

Ms. DeHay presented agenda item thirteen (b), amendments to 22 TAC §535.52 concerning General Requirements, for discussion and possible action. The amendments are proposed to adopt by reference the ten revised application forms that clarify and, when possible, simplify certain licensure requirements for applicants and renewing licensees. All ten forms revise the language of the question regarding the criminal background of the applicant, designated manager, or designated officer to clarify that deferred adjudication must be disclosed to the Commission. Form BLC-6, Application for a Real Estate Broker License by a Corporation, is updated to reflect current terminology regarding corporate records as amended by the Texas Business Organizations Code. Form BLR-9, Application for Late Renewal of a Real Estate Broker License, is updated to simplify the fee structure by eliminating a separate category of fees for expired licensees who are applying for late renewal after the license expired under a previous fee structure and a question concerning permanent mailing address information which was inadvertently left out will be included. Form BLRC-6, Application for Late Renewal of Real Estate Broker License by a Corporation, is updated to include the corporate terminology changes of form BLC-6, to eliminate the separate category of fees as in form BLR-9, and to correct a typographical error on page 1 of the form which referred to the separate category of fees of \$95. Form SLR-10, Application for Late

Renewal of Real Estate Salesperson License, is updated to eliminate the separate category of fees as in form BLR-9. Form BLLLC-6, Application for Real Estate Broker License by a Limited Liability Company, is updated to reflect current terminology regarding records of limited liability companies as amended by the Texas Business Organizations Code and to include a question concerning permanent mailing address information which was inadvertently left out. Form BLRLLC-6, Application for Late Renewal of a Real Estate Broker License by a Limited Liability Company, is updated both to incorporate the limited liability company terminology changes of form BLLLC-6 and to eliminate the separate category of fees as in form BLR-9. Not all the forms in the meeting material referred to signatures as "required original signatures." Information contained on all forms will be corrected to reflect "required original signatures" instead of "required signatures or original required signatures" for consistency. Upon motion of Ms. Leal, duly seconded by Ms. Wukasch, the Commission unanimously approved the proposal of amendments to 22 TAC §535.51 concerning General Requirements and the forms adopted by reference with changes as proposed by staff for publication in the *Texas Register* and to receive public comments.

Ms. DeHay presented agenda item thirteen (c), amendments to 22 TAC §535.52 concerning Individuals, for discussion and possible action. The proposed amendments to §535.52 clarify the conduct that the commission believes tends to demonstrate that an applicant for a license or registration with the commission does not meet the requisite honesty, trustworthiness, and integrity required by Texas Occupations Code Chapters 1101 and 1102. Upon motion of Ms. Wukasch, duly seconded by Mr. Mesa, the Commission unanimously approved the proposal of amendments to 22 TAC §535.52 concerning Individuals for publication in the *Texas Register* and to receive public comments.

Ms. DeHay presented agenda item thirteen (d), amendments to 22 TAC §535.400 concerning Easement or Right-of-Way Agents, for discussion and possible action. The proposed amendments to §535.400 adopt by reference two revised application forms. Both forms revise the language of the question regarding the criminal background of the applicant, designated manager, or designated officer to clarify that deferred adjudication must be disclosed to the Commission. Form ERW 2-3, Application for Easement or Right-of-Way Agent Registration for a Business, is updated to reflect current terminology regarding corporate records as amended by the Texas Business Organizations Code. Upon motion of Mr. Mesa, duly seconded by Mr. Alley, the Commission unanimously approved the proposal of amendments to 22 TAC §535.400 concerning Easement or Right-of-Way Agents and the forms adopted by reference for publication in the *Texas Register* and to receive public comments.

Ms. DeHay presented agenda item thirteen (e), amendments to 22 TAC §541.1 concerning Criminal Offense Guidelines. The proposed amendments to §541.1 clarify the types of criminal offenses that the commission

believes relate to the duties and responsibilities of a real estate broker, salesperson, easement or right-of-way agent, professional inspector, real estate inspector or apprentice inspector in that the offenses tend to demonstrate the person's inability to represent the interest of another with honesty, trustworthiness and integrity required by Texas Occupations Code, Chapters 1101 and 1102. Upon motion of Mr. Mesa, duly seconded by Mr. Day, the Commission unanimously approved the proposal of amendments to 22 TAC §541.1 concerning Criminal Offense Guidelines for publication in the *Texas Register* and to receive public comments.

The Chairman moved to agenda item fourteen, discussion and possible action to adopt the repeal of: (a) 22 TAC §535.223 concerning Standard Inspection Reports; and (b) 22 TAC §§535.227-535.231 concerning Standards of Practice.

Ms. Bijansky requested permission to skip ahead to agenda item fifteen, discussion and possible action to adopt new: (a) 22 TAC §§535.227-535.233 concerning Standards of Practice for Inspectors; (b) 22 TAC §535.222 concerning Inspection Reports and (c) 22 TAC §535.223 concerning Standard Inspection Report Form. She stated that the adoption of the repeals in agenda item fourteen was conditioned on the adoption of the new rules contained in agenda item fifteen.

Ms. Bijansky presented agenda item fifteen (a), possible action to adopt new 22 TAC §§535.227-535.233 concerning Standards of Practice for Inspectors, for discussion and possible action. She stated that §535.228 is adopted with a change to the proposed text as published in the September 5, 2008, issue of the *Texas Register* (33 TexReg 7405) in that “and surface” was added after “underwater” in Section 535.228(d)(3) in order to make clear that this provision is consistent with Section 535.227(b)(3)(I). Section 535.229 is adopted with the following change to the proposed text: “devices...including improper location” was added to Section 535.229(c)(3)(G) in order to clarify that all types of electrical devices are included in this provision and that improper location is a deficiency, based on a recommendation from the Real Estate Inspector Committee. The revisions to the rules as adopted do not change the nature or scope so much that they could be deemed different rules. Changes in the adopted rules respond to public comments or otherwise reflect non-substantive variations from the proposed rules to clarify their intent and improve readability. Sections 535.227 and 535.230-535.233 are adopted without changes from the proposed text.

The rules divide the standards of practice for inspectors into seven sections by providing two additional sections and contain a number of substantive changes recommended by the Texas Real Estate Inspector Committee. In order to allow a transition period for inspectors to implement any changes to their processes that may be necessary, these rules will become effective February 1, 2009. Upon motion of Ms. Leal, duly seconded by Ms. Wukasch, the Commission unanimously approved the adoption of new §§535.227-535.233

with an effective date of February 1, 2009. Ms. Leal congratulated the committee on their hard work and dedication in revising the standards of practice. There was discussion concerning dissemination of the new rules. There was discussion concerning the number of inspector licensees that are a member of a trade association.

Ms. Bijansky moved back to agenda item fourteen (b), discussion and possible action to adopt the repeal of: 22 TAC §§535.227-535.231 concerning Standards of Practice. Upon motion of Ms. Leal, duly seconded by Ms. Wukasch, the Commission unanimously approved the repeal of 22 TAC §§535.227-535.231 concerning Standards of Practice with an effective date of February 1, 2009.

Ms. Bijansky moved to agenda item fifteen (b), discussion and possible action to adopt new 22 TAC §535.222 concerning Inspection Reports. Section 535.222 clarifies the inspection reporting requirements. Parts of this new rule were extracted from §535.223 regarding the standard inspection report form in order to create two rules: §535.222 establishes written reporting requirements for all inspections within TREC's jurisdiction, and §535.223 will now address the required standard form. Upon motion of Ms. Leal, duly seconded by Mr. Flores, the Commission unanimously approved the adoption of new §535.222 with an effective date of February 1, 2009.

Ms. Bijansky moved to agenda item fifteen (c), discussion and possible action to adopt new 22 TAC §535.223 concerning the Standard Inspection Report Form. New §535.223 adopts by reference a revised standard inspection report form, REI 7A-1. The changes to the report form correspond to revisions to the inspector standards of practice. The new section also clarifies when the form is required and how it may be modified by licensees. Upon motion of Ms. Leal, duly seconded by Mr. Mesa, the Commission unanimously approved the adoption of new 22 TAC §535.223 and the form adopted by reference with an effective date of February 1, 2009.

Ms. Bijansky moved back to agenda item fourteen (a), discussion and possible action to adopt the repeal of 22 TAC §535.223 concerning Standard Inspection Reports. Upon motion of Ms. Leal, duly seconded by Mr. Mesa, the Commission unanimously approved the repeal of current 22 TAC §535.223 and the form adopted by that rule with an effective date of February 1, 2009.

Chairman Eckstrum moved to agenda item sixteen, discussion and possible action to adopt amendments to: (a) 22 TAC §535.64 concerning Accreditation of Schools and Approval of Courses and Instructors; (b) 22 TAC §535.101 concerning Real Estate Salesperson and Broker Fees and (c) 22 TAC §535.210 concerning Home Inspector Fees.

Ms. DeHay presented the agenda item for discussion and possible action. Ms. DeHay moved to agenda item sixteen (a). The amendments to §535.64 address the requirements of Texas Occupations Code §1101.301 and

.304 regarding the collection of exam passage rate data on graduates of TREC-accredited real estate schools. The amendments clarify that the last course taken for purposes of the data to be collected is the last core course taken from a TREC-accredited provider within 2 years of the date the person filed an education evaluation with the commission. Courses taken at schools that are not accredited by TREC, such as colleges and universities, will be not be collected or counted. The amendments also clarify that each type of licensing exam that a graduate takes for the first time will have a school affiliation unless the last core course taken by the applicant was taken at a school that was not TREC-accredited, or the course was taken more than 2 years before the date the graduate submitted an education evaluation to the commission. No comments were received on this agenda item. Upon motion of Mr. Mesa, duly seconded by Mr. Flores, the Commission unanimously approved the adoption of amendments to §535.64, concerning Accreditation of Schools and Approval of Courses and Instructors without changes.

Ms. DeHay presented agenda items sixteen (b) and sixteen (c). Agenda item sixteen (b) proposes the adoption of an amendment to §535.101. The amendment increases the examination fee for salesperson and broker applicants from \$59 to \$61. This fee reflects the amount the examination vendor charges directly to applicants and does not affect the amount of revenue collected by the agency. Agenda item sixteen (c) proposes the adoption of an amendment to §535.210. This amendment increases the examination fee for a professional inspector or real estate inspector applicant from \$59 to \$61. No comments were received on either amendment as proposed. Upon motion of Mr. Alley, duly seconded by Mr. Mesa, the Commission unanimously approved the adoption of amendments to §535.101 concerning Real Estate Salesperson and Broker Fees and §535.210 concerning Home Inspector Fees without changes. There was discussion concerning the last time the fees were increased.

Mr. Eckstrum moved to agenda item seventeen, discussion and possible action to adopt amendments to: (a) 22 TAC §537.21 concerning Addendum for Sale of Other Property by Buyer; (b) 22 TAC §537.22 concerning Addendum for “Back-Up” Contract; (c) 22 TAC §537.23 concerning Addendum for Release of Liability on Assumed Loan and/or Restoration of Seller’s VA Entitlement; (d) 22 TAC §537.26 concerning Seller’s Temporary Residential Lease; (e) 22 TAC §537.27 concerning Buyer’s Temporary Residential Lease; (f) 22 TAC §537.33 concerning Seller Financing Addendum; (g) 22 TAC §537.35 concerning Environmental Assessment, Threatened or Endangered Species, and Wetlands Addendum; (h) 22 TAC §537.40 concerning Addendum for Coastal Area Property; (i) 22 TAC §537.46 concerning Amendment to Contract and (j) 22 TAC §537.48 concerning Loan Assumption Addendum. Ms. DeHay presented the agenda item for discussion and possible action. The amendments to 22 TAC §§537.21-.23, §§537.26-.27, §537.33, §537.35, §537.40, §537.46, and §537.48 concerning Professional Agreements and Standard Contracts are adopted to correct the agency web

address from www.state.tx.us to www.trec.state.tx.us. The text of the rules as adopted has been changed to withdraw proposed new 22 TAC §537.51 concerning Standard Contract Form TREC No. 44-0 regarding an addendum for reservation of oil, gas, and other minerals. The commission is re-proposing the form based on a number of comments that were received and considered during the notice and comment period. No comments were received on the adopted amendments. Upon motion of Mr. Mesa, duly seconded by Ms. Wukasch, the Commission unanimously approved the adoption of amendments to Chapter 537 as described in agenda item seventeen concerning Professional Agreements and Standard Forms with changes as suggested by staff.

Chairman Eckstrum moved to agenda items eighteen (a)-(d), discussion and possible action to adopt or amend the following emergency rules for licensees and applicants in the counties impacted by the recent hurricanes in Texas: (a) 22 TAC §535.51 concerning application requirements for salespersons, brokers, and easement and right-of-way registrants in such counties; (b) 22 TAC §535.95 concerning license or registration renewal requirements for salespersons, brokers, and easement and right-of-way registrants in such counties; (c) 22 TAC §535.208 concerning application requirements for apprentice, real estate, and professional home inspectors in such counties and (d) 22 TAC §535.216 concerning license renewals requirements for apprentice, real estate, and professional home inspectors in such counties. There was discussion concerning the number of licensees that had taken advantage of the emergency rules but no action was taken.

Mr. Eckstrum moved to agenda item nineteen, discussion and possible action to adopt the review of 22 TAC Chapter 535 General Provisions (§§535.91-.403). Ms. DeHay stated that the agency made no amendments in conjunction with this review. The agency determined that the reasons for the adoption of §§535.91-535.403 of Chapter 535 continue to exist. Staff recommended that the Commission (TREC) adopt the review of Chapter 535, General Provisions (§§535.91-.403) in accordance with the Texas Government Code, §2001.039. The proposed notice of review was published in the July 11, 2008 issue of the *Texas Register*, (33 TexReg 5552). No comments were received in response to the notice of the proposed rule. Upon motion of Mr. Mesa, duly seconded by Mr. Day, the Commission unanimously approved the adoption of the review of 22 TAC Chapter 535 General Provisions (§§535.91-.403).

Chairman Eckstrum moved to agenda item twenty, discussion and possible action to approve revised form OP-I, Texas Real Estate Consumer Notice Concerning Hazards or Deficiencies. Ms. Bijansky presented the agenda item for discussion and possible action. The Consumer Notice Concerning Hazards or Deficiencies had been revised by the Texas Real Estate Inspector Advisory Committee. The form is not promulgated and need only be approved for voluntary use by licensees. Upon motion of Ms. Leal, duly seconded by Ms. Burleson, the Commission unanimously approved the revised form OP-I, Texas Real Estate Consumer Notice Concerning Hazards or Deficiencies effective immediately.

The Chairman moved to agenda items twenty-one and twenty-two. Agenda item twenty-one is the discussion and possible action to authorize staff to enter into discussions with the Department of Information Resources (DIR) approved vendors for future recommendations on TREC licensing and information system. Mr. Irvine explained the process that the agency had developed to select a licensing and information system. He explained that DIR had developed a list of vendors who had satisfied their requirements. At this time staff was requesting authorization for staff to enter into discussions with those DIR approved vendors as a basis for future recommendations. Upon motion of Mr. Arriaga, duly seconded by Mr. Flores, the Commission unanimously authorized staff to enter into discussions with DIR approved vendors for future recommendations on TREC licensing and information system.

Mr. Watson presented agenda item twenty-two, update on Request for Offers for TREC's licensing and information system. Mr. Watson presented his report. No action was needed on this item.

Chairman Eckstrum moved to agenda item twenty-three, discussion and possible action to approve the annual internal audit report. There was discussion concerning the audit report. Mr. Arriaga expressed concern over the audit report. Mr. Irvine stated that the main areas of concern were system issues. Mr. Flores and Ms Wukasch stated that the audit results concerned record keeping functions of the agency and not the ability of the agency to complete its function. The Chairman moved to the next agenda item as representatives of the internal auditor were not present at that time.

Mr. Eckstrum moved to agenda item twenty-four, annual review of fees and estimated revenues. Ms. Alexander presented the annual review of current fees and estimated revenues. There was discussion concerning a comprehensive review of fees and possibly lowering some fees.

The Chairman moved back to agenda item twenty-three, discussion and possible action to approve the annual internal audit report. Rene Gonzales of Garza-Gonzales and Associates presented the audit for discussion and possible action. After discussion and upon motion of Mr. Flores, duly seconded by Mr. Alley, the Commission unanimously approved the annual internal audit report.

Chairman Eckstrum moved to agenda item twenty-five, discussion and possible action to approve fiscal year 2009 operating budget. Ms. Alexander presented the operating budget for discussion and possible action. There was discussion concerning the figures for FY 2008 as opposed to the proposed operating budget for FY 2009. There was discussion concerning the ability to give one time merits and pay raises to employees; travel costs and postage costs. Upon motion of Mr. Arriaga, duly seconded by Mr. Flores, the Commission unanimously approved the fiscal year 2009 operating budget.

Mr. Eckstrum moved to agenda item twenty-six, discussion and possible action on proposed legislative

housekeeping bill and other anticipated legislation that may impact the real estate industry. Mr. Irvine presented the agenda item for discussion and possible action. He stated that his letter of October 7, 2008, to Representative Kino Flores as chair of the Licensing and Administrative Procedures Committee contained the areas of concern that the agency would like to see addressed during the upcoming Legislative Session. Upon motion of Mr. Flores, seconded by Mr. Arriaga, the commission unanimously approved the areas of concern contained in the letter.

The Chairman moved to agenda item twenty-seven, discussion and possible action to: (a) delegate administrative hearings under Texas Property Code, Chapter 221 and Texas Occupations Code, Chapter 1303 to the State Office of Administrative Hearings (SOAH) and (b) authorize the administrator or assistant administrator to enter into a contract with SOAH to provide the delegated services. Ms. DeHay presented the agenda item for discussion and possible action. Currently, no one other than the Commission itself is authorized to conduct administrative hearings against residential service companies Under Texas Occupations Code, Chapter 1303 or timeshare developers under Property Code, Chapter 221 as the staff person delegated to hear such cases is no longer employed by the agency. This agenda item would allow the Commission to authorize SOAH administrative law judges to conduct such hearings. Upon motion of Ms. Wukasch, seconded by Mr. Mesa, the Commission unanimously authorized the administrator or assistant administrator to enter into a contract with SOAH to provide the delegated services.

Chairman Eckstrum moved to agenda item twenty-eight, discussion and possible action on issues regarding TREC staff communications with consumers and licensees. Mr. Irvine presented the agenda item for discussion and possible action. Mr. Irvine referred to his memorandum of October 22, 2008, contained in the meeting materials. He stated that this memorandum addressed several ways the Texas Real Estate Commission staff is overwhelmed with communications issues and how they adversely impact staff's ability to provide the level of responsiveness that licensees and the public expect.

Mr. Irvine stated that directing callers to e-mail, frequently asked questions, and asking licensees to consult their brokers and the TREC website before calling TREC could possibly lessen the number of calls received. There was discussion concerning voice mail and e-mail alternatives, a more detailed search function on the web site, and requiring a licensee to go through their broker before coming to the Commission. After discussion, the Chairman stated that the Commission would look forward to suggestions from staff to solve these problems.

The Chairman moved to agenda item twenty-nine, discussion and possible action regarding the October 14, 2009, letter from Governor Perry concerning agency expenses. In his letter he requested that the agency notify the Governor's office in writing of the agency's plans to reduce travel. Because the Governor requested a

response prior to the meeting, staff worked with the Chairman to develop and submit a plan to reduce travel. There was discussion concerning having quarterly meetings, and moving the meetings to later in the day so that members could travel to the meeting the same day instead of the night before. Mr. Irvine suggested that the fourth Monday of February and the fourth Monday in the following quarters be scheduled for the next calendar year. There was discussion concerning the ability to serve the public in a timely fashion having meetings on a quarterly basis. The Chairman moved to agenda item thirty-one, scheduling of future meetings. The next meeting of the Commission will be at 11:00 a.m. on December 15, 2008.

Mr. Eckstrum moved to agenda item thirty, consideration and possible action regarding Proposals for decision from the State Office of Administrative Hearings: (a) In the matter of Muriel R. Byrd, SOAH Docket No. 329-08-2380; (b) In the matter of Roy Anthony Marin, SOAH Docket No. 329-08-3480; and (c) In the matter of Robert M. Vance, Jr., SOAH Docket No. 329-08-2721. Chairman Eckstrum turned the meeting over to Mr. Day for this agenda item. Ms. Lindquist presented the agenda item for consideration and possible action. In all three cases the Enforcement Division was in agreement with the recommendations made by the SOAH administrative law judges. Nicky Hopkins stated that Mr. Vance's name was John M. Vance, Jr. not Robert M. Vance, Jr. Upon motion of Mr. Flores, duly seconded by Mr. Mesa, the Commission approved the proposals for decision as submitted by unanimous vote.

Mr. Minor Peebles of the Real Estate Institute of Corpus Christi spoke briefly concerning his impending retirement. He thanked the Commission for the many years of assistance throughout his career and introduced his successor, Sue Williams.

There was discussion concerning future meetings and Mr. Irvine stated that staff would draft a schedule and circulate it through e-mail. The next meeting of the Commission was scheduled for December 15, 2008, beginning at 11:00 am rather than 9:00 am. The Chairman adjourned the meeting at 11:20 a.m.

Patricia Holder, Secretary for the Meeting

APPROVED this the 15th day of December, 2008.

John Eckstrum
Chairman

ATTEST: _____
Timothy K. Irvine
Administrator