



Dipáttamenton Kontribusiyan Adu'ána

DEPARTMENT OF

REVENUE AND TAXATION

GOVERNMENT OF GUAM

Gubetnamenton Guåhan

LOURDES A. LEON GUERRERO, Governor / *Maga'håga*
JOSHUA F. TENORIO, Lt. Governor / *Tiñente Gubetnadot*

DAFNE MANSAPIT-SHIMIZU, Director
Direktot
MARIE P. LIZAMA, Deputy Director
Segundo Direktot

GUAM REAL ESTATE COMMISSION MEETING MINUTES

Date and Time: Tuesday, March 21, 2023 at 2:00pm

Zoom: Meeting ID 878 4133 8341, Passcode 1844635

Zoom Link: <https://us02web.zoom.us/j/87841338341?pwd=R2VqWU9QOW5BbU5hT3Q0MWNmcFo0dz09>

Facebook Live: Guam Department of Revenue & Taxation

Commission Members Present:

Frank Pangelinan, Chairman

Attorney Ryan Marsil Johnson, Member

Alice Sebastian-Cruz, Secretary

Ramon Puangco, Member

Clare Delgado, Member

Department of Revenue and Taxation (DRT) Representatives Present:

Michele Marie R. Rabago – Regulatory Examiner

Nemencio David E. Briones – Regulatory Supervisor, Acting

Others Present:

Glenn Meno, Policy Analyst from Office of Senator Sabina Perez

Sandy Yow, Real Estate Commission Member Appointed by the Governor's Office (Awaiting Confirmation)

1. **Call Meeting to Order** – Chairman Pangelinan called the meeting to order on Tuesday, March 21, 2023 at 2:02pm.
2. **Attendance – Roll Call** - Roll call of Commission Members was taken by Chairman Pangelinan. A quorum was present. All were present except for Member Richard Gutierrez.
3. **Approval of Minutes of Dated December 15, 2022** – A motion was made by Member Attorney Johnson to approve the minutes of the last meeting dated December 15, 2022 and seconded by Member Puangco. Agenda was unanimously approved by the Commission.
4. **Old Business**
 - a) **Status of Legislative Bill and Review of Seller's Disclosure Statement** – Chairman Pangelinan mentioned that he sent copies of the Seller's Disclosure Statement and revisions to Chapter 104, Real Estate Regulation to the Commission Members back in late February. The Chairman contacted Senator Sabina Perez's Office regarding the Seller's Disclosure Statement Bill. The Chairman reported the bill was first introduced in the 35th Guam Legislature as Bill No. 383 and it did not go through and then re-introduced in the 36th Guam Legislature as Bill No. 29 and it did not go through either. The Chairman reported that in the January 2022 meeting minutes, Senator Perez's Office finished their legal review and wanted to make substantial changes to the bill to which the Chairman was unaware of the types of specific changes. Secretary Sebastian-Cruz reported that her last communication with the policy analyst at Senator Perez's Office mentioned that the Office is still gathering information from the [real estate] industry. The Chairman mentioned that the Commission will have to revisit the bill and reintroduce the bill as it is now the 37th Guam Legislature. Member Attorney Johnson recalls that the Commission and anyone from the industry were supposed to meet for a round table discussion with Senator Perez's Office to go over the Seller's Disclosure Statement to which Member Attorney Johnson testified against it as he felt the Seller's Disclosure Statement was drafted and formulated using various different bills from other

jurisdictions with no legal assistance. Member Attorney Johnson added there were definitions in the Seller's Disclosure Statement that are not used, there were poor definitions, and references to hauntings and murders being disclosed with no time period as to when they should be disclosed. Member Attorney Johnson stated that the Seller's Disclosure Statement needs to be re-written and simpler for real estate salespeople to understand. Member Attorney Johnson recommended the easiest solution would be for the Commission to borrow from other jurisdictions, like Illinois or Alaska, who have had their rules adopted and litigated by lawyers. The Chairman suggested the Commission get copies of Seller's Disclosure Laws from Illinois and Alaska and the Commission do their own editing and then bring it to Senator Perez's office for their legal review. Member Attorney Johnson recommended adding and adopting Seller's Agent Disclosure Laws to give "more teeth" and added regulation and enforcement, especially with the two open cases we have for which we have no hearing officer for. Member Attorney Johnson volunteered to pull up Illinois and Alaska's laws and circulate them to the Commission.

- b) **Status and Review of Revision to Chapter 104, Real Estate Regulation** – The Chairman reported there was a Guam Association of Realtors (GAR) Brokers Forum on February 17, 2023 and was asked to report on the status on the revision to Chapter 104 to which he reported it is still status quo. The Chairman reported that GAR was not given a copy of the draft. The Chairman provided copies of the draft revisions soon after the Brokers Forum to Peggy Illagas of GAR for their review and recommended they provide their input as they are the industry leaders. The Chairman, as of today, has not received GAR's recommendations to the revisions. Member Attorney Johnson recommended the Commission follow-up on GAR's recommendations, if any.

5. Old Business –

- a) **Required Documents from Members for Stipend Payments** – Secretary Sebastian-Cruz reported that Michele Rabago has collected all the required documents from Commission Members for the initiation of stipend payments. Secretary Sebastian-Cruz mentioned that some should have been or will be receiving payments via direct deposit and reported that moving forward, stipend payments will be made in a timely manner. Member Attorney Johnson stated for the record that he declined receiving stipend payments for his participation in the Real Estate Commission for reasons stated in the Guam Volunteer Protection Act that grants immunity for board/commission members, but that immunity is gone if members accept stipend payments. Member Attorney Johnson added that he wants to continue to exercise his immunity for anything he does for this Commission and from being sued by real estate brokers and agents. The Chairman mentioned that Commission Members can communicate privately with Secretary Sebastian-Cruz on whether they want to decline receiving stipend payments.
- b) **Real Estate ID Machine** – Secretary Sebastian-Cruz reported that the real estate ID machine is enroute and finally being transported to Guam. Secretary Sebastian-Cruz added that the vendor is already in communication with DRT's IT personnel and the deadline given by DRT's Director Dafne Mansapit-Shimizu is March 31, 2023. Secretary Sebastian-Cruz stated an announcement will go out and her office will schedule real estate agencies to come in and get their IDs processed to avoid heavy foot traffic coming to her office.
- c) **Real Estate Commission Website** – The Chairman reported that the former Chairman Christopher Murphy paid for and created the realestatecommission.com website. Mr. Murphy was updating the website as time went along. The Chairman mentioned that since Mr. Murphy has resigned the Real Estate Directory has not been updated and the real estate license application forms have not been updated on the website. The Chairman reported that he has been getting complaints from licensees who have been using outdated forms on the website when they come to DRT to renew their licenses. The Chairman would like to work with the Secretary Sebastian-Cruz's office to ensure that all the information uploaded onto the website are correct and current.
- d) **Approval of Continuing Education (CE) Courses** – The Chairman mentioned that Mr. Murphy use to draft a recommendation letter to the Real Estate Commissioner to approve CE courses and that the Commissioner had the authority to approve the CE courses. The Chairman reported that he would like to have guidelines drafted in regards to making recommendations for approval for continuing education courses. The Chairman mentioned that he would be open to having the input of GAR or other real estate companies to recommend CE courses as long as the Commission has guidelines to follow to ensure the courses are relevant to the real estate industry.



Secretary Sebastian-Cruz reported that the Commission should be the body that vets CE courses and then requests recommendation for approval by the Real Estate Commission. Member Delgado agreed that guidelines need to be established in making recommendation approvals and that we should get industry leaders' input on this. The Chairman added we should get input from the Guam Association of Appraisers to which Member Delgado added getting input from the schools [National Institute of Continuing Education]. Member Delgado requested that the Commission have a timeline so that there is something to report in the next meeting. Secretary Sebastian-Cruz mentioned she will discuss more with the Chairman offline.

6. **Open Discussion** – The Chairman brought up the letter that was drafted by Member Attorney Johnson and submitted by the Real Estate Commissioner to the Attorney General's (AG) Office requesting the appointment of a hearing officer for the Real Estate Commission. The Chairman reported the AG's Office acknowledged receipt of the letter; however, it is still status quo. Secretary Sebastian-Cruz was pleased to report that DRT has a legal team of three (3) attorneys that started late January. Secretary Sebastian-Cruz reported that she already discussed this with Director Mansapit-Shimizu. Secretary Sebastian-Cruz reported the legal team are new here and are getting caught up with all the legal issues of DRT. As soon as they settle in, Secretary Sebastian-Cruz along with the Director will bring the issue of the hearing officer to their attention. Member Attorney Johnson expressed that is great news having a legal team and that if one of them can be appointed as hearing officer to assist the Commission in the two (2) pending real estate cases.

The Chairman brought up the vacancy of the Commission since Mr. Murphy resigned from the Commission. The Chairman and Secretary Sebastian-Cruz were privileged to learn that Ms. Sandy Yow, who was present in the meeting, has been nominated by the Governor's Office and is currently awaiting confirmation from the Legislature. The Chairman and the Commission Members welcomed Ms. Yow to the Commission.

Mr. Glenn Meno of Senator Perez's Office mentioned that the Office is working with the bill and revisions to the law. Mr. Meno wanted clarification regarding the addition of the Seller's Agent Disclosure and whether that would be included with the Seller's Disclosure bill or would that be a separate bill. The Chairman interjected saying that the entire Seller's Disclosure bill will be rewritten modeling off of Illinois and Alaska's Seller Disclosure Laws and to disregard the current bill being reviewed at Senator Perez's Office.

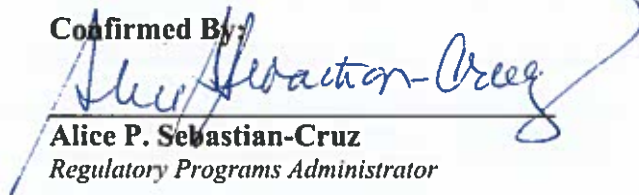
7. **Next Meeting Scheduled for Tuesday, June 20, 2023 at 2:00pm** –
8. **Meeting Adjournment** – The Chairman adjourned the meeting at 2:45pm.

Prepared and Submitted By:



Michele Marie R. Rabago
Regulatory Examiner

Confirmed By:



Alice P. Sebastian-Cruz
Regulatory Programs Administrator