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COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

F I N A L M I N U T E S

MEETING OF:

**STATE REAL ESTATE COMMISSION
VIA VIDEOCONFERENCE**

TIME: 10:32 A.M.

January 18, 2022

State Real Estate Commission
January 18, 2022

COMMISSION MEMBERS:

Armand N. Ferrara Jr., Chair, Industry Member
Joseph Tarantino, Vice Chair, Industry Member
Jeffrey J. Johnson, Secretary, Industry Member
Anne M. Rubin, Industry Member
Joseph J. McGettigan, Industry Member
Jennifer Thomson, Esquire, Attorney General Designee
Edward L. Seebeck, Cemetery Member
Gaetano P. Piccirilli, Esquire, Public Member
Arion Claggett, Acting Commissioner, Bureau of
Professional and Occupational Affairs

COMMISSION PERSONNEL:

Carolyn A. DeLaurentis, Deputy Chief Counsel,
Prosecution Division
Juan A. Ruiz, Esquire, Commission Counsel
Nicole L. VanOrder, Esquire, Commission Counsel
Ray Michalowski, Esquire, Senior Commission Prosecutor
Timothy A. Fritsch, Esquire, Commission Prosecution
Liaison
Alice Glasser, Esquire, Commission Prosecutor
Angela L. Solomon, Esquire, Commission Prosecutor
Krista Linsenbach, Commission Administrator
Andrew LaFratte, MPA, Executive Policy Specialist,
Department of State
Deena Parmelee, Legal Office Administrator 1,
Department of State
Jessica Zukoski, Law Clerk, Department of State

ALSO PRESENT:

Frances Flynn Thorsen, eXp Realty
Henry (Hank) Lerner, Esquire, Chief Legal Officer,
Pennsylvania Association of Realtors
Lisa Aaron, Professional Standards & Education
Manager, Pennsylvania Association of Realtors
Michael McGee, CAE, Chief Executive Officer,
Pennsylvania Association of Realtors
Samantha Sabatini
Wayne C. Crawford, Esquire, Public Policy Manager,
Pennsylvania Association of Realtors

1 ***

2 State Real Estate Commission

3 January 18, 2022

4 ***

5 [Pursuant to Section 708(a)(5) of the Sunshine Act, at
6 9:00 a.m. the Commission entered into Executive
7 Session with Juan A. Ruiz, Esquire, Commission
8 Counsel, and Nicole L. VanOrder, Esquire, Commission
9 Counsel, for the purpose of conducting quasi-judicial
10 deliberations on matters currently pending before the
11 Commission that are listed on the agenda. The
12 Commission returned to open session at 10:30 a.m.]

13 ***

14 Meeting Instructions

15 [Krista Linsenbach, Commission Administrator, noted
16 the meeting was being recorded, and those who
17 continued to participate were giving their consent to
18 be recorded.]

19 ***

20 The regularly scheduled meeting of the State Real
21 Estate Commission was held on Tuesday, January 18,
22 2022. Armand Ferrara, Chair, Industry Member,
23 officially called the meeting to order at 10:32 a.m.

24 ***

25 Roll Call

1 [Armand Ferrara, Chair, Industry Member, provided a
2 roll call of commission members.]

3 ***

4 Introduction of Attendees

5 [Krista Linsenbach, Commission Administrator, provided
6 an introduction of those in attendance.]

7 ***

8 Pledge of Allegiance

9 [The Pledge of Allegiance was recited.]

10 ***

11 Approval of minutes of the December 17, 2021 meeting

12 CHAIR FERRARA:

13 I need approval of the draft minutes
14 from December 17, 2021.

15 MR. SEEBAECK:

16 So moved.

17 MR. MCGETTIGAN:

18 Second.

19 CHAIR FERRARA:

20 All in favor? Opposed?

21 [The motion carried unanimously.]

22 ***

23 Report of Prosecutorial Division - Prosecution

24 Division Annual Report Presentation

25 [Carolyn A. DeLaurentis, Esquire, Deputy Chief

1 Counsel, Prosecution Division, provided a summary of
2 the prosecution division's caseload during 2021.

3 Ms. DeLaurentis informed the Commission that
4 1,882 files were opened in 2021 for the Pennsylvania
5 State Real Estate Commission, which is up from 1,337
6 cases in 2020. She noted closing 1,535 cases in 2021
7 and 1,290 in 2020. She thanked prosecution, the
8 Commission, and counsel for all of their work last
9 year. She reported 1,474 open cases for the
10 Commission as of January 1, 2022.

11 Ms. DeLaurentis addressed enforcement actions,
12 noting 189 cases resulted in discipline in 2021. She
13 reported 82 cases resulted from Act 48 fines or
14 citations, 74 fines, 48 court-ordered payouts to the
15 Real Estate Recovery Fund, 11 voluntary surrenders, 6
16 reprimands, 4 probations, 7 suspensions, and 3
17 automatic suspensions.

18 Ms. DeLaurentis again thanked everyone involved
19 for protecting the public and the integrity of the
20 profession. She reported 408 warning letters in 2021,
21 which is an increase from 310 in 2020.

22 Mr. Tarantino asked for a timetable from when a
23 complaint is filed to the deposition.

24 Ms. DeLaurentis commented that the age of their
25 cases is generally just under a year, but each case is

1 based on very case-specific circumstance and could not
2 provide a timeline of each process. She stated that
3 cases were being handled much more promptly since the
4 office was broken into teams in 2018.

5 Ray Michalowski, Esquire, Senior Commission
6 Prosecutor, mentioned that everything is caught up now
7 with the additional personnel after having a backlog
8 and being short on personnel during COVID.

9 Ms. DeLaurentis mentioned that administrative
10 assistants process every single complaint that comes
11 into the office and reported almost no backlog
12 anymore. She stated over 18,000 cases were opened
13 last year, and the administrative assistants under the
14 supervision of the legal office administrator in the
15 Professional Compliance Office (PCO) got through that
16 backlog.

17 Mr. Tarantino asked whether prosecution still
18 provides an aging report on cases. He noted
19 appreciating the work of prosecution but just wanted
20 information on the backlog, where people file
21 complaints and do not hear anything for 12-18 months.

22 Mr. Michalowski noted the backlog is complete but
23 would work on providing a report that is specific as
24 possible for the Commission's purposes and interest.

25 Ms. Rubin asked what percentage of complaints are

1 filed anonymously.

2 Ms. DeLaurentis noted anonymous complaints filed
3 against licensees to be a problem and would check on
4 that for the Commission.

5 Mr. Michalowski addressed two different types of
6 anonymous complaints, fully anonymous with no contact
7 or false contact information that almost always end up
8 not prosecutable and complaints where individuals do
9 not remain anonymous to prosecution but do not wish to
10 go to a hearing so would not be available as
11 witnesses.

12 Mr. Michalowski referred to warning letters,
13 where sometimes prosecution did not have the ability
14 to prosecute the case but had enough evidence to talk
15 to the individual about correcting a problem and going
16 forward.

17 Ms. Linsenbach presented a question from the
18 Pennsylvania Association of Realtors (PAR), where they
19 noted real estate accounts for about 10 percent of the
20 activity of the prosecutor's office and wanted to know
21 how that compares to the percentage of real estate
22 licensees versus total licensees in general.

23 Ms. DeLaurentis offered to look into that for
24 PAR.

25 Mr. Michalowski addressed the disparity between

1 the number of licensees and the number of complaints
2 received. He mentioned receiving a very large number
3 of referrals directly from the Commission related to
4 discrepancies in applications, noting a lot of those
5 can be closed after some investigation.

6 Mr. Michalowski noted that the Commission and PAR
7 themselves, along with the former Commissioner and
8 Acting Commissioner Claggett, have been working on the
9 Pennsylvania Licensing System (PALS)-related issues,
10 where most of those end up being closed also.

11 Mr. Michalowski mentioned initial application
12 discrepancy being an issue, where instead of fixing
13 the application and responding to Ms. Linsenbach and
14 her staff, individuals do another application and
15 takes up a lot of their time going through the process
16 to clear all of those complaints.

17 Mr. Michalowski stated the Bureau is looking at
18 the next replacement for PALS or upgrading the
19 computer system, where he, Mr. Fritsch, and Mr. Smith
20 are on all of the committees to make sure that the
21 system can handle real estate. He commented that a
22 lot of prosecution time can end up mostly being closed
23 with a warning letter and very often with just being
24 closed as prosecution not warranted and is the reason
25 there is such a large number of cases.

1 Mr. Fritsch agreed with Mr. Michalowski that Ms.
2 Linsenbach's office referrals are a huge percentage of
3 real estate cases, specifically people who are
4 reactivating their license and admitting to practicing
5 while lapsed or not notifying the Commission of a
6 change of employer within 10 days. He also noted that
7 many complaints result in multiple cases being opened,
8 where a person files against both the salesperson and
9 their broker and perhaps also the real estate company
10 and the salesperson or broker on the other side of the
11 transaction.

12 Ms. DeLaurentis noted the prosecution division as
13 a whole opened 1,223 COVID-related cases in 2020 with
14 192 for real estate. She reported 543 COVID cases
15 were opened in 2021 with 11 of those cases for real
16 estate.

17 Ms. DeLaurentis reported 18,363 cases were opened
18 in 2021, which is up from 2020 at 13,394. She also
19 reported closing 15,994 cases for 2021 and 13,274 in
20 2020. She expressed being proud of administration,
21 prosecution, and counsel for continuing to process
22 those cases and getting the work done. She noted the
23 total number of current cases for the office as of
24 January 1, 2022, is 15,141.

25 Mr. McGettigan commented that 189 discipline

1 actions out of 1,882 opened seems like a low number of
2 people who were successfully prosecuted even with the
3 warning letters, which is only about a 30-percent
4 success rate. He requested a better breakdown of
5 complaints explaining why they were withdrawn or
6 settled.

7 Mr. Michalowski explained that it was difficult
8 to pull statistics when a file is closed with
9 prosecution not warranted or no violation. He noted
10 that Z05s, which are complaints withdrawn, are the
11 only ones that have a separate code and can be
12 compared against other boards. He will find out from
13 Mr. Smith how much higher those are for the Commission
14 than for other boards.

15 Mr. Fritsch addressed to Mr. McGettigan's comment
16 regarding the 30-percent success rate and referred to
17 closing files as a Z02 prosecution not warranted,
18 where there is not any identifiable violation at all.
19 He stated the reality is that there is really nothing
20 in two-thirds of the cases they open.

21 Mr. Fritsch stated the focus should be on the 189
22 prosecutions, looking at what actions and sanctions
23 were taken against those individuals to show people
24 they do have to stay in line or there are serious
25 consequences.

1 Ms. DeLaurentis informed the Commission that the
2 prosecution division is working on the Annual Report
3 for the General Assembly that has more of a breakdown
4 of the types of complaints and may be helpful.

5 Ms. DeLaurentis thanked Mr. Fritsch and Mr.
6 Michalowski and their team and the Commission, noting
7 that 189 total cases resulting in discipline in a year
8 is good.

9 Mr. Michalowski offered to talk with Mr. Fritsch
10 about keeping their own tab of numbers informally for
11 two or three months without violating Lyness between
12 prosecution and the Commission.

13 Chair Ferrara thanked Ms. DeLaurentis for the
14 presentation and noted appreciation to Mr.
15 Michalowski's and Mr. Fritsch's offer to clear some
16 things up.]

17

18 Report of Prosecutorial Division

19 [Alice Glasser, Esquire, Commission Prosecutor,

20 presented the Consent Agreement for Case No. 19-56-

21 007881 and Case No. 20-56-002206.]

22

23 Report of Commission Counsel

24 [Juan A. Ruiz, Esquire, Commission Counsel, noted the

25 Commission met in Executive Session prior to the

1 meeting to discuss all of the items listed on today's
2 agenda.

3 Mr. Ruiz asked whether any Commission members
4 wished to return to Executive Session to discuss any
5 of the consent agreements.]

6 MR. RUIZ:

7 Is there a motion to approve the Consent
8 Agreement at Case No. 19-56-007881?

9 MR. MCGETTIGAN:

10 So moved.

11 MR. PICCIRILLI:

12 Second.

13 CHAIR FERRARA:

14 All in favor? Opposed?

15 [The motion carried unanimously. The Respondent's
16 name is Naseema Sami.]

17 ***

18 MR. RUIZ:

19 Is there a motion to deny the Consent
20 Agreement as being too lenient for Case
21 No. 20-56-002206?

22 MR. TARANTINO:

23 So moved.

24 MR. SEEBECK:

25 Second.

1 CHAIR FERRARA:

2 All in favor of the motion, aye?

3 [The motion carried unanimously.]

4 ***

5 Report of Board Counsel - Final Adjudications and
6 Orders

7 MR. RUIZ:

8 Also while in Executive Session, the
9 Commission discussed three final
10 adjudications and orders and five
11 motions to enter default and deem facts
12 admitted.

13 At this time, is there a motion to
14 approve the Final Adjudications and
15 Orders at the following cases: Michael
16 Collazo & Regal Remodeling LLC, Case
17 Nos. 20-56-004925 & 21-56-005013; Antony
18 F. Gargano, Case No. 19-56-013320;
19 Wendell I. Huyard, Case No. 17-56-04031?

20 MR. MCGETTIGAN:

21 So moved.

22 MS. RUBIN:

23 Second.

24 CHAIR FERRARA:

25 There's a motion on the floor. All in

1 favor, aye? Opposed?

2 [The motion carried unanimously.]

3 ***

4 MR. RUIZ:

5 Is there a motion to approve all of the
6 Motions to Enter Default and Deem Facts
7 Admitted and direct Commission counsel
8 to draft Adjudications and Orders
9 consistent with discussions in Executive
10 Session for the following cases: Gloria
11 Beattie t/d/b/a Lebanon Cemetery
12 Association or Lebanon Cemetery & Gary
13 Beattie t/d/b/a Lebanon Cemetery
14 Association or Lebanon Cemetery, Case
15 Nos. 21-56-005599 & 21-56-005631; Karen
16 K. Fotiou-Duncan, Case No. 19-56-015165;
17 Kimberly Hardy, Case No. 20-56-004328;
18 Joseph E. Marley III, Case No. 19-56-
19 015354; Norbert Trocki & Trocki Property
20 Management, LLC, Case Nos. 21-56-014958
21 & 21-56-015051?

22 MS. THOMSON:

23 So moved.

24 MS. RUBIN:

25 Second.

1 CHAIR FERRARA:

2 We have a motion on the floor.

3 Approval, aye? Opposed, same sign.

4 [The motion carried unanimously.]

5 ***

6 Report of Commission Chair

7 [Armand Ferrara, Chair, Industry Member, thanked all
8 of the Commission members for taking on this year's
9 committee assignments and looked forward to working
10 with everyone the rest of the year.]

11 ***

12 Report of Commissioner

13 [Arion Claggett, Acting Commissioner, Bureau of
14 Professional and Occupational Affairs, referred to the
15 prosecution report and discussion, noting that the
16 Bureau would be looking into that and applying a fix
17 at the end of March.]

18 ***

19 Report of Commission Administrator

20 [Krista Linsenbach, Commission Administrator, reported
21 promotional property renewals closed on December 31,
22 where there were 17 renewals out of around 20
23 approvals and close to 100 percent. She noted being
24 currently in the January 31 cemetery registration
25 renewal period with about a 38-percent response.

1 Ms. Linsenbach also reported being in the process
2 of creating renewals and providing material as early
3 as possible, noting the expiration date will be May
4 31, 2022. She reminded everyone that there is no
5 grace period, and anyone who has not renewed by May 31
6 would need to reactivate.]

7 ***

8 Report of Committees - Education/Examination

9 MR. MCGETTIGIN:

10 I'd like to make a motion that we deny
11 the Broker Examination of Nicole Talton
12 and give her the right to an informal
13 conference.

14 MR. PICCIRILLI:

15 Second.

16 CHAIR FERRARA:

17 We have a motion. All in favor?

18 Opposed?

19 [The motion carried unanimously.]

20 ***

21 MR. MCGETTIGIN:

22 I'd like to make a motion that the
23 Broker Examination for Jasmine Williams
24 be provisionally denied.

25 MS. RUBIN:

1 Second.

2 CHAIR FERRARA:

3 We have a motion and a second. All in
4 favor, aye? Opposed?

5 [The motion carried unanimously.]

6 ***

7 MR. MCGETTIGIN:

8 I'd like to make a motion that the Real
9 Estate Salesperson Exam have no barrier
10 to licensure of Matthew Kurtas.

11 MR. JOHNSON:

12 Second.

13 CHAIR FERRARA:

14 We have a motion and a second. All in
15 favor, aye? Opposed?

16 [The motion carried unanimously.]

17 ***

18 Miscellaneous

19 [Armand Ferrara, Chair, Industry Member, noted the
20 next scheduled meeting date is March 1.]

21 ***

22 Adjournment

23 [Armand Ferrara, Chair, Industry Member, commented
24 that he would see everyone at the March meeting.]

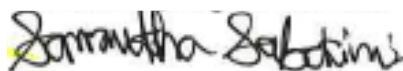
25 ***

1 [There being no further business, the State Real
2 Estate Commission Meeting adjourned at 11:23 a.m.]

3 ***

4
5 CERTIFICATE

6
7 I hereby certify that the foregoing summary
8 minutes of the State Real Estate Commission meeting,
9 was reduced to writing by me or under my supervision,
10 and that the minutes accurately summarize the
11 substance of the State Real Estate Commission meeting.

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15 Samantha Sabatini,

16 Minute Clerk

17 Sargent's Court Reporting
18 Service, Inc.

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STATE REAL ESTATE COMMISSION
REFERENCE INDEX

January 18, 2022

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TIME	AGENDA
9:00	Executive Session
10:30	Return to Open Session
10:32	Official Call to Order
10:32	Roll Call/Introduction of Attendees
10:36	Pledge of Allegiance
10:38	Approval of Minutes
10:38	Report of Prosecutorial Division
11:15	Report of Commission Counsel
11:19	Report of Commission Chair
11:19	Report of Commissioner
11:20	Report of Commission Administrator
11:21	Report of Committees
11:23	Miscellaneous
11:23	Adjournment