

MINUTES OF THE MEETING  
Kansas Real Estate Commission  
June 15, 2020

The Kansas Real Estate Commission held its regular meeting on Monday, June 15, 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  
Wendy Alkire, Director of Compliance  
Amber Nutt, Real Estate Education Specialist  
Stacey Serra, Legal Assistant

**Kansas Real Estate Commission Legal Counsel:**

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

**Members of the Public:**

None

**Call to Order**

Mr. Wuertz called the meeting to order at 9:00 a.m. and called the roll to signify presence at the open meeting via conference call.

**Approval of the Minutes of the May 18, 2020 Meeting**

Mr. Schlosser made the motion, seconded by Mr. Vaught, to approve the minutes from the May 18, 2020 meeting. Motion carried unanimously.

**Compliance Report**

The Commission reviewed the status of open legal cases. The oldest complaint pending review (non-litigation) is from March 20, 2019. The oldest disciplinary file pending staff review is from August 13, 2018. The oldest disciplinary file pending review by the attorney general's staff is from August 13, 2018.

Staff completed 270 compliance reviews in FY2020. The current turnaround time for compliance review results is 10 months. Zero transactions were reported by 35% of brokers in the last four fiscal years. Fourteen repeat violations were found during 46 follow up reviews in FY2020. Twelve percent of complaints in the last four fiscal years were reported anonymously.

Compliance courses are scheduled for July 21 and October 1, 2020.

The Commission reviewed staff's proposed revision to the Delegation of Authority for Compliance and Reporting of Information to allow staff to issue a directive if the licensee or applicant committed the same or similar violation less than 10 years ago or a warning letter if more than 10 years ago. Ms. Sankoorikal and Ms. Weiler advised the Commission not to delegate authority to the staff for repeat offenses. The Commission appreciated staff's attempt to create efficiencies for the Investigative Team.

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

As of May 29, 2020, there are 17,125 licensees and 264 pending applications (72 salesperson, 19 broker and 173 fingerprint-only files).

Staff approved one principles of real estate course, one broker core course, and 8 elective continuing education courses from May 1 to May 31, 2020.

In FY2020, Pearson Vue administered 2,331 exams with an overall pass rate of 67%. Seventy brokers and 401 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 \$1,048,580 which is 2% lower than estimated. Real estate fee fund expenditures for FY2020 are \$1,103,174 which is 2% or \$25,931 lower than estimated.

The real estate fee fund balance is \$941,027 which is up \$25,708 from July 1, 2019. Background investigation fee fund receipts for FY2020 are \$98,575 which is 10% lower than estimated. Combined March-May 2020 revenue was down \$28,500 from the revenue collected in March-May 2019. Real estate recovery fund receipts for FY2020 are \$4,975 and the balance in the fund is \$294,113.

KREC incurred \$1,018.40 in legal costs in FY2020 that are eligible to be paid out of the new special litigation reserve fund. The Division of Budget recommended transferring the amount for the current fiscal year plus the projection for the next fiscal year up to a maximum of \$20,000.

Mr. Schlosser made the motion, seconded by Ms. Wenger, to authorize the Executive Director to seek approval from the Director of Budget to transfer \$20,000 from the real estate fee fund to the special litigation reserve fund of the Kansas Real Estate Commission for the fiscal year ending June 30, 2020. Motion carried unanimously.

For the month of June, one staff person will be in the KREC office at a time from 8:30 a.m. to 4:00 p.m.

The Legislature reconvened on May 21 and June 3-4, 2020 but did not act on any KREC-related bills.

**Executive Session**

Mr. Schlosser made the motion, seconded by Ms. Wenger, that the Commission recess into executive session pursuant to K.S.A. 2019 Supp. 75-4319(b)(2) for consultation with our counsel, Christine Sankoorikal, Assistant Attorney General and Erik Wisner, Executive Director to seek legal advice on a matter protected by the attorney-client privilege related to internal procedures and statutory compliance. The Commission will reconvene the open meeting in the Commission's designated conference call number as published via public notice at 10:20 a.m. Motion carried unanimously.

Mr. Wuertz recessed for executive session at 9:51 a.m.  
Mr. Wuertz reconvened the KOMA meeting at 10:20 a.m.

Mr. Schlosser moved, seconded Mr. Vaught, that for any licensee whose license expired after March 12, 2020 and prior to June 30, 2020 unless they file application prior to June 30, 2020 will expire on June 30, 2020 pursuant to Executive Order 20-39 unless the Governor acts to extend the provisions of Executive Order 20-39. Motion carried unanimously.

**Public Comments**

No public members were present.

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

Mr. Wuertz adjourned the meeting at 10:23 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