

STATE OF KANSAS

KANSAS REAL ESTATE COMMISSION
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GOVERNOR JEFF COLYER, M.D.
ERIK WISNER, EXECUTIVE DIRECTOR

MINUTES OF THE MEETING Kansas Real Estate Commission October 15, 2018

The Kansas Real Estate Commission held its regular meeting on Monday, October 15, 2018, at 9:00 a.m. at the at Jayhawk Tower, 700 S.W. Jackson Street, Suite 404, Topeka, Kansas 66603.

Commissioners Present:

Bryon Schlosser, Chairperson
Joe Vaught, Vice-Chairperson
Errol Wuertz, Member
Sue Wenger, Member
Connie O'Brien, Member

Staff Present:

Erik Wisner, Executive Director
Kelly White, Deputy Director, Director of Licensing and Education
Stacey Serra, Legal Assistant
Amber Nutt, Education Specialist
Wendy Alkire, Compliance Director

Kansas Real Estate Commission Legal Counsel:

Sarah Fertig, Assistant Attorney General
Jane Weiler, Assistant Attorney General
Athena Andaya, Deputy Attorney General

Members of the Public:

Mark Barker
Patrick Vogelsberg
Kathy McCarty

Call to Order

Mr. Schlosser called the meeting to order at 9:00 a.m.

Approval of the Minutes of the August 20, 2018 Meeting

Motion was made by Mr. Wuertz, seconded by Mr. Vaught, to approve the minutes from the August 20, 2018 meeting. Motion carried unanimously.

Licensing Requirements – Proposed Legislative Changes

Mr. Wisner reviewed the proposed recommendations for statutory changes to the broker pre-license education and experience requirements. Staff compiled a list of recommendations from the Broker

Experience Task Force, broker pre-license education providers, the Kansas Association of Realtors (KAR) and staff. After discussion, the Commission decided to proceed with the recommendation for two courses totaling at least 60 hours but no more than 90 hours total for in state applicants and a practice course of at least 30 hours and a four-hour law course for out of state or equivalent requirements met applicants. The Commission also proceeded with reducing the timeframe for considering activities requiring a real estate license from five years to three years immediately preceding the date of a broker application. The requirement to have two years of experience during that timeframe would remain. Commission staff will present proposed outlines and a draft of the statutory changes at the next meeting.

Advertising Requirements

Last December, the Commission approved a statutory change to clarify requirements for advertising by teams and individuals. The change recommended by the Commission is the supervising broker's name or trade name would need to be greater in size than the team or individual name in any advertising. This change was put on hold for several reasons, including allowing KAR additional time to review the proposed change. KAR recommended the supervising broker's trade or business name be at least 50% of the size of the team name and requested implementation of this requirement be delayed until July 2020 to allow licensees to come into compliance. After discussion, the Commission will review several advertising complaints from the last year to assist in developing a standard. Mr. Wisner will have these for review at the next meeting.

Licensee, Education and Exam Report

Ms. White reviewed the new Applicant Status Report. As of September 4, 2018, there were 325 pending applications. There were 76 salesperson applications, 14 broker applications, and 235 fingerprint-only files. As of October 1, 2018, there were 304 pending applications. There were 68 salesperson applications, 12 broker applications, and 224 fingerprint-only files.

There was a total of 16,381 licensees as of September 4, 2018. There were 425 expired but renewable licensees.

There was a total of 16,557 licensees as of October 1, 2018. There were 394 expired but renewable licensees.

Since the last Commission meeting, staff approved four elective courses.

In FY 2019, there have been 780 exams administered with an overall pass rate of 65%. 13 brokers and 118 salespersons were tested by equivalent requirements, brokers had a 50% pass rate, and salespersons had an 92% pass rate.

Ms. White discussed approval of schools. If a school wants to offer a pre-license course and does not meet the criteria of K.S.A. 58-3046a(h)(1), (2), (4), or (5), approval as a private or out-of-state postsecondary school must be met through the Kansas Board of Regents (KBOR). KBOR authorizes private and out-of-state institutions to operate in Kansas through issuance of a Certificate of Approval that must be renewed annually (K.S.A. 74-32,162 et seq.). Staff sent out a survey to approved schools to determine if they felt there should be a change. The majority voted to keep the statute as it stands.

Commission staff had a vendor booth at the KAR annual meeting in Overland Park, KS on October 8-10. Staff received a lot of positive feedback, answered questions and demonstrated to users how to setup their E-Gov accounts.

Director's Report

The revenues, expenditures and fee fund balances for FY2019 will be provided at the November meeting.

The Commission submitted the FY 2019-2021 budget request to the Division of Budget on September 15. The Commission requested a proposed increase to the expenditure limitation to cover credit card convenience fees. Due to increased receipts to the Recovery Fund, the Commission will fund additional expenditures for consumer outreach and monitoring of education course providers in FY2019-2021

There will be a public hearing on the license expiration, fees, and reporting requirement regulation changes on November 19, 2018 at 9:00 a.m.

Mr. Wisner discussed publicizing disciplinary actions in the newsletter. Motion was made by Mr. Vaught, seconded by Mr. Wuertz, to publicize revocations, suspensions, and all fines above \$500 in the aggregate issued to a licensee. Motion carried unanimously.

Adjournment

Mr. Schlosser adjourned the meeting at 11:02 p.m.

Attest: _____

Bryon Schlosser, Chairperson

Joe Vaught, Vice-Chairperson

Errol Wuertz

Sue Wenger

Connie O'Brien