

## MINUTES OF MEETING

### Kansas Real Estate Commission

January 8, 2015

The Kansas Real Estate Commission met on Thursday, January 8, 2015, at 9:00 a.m. (or immediately following KAPA deliberations) at Three Townsite Plaza, Suite 200, 120 S.E. 6<sup>th</sup> Avenue, Topeka, Kansas.

#### **Commissioners Present:**

Sue Wenger, Chairperson joined the KOMA meeting by phone at 10:45 a.m.  
Joseph Vaught, Vice Chairperson  
Errol Wuertz, Member  
Shirley Cook, Member  
Bryon Schlosser, Member

#### **Staff Present:**

Kelly White, Acting Interim Director  
David Pierce, Director of Enforcement  
Wendy Alkire, Compliance Supervisor  
Sam Blasi, Law Clerk  
Brooke Daniels, Senior Administrative Assistant  
Aubrie Pryer, Administrative Assistant

#### **Kansas Real Estate Commission Legal Counsel Present:**

Sarah Fertig, Assistant Attorney General  
Lisa Mendoza, Assistant Attorney General

#### **Members of the Public Present:**

Luke Bell, Kansas Association of Realtors®  
Larry Rickard, Continental Real Estate and Realty School of Kansas

#### **Call to Order**

Mr. Vaught called the KOMA meeting to order at 10:42 a.m.

#### **Approval of the Minutes of the December 11, 2014 Meeting**

Motion was made by Mr. Schlosser, seconded by Mr. Wuertz, to approve the minutes of the December 11, 2014 meeting. Motion carried unanimously.

Ms. Wenger joined the meeting via telephone conference call at 10:45 a.m.

#### **Refund Policy and Deficiency Notices**

Staff presented a new template for letters to deficient license applications. A company affiliation page must be resubmitted with the next application if there have been changes to the supervising or branch broker, the company name, or the company address. Staff suggested the prorated license fee continue to be refunded when an application is deficient. It was the consensus of the Commission to approve staff's proposed deficiency letter and refund policy.

### **Discussion Regarding Broker Supervision Regulation**

The Commission reviewed a proposed regulation that was drafted in 2009 and discussed possible language for the supervision of restricted licensees. It was the consensus of the Commission to have Ms. Fertig research other states' statutes and regulations regarding the definition of an office and any distance restrictions for supervision, and to make this a standing item for future meetings.

### **2015 Session Bills for KREC**

The Revisor will redraft the 2014 bills, HB 2122 (the technical clean-up bill) and HB 2125 (the fee increase bill), for the 2015 session. The bills will soon be introduced to the Senate Commerce Committee. Mr. Schlosser will provide testimony. The Kansas Association of Realtors® supports the bills.

### **Executive Session to Discuss a Personnel Matter**

Based upon a motion made by Mr. Schlosser, seconded by Mr. Wuertz, Mr. Vaught recessed the KOMA meeting at 11:44 a.m. for 45 minutes to enter into an Executive Session to discuss non-elected personnel to protect the privacy of those involved. Those in attendance include the Commissioners, Ms. Fertig, and Ms. Mendoza. Motion carried unanimously.

### **Executive Session to Discuss a Personnel Matter Extended**

Based upon a motion made by Mr. Schlosser, seconded by Mr. Wuertz, at 12:30 p.m. Mr. Vaught extended the executive session for another 30 minutes. The staff members from the previous executive session remained in attendance. Motion carried unanimously.

Mr. Vaught reconvened the KOMA meeting at 1:00 p.m.

### **Public Comments**

Larry Rickard, of Continental Real Estate and Realty School of Kansas stated he would like to get his Required Salesperson and Broker Core course reapproved because he is losing business without it. He does not believe the course is being taught by other providers according to the license law. He said transaction brokerage is a viable relationship, not just a vehicle to solve dual agency, and that one reason transaction brokerage was passed is for auctions. He believes Commission staff unduly delayed at least one broker applicant whose experience included transaction brokerage relationships.

### **Request to open a company named "Heritage Homes Realty" when a similarly named company exists in the same marketing area**

Motion was made by Mr. Schlosser, seconded by Mr. Wuertz, to approve the requested company name. Motion carried unanimously.

### **Request to open a company named "Village Realty" when a similarly named company exists in the same marketing area**

Motion was made by Mr. Wuertz, seconded by Mr. Schlosser, to approve the requested company name. Motion carried unanimously.

### **Budget Report**

The Commission reviewed the FY 2015 Year-to-date Expenditures and Receipts Reports. Ms. White reported that the rate charged to the Commission by the KBI for processing criminal background checks

was reduced by \$2.00, that the Commission will now contribute 8.65% to KPERS for all employee tiers, and that the contribution rate to KPERS by Tier 1 employees will increase from 5% to 6%.

#### **Staff Report on I-Team Statistics**

The Commission reviewed the report. After meeting with Ms. Fertig and Commission staff, Ms. Mendoza drafted a new investigation policy. Motion was made by Mr. Wuertz, seconded by Mr. Schlosser, to withdraw Guidance Document 2013-03 and adopt the proposed investigation policy for internal use with clarification that the resolution of complaints is handled by staff investigators. Motion carried unanimously.

#### **Education and Exam Report**

The Commission received the reports.

#### **Director's Report**

Ms. White presented a report to the Commission. The total licensee count is at 13,654. There has been an increase in the number of original licenses issued for 2014 compared to prior years. Staff tested the OLMS system while Murali Kolla of Webelan and Alexandra Blasi, IT consultant, were on-site. Interviews for the Legal Assistant position will be conducted next week.

#### **Executive Session to Discuss a Personnel Matter**

Based upon a motion made by Mr. Schlosser, seconded by Mr. Wuertz, Mr. Vaught recessed the KOMA meeting at 1:54 p.m. for 15 minutes to enter into an executive session to discuss non-elected personnel to protect the privacy of those involved. Those in attendance include the Commissioners, Ms. Fertig, Ms. Mendoza, and Ms. White. Motion carried unanimously.

#### **Executive Session to Discuss a Personnel Matter Extended**

Based upon a motion made by Mr. Schlosser, seconded by Mr. Wuertz, at 2:10 p.m. Mr. Vaught extended the executive session for another 5 minutes. The staff members from the previous executive session remained in attendance. Motion carried unanimously.

Mr. Vaught reconvened the KOMA meeting at 2:15 p.m.

Upon a motion from Mr. Schlosser, seconded by Ms. Cook, the public meeting was adjourned. Motion carried unanimously.

#### **Adjournment**

Mr. Vaught adjourned the meeting at 2:20 p.m.

#### **Upcoming Commission Meeting Dates:**

February 12, 2015

March 12, 2015