Kansas Real Estate Commission Jayhawk Tower 700 SW Jackson Street, Suite 404 Topeka, KS 66603-3785



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Erik Wisner, Executive Director

Laura Kelly, Governor

MINUTES OF THE MEETING Kansas Real Estate Commission March 21, 2022

The Kansas Real Estate Commission held its regular meeting on Monday, March 21, 2022, at 9:00 am at the KREC Conference Room and via Zoom teleconference.

Commissioners Present:

Natalie Moyer, Chairperson Jacqueline Kelly, Vice-Chairperson Bryon Schlosser, Member Clarissa Harvey, Member Errol Wuertz, Member

Staff Present:

Erik Wisner, Executive Director
Wendy Alkire, Deputy Director and Compliance Director
Amber Nutt, Education and Communication Director
Alycia Smith, Licensing Director
Lindsey Bowes, Legal Assistant
Dee Raker, Real Estate Specialist
Jennifer Box, Administrative Specialist
Cindy Boswell, Real Estate Specialist

Kansas Real Estate Commission Legal Counsel:

Sarah Shipman, Deputy Attorney General Jane Weiler, Assistant Attorney General

Members of the Public:

Barbara Kearney
Gillette Salinas
Christian Barnes
Mark Barker
David Cooper
Kelly White
Lee Robertson
Laura Krier
Kathy McCarty
Todd Woodburn
Michelle Monaco

Call to Order

Ms. Moyer called the meeting to order at 9:01 am.

Approval of the Minutes of the January 24, 2022 Meeting

Mr. Schlosser moved the minutes of the January 24, 2022 meeting be approved. Mr. Wuertz seconded the motion. Motion carried unanimously.

Hearing of Michelle Monaco, Docket No. 22-0136

Education and Communication Report

Staff approved 8 pre-license course and 51 elective continuing education courses in FY22. In FY2022, Pearson VUE has administered 2,182 exams with an overall pass rate of 62%.

Licensing Report

As of March 2022, there are 19,137 licensees which is an increase of 257 compared to March 2021. There are 381 pending applications (131 salesperson, 24 broker, and 226 fingerprint-only files), this is a decrease of 7 applicants compared to March 2021.

Director's Report

The real estate fee fund balance as of February 28, 2022 is \$1,317,147 which is up \$195,756 from July 1, 2021. Real estate fee fund receipts for FY2022 are \$939,734 which is 9% higher than estimated. Real estate fee fund expenditures for FY2022 are \$735,716 which is 4% lower than estimated.

Mr. Wisner provided an update regarding legislation to revise Commission statutes related to unlicensed activity and assigning an equitable interest in a purchase contract.

Revisions to K.A.R. 86-1-5 were reviewed. Changes included removal of the affiliation change fee the Commission rescinded on January 24, 2022, updates to the fingerprint submission fee language and an increase in the individual course approval fee to \$20. Mr. Schlosser moved the approval of the revisions. Ms. Kelly seconded the motion. Motion carried unanimously.

The FBI conducted an on-site audit on March 8, 2022. They will return for the second part on March 22, 2022. The FBI conducts random audits of agencies that receive criminal justice information. The FBI last performed an audit of KREC in 2008.

Hearing of Laura Krier, Docket No. 22-0134

Compliance Report

Staff have completed 166 compliance reviews in FY2022. In FY2022, staff have received 262 complaints. Compliance courses are scheduled for April 12 and July 27, 2022 for BRRETA and April 27 and August 10, 2022 for Broker Supervision.

Licensing System Changes

Mr. Wisner provided an overview of issues related to the current licensing system utilized by the Commission. The recent project to update the system were not being performed by the vendor, System Automation, per the terms of the statement of work. Mr. Wisner recommended the Commission pause the project and consider alternative solutions for the agency licensing system. This would require the Commission to request an increase to the expenditure authority in FY23 through a Governor's Budget Amendment. Mr. Schlosser moved the Commission authorize the Executive Director to develop a request for proposal for a licensing software solution

for review and approval by the Commission and submit a governor's budget amendment to the division of budget to increase the expenditure limitation for the real estate fee fund by \$200,000 in FY23. Mr. Wuertz seconded the motion. Motion carried unanimously.

Adjournment

Ms. Moyer adjourned the meeting at 11:17 am.