

MINUTES OF THE MEETING  
Kansas Real Estate Commission  
April 20, 2020

The Kansas Real Estate Commission held its regular meeting on Monday, April 20, 2020, at 9:00 a.m. by telephone conference call

**Commissioners Present:**

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

**Staff Present:**

Erik Wisner, Executive Director  
Kelly White, Deputy Director, Director of Licensing and Education  
Amber Nutt, Real Estate Education Specialist  
Stacey Serra, Legal Assistant

**Kansas Real Estate Commission Legal Counsel:**

Jane Weiler, Assistant Attorney General  
Charles Macheers, Assistant Attorney General  
Christine Sankoorikal, Assistant Attorney General

**Members of the Public:**

Mark Barker  
Kathy McCarty  
Mark Tomb

**Call to Order**

Mr. Wuertz called the meeting to order at 9:07 a.m. Mr. Wisner called the roll to signify presence at the open meeting via conference call.

**Approval of the Minutes of the February 17, 2020 and March 20, 2020 Meetings**

Mr. Vaught made the motion, seconded by Mr. Schlosser, to approve the minutes from the February 17, 2020 and March 20, 2020 meetings. Motion carried unanimously.

**Hearing of Joe Gardenhire, Docket No. 20-8297**

**Hearing of Debbie Wharton, Docket No. 20-8301**

## **Hearing of Thomas Karras, Docket No. 20-8300**

### **Compliance Report**

The Commission reviewed the status of open legal cases. The oldest complaint pending review is from March 29, 2019. The oldest disciplinary file pending staff review is from June 20, 2018.

Staff completed 239 compliance reviews in FY2020. The current turnaround time for compliance review results is 14 months. Zero transactions were reported by 35% of brokers in the last four fiscal years. Eight repeat violations were found during 37 follow up reviews in FY2020. Ten percent of complaints in the last four fiscal years were reported anonymously.

The March 25, 2020 compliance course was cancelled. The next course is scheduled for July 21, 2020.

### **Licensee, Education and Exam Report**

The Commission reviewed Executive Order #20-19 regarding extension of continuing education and license renewal deadlines due to the COVID-19 pandemic. The extension applies to licenses in good standing that expire during the State of Disaster Emergency that began March 12, 2020. The extension lasts until 90 days after the State of Disaster Emergency ends. The \$100 late renewal fee applies if the license is not renewed within the extension period. The extension does not apply to licenses that were revoked, surrendered, or suspended as of March 12, 2020. The Order does not apply to deadlines for new license applications.

Fingerprinting, testing, and classroom courses are currently unavailable. Pearson VUE plans to reopen some test centers on May 1, 2020 with reduced capacity while social distancing guidelines are in place.

As of March 30, 2020, there are 16,947 licensees and 286 pending applications (70 salesperson, 31 broker and 185 fingerprint-only files).

Staff approved one principles of real estate course, seven elective and one appraisal/elective continuing education courses from March 1 to March 31, 2020. Ms. Nutt reported on the number of classroom courses recently converted to virtual courses with a final exam.

In FY2020, Pearson Vue administered 2,191 exams with an overall pass rate of 67%. Seventy brokers and 390 salespersons tested based on requirements met in another state. Brokers had a 73% pass rate, and salespersons had an 87% pass rate.

### **Director's Report**

Real estate fee fund receipts are \$887,588 which is 1% higher than estimated. Real estate fee fund expenditures for FY2020 are \$810,084 which is 3% or \$36,745 lower than estimated.

The real estate fee fund balance is \$989,522 which is up \$74,203 from July 1, 2019. Background investigation fee fund receipts for FY2020 are \$86,215 which is 5% lower than estimated. March 2020 revenue was down \$22,000 from the revenue collected in March 2019. Real estate recovery fund receipts for FY2020 are \$4,590 and the balance in the fund is \$265,863.

The Commission’s budget was approved by the Legislature and signed by the Governor. Enhancement requests for the Special Litigation Reserve Fund and technical adjustments for the FY2021 pay plan were included. The Governor requested all state agencies eliminate discretionary spending and postpone filling vacant positions, requesting salary increases, and expanding nonessential programs.

Mr. Wisner gave an update on Senate Bill 42. The bill would define “rebate” to mean the return of all or a portion of any real estate purchase price, whether by cash or cash equivalent (which could include gift cards, prepaid credit cards, or other similar items of value) which is agreed to between a licensee and client or customer before closing and is contingent upon the transaction closing. The bill passed the Senate and was heard in the House Commerce Labor and Economic Development committee on March 12, 2020. The Committee took no action before recess.

Mr. Wisner gave an update on House Bill 2506. The bill amends the occupational and professional licensing standards for regulatory agencies to receive and review applications from any individual who has established or plans to establish residency in Kansas. The bill is on General Orders in the Senate.

**Public Comments**

There were no public comments.

Mr. Schlosser made the motion, seconded by Ms. O’Brien, to adjourn the meeting. Motion carried unanimously.

Mr. Wuertz adjourned the meeting at 11:03 a.m.

Attest: \_\_\_\_\_

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Errol Wuertz, Chairperson

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Bryon Schlosser, Vice-Chairperson

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Connie O’Brien

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Joe Vaught

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Sue Wenger