

AGENDA
January 24, 2024

Hilton Garden Inn
Tuttle/Alcove Room
410 S. 3rd St., Manhattan, KS

Zoom Meeting Link for Virtual Participants:

<https://kansasrealtor.zoom.us/j/89506781032?pwd=MWhjdNzSm9UYytqYlNOeVBnYmFYUT09>

8:00 a.m. Call to Order – Additions to Agenda

1. Approval of the December 4, 2023 Commission Meeting Minutes
2. Staff Reports
 - Education and Communication Report (Nutt)
 - Licensing Report (Smith)
 - Compliance Report (Alkire)
 - Director's Report (Wisner)
3. Public Comment
4. Reorganization pursuant to K.S.A. 74-4202(a). *At the first meeting of the commission after January 1 of each year, or as required thereafter, the members shall elect a chairperson and a vice-chairperson from its membership. The members elected shall serve for a term of one year or the remainder of the term, as the case may be.*
 - Appointment of members to I-Team

Adjournment

KAPA Application Reviews – CLOSED MEETING

Upcoming Commission Meeting Dates:

- April 8
- June 17

APPROVAL OF MINUTES

MINUTES OF THE MEETING
Kansas Real Estate Commission
December 04, 2023

The Kansas Real Estate Commission held its regular meeting on Monday, December 04, 2023 at 9:00 a.m. via Zoom teleconference.

Commissioners Present:

Natalie Moyer, Chairperson
Jacqueline Kelly, Vice-Chairperson
Bryon Schlosser, Member
Marsha McConnell, Member
Clarissa Harvey, Member

Staff Present:

Erik Wisner, Executive Director	Alycia Smith, Licensing Director
Amber Nutt, Education Director	Wendy Alkire, Deputy Director & Compliance Director
Jennifer Box, Administrative Officer	Cindy Boswell, Real Estate Specialist
Tim O'Brien, Real Estate Specialist	Lindsey Bowes, Legal Assistant
Stacey Warren, Real Estate Specialist	

Kansas Real Estate Commission Legal Counsel:

Lisa Mendoza, Assistant Attorney General
Nicole Turner, Assistant Attorney General
William Skepnek, Assistant Attorney General

Members of the Public:

Neil Losh	Kris Tina Denison	Chris Fosgate	Sheryl Taylor	Todd Woodburn
Scott Condray	Mark Tomb	Adam Crowder	Kelly White	Margaret Pendleton

Call to Order

Ms. Moyer called the meeting to order at 9:03 a.m.

Approval of the Minutes of the October 16, 2023 Meeting

Mr. Schlosser moved to approve the minutes of the October 16, 2023 meeting. Ms. McConnell seconded the motion. Motion carried unanimously.

Education and Communication Report

Staff has approved zero pre-license courses and 23 continuing education courses since July for FY24. Pearson VUE has administered 1,061 exams with an overall pass rate of 56%.

Ms. Nutt reviewed proposed exam content outline changes and requested approval of the changes by the commission. Mr. Schlosser moves the Commission approve proposed changes to the exam content outline for

Kansas salespersons and brokers. Ms. Kelly seconded the motion. Motion carried unanimously. Ms. Nutt also reviewed possible future changes to the Principles of Real Estate outline.

Hearing of Neil T. Losh, Docket 24-1531

Licensing Report

As of December 2023, there are 19,227 licensees, which is an increase of 74 compared to December 2022. There are 240 pending applications (70 salesperson, 13 broker, and 157 fingerprint-only files). This is a decrease of 115 applicants compared to December 2022.

Compliance Report

Staff has received 133 complaints and completed 121 compliance reviews so far for FY24.

Director's Report

The real estate fee fund balance as of October 31, 2023 is \$1,477,831 which is up \$65,345 for FY24. Real estate fee fund receipts for FY24 are \$479,450. Real estate fee fund expenditures for FY24 are \$400,401. The background investigation fee fund receipts for FY24 are \$30,268 and the real estate recovery fund receipts for FY23 are \$8,648. The Division of Budget approved the Commission's FY24-25 budget submission as requested. Mr. Wisner also provide results of the FY22 Audit Financials.

Ms. McConnell moved the Commission designate and delegate to the Executive Director its authority to provide testimony to the Legislature or answers to Legislators or Legislative Committees, during the 2024 Legislative Session, including any 2024 Special Session, on policies decided by the Kansas Real Estate Commission. Further, she moved the Executive Director is required to notify the Commission of the testimony or answers at the next meeting. Ms. Harvey seconded the motion. Motion carried unanimously.

Ms. McConnell moved the Commission designate and delegate to the Chairperson, or the Vice Chairperson, its authority to provide testimony or answers to Legislators or Legislative Committees, during the 2024 Legislative Session, including any 2024 Special Session, on policies that have not been finally determined by the Commission but requires an immediate response by the Commission to the requestor. Any testimony or answers to Legislators or Legislative Committees from the Chairperson, or the Vice Chairperson as the case may be, may be conveyed through the Executive Director. Further, she moved the Chairperson, or the Vice Chairperson as the case may be, is required to notify the Commission of the testimony or answers at the next meeting, whether at a special meeting or at the regularly scheduled meeting. If the Commission approves of the testimony or answers provided, the Chairperson, or the Vice Chairperson shall obtain ratification by the Commission. If the Commission disapproves of the testimony or answers provided, the Chairperson, or the Vice Chairperson shall immediately withdraw the prior testimony or answers and shall provide the requestor with the Commission's approved policy. Mr. Schlosser seconded the motion. Motion carried unanimously.

Mr. Wisner also provided an update on the new licensing system and on legislative and policy matters.

Adjournment

The meeting adjourned at 10:11 a.m.

STAFF REPORTS

EDUCATION AND COMMUNICATION

MEMO



DATE: January 24, 2024

TO: Kansas Real Estate Commission Members

FROM: Amber Nutt
Director of Education and Communication

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
www.krec.ks.gov

Education and Communication Department Report for FY24 (As of 01/04/24)

Education Reports – See attached

Course Applications	Nov and Dec 2023	FY24 Total	FY23 Total
In-person	5	21	49
Virtual (synchronous)	0	1	2
Distance (asynchronous)	33	39	65
Pre-License	1	1	7
Continuing Education	37	60	109
Elective	32	54	77
Mandatory	5	6	32
Withdrawn or Denied	1	1	4
Total Processed	38	61	116

Exam Performance Summary	FY24 Total	FY23 Total
Broker Pass Rate	57%	61%
Salesperson Pass Rate	56%	57%
Overall Pass Rate	56%	57%
Broker Total Exams	122	246
Salesperson Total Exams	1,341	2,865
Total Exams	1,463	3,111

Verbal Reports:

- Education and Communication Statistics - Summary of 2023
- Update on Pearson Test Development

Additional Items – See attached

- Memo on Updates to Course Content Outline (New)
- Memo on Updates to Exam Content Outlines – July 31, 2023
- Feedback from licensees, industry members, and educators
- Current Principles of Real Estate course outline – Approved May 13, 1997
- Proposed Principles of Real Estate course outline
- Memo on Licensing Services and Content Changes (New)

New Courses from 11/1/23 to 12/31/23

<u>Course Type</u>	<u>Course #</u>	<u>Course Title</u>	<u>Hours</u>	<u>Status</u>	<u>Location</u>
1st Attempt (At Your Pace Online)					
Elective	E20400	NAR Code of Ethics: Cycle 7	3	Active	Distance
CECheap					
Elective	E20420	Fair Housing	3	Active	Distance
Colibri Real Estate, LLC					
Elective	E20402	A New Look at Contract Law	3	Active	Distance
Elective	E20403	Educating Homebuyers	3	Active	Distance
Elective	E20404	Ethics in the Age of Disruption	3	Active	Distance
Elective	E20405	Going Green: Elements of an Eco-friendly Home	3	Active	Distance
Elective	E20406	Implicit Bias Awareness and Cultural Competency	4	Active	Distance
Elective	E20408	NAR May the Code Be With You	3	Active	Distance
Elective	E20409	Nontraditional and Alternative Finance	3	Active	Distance
Elective	E20410	Online Correspondence: Ethics in the Age of Disruption	3	Active	Distance
Elective	E20411	Online Correspondence: Finding Your Focus: Niche Marketing for Real Estate	3	Active	Distance
Elective	E20412	Online Correspondence: Going Green: Elements of an Eco-Friendly Home	3	Active	Distance
Elective	E20413	Online Correspondence: How to Work with Real Estate Investors - Part 1	3	Active	Distance
Elective	E20415	Online Correspondence: NAR May the Code Be With You	3	Active	Distance
Elective	E20416	Online Correspondence: Real Estate Safety: Protect Yourself and Your Clients	3	Active	Distance
Elective	E20417	Real Estate Safety: Protect Yourself and Your Clients	3	Active	Distance
Elective	E20418	Taking the Distress Out of Distressed Properties	3	Active	Distance
Mandatory Kansas Required Core	M20407	Kansas Required Core	3	Active	Distance
Mandatory Kansas Required Core	M20414	Online Correspondence: Kansas Required Core 2023	3	Active	Distance
Hubbard Real Estate School					
Elective	E20390	The Entreprenmarriage Code	3	Denied	In-person
Kaplan Real Estate Education					
Elective	E20385	2022/2024 Association Ethics v1.0	3	Active	Distance
Elective	E20386	Everyday Ethics in Real Estate v3.0	3	Active	Distance
Mandatory Kansas Required Core	M20387	Kansas Required Core v1.0	3	Active	Distance
Elective	E20388	Law Chronicles: Episode 1	3	Active	Distance
Elective	E20389	Principle-Centered Real Estate v1.0	3	Active	Distance
Elective	E20394	Your Client's Financing Dos and Dont's	3	Active	Distance
Elective	E20395	Mediate-Litigate-Arbitrate: Be Informed v1.0	3	Active	Distance
Elective	E20396	Real Estate Bloopers: Preventing Client Horror Stories v1.0	4	Active	Distance
Elective	E20397	R-E-S-P-E-C-T RESPA to Avoid Penalties and Loss of License v1.0	4	Active	Distance
Elective	E20398	Twenty Cost-Effective Home Improvements v2.0	5	Active	Distance
Elective	E20399	Water: How it Affects Property v1.0	5	Active	Distance
Perry Real Estate College					
Kansas Law Course	P20383	Kansas Law Course	4	Active	Distance

<u>Course Type</u>	<u>Course #</u>	<u>Course Title</u>	<u>Hours</u>	<u>Status</u>	<u>Location</u>
Mandatory Kansas Required Core	M20384	Kansas Required Core	3	Active	Distance
ReeceNichols Training					
Mandatory Kansas Required Core	M20401	Kansas Required Core	3	Active	Distance
University of Missouri- Kansas City					
Elective	E20419	2024 UMKC Real Estate Symposium	6	Active	In-person
Wichita State University					
Elective	E20391	Real Estate Investment Analysis	9	Active	In-person
Elective	E20392	Commercial Property Managment	9	Active	In-person
Elective	E20393	Urban Land Development	9	Active	In-person

Exam Performance Summary by Fiscal Year (FY20-FY24)



Fiscal Year	First Time Takers					Repeat Takers					Overall Statistics				
	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate
FY2020															
Broker	207	151	73%	56	27%	95	60	63%	35	37%	302	211	70%	91	30%
Salesperson	1,617	1,169	72%	448	28%	731	389	53%	342	47%	2,348	1,558	66%	790	34%
Total	1,824	1,320	72%	504	28%	826	449	54%	377	46%	2,650	1,769	67%	881	33%
FY2021															
Broker	129	95	74%	34	26%	56	22	39%	34	61%	185	117	63%	68	37%
Salesperson	2,511	1,681	67%	830	33%	1,464	704	48%	760	52%	3,975	2,385	60%	1,590	40%
Total	2,640	1,716	67%	864	33%	1,520	726	48%	794	52%	4,160	2,502	60%	1,658	40%
FY2022															
Broker	160	120	75%	40	25%	67	36	54%	31	46%	277	156	69%	71	31%
Salesperson	2,052	1,398	68%	654	32%	1,207	563	47%	644	53%	3,259	1,961	60%	1,298	40%
Total	2,212	1,518	69%	694	31%	1,274	599	48%	675	52%	3,486	2,117	61%	1,369	39%
FY2023															
Broker	157	105	67%	52	33%	89	44	49%	45	51%	246	149	61%	97	39%
Salesperson	1,744	1,133	65%	611	35%	1,121	505	45%	616	55%	2,865	1,638	57%	1,227	43%
Total	1,901	1,238	65%	663	35%	1,210	549	45%	661	55%	3,111	1,787	57%	1,324	43%
FY2024 (July 2023 - Dec 2023)															
Broker	73	52	71%	21	29%	49	17	35%	32	65%	122	69	57%	53	43%
Salesperson	784	518	66%	266	34%	557	237	43%	320	57%	1,341	755	56%	586	44%
Total	857	570	67%	287	33%	606	254	42%	352	58%	1,463	824	56%	639	44%

EXAM PASSING RATES BY SCHOOL FOR FY24 (July 2023 - December 2023)



Kansas Broker	First Time Takers					Repeat Takers					Overall Statistics				
	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate
School Name															
Career Education Systems - Wichita	1	1	100%	0	0%	0	0	0%	0	0%	1	1	100%	0	0%
Career Education Systems - Online	16	13	81%	3	19%	11	6	55%	5	45%	27	19	70%	8	30%
Career Education Systems - Kansas City	26	20	77%	6	23%	15	5	33%	10	67%	41	25	61%	16	39%
Lowry School of Real Estate	4	3	75%	1	25%	6	2	33%	4	67%	10	5	50%	5	50%
Waiver - KREC Equivalent Requirements Met	17	10	59%	7	41%	9	3	33%	6	67%	26	13	50%	13	50%
Kansas Association of REALTORS	9	5	56%	4	44%	8	1	13%	7	88%	17	6	35%	11	65%
Total	73	52	71%	21	29%	49	17	35%	32	65%	122	69	57%	53	43%

Kansas Salesperson	First Time Takers					Repeat Takers					Overall Statistics				
	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate
School Name															
Washburn University	1	1	100%	0	0%	0	0	0%	0	0%	1	1	100%	0	0%
RSCK School of Real Estate	1	1	100%	0	0%	0	0	0%	0	0%	1	1	100%	0	0%
Waiver - KREC Equivalent Requirements Met	82	75	91%	7	9%	13	9	69%	4	31%	95	84	88%	11	12%
Perry Real Estate College	5	4	80%	1	20%	1	1	100%	0	0%	6	5	83%	1	17%
Lowry School of Real Estate	10	6	60%	4	40%	7	4	57%	3	43%	17	10	59%	7	41%
Career Education Systems - Kansas City	166	103	62%	63	38%	101	53	52%	48	48%	267	156	58%	111	42%
Colibri Real Estate, LLC	49	33	67%	16	33%	38	16	42%	22	58%	87	49	56%	38	44%
The CE Shop, Inc.	93	60	65%	33	35%	78	35	45%	43	55%	171	95	56%	76	44%
Career Education Systems - Wichita	95	63	66%	32	34%	68	27	40%	41	60%	163	90	55%	73	45%
Career Education Systems - Online	103	69	67%	34	33%	87	34	39%	53	61%	190	103	54%	87	46%
Kansas Association of REALTORS	56	32	57%	24	43%	50	21	42%	29	58%	106	53	50%	53	50%
Key Real Estate School	11	5	45%	6	55%	11	6	55%	5	45%	22	11	50%	11	50%
ReeceNichols Training	35	19	54%	16	46%	33	13	39%	20	61%	68	32	47%	36	53%
ReeceNichols Training – Online	7	4	57%	3	43%	8	3	38%	5	63%	15	7	47%	8	53%
Kansas Real Estate School	29	19	66%	10	34%	23	5	22%	18	78%	52	24	46%	28	54%
Training Partners	21	13	62%	8	38%	19	5	26%	14	74%	40	18	45%	22	55%
Career Academy of Real Estate - Penfed Realty	15	8	53%	7	47%	11	3	27%	8	73%	26	11	42%	15	58%
PDH Academy	5	3	60%	2	40%	8	2	25%	6	75%	13	5	38%	8	62%
Pinnacle Real Estate School	0	0	0%	0	0%	1	0	0%	1	100%	1	0	0%	1	100%
Total	784	518	66%	266	34%	557	237	43%	320	57%	1,341	755	56%	586	44%

Please note, pass and fail percentage rates may be misleading when the total number of exams is low. It may also be misleading for any school to include information from this chart in any advertisement unless the advertisement also contains the percentage results shown and the total number of exams taken and passed in the same type size and prominence in the advertisement.

MEMO



DATE: January 24, 2024
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Updates to Course Content Outline

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
www.krec.ks.gov

A summary on updates to the Principles of Real Estate course for salespersons and the exam content outlines for salespersons and brokers was presented to the Commission at the July 31, 2023 meeting (attached). Updates to the state exam content outline for salespersons and brokers were approved at the December 4, 2023 Commission meeting and a draft outline for the Principles of Real Estate course outline was presented. (attached)

KREC staff recommends updating the Principles of Real Estate course outline to align with the Pearson VUE general and state content exam outlines. Once approved, staff recommends an effective date of July 1, 2024 for the new course outline. Any Principles of Real Estate courses not updated by the January 31, 2025 renewal deadline will be expired.

Feedback on required topics for new salespersons was solicited in the October 2023 Commission newsletter to approximately 24,500 subscribers and received 18 responses. (attached) Feedback on the draft Principles of Real Estate course outline was solicited from 16 pre-license school coordinators on December 4, 2023 and received one response. (attached) Staff feels the topics in all feedback received are covered in the draft Principles of Real Estate outline or are relevant to the Practice course. Staff recommends reviewing and updating the Practice course outline in 2025.

The draft outline for Principles of Real Estate follows.

Possible Motion: <NAME> moves the Commission approve proposed changes to the Principles of Real Estate content outline for Kansas salespersons.

MEMO



DATE: July 31, 2023
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Updates to Exam Content Outlines

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
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The Principles of Real Estate outline (see attached) was last updated and approved 05/13/1997. This outline combined topics for the national and state exams for salespersons. It is unknown why this outline was separated from the outline provided by Pearson VUE.

Pearson VUE is the contract vendor for Kansas real estate license exams. On October 25-26, 2023, Pearson VUE will be in Topeka conducting the Test Development and Item Writing sessions with KREC staff and subject matter experts (SMEs). Nathaniel Hoffman, Content Developer for Pearson VUE, has advised KREC staff to utilize this session to explore changes to the state exam content outline. Mr. Hoffman has also advised aligning the commission outline with the Pearson VUE outline to produce one state exam content outline for Principles of Real Estate moving forward.

Any recommended outline changes will be presented to the Commission at the December 4, 2023 Commission meeting for discussion. Staff recommends an effective date of July 1, 2024 for the new outline. Any Principles of Real Estate courses not updated by the January 31, 2025 renewal deadline will be expired.

Q1 Thinking back to when your salesperson license was first issued . . .What information would have been helpful to know that wasn't covered in the pre-license course?

Answered: 17 Skipped: 1

#	RESPONSES	DATE
1	How to be successful. They do good showing us how to pass the test, but then what? CMA's	10/26/2023 12:20 PM
2	more in depth with many subjects such as learning the system and how to find homes, learning about the contracts and everything that comes with selling a house and the buyer and many more	10/25/2023 12:14 PM
3	The fact you need to review county and local zoning laws so you understand acreage requirements for homes in the county. A home on 3 acres when the zoning is for 5 acres is illegal without a grandfather clause from the county.	10/25/2023 8:22 AM
4	That to get clients you have to pay for a zip code through realtor.com or zillow.com. It's so expensive!. It's hard to get leads but I know that will come with time too.	10/24/2023 7:04 PM
5	The cost of joining the mls, supra key access, and advertising policies.	10/24/2023 4:30 PM
6	How to manage time. How to set Real Estate up as a Business	10/24/2023 12:46 PM
7	More information on the structure issues a home can have and how those issues are corrected.	10/24/2023 11:41 AM
8	Advertising, Comparative Market Analysis, Negotiations, Systems you need to operate your real estate business, i.e. a data base, how to generate leads, etc	10/24/2023 11:08 AM
9	What am I responsible for to get to title company? What information will title company provide/not provided to my customer/client? Advertising dos and don'ts	10/24/2023 10:38 AM
10	Extra association fees.	10/24/2023 8:57 AM
11	I feel there should be more time spent on the difference between a client and a customer. Most agent don't know the difference they think every customer is a client. It is sad I feel this goes back to better training.	10/24/2023 8:33 AM
12	What to look for when choosing a broker. What to expect from a broker. More details on what a basic closing process will look like from an agent standpoint. Contracts. I'm always shocked at the lack of knowledge that agents have about a contract they are presenting.	10/24/2023 8:21 AM
13	It would be nice to show different lockbox types and how to open them. Smart locks today are also an option that could be included.	10/24/2023 8:18 AM
14	Buyer and seller documents	10/24/2023 8:12 AM
15	how to generate leads, how to fill out the documents with proper wording and what goes in all the blanks. How to function in the real world, pricing, CMAs	10/24/2023 8:08 AM
16	Honestly, just the order of which you would do things. It took me so long to try to figure out what order I was supposed to do everything. For example, does the appraisal come before or after the contract? When does the escrow money get sent? Before or after ____? Just something that outlines step by step what you should be doing.	10/24/2023 8:01 AM
17	Test	10/23/2023 2:17 PM

Q2 What topics do you most often receive questions from consumers about?

Answered: 17 Skipped: 1

#	RESPONSES	DATE
1	Negotiations. What to offer.	10/26/2023 12:20 PM
2	warranties is the main one that is asked	10/25/2023 12:14 PM
3	Consumers don't understand setback requirements and other requirements when you buy/build a house in the country.	10/25/2023 8:22 AM
4	na	10/24/2023 7:04 PM
5	Credit repair and lending.	10/24/2023 4:30 PM
6	What is happening in the market?	10/24/2023 12:46 PM
7	How soon they can close.	10/24/2023 11:41 AM
8	What is their home is worth? What should I do to sell my house? What will my payment be?	10/24/2023 11:08 AM
9	Loans-types, differences, requirements Time-frame to close/move	10/24/2023 10:38 AM
10	Interest rates	10/24/2023 8:57 AM
11	Consumers think that as Real Estate agents we set the house prices. I have told so many people that is not true. We make suggestions but do not price property.	10/24/2023 8:33 AM
12	Consumers as a whole have no idea about agency relationship. I felt very educated on the subject when I received my license but felt it wasn't being explained to consumers as it should. People who had met with lots of other agents were completely unfamiliar with the topic.	10/24/2023 8:21 AM
13	Consumers are always curious if the seller would take less money for their property. It would be beneficial to go over strategies for preparing offers.	10/24/2023 8:18 AM
14	Financing/lender questions	10/24/2023 8:12 AM
15	Pricing	10/24/2023 8:08 AM
16	Pre-approval and experience	10/24/2023 8:01 AM
17	Test	10/23/2023 2:17 PM

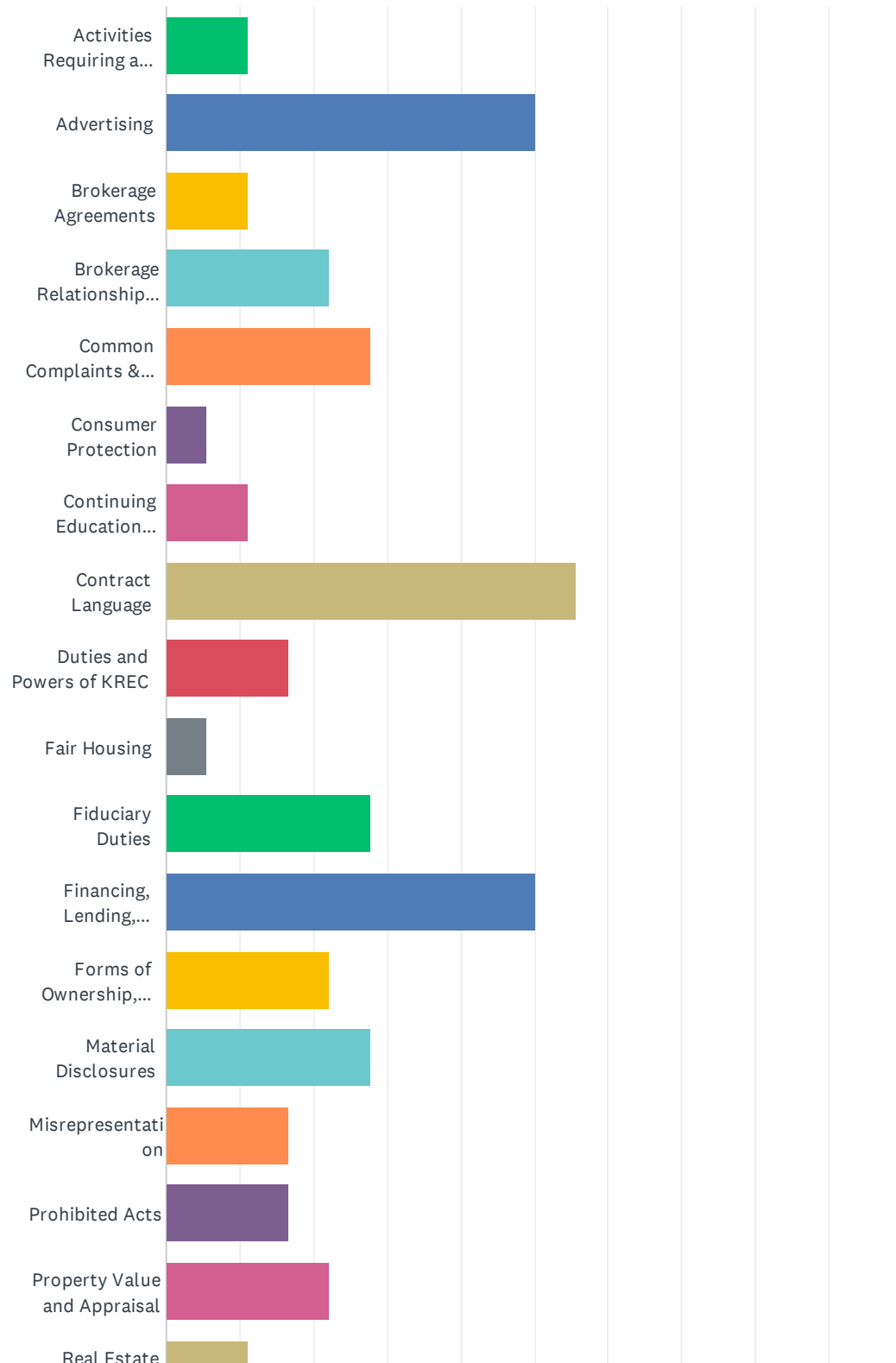
Q3 What topics do you most often receive questions from other licensees about?

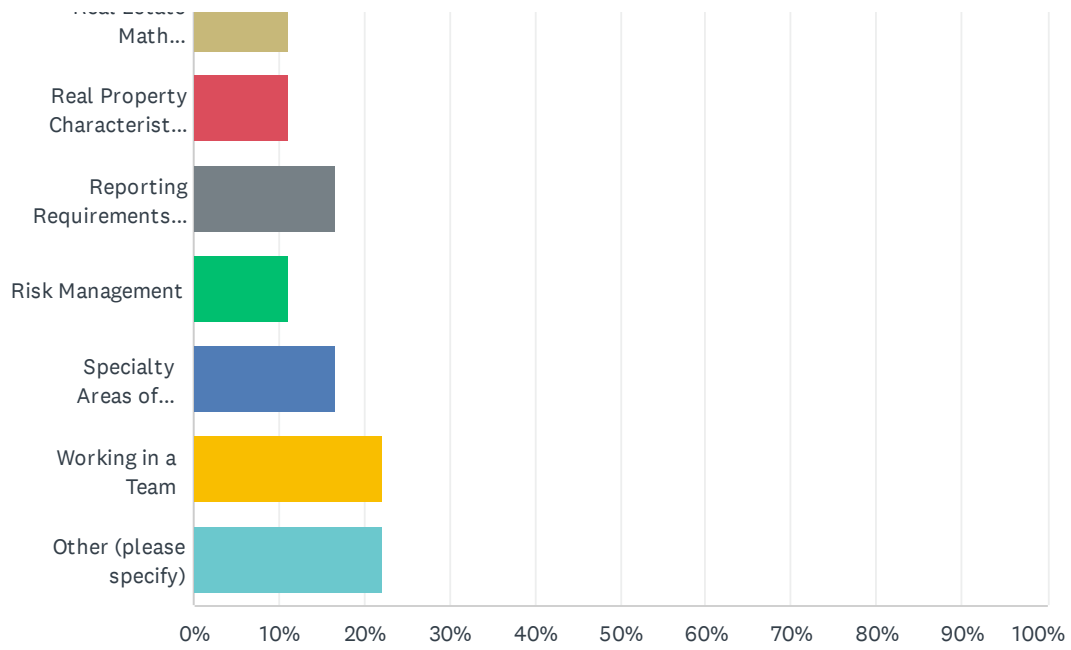
Answered: 14 Skipped: 4

#	RESPONSES	DATE
1	Seller's disclosures	10/26/2023 12:20 PM
2	none as of yet	10/25/2023 12:14 PM
3	Acreage requirements and set backs.	10/25/2023 8:22 AM
4	na	10/24/2023 7:04 PM
5	advertising policies.	10/24/2023 4:30 PM
6	What is the fair price for this property?	10/24/2023 12:46 PM
7	The mechanicals of the home.	10/24/2023 11:41 AM
8	What areas can they work in. Yes, the license is good for the entire state of Kansas, but as a licensee you need to understand the market you are listing/selling in. I am very concerned when an agent calls me from over an hour from my area and wants to show one of my listings and more particularly a buyer's agent because they don't do their homework/research, they just expect to be provided information about the area and property. Most of this problem stems back to the Broker they work for not doing any training about knowing the market that you are working in. I had an agent call me from Wichita who had her license a few months and assume it would be fine to call and insist to show one of my properties, fortunately it was under contract, and she was very annoyed with me and disrespectful when I explained it was under contract. She said it was not posted and I explained why. She said her customer was upset that it was not posted and wanted to view the property. I further explained this is how my client wanted me to handle their property, I also explained that I work for my seller/client and my duties are to them.	10/24/2023 8:33 AM
9	How to write contracts, agency relationship.	10/24/2023 8:21 AM
10	Timeframe for buyers and sellers to make a decision.	10/24/2023 8:18 AM
11	Pricing homes, finding clients	10/24/2023 8:12 AM
12	Marketing	10/24/2023 8:08 AM
13	Contracts	10/24/2023 8:01 AM
14	Test	10/23/2023 2:17 PM

Q4 If more class time could be allotted, which of these topics do you feel are the highest priority to receive more time during pre-license education?
Check all that apply.

Answered: 18 Skipped: 0





ANSWER CHOICES	RESPONSES
Activities Requiring a License and Licensing Requirements	11.11% 2
Advertising	50.00% 9
Brokerage Agreements	11.11% 2
Brokerage Relationships in Real Estate Transactions Act (BRRETA)	22.22% 4
Common Complaints & Violations Reported by KREC	27.78% 5
Consumer Protection	5.56% 1
Continuing Education Requirements, License Renewal, Expiration	11.11% 2
Contract Language	55.56% 10
Duties and Powers of KREC	16.67% 3
Fair Housing	5.56% 1
Fiduciary Duties	27.78% 5
Financing, Lending, Settlement, and Closing the Transaction	50.00% 9
Forms of Ownership, Transfer, Recording of title	22.22% 4
Material Disclosures	27.78% 5
Misrepresentation	16.67% 3
Prohibited Acts	16.67% 3
Property Value and Appraisal	22.22% 4
Real Estate Math Calculations	11.11% 2
Real Property Characteristics, Legal Descriptions, and Property Use	11.11% 2
Reporting Requirements to KREC	16.67% 3
Risk Management	11.11% 2
Specialty Areas of Practice – Commercial, Agricultural, Industrial, etc.	16.67% 3
Working in a Team	22.22% 4
Other (please specify)	22.22% 4
Total Respondents: 18	

#	OTHER (PLEASE SPECIFY)	DATE
1	How long is an agent liable for misrepresentation in the sale of a home / property?	10/25/2023 8:22 AM
2	CMAs	10/24/2023 8:08 AM
3	Order of operations	10/24/2023 8:01 AM
4	Testing	10/23/2023 2:17 PM

Q5 Please provide any additional comments here.

Answered: 7 Skipped: 11

#	RESPONSES	DATE
1	I have recently noticed the greener agents calling offers rather than writing the offers. Their tones and mannerisms are that of the people on Million Dollar Listing and Selling Sunset. I often respond with just write the offer and they respond "I don't want to waste the time if the seller won't take \$xxx,xxx."	10/25/2023 8:30 PM
2	None	10/25/2023 12:14 PM
3	Where to go to find real estate lawyers	10/25/2023 8:22 AM
4	The education seems to just prepare you for the test but does little to prepare you of the day to day tasks of being a good agent.	10/24/2023 11:08 AM
5	The other issue I have with new agents, and I don't know if this would fall under pre-licensing, is know the area you are working in. You do your customer or client a disservice by not knowing the market you are working in and most young agents think it is only about showing the property not knowing the area. Just because the license allows you to work in the entire state of Kansas does not mean you qualified to do so. Again, I think that goes back to training.	10/24/2023 8:33 AM
6	I think it would be helpful for brokerages to be looked into more as there are some out there that does not take care of licensees	10/24/2023 8:08 AM
7	Test	10/23/2023 2:17 PM

From: [KRECEducation \[KREC\]](#)
To: ["Colibri Regulatory"](#)
Subject: RE: [EXTERNAL] Feedback Opportunity on draft Principles of Real Estate Outline
Date: Monday, December 11, 2023 2:24:57 PM
Attachments: [image001.png](#)

Thank you for the feedback, Emily. We will share this with the Commission.

This content definitely belongs in Principles of Real Estate since it is covered in the licensing exam. Short term, there may be some overlap. In the future, we plan to overhaul the Practice course outline in a similar manner once the Principles of Real Estate courses are updated.

For criminal prosecution, see statutes 58-3064 through 58-3074 contained in Kansas license law.
<https://krec.ks.gov/resources/commission-statutes-rules-and-regulations>

Amber Nutt

Director of Education and Communication

Kansas Real Estate Commission
Jayhawk Tower
700 SW Jackson St Ste 404
Topeka KS 66603-3785

[Website](#) | [Email](#)

From: Colibri Regulatory <colibriregulatory@colibrigroup.com>
Sent: Monday, December 11, 2023 1:57 PM
To: KRECEducation [KREC] <KRECEducation@ks.gov>
Subject: RE: [EXTERNAL] Feedback Opportunity on draft Principles of Real Estate Outline

EXTERNAL: This email originated from outside of the organization. Do not click any links or open any attachments unless you trust the sender and know the content is safe.

Good Afternoon,

Below is our feedback on the proposed changes:

- **Outline V B. 2** Kansas is on **Buyer Representation**. But there's an entire unit on buyer representation in KS Practice (Unit 3: Buyer Representation - Listing the Buyer, covering types of buyer agency agreements, review of the customer/client relationship, and who's who in a buyer agency agreement). In which course should this be covered, or is there another angle to buyer representation for Principles?
- **Outline VI A** is on **property conditions and environmental issues**, such as radon, lead, etc. This is a required section (Section 5: Environmental Issues) in Practice. Where does this content belong?
- **Outline VII B** is on **lender requirements for FHA, VA, buyer qualification, and loan-to-**

value, etc.). This is an entire section in Practice: Financing/Types of Financing, guidelines and financing. Where does this content belong?

- **Outline VIII B:** is supposed to be on property valuation, but this topic is both addressed earlier in Principles (in the new syllabus) and required for Practice. Do we have direction on what is needed here?
- Outline **IX** on the **Duties and Powers of the Real Estate Commission. D** is labeled "Criminal prosecution" with no further explanation. Does this refer to a licensee's responsibility to report criminal convictions? We do cover that elsewhere.

Thanks,



Emily Timblin

Real Estate Regulatory & Compliance Manager

Colibri Real Estate

P: [614-508-7264](tel:614-508-7264)

E: emily.timblin@colibrigroup.com **W:** ColibriRealEstate.com

Real Estate Express is now Colibri Real Estate

From: KRECEducation [KREC] <KRECEducation@ks.gov>

Sent: Monday, December 4, 2023 12:38 PM

Subject: [EXTERNAL] Feedback Opportunity on draft Principles of Real Estate Outline

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Pre-License School Coordinators,

KREC is soliciting feedback on proposed changes to the Principles of Real Estate course outline and deadline. Please review the following and submit any comments to kreceducation@ks.gov by **December 15, 2023**.

KREC staff is recommending updates to the Principles of Real Estate course outline to align with the Pearson VUE general and state content exam outlines for salespersons. A draft outline for Principles of Real Estate will be presented for possible approval at the Commission meeting on January 24, 2024. Once approved, staff recommends an effective date of July 1, 2024 for the new course outline. Any Principles of Real Estate courses not updated and complete application submitted to KREC for approval by the **January 31, 2025** course renewal deadline will be expired (over one year from now).

The current and proposed course outlines are attached. Feedback on required topics for new salespersons was solicited in the October 2023 Commission newsletter.

**** A separate email for upcoming course renewal information will be sent later this week. This is not a renewal notice for the January 31, 2024 course renewal period.****

Thank you,

Amber Nutt

Director of Education and Communication

Kansas Real Estate Commission

Jayhawk Tower

700 SW Jackson St Ste 404

Topeka KS 66603-3785

[Website](#) | [Email](#)

PRINCIPLES OF REAL ESTATE

Outline for 30-hour salesperson's pre-license course
Approved by the Kansas Real Estate Commission 5/13/97

- I. Real Property
 - A. Definitions and Components
 - 1. Elements of Real Property
 - 2. Methods of Legal Description
 - 3. Estates in Real Property
 - 4. Forms of Ownership
 - B. Transfer/Alienation of Real Property
 - 1. Voluntary
 - 2. Involuntary
 - 3. Deeds
 - a. Types
 - b. Characteristics/elements
 - c. Warranties
 - C. Assurances of Title
 - D. Land Use Controls
 - 1. Public
 - 2. Private/Covenants, Conditions and Restrictions (CC&R's)
 - E. Encumbrances
 - 1. Types and Priority of Liens
 - 2. Easements
 - 3. Encroachments
- II. Government Controls and Laws Affecting Real Estate
 - A. Real Property Tax Computations
 - B. Income Tax Considerations and Computations
 - 1. Owner-occupied property
 - 2. Investment property
 - 3. Other income tax considerations (refinance, capital gains on sale)
 - C. Federal Fair Housing
 - D. Americans with Disabilities Act
- III. Valuation and Appraisal
 - A. Types of Value
 - B. Principles of Value
 - C. Influences on Value
 - D. Approaches to Value
 - E. Appraisal Process
- IV. Real Estate Finance
 - A. Financing Components
 - 1. Sources
 - a. Primary mortgage market
 - b. Secondary mortgage market
 - 2. Elements/Provisions
 - 3. Loan Types

- 4. Instruments
 - a. Notes
 - b. Mortgages
 - c. Contract for deed (land contract)
 - d. Deeds of trust
- B. Lender Requirements
- C. Truth in Lending (Regulation Z)
- D. Other Financing Issues
- V. Settlement/Closing
 - A. Settlement Procedures
 - B. Documents
 - C. Real Estate Settlement & Procedures Act - RESPA
 - D. Closing Costs/Pro-rations
- VI. Contracts/Agency
 - A. Types/Characteristics
 - B. Elements/Requirements
 - C. Listing Contracts
 - 1. Types
 - 2. Rights and Obligations of the Parties
 - 3. Specific Property Data
 - 4. Termination/Expiration
 - D. Purchase/Sales Contract
 - E. Property Management Contracts
 - 1. Management Contracts
 - 2. Leases/Rental Agreements
 - F. Agency Relationships and Responsibilities
 - G. Disclosures
 - 1. Property
 - 2. Agency
 - 3. Environmental
 - 4. Federal Fair Housing
 - H. Brokerage Relationships in Real Estate Transactions Act (BRRETA)
- VII. Duties and Powers of the Kansas Real Estate Commission
 - A. General powers and duties, membership
 - B. Examination of records
 - C. Investigations, hearings, and appeals
- VIII. Licensing Requirements
 - A. Activities requiring a license
 - B. Exemptions from licensure
 - C. Qualifications, examinations, denial of license
 - D. Nonresident license
 - E. Restricted license
 - F. Corporations, partnerships, associations, and limited liability companies (LLCs)
 - G. Temporary license (effective October 1, 1997)
 - H. Renewal of license
 - I. Education requirements
 - J. Change in license
 - K. Deactivated ("inactive") license

IX. Requirements governing activities of licensees

- A. Prohibited acts
- B. Place of business and company names
- C. Handling of trust funds and trust account
- D. Records
- E. Recommending legal advice
- F. Reporting requirements
- G. Advertising

X. Penalties for violation

- A. License revocation, suspension and restriction, censure of license, civil fines
- B. Criminal prosecution

XI. Kansas Real Estate Recovery Revolving Fund

Commission-approved outline, 5/13/97

**PRINCIPLES OF REAL ESTATE
KANSAS REAL ESTATE COMMISSION**

MANDATORY PRE-LICENSE SALESPERSON COURSE
30-HOUR TOPICAL OUTLINE APPROVED XX/XX/2024
FOR COURSES TAUGHT ON/AFTER January 31, 2025

58-3046a. Licensure; educational requirements. (a) Except as provided in K.S.A. 58-3040, and amendments thereto, any person who applies for an original license in this state as a salesperson shall submit evidence, satisfactory to the commission, of attendance of a principles of real estate course, of not less than 30 hours of instruction, approved by the commission and completed within the 12 months immediately preceding the receipt by the commission of the application for salesperson's license. The commission may require the evidence to be furnished to the commission with the original application for license or it may require the applicant to furnish the evidence to the testing service designated by the commission as a prerequisite to taking the examination required by K.S.A. 58-3039, and amendments thereto. If the evidence is furnished to the testing service, the instruction shall have been completed within 12 months immediately preceding the date of the examination.

86-1-11. Minimum curricula and standards for course. (a) Each school offering a course approved by the commission under K.S.A. 58-3046a(a), and amendments thereto, shall use a course outline provided by the commission and shall use the title "principles of real estate."

I. REAL PROPERTY CHARACTERISTICS, LEGAL DESCRIPTIONS, AND PROPERTY USE

A. Real property vs. personal property

1. Fixtures, trade fixtures, emblements
2. Attachment, severance, and bill of sale

B. Characteristics of real property

1. Economic characteristics
2. Physical characteristics

C. Legal descriptions

1. Methods used to describe real property
2. Survey

D. Public and private land use controls – encumbrances

1. Public controls – governmental powers
 - a. Police power, eminent domain, taxation, escheat
 - b. Zoning ordinances
2. Private controls, restrictions, and encroachments
 - a. Covenants, conditions, and restrictions (CC&Rs), HOAs
 - b. Easements
 - c. Licenses and encroachments

II. FORMS OF OWNERSHIP, TRANSFER, AND RECORDING OF TITLE

A. Ownership, estates, rights, and interests

1. Forms of ownership
2. Freehold estate
 - a. Fee simple absolute
 - b. Fee simple defeasible, determinable, and condition subsequent
 - c. Life estate
 - d. Bundle of rights
3. Leasehold estates and types of leases
 - a. Estate for years and from period to period (periodic estate)
 - b. Estate at will and estate at sufferance
 - c. Gross, net, and percentage leases
4. Liens and lien priority
5. Surface and sub-surface rights

B. Deed, title, transfer of title, and recording of title

1. Elements of a valid deed
2. Types of deeds
3. Title transfer
 - a. Voluntary alienation
 - b. Involuntary alienation
4. Recording the title
 - a. Constructive and actual notice
 - b. Title abstract and chain of title
 - c. Marketable title and cloud on title
 - d. Attorney title opinion, quiet title lawsuit, and title insurance

III. PROPERTY VALUE AND APPRAISAL

A. Concept of value

1. Market value vs. market price
2. Characteristics of value
3. Principles of value

B. Appraisal process

1. Purpose and steps to an appraisal
2. Federal oversight of the appraisal process

C. Methods of estimating value and Broker Price Opinions (BPO)

1. Sales comparison approach (market data)
2. Cost approach
 - a. Improvements and depreciation
 - b. Physical deterioration, functional, and economic obsolescence
 - c. Reproduction or replacement costs
3. Income approach

4. Gross rent and gross income multipliers
5. Comparative Market Analysis (CMA)
6. Broker Price Opinion (BPO)
7. Assessed value and tax implications

IV. REAL ESTATE CONTRACTS AND AGENCY

A. Types of contracts

1. Express vs. implied
2. Unilateral vs. bilateral

B. Required elements of a valid contract

C. Contract performance

1. Executed vs. executory
2. Valid vs. void
3. Voidable vs. unenforceable
4. Breach of contract, rescission, and termination
5. Liquidated, punitive, or compensatory damages
6. Statute of Frauds
7. Time is of the essence

D. Sales contract

1. Offer and counteroffer
2. Earnest money and liquidated damages
3. Equitable title
4. Contingencies
5. Disputes and breach of contract
6. Option contract and installment sales contract

E. Types of agency and licensee-client relationships

F. Creation and termination of agency

G. Licensee obligations to parties of a transaction

V. REAL ESTATE PRACTICE

A. Responsibilities of broker

1. Practicing within scope of expertise
2. Unauthorized practice of law

B. Brokerage agreements between the broker and principal (seller, buyer, landlord, or tenant)

1. Seller representation – Types of listing agreements
 - a. Exclusive right-to-sell and exclusive agency listing
 - b. Non-exclusive or open listing
 - c. Net listing (conflict of interest)
 - d. Multiple listing service (MLS)
2. Buyer representation
3. Property management agreement
 - a. Accounting for funds

- b. Property maintenance
 - c. Leasing property
 - d. Collecting rents and security deposits
- 4. Termination of agreements
- 5. Services, fees, and compensation
- c. Fair Housing**
 - 1. Equal opportunity in housing
 - 2. Protected classes
 - 3. Fair housing laws
 - 4. Illegal practices, enforcement, and penalties
 - 5. Prohibited advertising
 - 6. Housing and Urban Development (HUD)
 - 7. Americans with Disabilities Act (ADA)
- D. Risk management**
 - 1. Supervision
 - 2. Compliance with federal regulations; including Privacy and Do Not Contact
 - 3. Vicarious liability
 - 4. Antitrust laws
 - 5. Fraud and misrepresentation
 - 6. Types of insurance
 - a. Errors and Omissions
 - b. General Liability

VI. PROPERTY DISCLOSURES AND ENVIRONMENTAL ISSUES

A. Property conditions and environmental issues

- 1. Hazardous substances
 - a. Lead-based paint
 - b. Asbestos, radon, and mold
 - c. Groundwater contamination and underground storage tanks
 - d. Waste disposal sites and brownfields
 - e. Flood plains, flood zones, and flood insurance
- 2. Clean Air and Water Acts
- 3. Environmental Protection Agency (EPA)
 - a. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA)
 - b. Superfund Amendment and Reauthorization Act (SARA)
 - c. Environmental site assessments (including Phase I and II studies) and impact statements
 - d. Wetlands protection

B. Disclosure obligations and liability

VII. FINANCING AND SETTLEMENT

A. Financing concepts and components

- 1. Methods of financing

- a. Mortgage financing – conventional and non-conventional loans
 - b. Seller financing – land contract/contract for deed
- 2. Lien theory vs. title theory and deed of trust
- 3. Sources of financing (primary and secondary mortgage markets, and seller financing)
- 4. Types of loans and loan programs
- 5. Mortgage clauses
- B. Lender Requirements**
 - 1. FHA requirements
 - 2. VA requirements
 - 3. Buyer qualification and Loan to Value (LTV)
 - 4. Hazard and flood insurance
 - 5. Private mortgage insurance (PMI) and mortgage insurance premium (MIP)
- C. Federal Financing Regulations and Regulatory Bodies**
 - 1. Truth-in-Lending and Regulation Z
 - 2. TILA-RESPA Integrated Disclosures (TRID)
 - a. Consumer Financial Protection Bureau (CFPB)
 - b. Loan Estimate (LE)
 - c. Closing Disclosure (CD)
 - 3. Real Estate Settlement Procedures Act (RESPA)
 - a. Referrals
 - b. Rebates
 - 4. Equal Credit Opportunity Act (ECOA)
 - 5. Mortgage fraud and predatory lending
- D. Settlement and closing the transaction**

VIII. REAL ESTATE MATH CALCULATIONS

- A. Property area calculations**
 - 1. Square footage
 - 2. Acreage total
- B. Property valuation**
 - 1. Comparative Market Analysis (CMA)
 - 2. Net Operating Income (NOI)
 - 3. Capitalization rate
 - 4. Equity in property
 - 5. Establishing a listing price
 - 6. Assessed value and property taxes
- C. Commission/compensation**
- D. Loan financing costs**
 - 1. Interest
 - 2. Loan to Value (LTV)
 - 3. Fees
 - 4. Amortization, discount points, and prepayment penalties

E. Settlement and closing costs

1. Purchase price and down payment
2. Monthly mortgage calculations- principal, interest, taxes, and insurance (PITI)
3. Net to the seller
4. Cost to the buyer
5. Prorated items
6. Debits and credits
7. Transfer tax and recording fee

F. Investment

1. Return on investment
2. Appreciation
3. Depreciation
4. Tax implications on investment

G. Property management calculations

1. Property management and budget calculations
2. Tenancy and rental calculations

IX. DUTIES AND POWERS OF THE KANSAS REAL ESTATE COMMISSION

- A. General powers and duties; Commission members
- B. Investigations, hearings, and appeals
- C. License revocation, suspension, condition, restriction, censure of licensee, and civil fines
- D. Criminal prosecution

X. LICENSING REQUIREMENTS

- A. Activities requiring a license
- B. Renewal of license
- C. Education requirements
- D. Deactivation, and reinstatement of licenses

XI. REQUIREMENTS GOVERNING ACTIVITIES OF LICENSEES

- A. Place of business and company names
- B. Records
- C. Reporting requirements
- D. Advertising
- E. Commissions/referral/relocation fees
- F. Required residential contract language
- G. Supervision of affiliated licensee

XII. PROHIBITED ACTS**XIII. BROKERAGE RELATIONSHIPS IN REAL ESTATE TRANSACTIONS ACT (BRRETA)**

MEMO



DATE: January 24, 2024
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Waiver to Required Content Changes to an Approved Course

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
www.krec.ks.gov

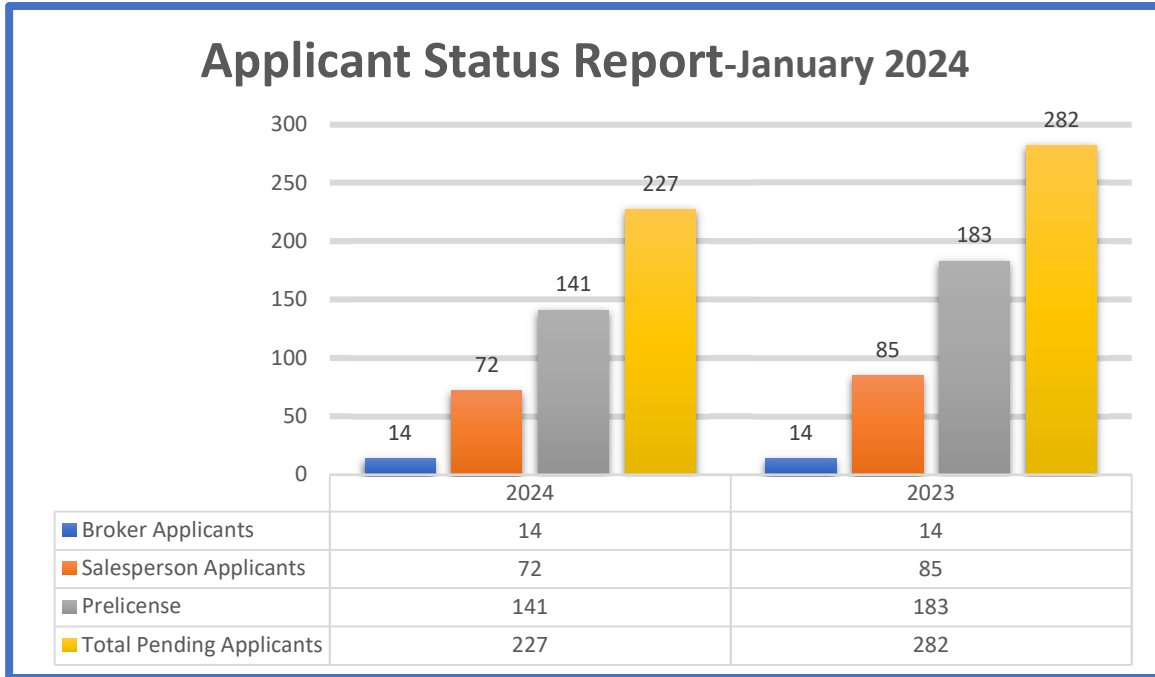
86-1-10. Approved courses of instructions; procedure. (e) Changes to an approved course. (1) Except as provided in paragraph (e)(2), each school shall submit a new application for course approval under subsection (b) if there is any change to the course content, outline, objectives, or presentation platform for an approved course.

Prelicense and the Kansas Required Core course outlines include a requirement for schools to demonstrate how to navigate KREC online licensing services. This content often includes screenshots and specific instructions involving the KREC website, digital forms, online licensing portal, and license verification system.

KREC is scheduled to rollout a new licensing system and website in 2024 which will bring changes to the content included in course materials. Staff recommends waiving the requirement that each school submit a new application for course approval if there is change to the course content for an approved course specifically related to changes to KREC online services. Once the new website and licensing system go live, staff will provide schools with updated instructions and screenshots. Schools are required to update the content in the course material and submit proof within 60 days from go live.

Possible Moton: <NAME> moves the Commission approve a waiver to the requirement that each school submit a new application for course approval if the only change to the course content is related to changes to KREC online services as long as the schools submit proof of the changes no later than 60 days after go live of the new system.

LICENSING REPORT



TRENDS

Overall decrease of **55** applicants compared to January 2023

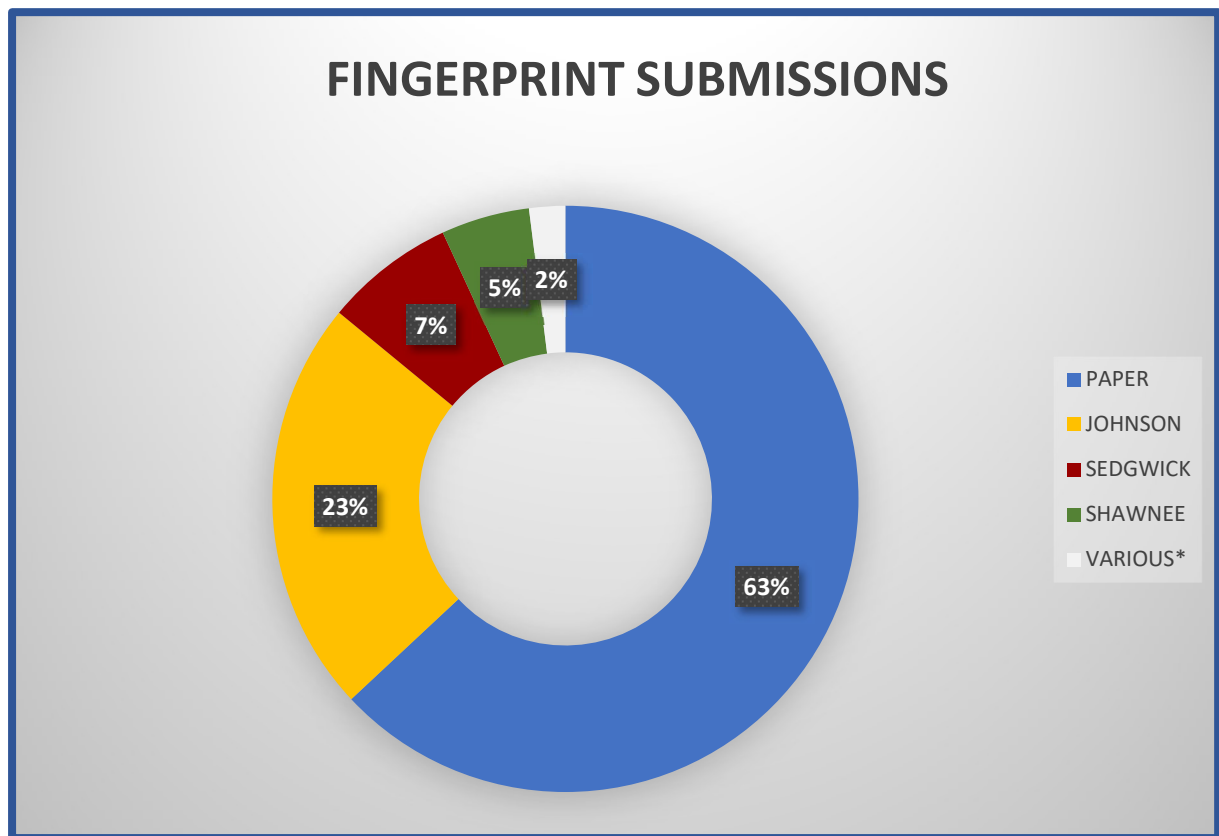
- **Broker Applicants: no change**
- **Salesperson Applicants: -13**
- **Prelicense Applicants: -42**

KREC FINGERPRINT SUBMISSION DATA

In January 2022, KREC began accepting electronic fingerprint submissions from authorized LiveScan locations throughout the state, including Pearson Vue Professional Centers in Johnson, Sedgwick, and Shawnee County.

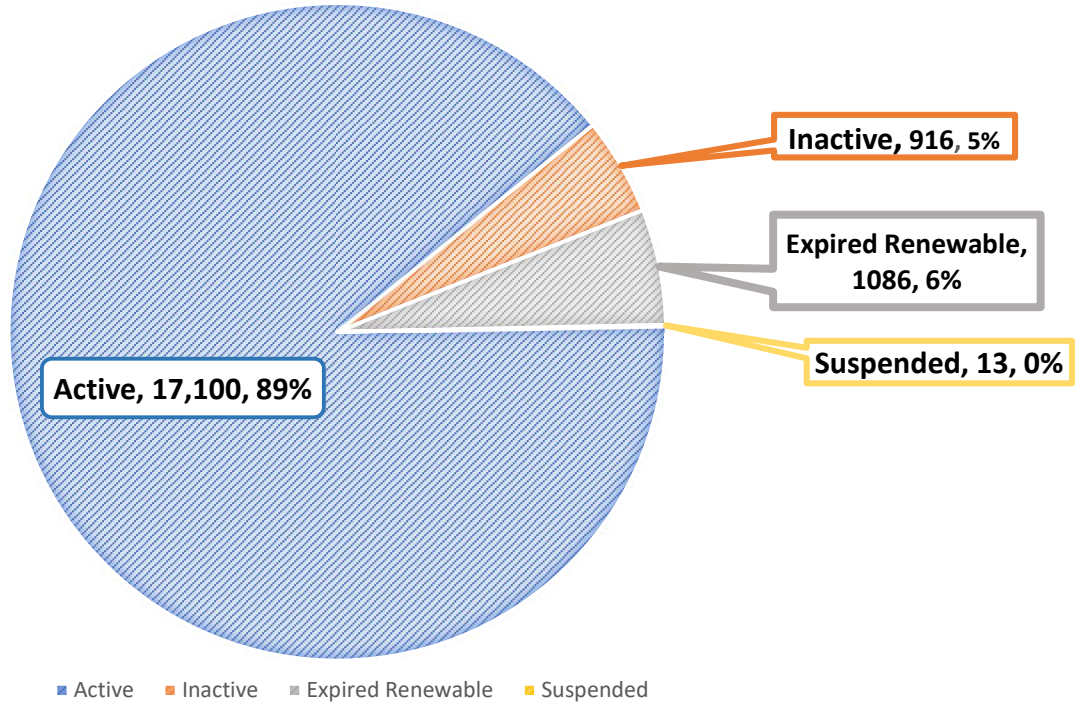
Between January 1, 2023 and December, 2023 KREC received approximately 2,010 fingerprint submissions. 63% (1,267) of those submissions were paper fingerprint cards sent to KBI by the licensing department, the remaining 37% (743) were electronic submissions.

Comparatively, KREC received 2,098 fingerprint submissions between January and December 2022, 76% of which were paper fingerprint cards.



**Number includes submissions from multiple counties throughout the state including Rush, Labette, Finney, Ellis, Butler, Ottawa, Ford, Leavenworth, Marion, Sumner and Cheyenne.*

LICENSE TOTAL REPORT-JANUARY 2024



Total of **19,115** licensees; *this is a decrease of 59 licenses compared to January 2023*

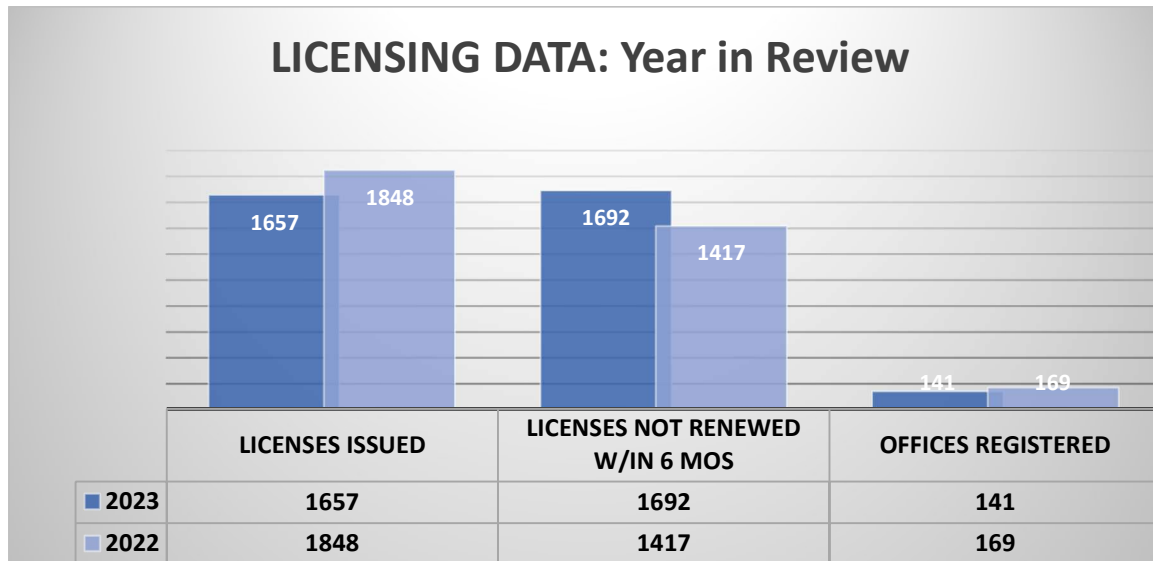
- **17,100 Active Licenses** (13,775 Salesperson, 3,325 Broker; ↓ 139 from prior year)
- **916 Inactive Licenses** (853 Salesperson, 63 Broker; ↓ 2 from prior year)
- **1,086 Expired Renewable Licenses** (975 Salesperson, 111 Broker; ↑ 80 from prior year)
- **13 Suspended Licenses** (9 Salesperson, 4 Broker; ↑ 1 from prior year)

OFFICE INFORMATION	
OFFICE TYPE	
COMPANY	BRANCH
2,264	205
OFFICE TOTAL: 2,469	

↓ 34 companies/branches compared to January 2023

As of the time of this report, there are at least 173 Referral companies registered with KREC (13% of total open companies) with a combined total of 1,504 salesperson licenses and 261 brokers licenses affiliated. Approximately 9.6% of all active licenses are held in referral companies. **

****NOTE:** The true number of registered referral-only companies is not known as there is no required identifier to allow for comprehensive tracking of these records. Totals shown above were derived from a search of companies with the word "Refer" in the name. As such, the number of companies and affiliated licensees is likely higher than stated.



LICENSING DATA BREAKDOWN:

- **LICENSES ISSUED:** 1,533 SALESPERSON, 124 BROKER. *154 less salesperson & 21 less broker licenses compared to prior year*
- **LICENSES TERMINATED:** 1,515 SALESPERSON, 177 BROKER. *286 more salesperson licenses and 11 fewer brokers compared to 2022*
- **OFFICES REGISTERED:** 119 COMPANIES, 22 BRANCH OFFICES. *12 fewer companies and 10 fewer branches compared to 2022*

COMPLIANCE REPORT

MEMO



DATE: January 24, 2024

TO: Kansas Real Estate Commission Members

FROM: Wendy Alkire, Deputy Director
Director of Compliance

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
www.krec.ks.gov

Compliance Department Report (As of 01/01/2023)

Complaints – See attached reports	FY24 YTD	FY23 YTD Comparison/Total	Difference YTD
Complaints Logged	147	141 / 329	+3%
Open Complaints Under Investigation	49		
Oldest Open Complaint (not held for legal or I-Team)	07/26/2023		

Compliance Reviews – See attached reports	FY24 YTD	FY23 YTD Comparison/Total	Difference YTD
Compliance Reviews Complete	153	129 / 300	+16%
Additional Brokers with no transactions	105	72 / 215	+31%
Follow Up Compliance Reviews	32	87	
Follow Up with Repeat Violations	28%	20%	
Follow Up with No Violations or Minor Violations	59%	63%	

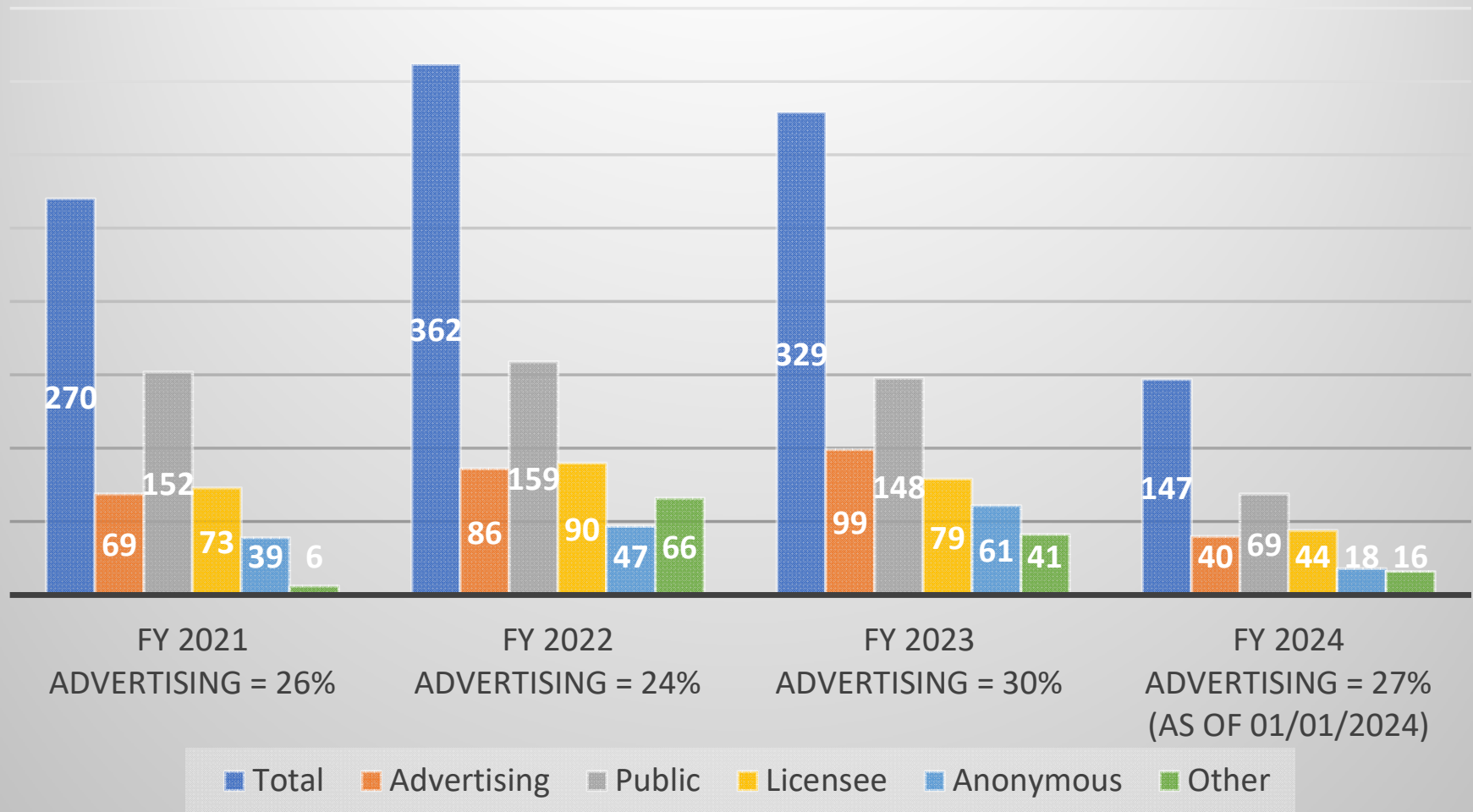
Compliance Course Follow Up	Required Attendance	Repeat Violations	Unrelated Issue
BRRETA and Broker Supervision Courses	116	28 (24%)	12 (10%)

Legal Case Review	Current	As of 11/21/2023
Oldest Disciplinary File Pending KREC Staff Review	08/02/2023	06/16/2023
Oldest Disciplinary File Pending AG Review (non-OAH)	N/A	11/03/2023

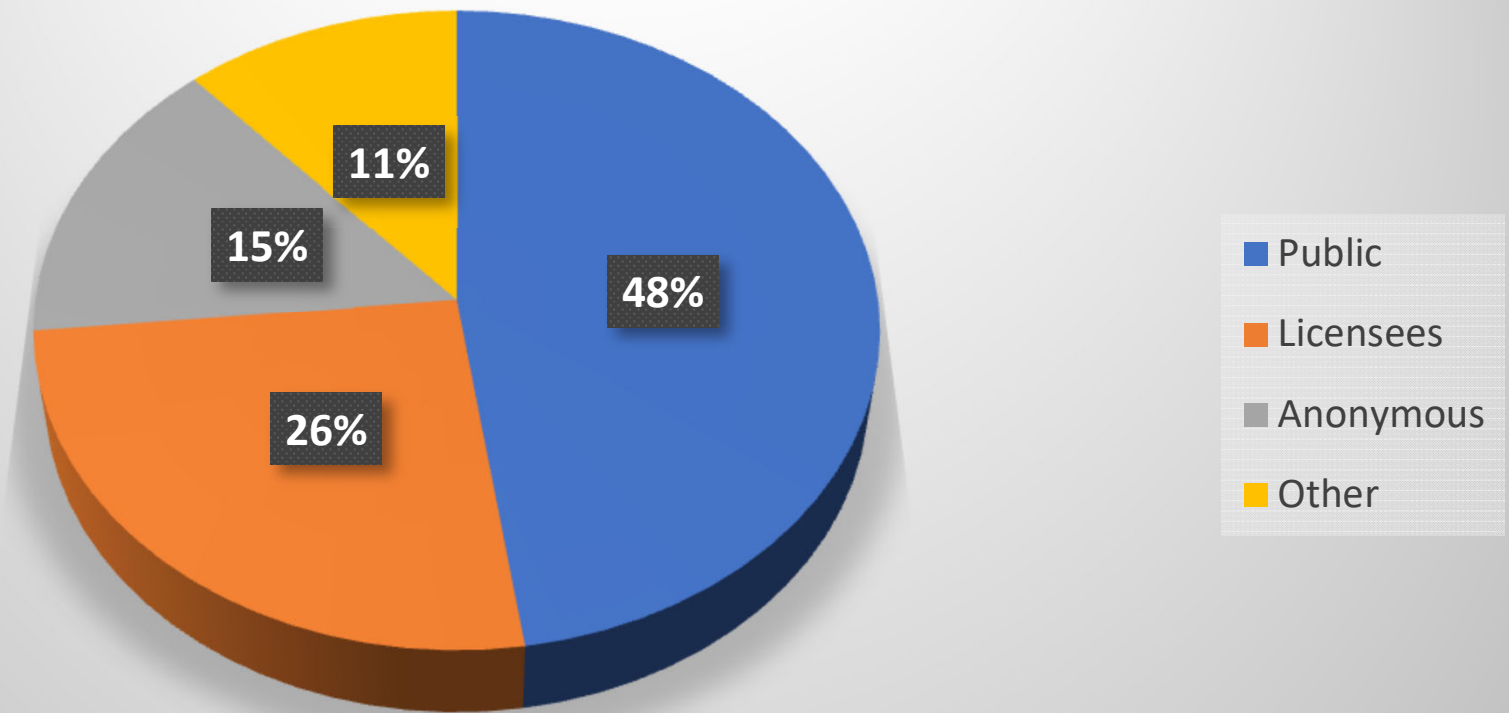
Miscellaneous

- Real Estate Land Scams- Newsletter article and consumer warning on KREC website- See attached
- Compliance Course Attendees-See attached chart
 - Next scheduled dates: Broker Supervision- March 21, 2024 & July 11, 2024
BRRETA - January 18, 2024 & May 9, 2024

Complaint Data

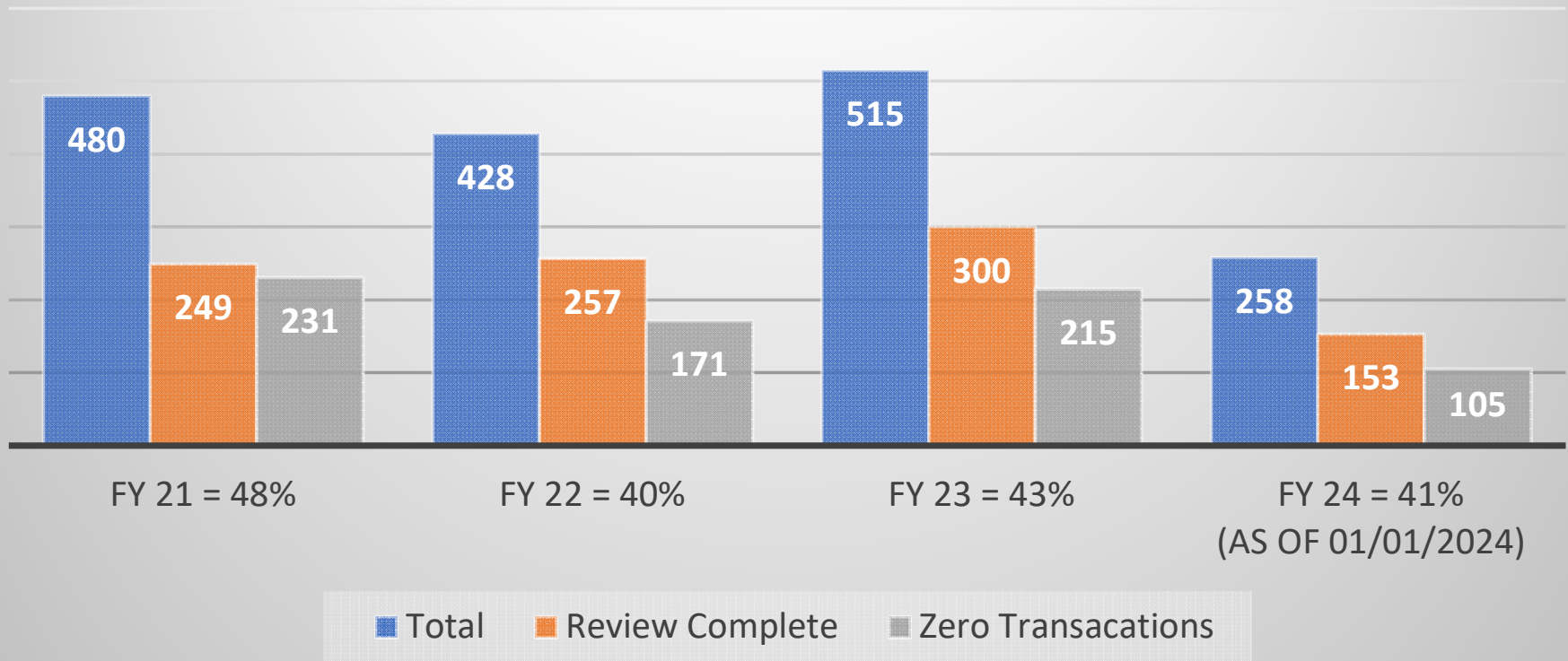


Complaint Source - FY 21 - FY 24



Compliance Reviews

(with percent of brokers reporting no transactions)



FY2024 Results of follow up compliance review

Updated: 01/02/2024

Month	Total	No violations	Minor only	Repeat	New major	In process	QC needed	Notes:
July 2023	4	1	2		1			
August 2023	8	3	3	1	1			
September 2023	8		3	4	1			
October 2023	6	1	3	2				
November 2023	2			1	1			
December 2023	4	3		1				
January 2024						18		
February 2024								
March 2024								
April 2024								
May 2024								
June 2024								
Total	32	8	11	9	4		0	

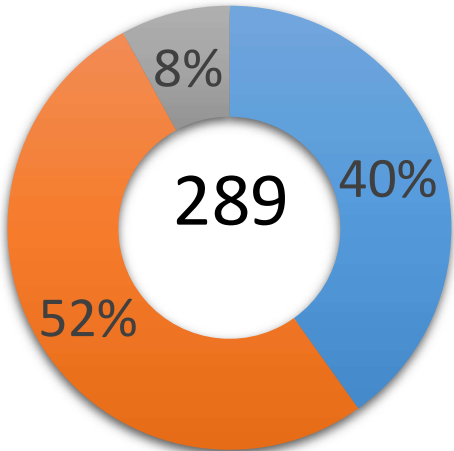
Compliance Review Complete	32
Quality Control Review Needed	0
Total w/Confirmed Results	32
Total w/Confirmed Results	32
Files w/Repeat Violation	9
Percentage	0.2813

Compliance Course Attendance

FY 20 - FY 24

(as of 01/01/2024)

Required Volunteer Other



* Participants attending both courses are counted twice in the total

Compliance Course Attendance				
	Required	Volunteer	Other	Total
Broker Supervision	35	75	13	123
BRRETA	81	75	10	166
Total	116	150	23	289

Wendy M. Alkire [KREC]

From: Kansas Real Estate Commission <KREC@list.ks.gov>
Sent: Thursday, December 7, 2023 12:03 PM
To: Wendy M. Alkire [KREC]
Subject: News from the Kansas Real Estate Commission



Email Updates



Commission Newsletter | December 2023
5-minute read

Happy Holidays to you from all of us on the KREC Team!

Eyes Wide Open!

Wendy Alkire | Deputy Director, Compliance Director

Real estate scams can lead to a substantial financial loss for those who fall victim. It may be expensive or impossible to recover from a real estate scam. The Kansas Real Estate Commission is aware of a sophisticated real estate scam that is allowing bad actors to sell real estate they do not own. The scammers target vacant parcels and unoccupied property. The scammers use fake identification in the name of the real estate owner, which makes it difficult to catch the scam before the property is sold and money has been distributed.

Scams are not new or unique in the purchase and sale of real estate. The best way to keep property owners from becoming victims is to be informed and aware of the warning signs. To help protect buyers and sellers in real estate transactions, be on the lookout for the following possible red flags:

A seller client or customer:

- does not allow a For Sale sign on the property.
- will not meet in person or via video (uses email or text only).
- claims to be out of the state or country.
- requires a cash transaction.
- wants to list below market value.
- is in a hurry to sell and close.
- hires a licensee in a different market area than the property is located.
- waives standard due diligence such as earnest money deposits.
- applies pressure on the licensee to make sure the deal goes through.
- requests a remote closing with a remote notary.

Be sure to work with the closing company to ensure due diligence is done to verify the seller is the actual property owner. To report suspected land scams, file a complaint with the FBI at www.ic3.gov.

KREC in Manhattan

KREC will hold its next Commission meeting in conjunction with the [Kansas Association of REALTORS 2024 Winter Advocacy Conference](#) in Manhattan, Kansas. Join us in-person or virtually on January 24, 2024 at 8:00 a.m. The agenda and meeting documents will be posted to the [KREC website](#) in January.

CE Corner: No Exemptions

If I am an attorney who also holds a real estate license, am I exempt from completing the 12-hour CE requirement to renew my real estate license?

No. The license law does not contain an exemption for attorneys or any other profession requiring occupational licensing. All Kansas licensees must complete at least nine hours of electives and three mandatory hours in a course titled “Kansas Required Core,” pay the fee, and complete the renewal form every two years. See the [Directory of Approved Continuing Education Providers and Courses](#).

However, courses completed for other occupations may count toward the renewal of a real estate license if the content contributes to the maintenance and improvement of the quality of real estate services provided by the real estate licensee to the public. All requirements, including the 90% exam pass rate for distance education, contained in Kansas license law must also be met. Credit cannot be substituted for the Kansas Required Core course.

To request up to nine hours of elective credit be reviewed, submit an [RE-800 Individual Request form](#) complete with all required documentation and fee. We recommend completing CE far in advance of the license expiration date to prevent delays in renewal.

Search the Statutes by Keyword

Did you know the [online statute book](#) contains the most updated rules and regulations for Kansas licensees? Use these two methods to find what you need within the digital PDF document:

1. Click the linked bookmarks to search by title.
2. Tap Ctrl F on your keyboard to open a search box and browse by keyword.

If you prefer a paper statute book, you may also print the PDF at your convenience. KREC does not mail and ship printed statute books at this time.

Disciplinary Actions

Revocations, suspensions, and aggregate fines greater than \$500 issued 10/17/23 – 12/05/23.

Docket Number	Last Name	First Name	License Number	Legal Action	Effective Date
24-1595	Reiger	Dana	00230944	License Suspended	11/06/23

KREC on Social Media

Give us a follow on social media for weekly posts on renewal reminders, compliance do's and don'ts, regulation spotlights, and more. Find us on these platforms:

- [Facebook](#)
- [Twitter](#)
- [LinkedIn](#)

Upcoming Events

- Jan 18: [BRRETA compliance course](#) (virtual)
- Jan 24: [Commission meeting](#)
- Mar 21: [Broker Supervision compliance course](#) (virtual)
- May 9: [BRRETA compliance course](#) (in-person)

Natalie Moyer | Chair, 4th District
 Jacqueline Kelly | Vice Chair, Public Member
 Marsha McConnell | 1st District
 Bryon Schlosser | 2nd District
 Clarissa Harvey | 3rd District

krec@ks.gov

krec.ks.gov

(785) 296-3411

Erik Wisner | Executive Director
Laura Kelly | Governor

Jayhawk Tower
700 SW Jackson St
Suite 404
Topeka, KS 66603

[Check your license expiration date here](#)

[View as a webpage](#) / [Share](#)

Disclaimer: This information is provided as a public service to enhance public education. It is not intended to take the place of statutory law, regulations, or guidance documents. Such information is subject to change. This information is not legal advice, therefore, if you have additional questions or need clarification, please consult with your own legal counsel for assistance or legal advice.

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This email was sent to wendy.alkire@ks.gov using govDelivery Communications Cloud on behalf of: Kansas Real Estate Commission · Jayhawk Tower · 700 SW Jackson, Suite 404 · Topeka, KS 66603-3785



KANSAS REAL ESTATE COMMISSION

REAL ESTATE SCAM WARNING FOR BUYERS

RELEASED DECEMBER 19, 2023

Real estate scams can lead to a substantial financial loss for those who fall victim. It may be expensive or impossible to recover from a real estate scam. The Kansas Real Estate Commission is aware of a sophisticated real estate scam allowing bad actors to sell real estate they do not own. The scammers target vacant parcels and unoccupied property. The scammers use fake identification in the name of the real estate owner, which makes it difficult to catch the scam before the property is sold and money distributed. Don't be a victim.

The best way to keep from becoming a victim is to be informed and aware of the warning signs. To help protect buyers in real estate transactions, be on the lookout for the following possible red flags:

A property seller:

- Does not allow a For Sale sign on the property.
- Will not meet in person or via video (uses email or text only).
- Claims to be out of the state or country.
- Requires a cash transaction.
- Wants to sell the property below market value.
- Is in a hurry to sell and close.
- Hires a licensee in a different market area than the property is located.
- Waives standard due diligence such as earnest money deposits.
- Applies pressure to make sure the deal goes through.
- Requests a remote closing with a remote notary.

Before closing on a real estate transaction, work with the closing company to make sure due diligence is done to verify the seller is the actual property owner.

To report suspected land scams,
file a complaint with the FBI at www.ic3.gov and
the Kansas Office of the Attorney General at ag.ks.gov.



LOCAL NEWS

Kansas official warns of 'sophisticated real estate scam'

by: [Matthew Self](#)

Posted: Dec 12, 2023 / 12:20 PM CST

Updated: Dec 12, 2023 / 12:20 PM CST

BILLIONS OF SO

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BEWARE OF

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SHARE



TOPEKA (KSNT) – The Kansas Real Estate Commission (KREC) is warning Kansans to be on the lookout for a financially crippling scam.

Wendy Alkire with the KREC said in a press release that real estate scams can lead to substantial financial losses for those who fall victim to them. She said these types of scams can “be expensive or impossible to recover from” and involve scammers selling real estate they do not own in a “sophisticated real estate scam.”

Scammers will target vacant and unoccupied properties, often using fake identification in the name of the real estate owner. This can make it hard to recognize the scam before the property is sold and the money has been sent.

“Scams are not new or unique in the purchase and sale of real estate,” Alkire said in the press release. “The best way to keep property owners from becoming victims is to be informed and aware of the warning signs.”

Those warning signs can be found in the list below:

- Does not allow a ‘For Sale’ sign on the property
- Will not meet in person or via video (uses email or text only)
- Claims to not be in the state or country

- Demands a cash transaction
- Wants to list below market value
- Rushes the selling process
- Hires a licensee in a different market area than the property is located
- Waives standard due diligence such as earnest money deposits
- Applies pressure on the licensee to make sure the deal goes through
- Requests a remote closing with a remote notary

Alkire said you can report suspected land scams to the Federal Bureau of Investigation (FBI) by [clicking here](#). You can also report scams to the [BBB Scam Tracker](#) online and the [Kansas Office of the Attorney General](#).

ADVERTISEMENT

DIRECTOR'S REPORT

MEMO



DATE: January 24, 2024
TO: Kansas Real Estate Commission Members
FROM: Erik Wisner, Executive Director
RE: Director's Report

Jayhawk Tower
700 SW Jackson Street, Suite 404
Phone: 785-296-3411 Fax: 785-296-1771
krec@ks.gov
www.krec.ks.gov

Fiscal

- The real estate fee fund balance as of Dec. 31, 2023 is \$1,471,277 up \$58,790 for FY24.
 - Revenue. Real estate fee fund receipts for FY24 are \$670,266. This is 2% higher than original estimates.
 - Expenditures. Real estate fee fund expenditures for FY24 are \$601,488. This is 4% lower than original estimates.
- Background investigation fee fund receipts for FY24 are \$50,220. Real estate recovery fund receipts for FY24 are \$11,362.
- FY24-25 Budget Submission. The Governor approved the Commission's budget submission as requested (attached). The Governor proposed a 5% pay increase for all state employees in FY25.

Legislative and Policy Issues

- Licensing System Update
 - Project currently is solution tailoring and automation phase.
 - First run of data conversion is occurring Jan. 16-18. Final test runs will occur in mid-February and Mid-March.
 - Final User Acceptance Testing – April
 - Final User Training May 13-16
 - System Go-Live June 11
- Legislative Update
 - Assignable Contracts/Cease and Desist Authority
 - KBI Background Checks
 - Kansas Insurance Dept – Repeal of Affiliated Business Arrangement Statute

- 2024 ARELLO Appointments
 - Wendy Alkire
 - ARELLO Foundation, Chair
 - Fair Housing, Co-Vice Chair
 - Investigator/Auditor Resource
 - Marsha McConnell
 - Fair Housing
 - Membership
 - Amber Nutt
 - Board of Directors
 - Membership
 - Program
 - Erik Wisner
 - Board of Directors/Exec Committee, Immediate Past President
 - Finance
 - Nominating

Dates and Events

- **2024 Commission Meeting Tentative Dates (via Zoom or at Commission Conf Room unless noted)**
 - Apr. 8
 - Jun. 17
 - Aug. 26
 - Nov. 18
- **Staff Presentations**
 - Dec. 20 – KAR Virtual Broker Summit (Erik)
 - Jan. 22 and 24 – KAR Winter Advocacy Conference (Erik)
- **Other Events**
 - Apr. 16-18 - ARELLO Mid-Year Conference (New Orleans, LA)
 - May 4-9 - NAR Legislative Conference (Washington DC)
 - Sept. 23-26 – ARELLO Annual Conference (Chicago, IL)
 - Oct. 2-4 - KAR Annual Conference (Overland Park)
 - Oct. 22-24 – ARELLO ARIS Inv/Aud Conference (Columbus, OH)
 - Nov. 6-11 – NAR Annual Meeting (Boston, MA)



Agency Financial Details

GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Business Unit 54900	Department No Filter Appl...	Fund 2721
GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Budget Unit No Filter Appl...	Program No Filter Appl...	Agency Use No Filter Appl...

Year to Date Cash Balance Amount

\$1,471,276.94

Year to Date Revenue

\$670,265.82

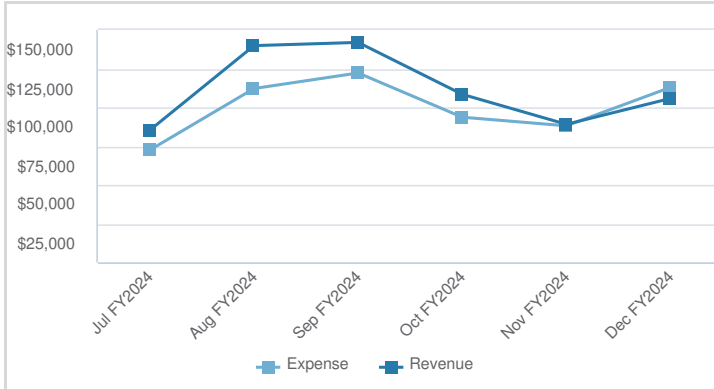
Current Month Revenue: \$105,739.00

Year to Date Expense

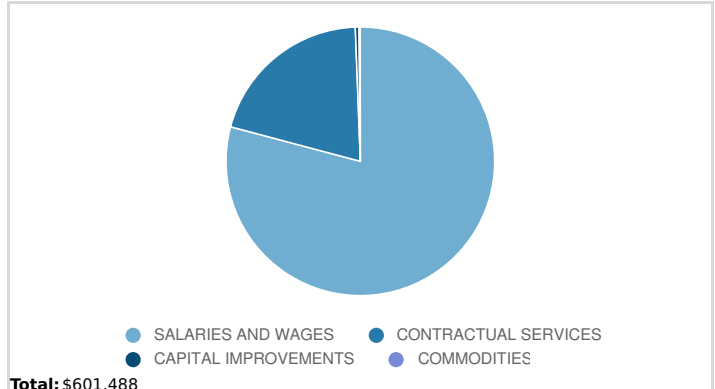
\$601,487.62

Current Month Expense: \$112,889.20

REVENUE AND EXPENDITURES TREND



YEAR TO DATE EXPENDITURES BY ACCOUNT GROUP



ACCOUNT GROUP	AMOUNT
CASH BALANCE	
OPERATING EXPENDITURES	
CASH BALANCE	
CASH AT BEGINNING OF THE YEAR	\$1,412,486.76
CASH BALANCE Subtotal	\$1,412,486.76
REVENUE	
LICENSES, SALES, SERVICE	\$652,769.50
OTHER REVENUE	\$17,496.32
REVENUE Subtotal	\$670,265.82
EXPENDITURES	
SALARIES AND WAGES	-\$476,027.42
CONTRACTUAL SERVICES	-\$121,787.27
COMMODITIES	-\$805.46
CAPITAL IMPROVEMENTS	-\$2,712.82
EXPENDITURES Subtotal	-\$601,332.97
OTHER	
ACCOUNTS PAYABLE	-\$839.00
LESS PRIOR FY EXPENDITURES	-\$10,149.02
OTHER Subtotal	-\$10,988.02
OPERATING EXPENDITURES Subtotal	\$1,470,431.59
CASH BALANCE Subtotal	\$1,470,431.59
HOSPITALITY	
OPERATING EXPENDITURES	
CASH BALANCE	
CASH AT BEGINNING OF THE YEAR	\$1,000.00
CASH BALANCE Subtotal	\$1,000.00
EXPENDITURES	
CONTRACTUAL SERVICES	-\$66.27
COMMODITIES	-\$62.40
CAPITAL IMPROVEMENTS	-\$25.98
EXPENDITURES Subtotal	-\$154.65
OTHER	
ACCOUNTS PAYABLE	\$0.00
OTHER Subtotal	\$0.00
OPERATING EXPENDITURES Subtotal	\$845.35
HOSPITALITY Subtotal	\$845.35
Total	\$1,471,276.94

ACCOUNT	DESCRIPTION	BUDGET	YTD EXPENDITURES	% SPENT
51000	SALARIES AND WAGES	\$934,092.00	\$476,027.42	51%
SALARIES AND WAGES Subtotal		\$934,092.00	\$476,027.42	51%
52000	COMMUNICATION	\$19,474.00	\$6,568.59	34%
52200	PRINTING AND ADVERTISING	\$2,606.00	\$0.00	0%
52300	RENTS	\$52,332.00	\$32,383.13	62%
52400	REPAIRING AND SERVICING	\$310.00	\$6.00	2%
52550	TRAVEL & SUBSISTENCE	\$56,021.00	\$23,466.37	42%
52600	FEES-OTHER SERVICES	\$106,592.00	\$29,106.19	27%
52700	FEES- PROFESSIONAL SERVICES	\$112,015.00	\$27,444.90	25%
52900	OTHER CONTRACTUAL SERVICES	\$4,059.00	\$2,878.36	71%
CONTRACTUAL SERVICES Subtotal		\$353,409.00	\$121,853.54	34%
53000	CLOTHING	\$1,400.00	\$0.00	0%
53200	FOOD FOR HUMAN CONSUMPTION	\$925.00	\$324.18	35%
53500	VEHICLE PART SUPPLY ACCESSORY	\$500.00	\$131.92	26%
53700	OFFICE AND DATA SUPPLIES	\$1,500.00	\$50.40	3%
53900	OTHER SUPPLIES AND MAT	\$300.00	\$361.36	120%
COMMODITIES Subtotal		\$4,625.00	\$867.86	19%
54000	FURN FIXTURES AND EQUIPMENT	\$1,250.00	\$0.00	0%
54130	MICROCOMPUTER EQUIPMENT	\$1,800.00	\$2,738.80	152%
CAPITAL IMPROVEMENTS Subtotal		\$3,050.00	\$2,738.80	90%
Total		\$1,295,176.00	\$601,487.62	46%

	Budget	Jul FY2024	Aug FY2024	Sep FY2024	Oct FY2024	Nov FY2024	Dec FY2024	YTD	% YTD
42001 - SERVICE CHARGES	\$.00			\$144.00				\$144.00	
Application Fees	\$33,000.00	\$1,890.00	\$3,523.50	\$2,542.50	\$2,223.00	\$1,750.50	\$1,719.00	\$13,648.50	41%
Original Sales	\$208,000.00	\$9,450.00	\$21,037.50	\$15,637.50	\$13,050.00	\$9,000.00	\$11,587.50	\$79,762.50	38%
Broker Renewal	\$270,000.00	\$12,320.00	\$30,240.00	\$29,137.50	\$22,365.00	\$18,427.50	\$26,617.50	\$139,107.50	52%
Refunds	\$.00	-\$125.00		-\$950.00	-\$350.00	-\$425.00	-\$185.00	-\$2,035.00	
Late Fees	\$70,000.00	\$10,140.00	\$8,460.00	\$13,050.00	\$6,570.00	\$9,090.00	\$6,660.00	\$53,970.00	77%
Original Broker	\$17,000.00	\$2,117.50	\$2,677.50	\$1,575.00	\$630.00	\$1,417.50	\$1,102.50	\$9,520.00	56%
Sales Renewal	\$650,000.00	\$46,412.50	\$66,937.50	\$72,000.00	\$61,762.50	\$45,225.00	\$55,237.50	\$347,575.00	53%
MISC	\$15,000.00	\$1,480.00	\$1,152.00	\$1,440.00	\$900.00	\$661.50	\$900.00	\$6,533.50	44%
Education Courses	\$10,000.00	\$556.50	\$1,116.00	\$441.00	\$256.50	\$1,476.00	\$697.50	\$4,543.50	45%
LICENSES, SALES, SERVICE	\$1,273,000.00	\$84,241.50	\$135,144.00	\$135,017.50	\$107,407.00	\$86,623.00	\$104,336.50	\$652,769.50	51%
45402 - FINES PENALTIES	\$18,000.00	\$1,100.00	\$4,675.63	\$6,873.75	\$990.50	\$2,453.94	\$1,402.50	\$17,496.32	97%
Total	\$1,291,000.00	\$85,341.50	\$139,819.63	\$141,891.25	\$108,397.50	\$89,076.94	\$105,739.00	\$670,265.82	52%



Agency Financial Details

GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Business Unit 54900	Department 5490000000	Fund 2722
GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Budget Unit No Filter Appl..	Program No Filter Appl..	Agency Use No Filter Appl..

Year to Date Cash Balance Amount

\$1,786.62

Year to Date Revenue

\$50,220.00

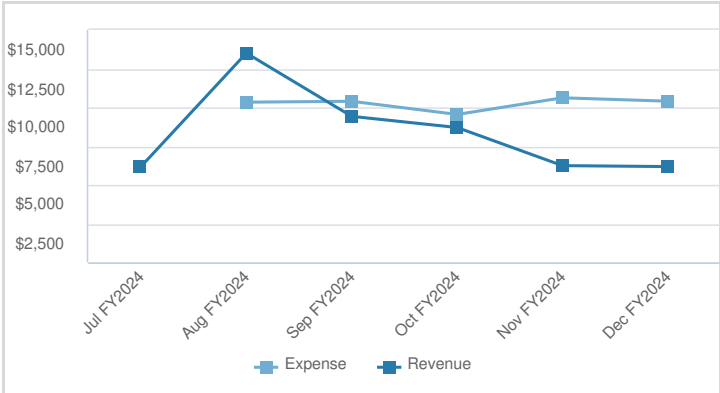
Current Month Revenue: \$6,180.00

Year to Date Expense

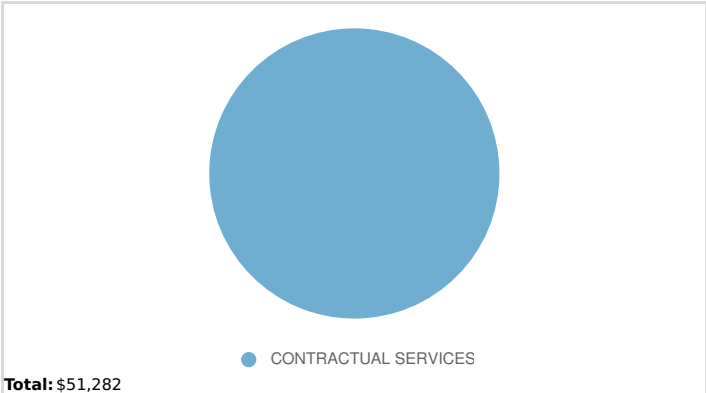
\$51,282.00

Current Month Expense: \$10,398.00

REVENUE AND EXPENDITURES TREND



YEAR TO DATE EXPENDITURES BY ACCOUNT GROUP



ACCOUNT GROUP	AMOUNT
CASH BALANCE	
OPERATING EXPENDITURES	
CASH BALANCE	
CASH AT BEGINNING OF THE YEAR	\$10,061.62
CASH BALANCE Subtotal	\$10,061.62
REVENUE	
OTHER REVENUE	\$50,220.00
REVENUE Subtotal	\$50,220.00
EXPENDITURES	
CONTRACTUAL SERVICES	-\$51,282.00
EXPENDITURES Subtotal	-\$51,282.00
OTHER	
ACCOUNTS PAYABLE	\$0.00
LESS PRIOR FY EXPENDITURES	-\$7,213.00
OTHER Subtotal	-\$7,213.00
OPERATING EXPENDITURES Subtotal	\$1,786.62
CASH BALANCE Subtotal	\$1,786.62
Total	
\$1,786.62	



Agency Financial Details

GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Business Unit 54900	Department 5490000000	Fund 7368
GLOBAL FILTERS	GLOBAL FILTERS	GLOBAL FILTERS
Budget Unit No Filter Appl..	Program No Filter Appl..	Agency Use No Filter Appl..

Year to Date Cash Balance Amount

\$342,933.05

Year to Date Revenue

\$11,362.32

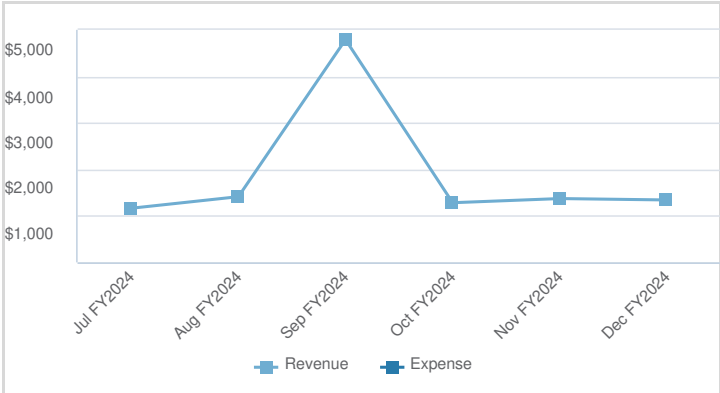
Current Month Revenue: \$1,342.06

Year to Date Expense

\$0.00

Current Month Expense: \$0.00

REVENUE AND EXPENDITURES TREND



YEAR TO DATE EXPENDITURES BY ACCOUNT GROUP

The data does not support the selected chart type
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ACCOUNT GROUP		AMOUNT
CASH BALANCE		
OPERATING EXPENDITURES		
CASH BALANCE		
CASH AT BEGINNING OF THE YEAR		\$331,570.73
CASH BALANCE Subtotal		\$331,570.73
REVENUE		
INTEREST, RENTS		\$7,712.32
OTHER REVENUE		\$3,650.00
REVENUE Subtotal		\$11,362.32
OPERATING EXPENDITURES Subtotal		\$342,933.05
CASH BALANCE Subtotal		\$342,933.05
Total		\$342,933.05

Issue B: Summary of FY 2025 Revised Request

Description: The Kansas Real Estate Commission requests \$1,419,346 for FY 2025, including \$1,272,735 from the Real Estate Fee Fund, \$120,000 from the Background Investigation Fund, and \$26,611 from the Real Estate Recovery Revolving Fund. The agency requests 12.00 FTE positions in FY 2025, which is unchanged from the approved amount. The FY 2025 revised budget request is \$23,162, or 1.6 percent below the agency's FY 2024 revised budget request, primarily from lower costs for salaries and wages in FY 2025 from the 2023 Legislature approving a pay plan for FY 2024, but not continuing the pay plan for the Commission in FY 2025.

The Commission plans to spend 65.4 percent of its budget on salaries and wages and 34.0 percent on contractual services. The cost drivers for FY 2025 are similar to FY 2024.

The Commission requests one supplemental change package that totals \$39,927 in FY 2025, including \$38,845 from the Real Estate Fee Fund and \$1,082 from the Real Estate Recovery Revolving Fund. The supplemental change package would provide funding to continue the FY 2024 pay plan into FY 2025 (see **Issue C**).

The amount requested is \$311 above its FY 2025 approved amount from all funding sources. The increase in expenditures is primarily attributable to slightly higher salaries and wage costs charged to the Real Estate Recovery Revolving Fund. The Commission plans to transfer \$20,000 from the Real Estate Fee Fund to the Special Litigation Reserve Fund in FY 2025 to continue building a balance in this fund, which can be used for unanticipated high litigation costs that would cause the Commission to expend more than its approved budget.

The Commission estimates that it will issue 17,000 real estate licenses in FY 2025, which is the same amount that the Commission is estimated to issue in FY 2024. The Commission estimates that 96.0 percent of licenses will be renewed online in FY 2025. The Commission estimates that the number of complaints will be maintained at 325 in FY 2025, which is the same amount estimated to be logged in FY 2024.

Division of the Budget Recommendation: The Division of the Budget concurs with the Commission's FY 2025 revised budget request and makes the following adjustment:

1. The 2023 Legislature approved and the State Finance Council implemented a FY 2024 state employee pay plan, which gave most employees a 5.0 percent salary increase. Although the action by the State Finance Council increased the FY 2024 expenditure limitation for the Real Estate Fee Fund, the Legislature did not authorize a FY 2025 expenditure limitation increase on this fund. Therefore, the Division of the Budget revised FY 2025 budget recommendation for the Commission includes an expenditure limitation

increase of \$38,845 to cover the pay plan in FY 2025. As part of this adjustment, expenditures from the no-limit Real Estate Recovery Revolving Fund were also increased by \$1,082 in FY 2025.

Agency Appeals: None.

Governor's Recommendation: The Governor concurs with the recommendations of the Division of the Budget.

Legislative Action:

PUBLIC COMMENT



KANSAS CITY REGIONAL ASSOCIATION OF REALTORS®

Kipp Cooper, CEO
Kansas City Regional Association of REALTORS®
11150 Overbrook Rd. Ste. 270
Leawood, KS 66211
KippC@KCRAR.com
913-266-5909

December 4, 2023

Eric Wisner, Executive Director
Kansas Real Estate Commission
Jayhawk Tower
700 SW Jackson St. Ste. 404
Topeka, KS 66603

Subject: Request to Eliminate Final Exam Requirement for Synchronous CE Distance Education Learning provided by KCRAR and adopt the new ARELLO® Synchronous Distance Education guidelines. (Hybrid teaching with live instruction and interaction via video and audio).

Dear Eric,

I am writing on behalf of Kansas City Regional Association of REALTORS® (KCRAR) to request the Kansas Real Estate Commission's consideration in removing the requirement for a final exam on synchronous CE Distance Education at KCRAR, as stated in K.A.R. 86-1-10(c)(3).

KCRAR's synchronous delivery consists of live 3-hour CE approved virtual sessions, wherein learners actively engage in demonstrations, lectures, and discussions while being on camera, monitored by KCRAR staff. This format has not only saved time for our members, licensees, instructors, and staff, but has also enhanced their overall learning outcomes and encouraged in-class engagement for all attendees.

KCRAR consistently upholds its high standards in CE Distance Education, providing our learners with ample resources and support using advanced technology along with dedicating a full-time KCRAR staff member who is responsible for monitoring attendance and participation. This has allowed KCRAR to meet standards such as:

- Provide seamless learning experience.
- Providing learner with technology orientation.
- Meeting required learning objectives for each course.
- Time tracking functionality for attendance.
- Providing opportunity for interactivity which allows students access to immediate feedback from their instructor and/or fellow learners.
- Delivery of evaluation of learning experience post session.

In light of the success KCRAR has achieved with this format of education, KCRAR looks forward to continuing to provide diverse delivery methods of education while not requiring additional final exams for those participating in a live, monitored, virtual learning environment.

We also respectfully would ask that these hybrid classes do not need to be separately certified as a school incurring double the fee to hold a hybrid opportunity for our students for the same already approved course.

Thank you for your consideration and time.

Respectfully yours,

Kipp