

AGENDA
April 8, 2024

KREC Conference Room

Zoom Meeting for Virtual Attendees:
<https://www.zoomgov.com/j/16108455048>

Meeting ID: 161 0845 5048
833-568-8864

9:00 a.m. Call to Order – Additions to Agenda

1. Approval of the Minutes of the January 24, 2024 Commission Meeting
2. Formal Hearings
 - Breana R. Holt, Docket 23-1158 9:00 a.m.
 - Joseph A. Swartz, Docket 24-1863 9:30 a.m.
 - Jerron L. Cheeks, Docket 24-1793 10:00 a.m.
3. Staff Reports
 - Education and Communication Report (Nutt)
 - Licensing Report (Smith)
 - Compliance Report (Alkire)
 - Director's Report (Wisner)
4. Public Comment

Adjournment

Upcoming Commission Meeting Dates:

- Jun 17
- Aug 26
- Nov 18

APPROVAL OF MINUTES

MINUTES OF THE MEETING
Kansas Real Estate Commission
January 24, 2024

The Kansas Real Estate Commission held its regular meeting on Wednesday, January 24, 2024 at 8:00 a.m. at the Hilton Garden Inn in Manhattan, KS and via Zoom teleconference.

Commissioners Present:

Natalie Moyer, Chairperson
Bryon Schlosser, Member
Clarissa Harvey, Member

Jacqueline Kelly, Vice-Chairperson
Marsha McConnell, Member

Staff Present:

Erik Wisner, Executive Director
Amber Nutt, Education Director
Jennifer Box, Administrative Officer

Alycia Smith, Licensing Director
Wendy Alkire, Deputy Director & Compliance Director
Lindsey Bowes, Legal Assistant

Kansas Real Estate Commission Legal Counsel:

Nicole Turner, Assistant Attorney General

Members of the Public:

Mark Barker	Steve Metarelis	Andrew Mall	Kelvin Bootty	Lori Rogge
Sue Wegner	Kipp Cooper	Tyler Francis	Vivki Germann	Dwyn Thudium
Kathy Inlow	Tim Cossaart	John Heelub	Kelly Leiker	Michele DuPont
Kathy Walsh	Denise Humphrey	Brandon Fenton	Veronica Gillette	Charles Ross
Sherri Barnes	Roger Hower	Teresa Johnson	Mark Tomb	

Call to Order

Ms. Moyer called the meeting to order at 8:02 a.m.

Approval of the Minutes of the December 4, 2023 Meeting

Mr. Schlosser moved to approve the minutes of the December 4, 2023 meeting. Ms. McConnell seconded the motion. Motion carried unanimously.

Education and Communication Report

Staff has approved one pre-license course and 60 continuing education courses for FY24. Pearson VUE has administered 1,463 exams with an overall pass rate of 56%. Mrs. Nutt provided updates on communication and outreach.

Mrs. Nutt also provided updates on the Principle of Real Estate course content outline for Kansas salespersons. Mr. Schlosser moved the Commission approve proposed changes to the Principles of Real Estate content outline for Kansas salespersons. Ms. Harvey seconded the motion. Ms. Harvey moved 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 if the schools submit proof of the changes no later than 60 days after go-live of the new system. Mr. Schlosser seconded the motion.

Licensing Report

As of January 2024, there are 19,115 licensees, which is a decrease of 59 compared to January 2023. There are 227 pending applications (72 salesperson, 14 broker, and 141 fingerprint-only files). This is a decrease of 55 applicants compared to January 2023. Ms. Smith also provided updates on livescan fingerprint submissions, and applications and inquires about K.S.A. 48-3406 for 2023.

Compliance Report

Staff has received 147 complaints and completed 153 compliance reviews so far for FY24. Compliance courses are scheduled for January 18, 2024 and May 9, 2024 for BRRETA and March 21, 2024 and July 11, 2024 for Broker Supervision

Director's Report

The real estate fee fund balance as of December 31, 2023 is \$1,471,277 which is up \$58,790 for FY24. Real estate fee fund receipts for FY24 are \$670,266. Real estate fee fund expenditures for FY24 are \$601,488. The background investigation fee fund receipts for FY24 are \$50,220 and the real estate recovery fund receipts for FY23 are \$11,362. The Governor approved the Commission's FY24-25 budget submission as requested.

Mr. Wisner provided an update on the new licensing system and on legislative and policy matters including proposed legislation by the Kansas Association of REALTORS® that would prohibit the practice of dealing in assignable contracts for residential property and grant the Commission the authority to issue cease and desist orders for entities and individuals transacting real estate without a license. Ms. McConnell moved the Commission support the proposed legislation and authorized Mr. Wisner to provide testimony and answer any questions related to the proposed legislation. Ms. Harvey seconded the motion. Motion carried unanimously.

Public Comment

Kipp Cooper wrote to the commission on behalf of the Kansas City Regional Association of REALTORS® requesting to eliminate the final exam requirement for synchronous CE distance education courses. The Commission asked staff to review the proposal and feedback from other education providers and update the Commission at the next meeting.

Lori Rogge provided information about a recent cybersecurity incident in a real estate transaction involving scam. She also requested advice as how to best handle similar situations in the future. Mr. Wisner informed her of resources from the Attorney General and the FBI on the KREC website.

Reorganization pursuant to K.S.A. 74-4202(a)

Ms. McConnell moved that Ms. Moyer be appointed Chairperson for the 2024 year. Ms. Harvey seconded the motion. Motion carried unanimously. Ms. Moyer moved that Ms. Kelly be appointed Vice Chairperson for the 2024 year. Mr. Schlosser seconded the motion. Motion carried unanimously. I-Team appointments were not changed.

Adjournment

The meeting adjourned at 9:20 a.m.

FORMAL HEARINGS

STAFF REPORTS

EDUCATION &
COMMUNICATION
REPORT

MEMO



DATE: April 8, 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 03/25/24)

Education Reports – See attached

Course Applications	Jan and Feb 2024	FY24 Total	FY23 Total
In-person	1	22	49
Virtual (synchronous)	1	2	2
Distance (asynchronous)	10	49	65
Pre-License	1	2	7
Continuing Education	11	71	109
Elective	11	65	77
Mandatory	0	6	32
Withdrawn or Denied	0	1	4
Total Processed	12	73	116

Exam Performance Summary	FY24 Total	FY23 Total
Broker Pass Rate	54%	61%
Salesperson Pass Rate	57%	57%
Overall Pass Rate	57%	57%
Broker Total Exams	180	246
Salesperson Total Exams	1,772	2,865
Total Exams	1,952	3,111

Additional Items – See attached

- Memo on proposed changes to 86-1-10
 - Does the Commission want to move forward with exploring any additional education changes?
- Memo on standard setting meeting and cut score recommendations

Save the Date: The hybrid KREC Educators Meeting is scheduled for October 8, 2024. Email Amber to register.

- **10:00 a.m. - 12:00 p.m. | BRRETA Mini-Course**
Hear BRRETA explained in detail as Wendy Alkire, Deputy Director and Director of Compliance at KREC, discusses the brochure and disclosures, written agreement requirements, agency vs. transaction brokerage, common issues, violations, and more.
- **1:00 p.m. - 3:30 p.m. | Educators Meeting and Commission Updates**
Hear from keynote presenter Corean Hamlin, Senior Product Manager at Colibri Group, on relevant topics in qualifying and core education. KREC's executive director and department directors will discuss important legislative and commission updates. Participate in a Q&A session on real estate education with fellow education providers and KREC staff.

New Courses from 1/1/24 to 2/29/24

<u>Course Type</u>	<u>Course #</u>	<u>Course Title</u>	<u>Hours</u>	<u>Status</u>	<u>Location</u>
Kansas City Regional Association of REALTORS					
Elective	E20423	Bias Override: Overcoming Barriers to Fair Housing	3	Active	Virtual
Kaplan Real Estate Education					
Elective	E20421	2022/2024 Association Ethics v1.0	4	Active	Distance
Salesperson Pre-License Course	P20432	Principles of Real Estate v1.0	30	Active	Distance
McKissock LP					
Elective	E20424	OC: Cybersecurity: Protecting the Real Estate Transaction	3	Active	Distance
Elective	E20425	Cybersecurity: Protecting the Real Estate Transaction	3	Active	Distance
Elective	E20426	OC: How to Work with Real Estate Investors - Part 1	3	Active	Distance
Elective	E20427	OC: Property Condition Discovery and Disclosure Compliance	3	Active	Distance
Elective	E20428	Property Condition Discovery and Disclosure Compliance	3	Active	Distance
Elective	E20429	OC: Real Estate Safety: Protect Yourself and Your Clients	3	Active	Distance
Elective	E20430	OC: Workforce Housing: Solutions for Homes and Financing	4	Active	Distance
Elective	E20431	Workforce Housing: Solutions for Homes and Financing	4	Active	Distance
ReeceNichols Training					
Elective	E20422	Fair Housing	3	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 - Feb 2024)															
Broker	99	68	69%	31	31%	81	30	37%	51	63%	180	98	54%	82	46%
Salesperson	1,052	700	67%	352	33%	720	309	43%	411	57%	1,772	1,009	57%	763	43%
Total	1,151	768	67%	383	33%	801	339	42%	462	58%	1,952	1,107	57%	845	43%

EXAM PASSING RATES BY SCHOOL FOR FY24 (July 2023 - February 2024)



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
Career Education Systems - Wichita	1	1	100%	0	0%	0	0	0%	0	0%	1	1	100%	0	0%
Lowry School of Real Estate	9	7	78%	2	22%	10	4	40%	6	60%	19	11	58%	8	42%
Career Education Systems - Online	23	15	65%	8	35%	23	11	48%	12	52%	46	26	57%	20	43%
Career Education Systems - Kansas City	33	25	76%	8	24%	27	8	30%	19	70%	60	33	55%	27	45%
Waiver - KREC Equivalent Requirements Met	22	13	59%	9	41%	11	5	45%	6	55%	33	18	55%	15	45%
Kansas Association of REALTORS	11	7	64%	4	36%	10	2	20%	8	80%	21	9	43%	12	57%
Total	99	68	69%	31	31%	81	30	37%	51	63%	180	98	54%	82	46%

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
Washburn University	2	2	100%	0	0%	0	0	0%	0	0%	2	2	100%	0	0%
Waiver - KREC Equivalent Requirements Met	111	100	90%	11	10%	21	15	71%	6	29%	132	115	87%	17	13%
RSCK School of Real Estate	4	3	75%	1	25%	1	1	100%	0	0%	5	4	80%	1	20%
Perry Real Estate College	6	4	67%	2	33%	2	1	50%	1	50%	8	5	63%	3	38%
Colibri Real Estate, LLC	63	44	70%	19	30%	42	18	43%	24	57%	105	62	59%	43	41%
Career Education Systems - Kansas City	214	139	65%	75	35%	127	62	49%	65	51%	341	201	59%	140	41%
The CE Shop, Inc.	124	80	65%	44	35%	94	46	49%	48	51%	218	126	58%	92	42%
Lowry School of Real Estate	15	9	60%	6	40%	11	6	55%	5	45%	26	15	58%	11	42%
Career Education Systems - Wichita	130	86	66%	44	34%	80	35	44%	45	56%	210	121	58%	89	42%
Career Education Systems - Online	149	99	66%	50	34%	118	49	42%	69	58%	267	148	55%	119	45%
ReeceNichols Training	45	27	60%	18	40%	37	16	43%	21	57%	82	43	52%	39	48%
Kansas Real Estate School	40	29	73%	11	28%	29	6	21%	23	79%	69	35	51%	34	49%
Key Real Estate School	14	7	50%	7	50%	14	6	43%	8	57%	28	13	46%	15	54%
Kansas Association of REALTORS	73	40	55%	33	45%	77	28	36%	49	64%	150	68	45%	82	55%
PDH Academy	6	3	50%	3	50%	10	4	40%	6	60%	16	7	44%	9	56%
Training Partners	25	15	60%	10	40%	22	5	23%	17	77%	47	20	43%	27	57%
ReeceNichols Training – Online	8	4	50%	4	50%	10	3	30%	7	70%	18	7	39%	11	61%
Career Academy of Real Estate - Penfed Realty	23	9	39%	14	61%	24	8	33%	16	67%	47	17	36%	30	64%
Pinnacle Real Estate School	0	0	0%	0	0%	1	0	0%	1	100%	1	0	0%	1	100%
Total	1,052	700	67%	352	33%	720	309	43%	411	57%	1,772	1,009	57%	763	43%

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: April 8, 2024
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Changes to Synchronous Distance Education Course Requirements

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

At the February 15, 2021, Commission meeting Education Director Amber Nutt shared information on changes to ARELLO distance education (DE) standards including which included dropping the exam requirement for synchronous DE courses for informational purposes at commission meeting. (memo attached)

On May 24, 2021, Alison Trevor, past Director of Education at Kansas City Regional Association of REALTORS (KCRAR), inquired if discussion had occurred around eliminating the exam requirement for synchronous learning. At the June 21, 2021, Commission meeting Amber presented the information and the Commission asked staff to gather feedback from schools.

On July 27, 2021, staff solicited feedback from approved school coordinators and received 16 responses, most of which were in favor of removing the exam requirement and increasing standards to align with ARELLO for synchronous DE courses. At the October 18, 2021, Commission meeting Amber presented school feedback and no action was taken. (memo attached).

At the January 24, 2024, Commission meeting Kipp Cooper, CEO at KCRAR, asked the Commission to consider removing the exam requirement and increasing standards to align with ARELLO for synchronous distance education courses.

Based on feedback from school coordinators and industry members, staff recommends the following draft revisions to **86-1-10. Approved courses of instructions; procedure**. The draft of proposed changes has been reviewed by legal counsel.

In summary, proposed changes include:

- Redefining “distance education” to specify “asynchronous.” An exam is still required for this type of course.
- Adding a definition for “synchronous distance education.” An exam is not required for this type of course, but the following requirements must be met:
 - Students must have functioning video/audio and be present and engaged on camera at all times
 - Documentation on how the synchronous DE course will require active participation by each student and substantial interaction between the students and the instructor, other students, or a computer program;
 - Evidence of no more than 30 students in a course unless an additional moderator is assisting with the monitoring of students.

Possible Moton: <NAME> moves the Commission approve proposed draft changes to 86-1-10. Approved courses of instructions; procedure. Definitions.

MEMO



DATE: February 15, 2021
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Changes to ARELLO DE Standards

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

The ARELLO Education Certification Committee, along with distance education (DE) providers, revised the Distance Education Standards and Policies & Procedures. Minimal changes were made to the Standards. The Policies & Procedures were originally written for asynchronous instruction and are now broken into two documents; synchronous courses and asynchronous courses. A summary of these changes, effective January 1, 2021, and the reasons behind the suggestions are identified below.

Rationale for Changes

- With the increased use of video conference applications, schools have expressed a desire to continue using this live-instruction option after any exemptions granted due to the pandemic have passed. Since the use of Zoom and other applications involve individuals in different locations, these courses are considered distance education and require ARELLO certification.
- Synchronous DE courses are offered live with students physically separated from the instructor in a different location. These courses provide the opportunity for instantaneous group reaction, discussion, and feedback. This distinguishes synchronous education from asynchronous education in fundamental ways, particularly where interactivity and content are concerned.
- A reduced fee for synchronous DE courses will open the door for smaller and less populated jurisdictions to begin requiring DE certification. The fee for review of synchronous DE courses is \$435.00 per course and \$325.00 for the second and subsequent synchronous courses offered. The course review fee for asynchronous courses remains the same at \$865.00.

Summary of Major Changes and Additions for Synchronous DE courses

Policy 4: Distance education courses are required to have a learner orientation and support services

- Procedure 4a: Learners are required to receive a syllabus and/or learner manual to ensure they have all expectations, requirements, policies, and directions provided to them at registration and/or sent no later than the day preceding the course start date.
- Procedure 4b: Items in the orientation should include but are not limited to:
 - Equipment and system requirements including a testing and confirmation of access to a reliable internet connection and a computer with functioning video camera and audio;
 - Contingency plan regarding technical issues;
 - Code of conduct for the course provider and students describing accountability for all which must include the following:

- Students must use video and be present on the camera at all times without the use of still pictures or icons
- Students must be present the entire course with the only exception being a temporary loss of connection up to 15 concurrent minutes each contact hour
- Students must behave appropriately and pay attention as if they were sitting in a classroom
- Students cannot be participating in other activities such as driving, phone calls, office paperwork, conversations with people who are not involved in the course, or anything else unrelated to the course
- Students must not participate in general or personal comments using the course's chat tool

Policy 7: All courses submitted for Certification are required to have a time tracking system

- Remove learning management system (LMS) requirement
- Evidence can include screen captures, time logs, chat logs, documentation from a moderator, etc.

Policy 8: Distance education courses are required to have interactivity

- Procedure 8b: ARELLO® requires evidence of proper interactivity which can include supplemental reference material, exercises, quizzes, polling questions, chat box, breakout groups, and final exams.
- Procedure 8c: For every credit hour of course content, there must be evidence of at least one activity.

Policy 9: Distance education courses are required to have assessments and use remediation within the course design.

- All of Policy 9 was removed, including the requirement for a minimum of 10 incremental and/or required summative assessment items to be posed per hour of instruction for the course.

Policy 10: All courses submitted for certification are required to have a qualified instructor

- Procedure 10e: Instructors should not allow more than 30 students unless an additional moderator is assisting with the monitoring of students. Moderators are not required to hold the CDEI.

MEMO



DATE: October 18, 2021
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Changes to ARELLO DE Standards

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

The Commission previously reviewed revised ARELLO distance education policies related to synchronous courses at the February 15, 2021 meeting. The memo related to that review is on the next page. There was discussion with respect to meetings that occur over Zoom with all participants virtual, but the Commission took no action related to possible regulatory changes at that time.

At the June 21, 2021 meeting, the Commission reviewed an inquiry from an education provider asking if discussion had occurred around eliminating the exam requirement for synchronous distance learning. The Commission requested that staff gather feedback from schools and prepare information for further consideration. The memo related to that discussion follows.

All Kansas-approved education providers were presented with the following information and asked to respond to a seven-item digital survey by August 31, 2021:

Synchronous DE courses are offered live, virtually with students physically separated from the instructor in a different location. Kansas license law defines two modes of content delivery:

86-1-10(a)(4) "Distance education course" means a course for which the school provides instructional materials by mail or electronic transmission to students who are physically separated from the instructor for all or a portion of the course.

86-1-10(a)(5) "In-person education course" means a course provided to students who are not physically separated from the instructor.

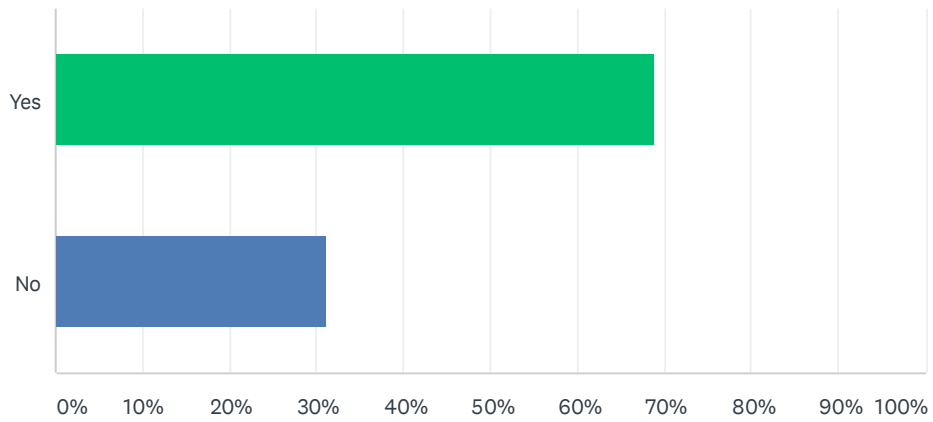
Currently, synchronous DE learning falls under the definition of distance education in Kansas license law because the instructor is physically separated from the students. As you know, the following regulations state that an exam must be included in all DE courses.

K.A.R. 86-1-10(c)(3) requires students to answer at least 10 quiz or exam questions per credit hour for CE courses and K.A.R. 86-1-10(c)(4) requires students to answer at least 50 quiz or exam questions for prelicense courses. K.A.R. 86-1-10(c)(5) requires schools to issue a certificate of completion to students who answered at least 90 percent of the quiz or exam questions correctly during the distance education course.

The survey received sixteen responses; these questions and answers are located on the following pages. Almost all respondents indicated they believed the exam requirement should be removed for synchronous distance education learning if other requirements are met to certify attendance, participation, and ultimately that learning occurred. Suggestions from providers echo the *ARELLO Summary of Major Changes and Additions for Synchronous DE courses* found in the memo on the next page.

Q1 Within the last year, have you taught or facilitated a synchronous DE course?

Answered: 16 Skipped: 0



ANSWER CHOICES	RESPONSES	
Yes	68.75%	11
No	31.25%	5
TOTAL		16

Q2 If so, how did you administer and grade the exam?

Answered: 11 Skipped: 5

#	RESPONSES	DATE
1	There was no test (state I was teaching in allowed the class to be taught live/virtually and didn't require a test.	8/19/2021 8:22 AM
2	Emailed upon course completion through online learning platform	8/10/2021 11:26 AM
3	Sent electronically for online completion	7/30/2021 2:15 PM
4	graded the exam by hand.	7/30/2021 11:24 AM
5	K-State Univ Qualtrics Survey System	7/29/2021 3:03 PM
6	The exams are being emailed and our staff grades the exam	7/29/2021 2:50 PM
7	Exams are administered and graded electronically via an online learning platform.	7/29/2021 2:44 PM
8	I have designed my exam in Google Forms, it is graded and I look the exam over and release the scores to my students.	7/28/2021 10:53 AM
9	Yes	7/28/2021 10:27 AM
10	Through our custom LMS	7/28/2021 7:23 AM
11	Online program called Flexiquiz	7/27/2021 4:34 PM

Q3 Do you believe the exam requirement should be removed for synchronous DE courses? Why or why not?

Answered: 16 Skipped: 0

#	RESPONSES	DATE
1	Yes. I taught over 10 CE classes last year in a synchronous DE format and actually found participation and attention was BETTER in this format than it was a in live classroom setting. If it isn't required in a classroom setting, my require it in a synchronous setting.	8/19/2021 8:22 AM
2	Yes, based on the time attended/confirmed for course should be adequate for CE credit	8/17/2021 9:53 AM
3	Yes. We have the ability to moderate attendance. Platform allows for interactive engagement with students and instructor.	8/10/2021 11:26 AM
4	I believe the exam requirement should be removed but only if the class is monitored in a way that ensures the student is physically present during the entire course.	7/30/2021 2:15 PM
5	Yes! If I am monitoring there attendance on the zoom meeting then it is no difference than classroom. They have to have their cameras on so I can see them which is the same as classroom. I think the exam put a unfair restriction on the instructor and the student.	7/30/2021 11:24 AM
6	Yes this is a tremendous burden on the facility in grading exams and creating more paperwork than is necessary	7/29/2021 5:13 PM
7	yes I believe that the exam requirement should be removed when a class is taught live but where the instructor is not in the same location as the student. I believe that monitoring attendance during the live class is totally possible even for the remote student. I think the attention of the student will be as good if not better than in person.	7/29/2021 4:34 PM
8	I think there should be some form of proof if you will, that the student was paying attention to the course. I don't think 60 test questions are necessary at all. I provide a VERY large amount of technical information into a short amount of time. I can't expect them to retain all of it, however there are less than 10 things that are extremely important they do retain in long-term memory.	7/29/2021 3:54 PM
9	Yes. Synchronous DE courses provide direct instructor/student feedback, similar to in-person courses	7/29/2021 3:03 PM
10	yes, at our school we have 5 large monitors to display all students that are live. The instructor can interact, call on students, visually and audibly monitor all student interaction, they can even interact with students in a hybrid environment. We have created an experience where there is no difference between sitting in a classroom or sitting at home.	7/29/2021 2:50 PM
11	Live, virtual platforms have functionality that allows school administrators to monitor attendance, plus students are able to interact with the instructor and other attendees via the online platform so it simulates an "in-person education course".	7/29/2021 2:44 PM
12	The exam component for my courses is a bit confusing for my students. But I can see why we need to require them.	7/28/2021 10:53 AM
13	No. Our organization currently requires an exam to fulfill credit requirements for our designation so we will always administer an exam.	7/28/2021 10:27 AM
14	If a class is done "live" and there is video verification that the attendee is present and participating, then I don't think an exam is needed.	7/28/2021 8:17 AM
15	Yes, because many states do not require it. We are licensed in 47 states, and at least half of them consider synchronous DE to fall under the classroom regulations as long as the LMS has the ability to track attendance and verify identities.	7/28/2021 7:23 AM
16	Yes, they are getting the same knowledge and experience as an person class.	7/27/2021 4:34 PM

Q4 Do you believe the synchronous DE course experience mirrors a traditional in-person course experience for students? Why or why not?

Answered: 16 Skipped: 0

#	RESPONSES	DATE
1	Yes and it to be frank, it is actually better. The distractions from in-person settings are removed. Students attention is greater.	8/19/2021 8:22 AM
2	with the increased exposure to zoom and online meetings/courses since March 2020 to now, synchronous DE course is now considered the norm allowing content sharing in a safer environment	8/17/2021 9:53 AM
3	Yes. See prior answer.	8/10/2021 11:26 AM
4	I do believe DE courses could mirror an in-person course if the instructor can see the students who are not in the same room and the students can be called on if they have questions and the student can verbally ask the question.	7/30/2021 2:15 PM
5	Yes it is similar. I do find that some students are less interactive. However, some students ask more questions because then can type them in chat and don't have to speak un front of the class. The breakout rooms for small group discussions also helps with interaction.	7/30/2021 11:24 AM
6	No the traditional in person experience will always be more valuable but putting an exam in an on line format lessens the value and puts an extreme burden on the educational facility	7/29/2021 5:13 PM
7	Yes I do believe it mirrors a traditional in-person course. I especially think it has become more parallel to the in person course in the past 18 months.	7/29/2021 4:34 PM
8	Yes because they can see the instructor. On the same hand, there is a value to physically being in the room. Really my only concern is that they might not feel comfortable asking questions.	7/29/2021 3:54 PM
9	Largely: Instructors must take greater care to provide student/instructor interactions	7/29/2021 3:03 PM
10	We have a hybrid environment where students can participate live on-line, or in person and have the opportunity through follow cameras to be fully immersed either way and interact with other students and their instructor.	7/29/2021 2:50 PM
11	Yes, the online student is virtually attending an interactive live class.	7/29/2021 2:44 PM
12	Yes I do. Through the synchronous DE course, the instructor is right there with the students via video and they can interact with the instructor on video as well as in-person learning.	7/28/2021 10:53 AM
13	Somewhat as even though the students are not physically in the class, they are still taught with the same standards and are required to take the course in the same manner as would a in person course. The only difference for us is we now have new tracking and monitoring methods in place to make sure students attendance is registered.	7/28/2021 10:27 AM
14	While not exactly the same, it does provide an option for those who are not quite ready to participate in face-to-face classes.	7/28/2021 8:17 AM
15	Yes, as I stated above, as long as there is a way to verify identity and track attendance, the course runs the same as an in-person course.	7/28/2021 7:23 AM
16	Yes, they are able to interact with the instructor, asking and getting questions answered. Hearing an instructor share experience and put things in a real world context. They are able to learn from other students. The students can share information via online class chat, much like being in class or during class breaks.	7/27/2021 4:34 PM

Q5 Time allotted to administering the exam is included in the overall instruction time of the course. If the exam requirement for synchronous DE courses is removed, how will you replace that time in class?

Answered: 16 Skipped: 0

#	RESPONSES	DATE
1	I don't know! I teach COE and I cram it full of great content from start to finish. If I were to have to remove content to allow time for an exam, the student learning would be severely compromised.	8/19/2021 8:22 AM
2	the course ive been teaching for past 8yrs is a 3hr course (with allowed breaks)	8/17/2021 9:53 AM
3	The exam is not included in classroom hours. It's in addition to classroom hours.	8/10/2021 11:26 AM
4	Expand the course material, provide additional real life examples and have more time for Q&A.	7/30/2021 2:15 PM
5	More breakout discussions, time for wrap up and questions. In some classes adding to the material.	7/30/2021 11:24 AM
6	All time is currently used adequately for teaching and educating the students placing additional time in a class is not advantageous when they're already three hours long	7/29/2021 5:13 PM
7	Additional information/question and answer period/a better summary of the course presented.	7/29/2021 4:34 PM
8	I could expand on so many topics. I could use 5 hours to teach my class!	7/29/2021 3:54 PM
9	I have been having the exam done AFTER the completion of the course, so the exam actually is extending my course beyond the instructional hours	7/29/2021 3:03 PM
10	With more and better content.	7/29/2021 2:50 PM
11	We have not included the exam as part of the overall instruction time in a virtual class. The course outline for a virtual class is the same as the "in-person" course outline with the exam being administered following the class.	7/29/2021 2:44 PM
12	I would use the allotted time as a course review, with a questions and answer session.	7/28/2021 10:53 AM
13	Not applicable	7/28/2021 10:27 AM
14	Additional content, time for questions, discussion time	7/28/2021 8:17 AM
15	We do not include the exam time in calculating course time. Our courses are classroom courses that we adapted for synchronous DE by adding the exam component. The course is the same as if they were in the classroom.	7/28/2021 7:23 AM
16	We do the exams after class is done, for most of them. For any that have it built into the class, would be replaced with additional course information.	7/27/2021 4:34 PM

Q6 If the exam requirement for synchronous DE courses is removed, the school will be required to meet certain requirements to certify attendance, participation, and ultimately that learning occurred in the course. These requirements could include capped class sizes, a moderator, interactivity, and students fully present on a video camera. Are you prepared to enforce requirements such as these? Why or why not?

Answered: 16 Skipped: 0

#	RESPONSES	DATE
1	Absolutely!! We enforced these requirements last year on our own. I wanted to ensure students were engaged, paying attention and most importantly: LEARNING! The one requirement above that I would be cautious of are the cameras. If everyone in class has there cameras on, it can slow down the feed for the instructors slides, videos being shows, etc. I would recommend check ins before and after breaks were they have to turn there cameras on to show their faces. Matter of fact, when we didn't this last year, we were in a webinar format so the instructor and moderator couldn't even see attendees cameras if they had them on (we could see participants, allow them to unmute to ask questions and use chat...everything but cameras).	8/19/2021 8:22 AM
2	yes, I would enforce requirements as required	8/17/2021 9:53 AM
3	Yes. We have incooperated many tech upgrades to include video camera monitoring of DE attendees, designated a staff member to be sole moderator for DE classes, as well as utilizing additional learning plaform resources.	8/10/2021 11:26 AM
4	Yes our school is. We are staffed to do so and we have invested in the technology to make all of that happen!	7/30/2021 2:15 PM
5	Yes because we use someone other than the instructor to monitor now. I don't like the cap on class sizes. I think it would be better to require a proctor/monitor for every so many attendees rather than a cap.	7/30/2021 11:24 AM
6	Yes these are all requirements that could be met even tracking with the mouse could be instituted or tracking with the facial recognition on the face and camera	7/29/2021 5:13 PM
7	If the technical/IT parts were set up correctly it can really create even more energy to add to the class. Yes of course I would be willing to do it. I also teach at the local community college. We have been doing the noncredit courses by Zoom for about a year now. It has allowed a wider audience than the in person class. I have even suggested that when we go back to in-person classes that they consider doing a hybrid of in person and virtual.	7/29/2021 4:34 PM
8	Yes. It is very important to me that the lessons I offer are learned by every single real estate agent and appraiser.	7/29/2021 3:54 PM
9	Yes. Already doing so for our classes per similar requirements in other states such as Tennessee	7/29/2021 3:03 PM
10	Absolutely. If they don't have a working mic and camera and are not interacting with the instructor the will not receive credit. As I stated we have 5 monitors as well as a proctor to enforce attendance and participation.	7/29/2021 2:50 PM
11	Absolutely.	7/29/2021 2:44 PM
12	Yes, I would. I have my students certify attendance by putting their names and email in the chat box. I also require them to be present on the video camera as well. My students also participate during discussion and review questions built into the courses.	7/28/2021 10:53 AM
13	Yes we are prepared for any requirements requested upon our organization in regards to courses.	7/28/2021 10:27 AM

14	Yes, these are all reasonable requirements and ones that we already do in other states.	7/28/2021 8:17 AM
15	Our system is integrated with Zoom webinar, which reports attendance (log in and out times) back to our system. We also require students to have access to their webcams, be willing to turn them on and participate. We have mini quizzes in some courses. Our system can also limit attendance if that is something the state would mandate - for example, CO is limited to 50 students at a time without a second instructor or moderator. Identity verification is through the registration process and the link they receive from our system. Their links are unique to each person, and can only allow the registrant to access the course.	7/28/2021 7:23 AM
16	Yes	7/27/2021 4:34 PM

Q7 What requirements do you believe should be in place for synchronous DE courses that differ from in-person or distance education courses?

Answered: 15 Skipped: 1

#	RESPONSES	DATE
1	The above are great. We still had regular breaks and the students had to complete a poll and put their name into the chat to "check back in" after the break. By doing so, it allows us to capture their names with a timestamp.	8/19/2021 8:22 AM
2	as required with national CE mortgage credits; all those courses require active participation by comments/questions during course and keyboard inactivity.	8/17/2021 9:53 AM
3	Requirements as stated in question #6 should be included.	8/10/2021 11:26 AM
4	If the class is monitored so all are visibly present, as I believe it should be, then I do not believe there should be any additional requirements than that of an in-person class.	7/30/2021 2:15 PM
5	You should require all students to be on camera for the entire class.	7/30/2021 11:24 AM
6	I do think having a moderator to help with IT/technical issues that arise is important. Great technology will make the whole process smoother and more professional. I totally agree that the instructor needs to be comfortable and attentive to online questions/interactions so the virtual attendees feel like they are able to fully participate.	7/29/2021 4:34 PM
7	Having never taught one, I'm really not sure yet.	7/29/2021 3:54 PM
8	Nothing specific	7/29/2021 3:03 PM
9	An equipment test 15 minutes prior to the course to assure mic and cameras are working properly and participation can occur.	7/29/2021 2:50 PM
10	The requirements stated in the above question 6. should be in place for synchronous DE courses.	7/29/2021 2:44 PM
11	That the students fully be present during class on the video camera and sign into the chat box.	7/28/2021 10:53 AM
12	I do not have any requirements that I can think of at this time that are not already in place.	7/28/2021 10:27 AM
13	All of the requirements listed in #6 above.	7/28/2021 8:17 AM
14	As long as the LMS is capable of the verifications (attendance, identity, etc.), there shouldn't be anything different from an in-person course. For true DE courses, as in video or click-through type courses, exams (final or incremental) should remain.	7/28/2021 7:23 AM
15	Ensuring students are present for 100% of class and on camera. Moderator to help ensure this happens and student questions are answered. Have rule students must not be doing other things while attending...driving, showing houses, talking on phone, shopping and such.	7/27/2021 4:34 PM

86-1-10. Approved courses of instructions; procedure. (a) Definitions. Each of the following terms, as defined in this subsection, shall apply to K.A.R. 86-1-10 through K.A.R. 86-1-12 and K.A.R. 86-1-17:

(1) "Commission" means Kansas real estate commission.

(2) "Coordinator" means an individual who serves as the primary contact for a school and is responsible for complying with the requirements in this regulation.

(3) "Course" means instruction designed to fulfill the education requirements of K.S.A. 58-3046a, and amendments thereto.

(4) "~~Asynchronous~~ distance education course" means a course for which the school provides ~~self-paced instructional materials~~ by mail or electronic transmission to students who are physically separated from the instructor for all or a portion of the course.

(5) "In-person education course" means a course provided to students who are not physically separated from the instructor.

(6) "Monitoring" means review of approved courses by commission staff to ensure that the attendance, presentation platform, instruction time, outline, and materials provided by schools meet the requirements of the commission.

(7) "School" means an entity eligible under K.S.A. 58-3046a(g), and amendments thereto, to offer courses approved by the commission.

~~(A8)~~ "Synchronous distance education course" means a course for which the school provides live instruction in real time by electronic transmission to students who are physically separated from the instructor for all of the course.

(b) Request for course approval. Each school seeking commission approval of a course shall submit the following information to the commission at least 45 days before the first scheduled class session:

(1) A completed course approval application obtained from the commission;

(2) a copy of all course materials, including textbooks, student workbooks, and examinations with answers;

(3) the total number of sessions, sections, or modules;

(4) the duration of each session, section, or module;

(5) the total number of requested hours for the course;

(6) the course objectives and a detailed course outline; and

(7) the course approval fee prescribed by K.A.R. 86-1-5.

(c) Additional course approval requirements for asynchronous distance education courses.

(1) In addition to meeting the requirements of subsection (b), each school requesting approval of an asynchronous distance education course shall submit the following information:

(A) The means to access the [asynchronous](#) distance education course as it will be offered to students;

(B) evidence of sufficient information technology support to enable students to complete the [asynchronous](#) distance education course;

(C) documentation on how the [asynchronous](#) distance education course will require active participation by each student and substantial interaction between the students and the instructor, other students, or a computer program; and

(D) evidence that the system used for testing students will scramble questions and items for any quizzes or examinations to ensure a random presentation.

(2) Each [asynchronous](#) distance education course certified by the association of real estate license law officials shall be presumed to meet the requirements in paragraph (c)(1).

(3) Each school offering an [asynchronous](#) distance education course approved by the commission under K.S.A. 58-3046a(e) or K.S.A. 58-3046a(f), and amendments thereto, shall require each student to answer at least 10 quiz or examination questions per credit hour.

(4) Each school offering an [asynchronous](#) distance education course approved by the commission under K.S.A. 58-3046a(a), K.S.A. 58-3046a(b), K.S.A. 58-3046a(c) or K.S.A. 58-3046a(d), and amendments thereto, shall require each student to answer at least 50 quiz or examination questions.

(5) Each school shall issue a certificate of completion of each [asynchronous](#) distance education course approved by the commission to meet any requirement of K.S.A. 58-3046a, and amendments thereto, to each student who has answered at least 90 percent of the quiz or examination questions correctly during the distance education course.

[\(d\) Additional course approval requirements for synchronous distance education courses.](#)

[\(1\) In addition to meeting the requirements of subsection \(b\), each school requesting approval of a synchronous distance education course shall submit the following information:](#)

[\(A\) The means to access the synchronous distance education course as it will be offered to students;](#)

[\(B\) evidence of sufficient information technology support to enable students to complete the synchronous distance education course;](#)

[\(C\) documentation on how the synchronous distance education course will require active participation by each student and substantial interaction between the students and the instructor, other students, or a computer program;](#)

[\(D\) documentation on how the school will require students to have a functional video camera and be present on camera at all times;](#)

[\(E\) documentation on how the school will require students to be actively engaged in the course at all times without distractions; and](#)

(F) evidence of no more than 30 students in a course unless an additional moderator is assisting with the monitoring of students.

(2) Each synchronous distance education course certified by the association of real estate license law officials shall be presumed to meet the requirements in paragraph (d)(1).

(ed) Instructors. Each school coordinator shall be responsible for ensuring that the school's instructors have the specialized preparation, training, and experience in the subject matter to be taught to ensure competent instruction.

(fe) Changes to an approved course.

(1) Except as provided in paragraph (fe)(2), each school shall submit a new application for course approval under subsection (b) if there is any significant change to the course content, outline, objectives, or presentation platform for an approved course.

(2) A school shall not be required to submit a new application for course approval under subsection (b) if any of the following changes:

(A) The coordinator;

(B) the location of the school; ~~or~~

(C) the course title; ~~or~~

(D) the course schedule.

(3) Each school shall submit notification to the commission of each change described in paragraph (fe)(2) at least ~~15-5~~ days before the change is scheduled to occur.

(4) Each school shall submit notification to the commission at least 15 days before the discontinuation of any course or the intent to close the school.

(gf) Registration of approved courses; application for renewal.

(1) The registration of courses approved by the commission shall expire on January 31 of each year. Each application to renew the approval of a course shall be submitted on a form provided by the commission.

(2) Each application to renew approval of a course received after the expiration date shall require the submission of a new application for approval pursuant to subsection (b).

~~This regulation shall be effective on and after July 1, 2020.~~ (Authorized by K.S.A. 2019 Supp. 58-3046a and K.S.A. 2019 Supp. 74-4202; implementing K.S.A. 2019 Supp. 58-3046a; effective, T-83-32, Oct. 25, 1982; effective May 1, 1983; amended May 1, 1984; amended, T-86-31, Sept. 24, 1985; amended May 1, 1986; amended, T-87-32, Nov. 19, 1986; amended May 1, 1987; amended Jan. 29, 1990; amended July 16, 1990; amended Nov. 17, 1995; amended Dec. 14, 2001; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; amended July 1, 2020; amended XX, XX, 2024.)

MEMO



DATE: April 8, 2024
TO: KREC Commission Members
FROM: Amber Nutt, Director of Education and Communication
RE: Standard Setting Cut Score Recommendation

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

At the December 4, 2023 meeting the Commission approved changes to the exam content outline for Kansas salespersons and brokers (memo attached). Any changes to the exam content outline require a new standard setting review with Pearson VUE.

On March 4, 2024 Pearson VUE met with six subject matter experts (SMEs) to review the cut score for the salesperson and broker state exams. The cut score is the number of questions that a minimally competent candidate for licensure should get right on the licensing exam. The SMEs reviewed a 30-item test for salespersons and a 40-item test for brokers aligned to the respective content outlines. The meeting used the Bookmark standard setting procedure. The last standard setting for Kansas was in October 2017.

Based on the opinions of the SMEs, the legally defensible range for cut scores should result in a pass rate between 44% to 89% for the broker exam and 64% to 78% for the salesperson examination (report attached).

When considering the estimated pass rates, Pearson VUE recommends looking at the difference between the current and the recommended pass rates. If the Commission chooses to approve the recommended pass rates, for Sales you would expect to roughly see a 7% increase and for Broker an 11% decrease in pass rates for the state portion only.

In summary, acceptance of the recommended cut scores would make the salesperson exam easier and the broker exam more difficult. The passing standard approved by the Commission will be applied to one or both exams beginning with the next release of new test forms, depending on the Commission's decision. The current and recommended cut scores fall within defensible ranges for both exams. The Commission may also choose to take no action.

Historical information – standard setting in October 2017

For Broker:

- Current cut score – .77 cut score/ 96% pass rate
- **Recommendation – 1.72 cut score / 81% estimated pass rate** → Decided on Passing Standard -2 SEMs - 1.60 cut score / 86% estimated pass rate

For Sales:

- Current cut score – 1.64 cut score/ 79% pass rate
- **Recommendation – 1.95 cut score / 65% estimated pass rate** → Took no action

Currently, standard setting in March 2024

For Broker:

- Current cut score – 1.60 cut score/ 73% pass rate
- **Recommendation – 1.79 cut score / 62% estimated pass rate**

For Sales:

- Current cut score – 1.64 cut score/ 64% pass rate
- **Recommendation – 1.52 cut score / 71% estimated pass rate**

Exam Performance Summary by Fiscal Year (FY20-FY24) - State Exam Only															
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	206	163	79%	43	21%	60	50	83%	10	17%	266	213	80%	53	20%
Salesperson	1,617	1,328	82%	289	18%	409	283	69%	126	31%	2,026	1,611	80%	415	20%
FY2021															
Broker	129	107	83%	22	17%	27	19	70%	8	30%	156	126	81%	30	19%
Salesperson	2,512	1,927	77%	585	23	850	539	63%	311	37%	3,362	2,466	73%	896	27%
FY2022															
Broker	160	138	86%	22	14%	33	23	70%	10	30%	193	161	83%	32	17%
Salesperson	2,052	1,548	75%	504	25%	836	467	56%	369	44%	2,888	2,015	70%	873	30%
FY2023															
Broker	157	127	81%	30	19%	44	32	73%	12	27%	201	159	79%	42	21%
Salesperson	1,744	1,324	76%	420	24%	669	392	59%	277	41%	2,413	1,716	71%	697	29%
FY2024 (July 2023 - Feb 2024)															
Broker - KS	98	79	81%	19	19%	47	21	45%	26	55%	145	100	69%	45	31%
Salesperson - KS	1,052	798	76%	254	24%	421	256	61%	165	39%	1,473	1,054	72%	419	28%

Possible Motion: <NAME> moves changing the cut score to a projected ____ pass rate for brokers and ____ pass rate for salespersons.

MEMO



DATE: December 4, 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
www.krec.ks.gov

A summary on updates to the course and exam content outlines for salespersons was presented to the Commission at the July 31, 2023 meeting (memo follows).

On October 25-26, 2023, Pearson VUE, Subject Matter Experts (SME's), and KREC staff reviewed the current Kansas state exam content outline for salespersons and brokers (outline follows) at the Test Development and Item Writing meeting. Based on discussion, KREC staff is proposing the following changes to the state exam content outline (draft follows):

- Section I. A. - Replace "membership" with "Commission members" to help alleviate any confusion with membership to an association.
- Section II. G. – Add *Supervision of affiliated licensee* to address issue of salespersons not understanding who the supervising broker is. Section VI. D. *Broker Supervision of primary office and branch offices* is broker-only and focuses on duties of the supervising broker. The intent of this section is to increase education for salespersons on their affiliation to a supervising broker.
- Section VI. - Pull "broker-only" topics from within the outline and organize them into their own section to help clear up confusion on which topics are required for salespersons and brokers.
- Update weighted sections for broker items as recommended by Pearson VUE.

Approval today of proposed changes to the exam content outline will allow Pearson VUE to move forward. Changes to an exam content outline require a new standard setting. Pearson Vue will meet with SME's and KREC staff in early 2024 to review the cut score for the salesperson and broker exams. The cut score is the number of questions that a minimally competent candidate for licensure should answer correctly on the examination. Results of the standard setting meetings will be presented to the Commission for consideration at the April 2024 Commission meeting. Pearson anticipates a go-live date to follow.

Possible Moton: <NAME> moves the Commission approve proposed changes to the exam content outline for Kansas salespersons and brokers.

Additionally, KREC staff recommends updating the Principles of Real Estate course outline to align with the Pearson VUE general and state content exam outlines. A draft outline for Principles of Real Estate will be presented to the Commission for possible approval at the meeting on January 24, 2024 (preview follows). 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. KREC staff will reach out to approved school coordinators for feedback on the draft course outline. Any feedback may be emailed to kreceducation@ks.gov.



Pearson

Kansas Real Estate Salesperson and Broker

Standard Setting Cut Score Recommendations
March 2024

Prepared by:
Pearson VUE
March 2024

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Six subject matter experts (SMEs) took part in the Kansas Real Estate virtual standard setting meeting for the state-specific Salesperson and Broker exams on March 4th, 2024. The passing standard approved after this meeting will be applied to these exams beginning with the next release of new test forms. The meeting used the Bookmark standard setting procedure. The SMEs reviewed a thirty-item test form for Salesperson and a forty-item test form for Broker aligned to the respective content outlines. Additional details of the process and results of the standard setting meeting will be provided in a subsequent technical report.

Table 1 presents the possible passing standards (logit cut scores) for Salesperson based on the ratings from the SMEs who participated in the standard setting meeting. Table 2 presents the same information for the Broker exam. The average bookmark rating across all SMEs is presented as the committee-recommended cut score. Because judges' ratings fluctuate, the average bookmark rating would fluctuate given another set of SMEs. Therefore, along with the mean rating of the group, confidence intervals of 1 and 2 standard errors of the mean (SEM) are presented for consideration. If groups of SMEs were given the same training and led through the same process, confidence intervals based on one, and two SEMs would capture the overall mean rating across all prospective SMEs 68% and 95% of the times, respectively. Any logit cut score within these confidence intervals would be defensible as the passing standard. Ultimately, it is the client's decision to accept the committee's recommended logit cut or choose an alternative defensible logit cut score.

The estimated percent passing based on data from 2/1/2023 to 8/3/2023 are also included in the tables for reference. Pass rates after the implementation of the new passing standard may fluctuate due to changes in the testing population.

For the Salesperson exam, the committee recommended a logit cut of 1.52 which is easier than the current logit cut of 1.64. The estimated percent passing, 71%, is higher than the current percent passing, 64%.

Table 1. Range of Defensible Logit Cut Scores for Salesperson

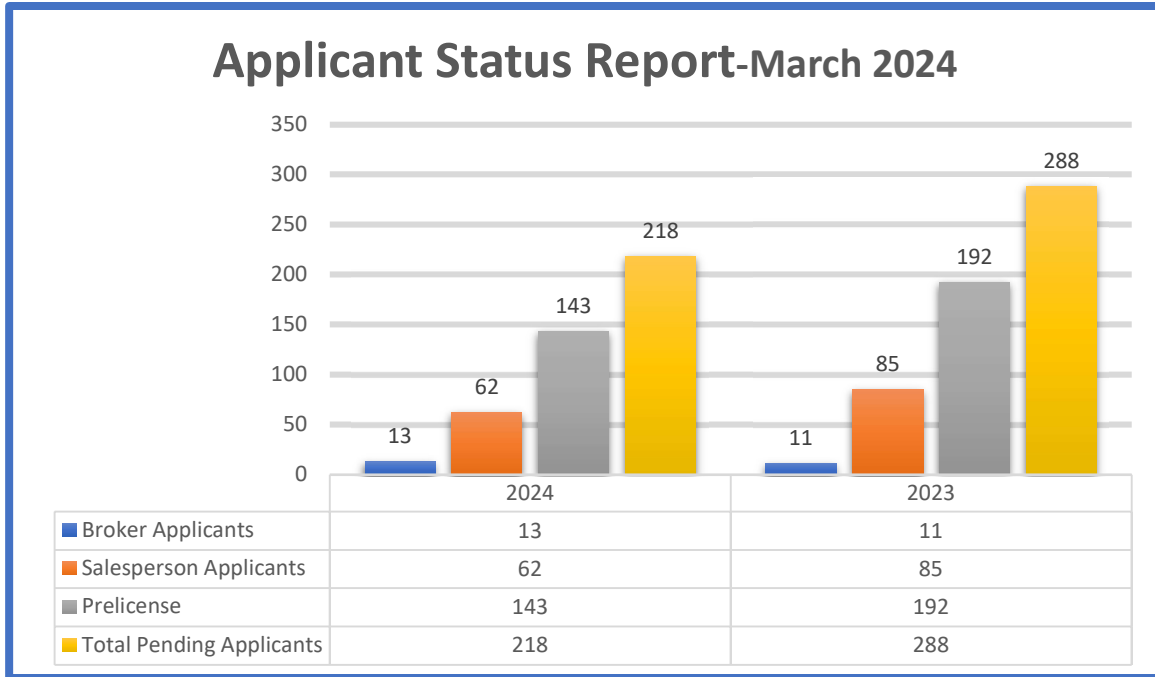
Cut Scores	Logit Cut Score	Estimated Percent Passing
Recommendation – 2 SEM	1.36	78%
Recommendation – 1 SEM	1.44	76%
Committee Recommendation	1.52	71%
Recommendation + 1 SEM	1.60	69%
<i>Current Cut Score</i>	<i>1.64</i>	<i>64%</i>
Recommendation + 2 SEM	1.68	64%

For the Broker exam, the committee recommended a logit cut of 1.79 which is more difficult than the current logit cut of 1.60. The estimated percent passing, 62%, is lower than the current percent passing, 73%.

Table 2. Range of Defensible Logit Cut Scores for Broker

Cut Scores	Logit Cut Score	Estimated Percent Passing
Recommendation – 2 SEM	1.22	89%
Recommendation – 1 SEM	1.50	80%
<i>Current Cut Score</i>	<i>1.60</i>	<i>73%</i>
Committee Recommendation	1.79	62%
Recommendation + 1 SEM	2.07	55%
Recommendation + 2 SEM	2.36	44%

LICENSING REPORT

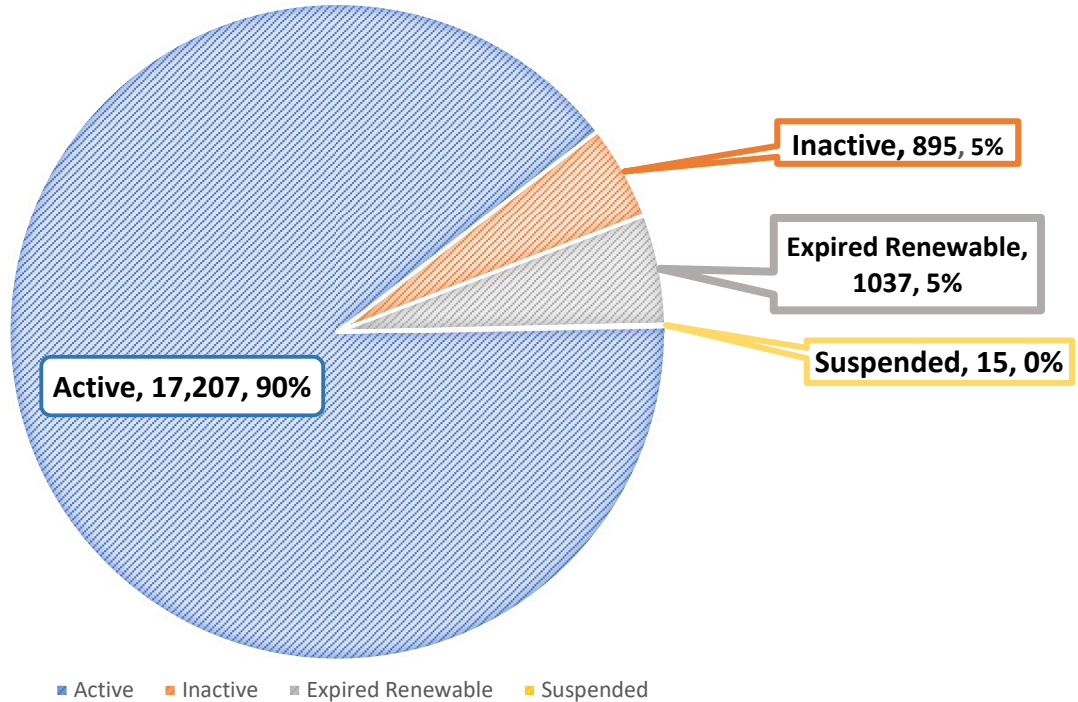


TRENDS

Overall decrease of 70 applicants compared to March 2023

- **Broker Applicants: +2**
- **Salesperson Applicants: -23**
- **Prelicense Applicants: -49**

LICENSE TOTAL REPORT-MARCH 2024



Total of **19,155** licensees; *this is a decrease of 109 licenses compared to March 2023*

- **17,207 Active Licenses** (13,863 Salesperson, 3,344 Broker; ↓ 64 from prior year)
- **895 Inactive Licenses** (841 Salesperson, 54 Broker; ↓ 9 from prior year)
- **1,037 Expired Renewable Licenses** (934 Salesperson, 103 Broker; ↓ 39 from prior year)
- **15 Suspended Licenses** (11 Salesperson, 4 Broker; ↑ 5 from prior year)

OFFICE INFORMATION	
OFFICE TYPE	
COMPANY	BRANCH
2,253	210
OFFICE TOTAL: 2,463	

↓ 38 companies/branches compared to March 2023

COMPLIANCE REPORT

MEMO



DATE: April 8, 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 03/25/2024)

Complaints – See attached reports	FY24 YTD	FY23 YTD Comparison	Difference YTD
Complaints Logged	231	238	-3%
Open Complaints Under Investigation	54		
Oldest Open Complaint (not held for legal or I-Team)	09/07/2023		

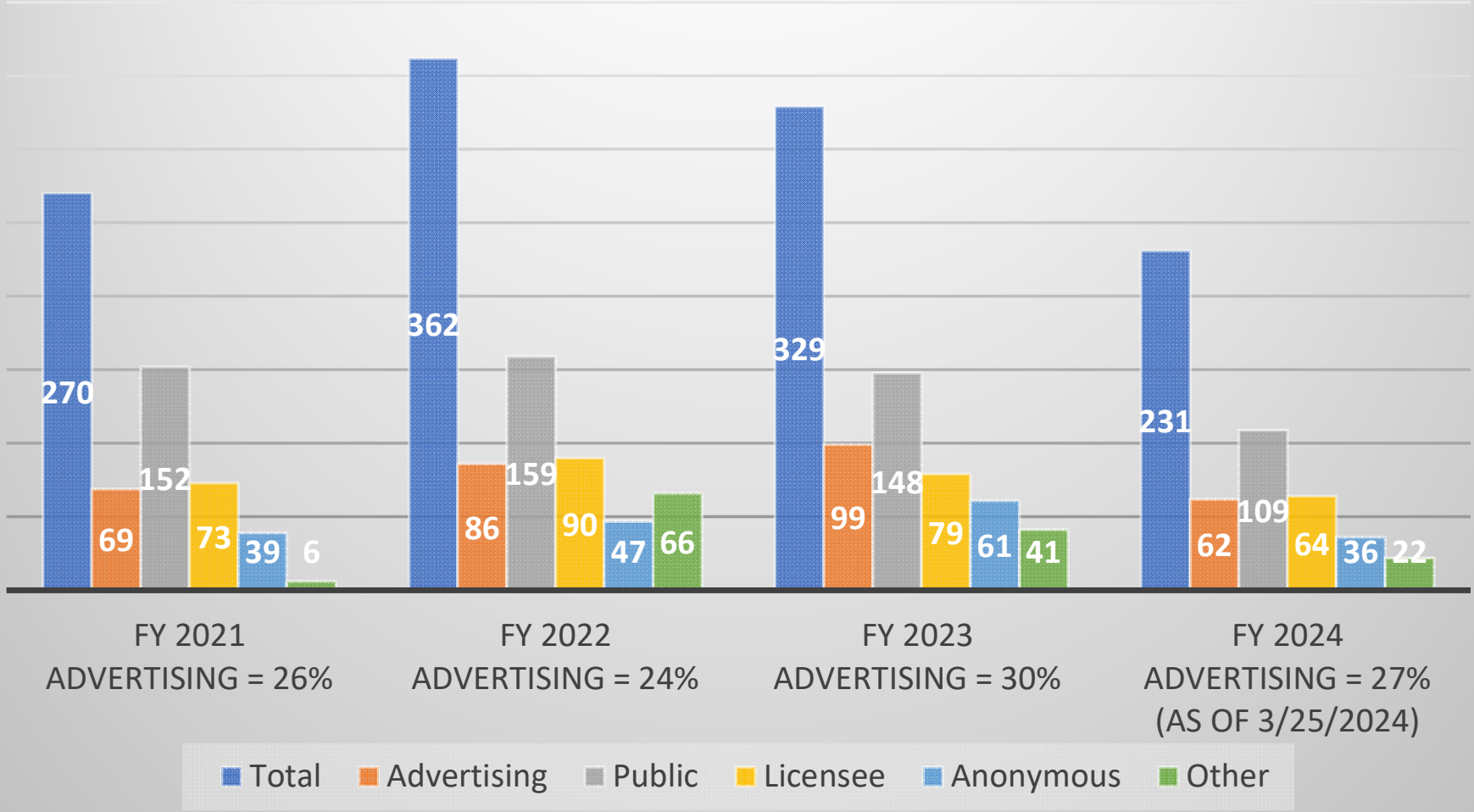
Compliance Reviews – See attached reports	FY24 YTD	FY23 YTD Comparison	Difference YTD
Compliance Reviews Complete	237	203	+17%
Additional Brokers with no transactions	161	139	+16%
Follow Up Compliance Reviews	52		
Follow Up with Repeat Violations	23%		
Follow Up with No Violations or Minor Violations	62%		

Legal Case Review	As of 03/25/2024	As of 01/01/2024
Oldest Disciplinary File Pending KREC Staff Review	08/18/2023	08/02/2023
Oldest Disciplinary File Pending AG Review (non-OAH)	08/28/2023	N/A

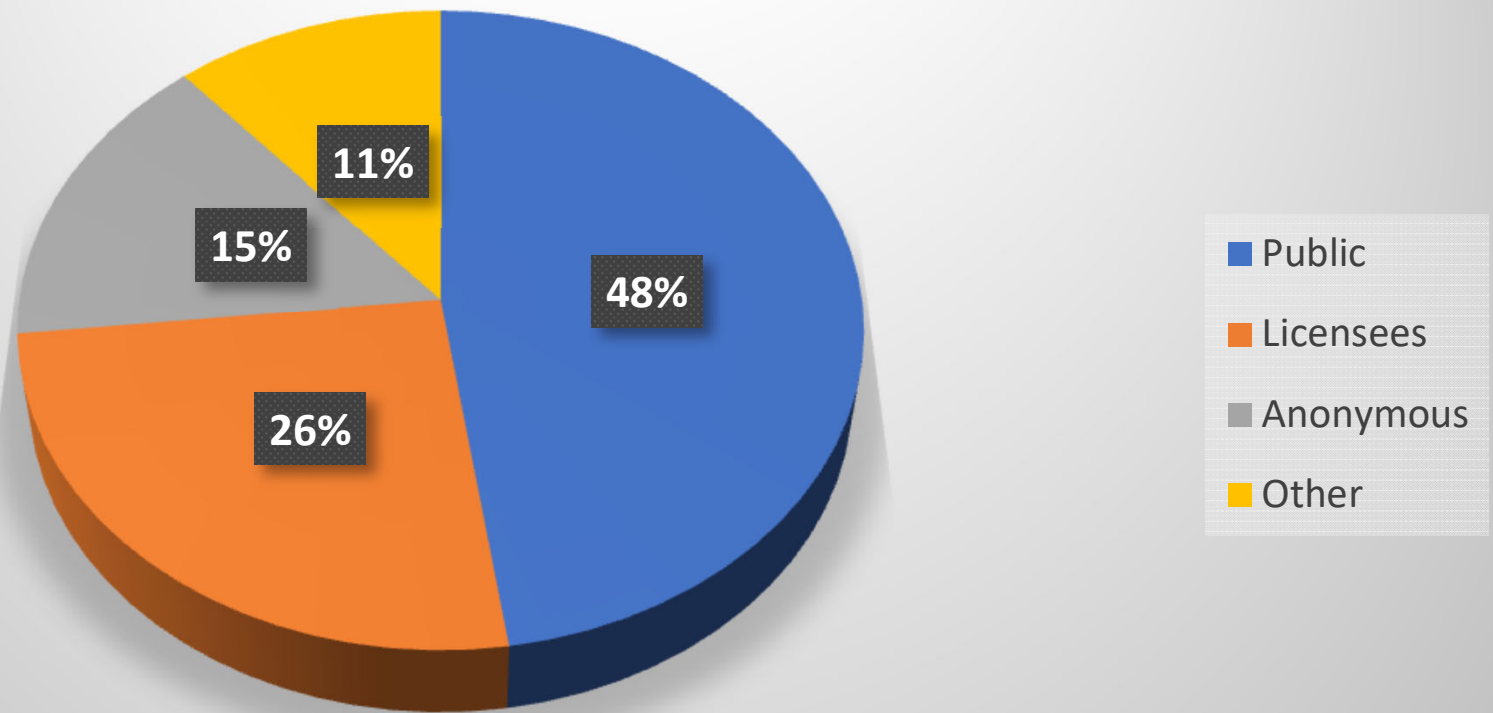
Miscellaneous

- Register of Deeds Property Notification System- See attached memo
- Proposed Changes to the Compliance Review Process – See attached memo
- Attorney General’s Demand Letter (redacted) – See attached memo and letter
- Compliance Course Attendees-See attached chart
 - Next scheduled dates: Broker Supervision- June 4, 2024 & August 28, 2024
BRRETA - May 7, 2024 & August 20, 2024

Complaint Data

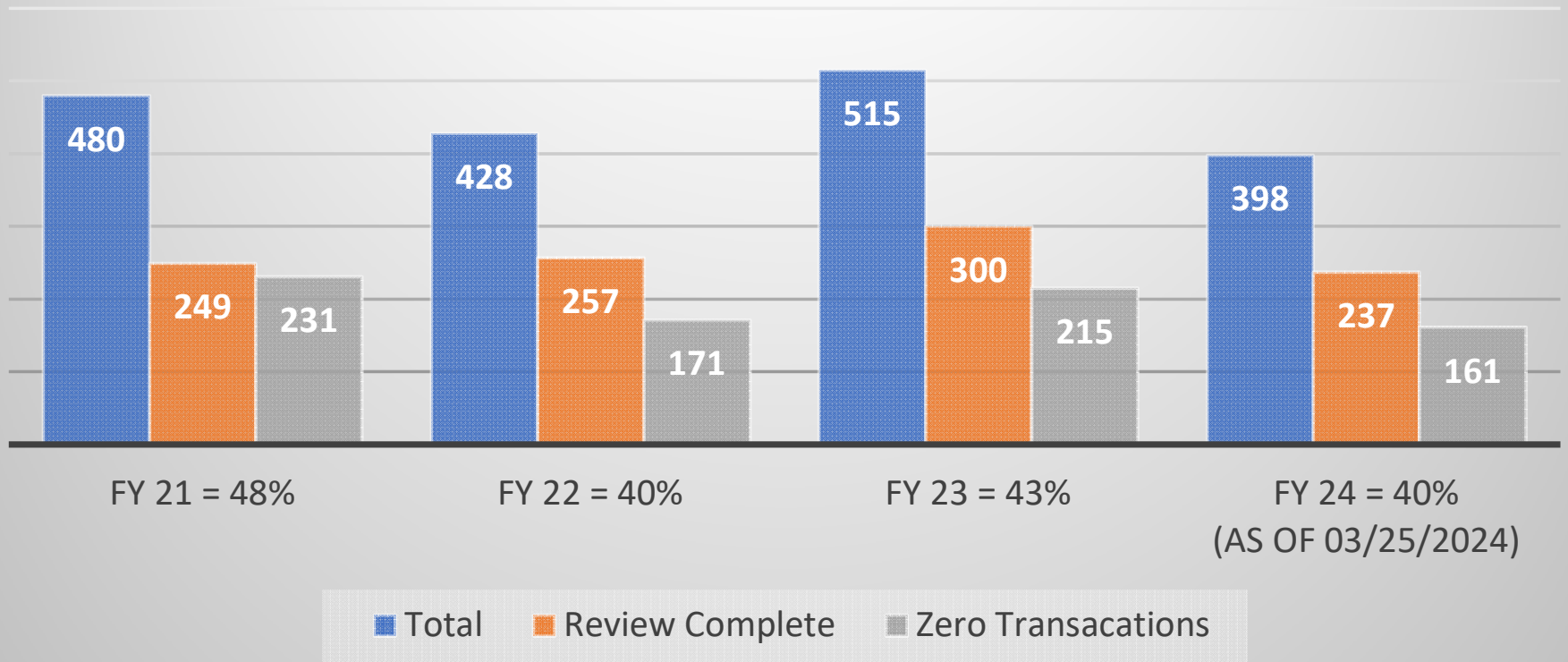


Complaint Source - FY 21 - FY 24



Compliance Reviews

(with percent of brokers reporting no transactions)



FY2024 Results of follow up compliance review

Updated: 03/25/2024

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	7	5		1	1			
January 2024	12	3	3	2	3		1	
February 2024	5	2	1	1			1	
March 2024	4	2				7	2	
April 2024								
May 2024								
June 2024								
Total	56	17	15	12	8		4	

Compliance Review Complete	56
Quality Control Review Needed	4
Total w/Confirmed Results	52
Total w/Confirmed Results	52
Files w/Repeat Violation	12
Percentage	0.2308

MEMO

DATE: April 8, 2024

TO: Kansas Real Estate Commission Members

FROM: Wendy Alkire, Deputy Director
Director of Compliance



Real Estate Commission

Jayhawk Tower

700 SW Jackson Street, Suite 404

Phone: 785-296-3411 Fax: 785-296-1771

krec@ks.gov

www.krec.ks.gov

Register of Deeds Property Notification Systems

At the January 24, 2024 Commission meeting, staff was asked about property notifications systems available for Kansas property owners through the Register of Deeds offices. These systems make property owners aware of documents filed in connection with their name such as liens, deeds, equitable interest, mortgages, etc.

On February 14, 2024, staff met with the Executive Board of the Kansas Register of Deeds Association (RDA). The RDA provided the following information:

- 27 out of 105 Kansas counties have this service available (*list provided below).
- The systems are not perfect and only send notices consistent with how the property owner signs up. The notifications are tied to the property owner's name not a specific property. For example, John T. Smith vs John Smith.
- Many counties do not have the computer software to support the property notification system nor the budget to implement it.
- Sending information on the service to property owners in the counties that do not have the service could cause an undue burden on the Registered of Deeds offices for those counties.
- This service is not referred to as a "fraud alert" because that would imply the notifications indicate fraud which many times the notifications are for legitimate documents.
- Notifications are sent after documents are filed. The service does not protect from fraud and the end result for fraudulent documents being filed is typically civil or criminal remedies.
- The counties that have the service want it to be used.
- This service is not well known because most Register of Deeds offices do not have a budget to advertise.

Staff is looking for guidance on how the Commission would like to move forward with the information we have on these property notification systems.

*Kansas Register of Deeds offices with property notification systems include Allen, Atchison, Chase, Cherokee, Crawford, Dickinson, Doniphan, Douglas, Ford, Gove, Jackson, Jefferson, Leavenworth, Linn, Lion, Miami, Montgomery, Ness, Republic, Riley, Saline, Sedgwick, Shawnee, Stafford, Thomas, Washington, and Wyandotte.

MEMO

DATE: April 8, 2024

TO: Kansas Real Estate Commission Members

FROM: Wendy Alkire, Deputy Director
Director of Compliance



Real Estate Commission

Jayhawk Tower

700 SW Jackson Street, Suite 404

Phone: 785-296-3411 Fax: 785-296-1771

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Proposed Changes to the Compliance Review Process

Prior to July 1, 2013, KREC conducted most compliance reviews in-person at the broker's office. As part of the FY14 budget cuts, KREC implemented a virtual compliance review program. The program includes a chart for the number of transactions reviewed based on the number of transactions the broker had in the past year. The chart is as follows:

<u>Transactions in 1 year period</u>	<u>Files audited</u>
1 – 10 transactions	All pending up to 2 and 0 or more closed (2 total)
11 – 25 transactions	All pending up to 4 and 1 or more closed (total of 5)
26 – 50 transactions	All pending up to 5 and 3 or more closed (total of 8)
51 – 75 transactions	All pending up to 7 and 3 or more closed (total of 10)
76 - 500 transactions	All pending up to 10 and 5 or more closed (total of 15)
501 – 1,000 transactions	All pending up to 15 and 10 or more closed (total of 25)
1,001 or more transactions	All pending up to 20 and 10 or more closed (total of 30)

Staff proposes a change to the number of files reviewed to be 10% of the broker's past year transaction total instead of using the chart. The number of files reviewed will be rounded up to the next whole number. The number of pending and closed files will not be a set amount, but random selection. The change to the number of files reviewed is proposed to simplify the process and to make the number of files consistent from broker to broker.

In addition, staff proposes a max number of files reviewed to be 20. Changing the max number of files reviewed from 30 to 20 is proposed to allow staff to complete more compliance reviews annually.

KREC's audit staff does not anticipate these changes to affect the quality of the compliance review program.

MEMO

DATE: April 8, 2024

TO: Kansas Real Estate Commission Members

FROM: Wendy Alkire, Deputy Director
Director of Compliance



Office of the Attorney General - Demand Letter

In January 2024, KREC staff was contacted by The Consumer Protection Division of the Kansas Attorney General's Office (AG). The AG's office had received a complaint regarding a real estate transaction and wanted to discuss with KREC the statutes and regulations pertaining to real estate licensed activity.

KREC staff explained to the AG's office the activities that require a license and KREC's jurisdiction. We further explained that KREC does not have authority over persons conducting licensed activity without a license.

The AG's office was concerned with the practices described in their complaint. The AG's office provided KREC with a redacted copy of the demand letter they sent to the respondent in their complaint and gave permission to staff to share the letter with the KREC Commissioners at our Commission meeting.

Some interesting information in the demand letter are as follows:

- The buyer filed an affidavit of equitable interest with the Register of Deeds office.
- The buyer had not paid the seller any payments, therefore the buyer did not have equitable rights in the property.
- A legal case was included as a footnote. In the prior legal case, the buyer paid 8% of the purchase price under a land contract and this was not considered a substantial payment entitling the buyer to an equitable right.

There there's no action needed by KREC at this time. The attached AG demand letter was provided for informational purposes only.



STATE OF KANSAS
OFFICE OF THE ATTORNEY GENERAL
CONSUMER PROTECTION AND ANTITRUST DIVISION

KRIS W. KOBACH
ATTORNEY GENERAL

MEMORIAL HALL
120 SW 10TH AVE., 2ND FLOOR
TOPEKA, KS 66612-1597
(785) 296-3751 • FAX (785) 291-3699
TOLL FREE IN KANSAS (800) 432-2310
WWW.INYOURCORNERKANSAS.ORG

February 1, 2024

[REDACTED]
[REDACTED]
[REDACTED], Kansas 66210

Sent via Certified Mail, Return Receipt Requested

[REDACTED]

RE: CP-23-003581
[REDACTED]

Dear [REDACTED]:

The Office of Attorney General (“OAG”) received a consumer complaint against [REDACTED] ([REDACTED]” or “you”) from [REDACTED] regarding possible violations of the Kansas Consumer Protection Act (“KCPA”), K.S.A. 50-623 *et seq.*, stemming from a mail solicitation and real estate purchase contract with you. You previously responded to the OAG’s request for a supplier response to the consumer’s allegations. Thank you for your cooperation; your continued cooperation is welcomed. This letter seeks to resolve this consumer’s complaint.

On or about November 3, 2023, [REDACTED] received a written “CASH OFFER” for her home located at [REDACTED] in amount of \$130,200.32.¹ The only condition written on the offer was an expiration of December 3, 2023.

Based on the written representations in your cash offer, Ms. [REDACTED] contacted you to ascertain more information about your written cash offer. On or about November 17, 2023, [REDACTED] sent [REDACTED], your Purchasing Manager who is not licensed² by the Kansas Real Estate Commission, to Ms. [REDACTED]’s residence to purchase real estate, offer to purchase real estate, or negotiate the purchase of real estate.³

Upon Ms. [REDACTED]’s request for the cash offer represented in your written offer, Mr. [REDACTED] ineffectively attempted to rescind the written cash offer. Instead, Mr. [REDACTED]—*for the first time*—advised of [REDACTED]’s undisclosed conditions to its written offer.

¹ Letter solicitation from ‘[REDACTED]’ to [REDACTED] (Nov. 3, 2023) (showing no conditions on the cash offer, except for an expiration date).

² See Licensee Details for [REDACTED], Kansas Real Estate Commission, https://licensing.ks.gov/verification_krec [REDACTED] (showing license number [REDACTED] for [REDACTED], expired as of Dec. 31, 2001). No other persons named ‘[REDACTED]’ have been licensed in Kansas.

³ See, generally, K.S.A. 58-3035(f) (defining the activities of a “broker” requiring licensure under Kansas law).

After touring Ms. [REDACTED]'s home, Mr. [REDACTED] went to his vehicle and returned to Ms. [REDACTED] with a new written offer to buy real estate on behalf of [REDACTED]. This written real estate purchase contract was an offer for \$105,000, representing a \$25,202.32 decrease in your original written offer. Ms. [REDACTED] signed the agreement on November 17, 2023.

Ms. [REDACTED] called Mr. [REDACTED] later on November 17, 2023—merely a few hours after signing—to advise she was cancelling the real estate purchase agreement. Despite Ms. [REDACTED]'s clear indication of cancelling the contract, [REDACTED] refused—and still refuses—to acknowledge Ms. [REDACTED]'s cancellation. Instead, [REDACTED] repeatedly misrepresented that Ms. [REDACTED] was unable to cancel the contract, which is in direct contradiction to the plain language of the real estate purchase contract.

By the plain language of the contract, Ms. [REDACTED] has the expressed and implied ability to cancel the contract. *See* Real Estate Purchase Contract, ¶ “DEFAULT” (Nov. 17, 2023) (stating “[i]f seller decides to cancel this agreement after enter (*sic*) into the agreement,” which is an explicit right held by the seller to cancel the agreement).

Despite Ms. [REDACTED] notifying you of the cancellation of the contract, [REDACTED] proceeded to file an “Affidavit of Equitable Interest” on November 21, 2023. [REDACTED] had no legal authority to file such affidavit after Ms. [REDACTED] cancelled the contract.

To date, Ms. [REDACTED] has received no payments from [REDACTED]. Therefore, among many other reasons, [REDACTED] does not have any equitable rights whatsoever in Ms. [REDACTED]'s residential property.⁴ The time and money you expended or anticipated relating to this contract does not create or extend any legal or equitable right to Ms. [REDACTED]'s property.

The Office of Attorney General is tasked with enforcing the Kansas Consumer Protection Act, which is liberally construed to protect Kansas consumers from the deceptive and unconscionable practices of suppliers. K.S.A. 50-623. [REDACTED] may have violated the KCPA as follows:

- The willful use, in any oral or written representation, of exaggeration, falsehood, innuendo or ambiguity, in violation of K.S.A. 50-626(b)(2);
- The willful failure to state a material fact, or the willful concealment, suppression or omission of a material fact, in violation of K.S.A. 50-626(b)(3);
- The supplier took advantage of the inability of the consumer to reasonably protect the consumer's interests because of the consumer's physical infirmity, ignorance, inability to understand the language of the agreement, or similar factor, in violation of K.S.A. 50-627(b)(1); and
- The consumer was unable to obtain a material benefit from the transaction, in violation of K.S.A. 50-627(b)(3).

This itemization is not an exhaustive list of your possible KCPA violations. Violation of the KCPA may subject you to civil penalties of up to \$10,000 per violation. K.S.A. 50-636(a). Because [REDACTED] is a “protected consumer” under K.S.A. 50-676(g), you may be subjected to enhanced civil penalties of up to an *additional* \$10,000 per violation. K.S.A. 50-677. If the OAG were to litigate this matter, the OAG would seek the maximum penalties permitted by Kansas law.

⁴ *See, e.g., Dallam v. Hedrick*, 16 Kan. App. 2d 258, 826 P.2d 511 (1990) (buyer who paid only 8% of purchase price under land contract had not made a “substantial payment” entitling the buyer to an equitable right).

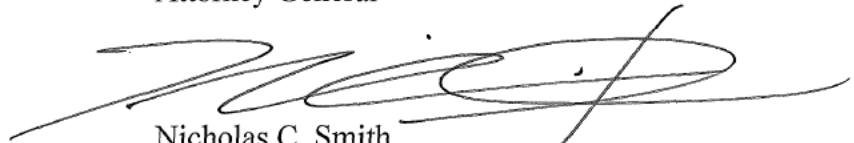
Ms. [REDACTED] is entitled to be placed back in her original position prior to the signing of the deceptive and unconscionable real estate purchase contract, which means Ms. [REDACTED] is entitled to be released from the cancelled contract without any monetary penalty. [REDACTED] is not entitled to recoup any title charges, inspection costs, lost fees, projected profits, services costs, or appraisal costs from Ms. [REDACTED] because the real estate purchase contract is deceptive and unconscionable under the KCPA on its face, among other reasons.

In lieu of litigating this consumer complaint, the OAG is willing to resolve this individual consumer complaint upon your acknowledgment of Ms. [REDACTED]'s cancellation of the real estate purchase contract and your complete release of any claimed legal or equitable interests in Ms. [REDACTED]'s home. The OAG demands you promptly file a release of interests with the Wyandotte County, Kansas Register of Deeds to effectuate your release of claims against Ms. [REDACTED]'s property.

Please provide a written acknowledgment of Ms. [REDACTED]'s cancellation of the real estate purchase contract, and provide documentation to show your release of interest was filed with the Wyandotte County Register of Deeds to the undersigned no later than March 1, 2024. If we are unable to reach a resolution in this matter, the OAG may proceed with a more in-depth investigation into your business practices or litigate this matter. Your prompt attention and cooperation is appreciated.

Conduct yourself accordingly,

KRIS W. KOBACH
Attorney General



Nicholas C. Smith
Assistant Attorney General
Consumer Protection Section

cc:

[REDACTED]

via Regular U.S. Mail

[REDACTED]

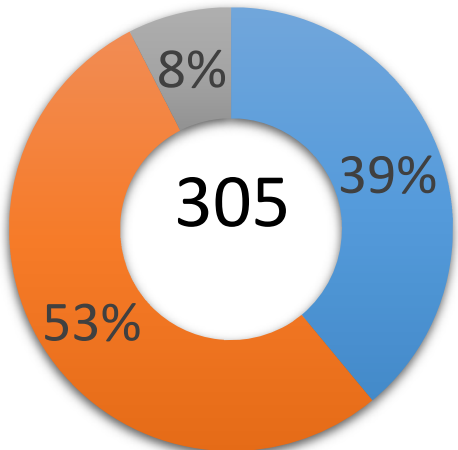
via Electronic Mail only

Compliance Course Attendance

FY 20 - FY 24

(as of 03/25/2024)

■ Required ■ Volunteer ■ Other



* Participants attending both courses are counted twice in the total

Compliance Course Attendance				
	Required	Volunteer	Other	Total
Broker Supervision	36	84	13	133
BRRETA	83	79	10	172
Total	119	163	23	305

DIRECTOR'S REPORT

MEMO



DATE: April 8, 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 February 28, 2024 is \$1,491,328 up \$79k for FY24.
 - Revenue. Real estate fee fund receipts for FY24 are \$908,499. This is 3% higher than estimates but \$40k less in revenue for the same date last year. KREC reached the \$100,000 cap on transfers to the state general fund in March so all remaining FY24 revenue will go to the real estate fee fund.
 - Expenditures. Real estate fee fund expenditures for FY24 are \$808,453. This is 5% lower than original estimates.
- Background investigation fee fund receipts for FY24 are \$67,080. Real estate recovery fund receipts for FY24 are \$16,070.
- FY24-25 Budget Submission.
 - The KREC budget has been approved by both the Senate and House committees with no amendments. The Governor proposed a 5% pay increase for all state employees in FY25

Legislative and Policy Issues

- Legislative Update
 - [HB 2101](#) (was HB 2598) – Contract for Deed/KREC Cease and Desist Authority (pending review by full Senate)
 - [HB 2745](#) - Exempting Military Spouses of Active Military Service Members from All Fees (enrolled and pending review by Governor)
 - [SB 491](#)- KBI Fingerprint Cleanup Bill (enrolled and pending review by Governor)
 - Bill Tracking Spreadsheet (Attached).
- Policy Update
 - KBI Fee Increase (*Require a motion to move forward with increasing the fee collected to pass through to the KBI*).

- Licensing System Update. *The go-live date needs to be extended by 60 days due to delays with data conversion and automation development. Below are estimates of revised dates for major milestones. Dates in red not confirmed.*
 - Validation of Data Conversion and Automation (SME) ~~Feb-Mar~~ **April**
 - User Acceptance Testing (All staff) ~~April~~ **Mid-May to Mid-June**
 - Final User Training ~~Mid-May~~ **Mid-July**
 - Cutover to New System ~~Jun 6-10~~ **Aug 8-12**
 - Go-Live ~~Jun 11~~ **Aug 13**

Dates and Events

- **2024 Commission Meeting Tentative Dates (via Zoom or at Commission Conf Room unless noted)**
 - Jun. 17
 - Aug. 26
 - Nov. 18
- **Staff Presentations**
- **Other Events**
 - Apr. 16-18 - ARELLO Mid-Year Conference (New Orleans, LA)
 - May 4-9 - NAR Legislative Conference (Washington DC)
 - Aug 7-8 – ARELLO Legal Conference (Indianapolis, IN)
 - 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)

Real Estate Commission (Fund 2721) Cash Balance Report

For the Year Ending
Cash at Beginning of Year

6/30/2024

\$ 1,412,486.76

Revenue

CLERICAL SERVICES	\$	144.00		
LICENSE PERSONAL SERVICES	\$	(450.00)		
LICENSE BUSINESS SERVICES	\$	880,402.00		
OTHER FINES PENALTIES FORFEIT	\$	22,243.47		
OTHER NON REVENUE RECEIPTS	\$	6,160.00		
TOTAL REVENUE		908,499.47	\$	908,499.47

Expenditures

Salaries & Wages	\$	620,773.71		
Contractual Services	\$	183,969.76		
Commodities	\$	908.16		
Capital Outlay	\$	2,801.82		
TOTAL EXPENDITURES		808,453.45	\$	808,453.45

Net Total Transfers				
Less Acct. Pay	\$	(11,900.73)		
Less Prior FY Expenditures	\$	10,149.02		

Ending Cash Balance

\$ 1,490,483.03

Cash Balance Report (Fund 2721 - Hospitality)

For the Year Ending
Cash at Beginning of Year

6/30/2023

\$ 1,000.00

Expenditures

Salaries & Wages	\$	-		
Contractual Services	\$	154.65		
Commodities	\$	-		
Capital Outlay	\$	-		
TOTAL EXPENDITURES		154.65	\$	154.65

Ending Cash Balance

\$ 845.35

Total Cash Balance - Trial Balance

\$ 1,491,328.38

Real Estate Commission (Fund 2721)

Income Statement
For the Year Ending: 06/30/2023

	Budget	July-23	August-23	September-23	October-23	November-23	December-23	January-24	February-24	###	###	###	###	YTD	% Collect
Revenue															
420400 CLERICAL SERVICES		\$ -	\$ -	\$ 144.00	\$ -	\$ -	\$ -	\$ -	\$ -	##	##	##	##	\$ 144.00	
421100 LICENSE PERSONAL SERVICES		\$ -	\$ -	\$ (450.00)	\$ -	\$ -	\$ -	\$ -	\$ -	##	##	##	##	\$ (450.00)	
421110 License Business Services	\$ 1,273,000.00	\$ 84,241.50	\$ 135,144.00	\$ 135,323.50	\$ 107,407.00	\$ 86,623.00	\$ 104,336.50	\$ 139,612.50	\$ 87,714.00	##	##	##	##	\$ 880,402.00	69%
AF App Fees	\$ 33,000.00	\$ 1,890.00	\$ 3,523.50	\$ 2,542.50	\$ 2,223.00	\$ 1,750.50	\$ 1,719.00	\$ 2,479.50	\$ 2,317.50	\$-	\$-	\$-	\$-	\$ 18,445.50	56%
OB Orig BR Licenses	\$ 17,000.00	\$ 2,117.50	\$ 2,677.50	\$ 1,575.00	\$ 630.00	\$ 1,417.50	\$ 1,102.50	\$ 1,732.50	\$ 2,362.50	\$-	\$-	\$-	\$-	\$ 13,615.00	80%
OS Orig Slsp Licenses	\$ 208,000.00	\$ 9,450.00	\$ 21,037.50	\$ 15,637.50	\$ 13,050.00	\$ 9,000.00	\$ 11,587.50	\$ 13,500.00	\$ 12,825.00	\$-	\$-	\$-	\$-	\$ 106,087.50	51%
BF Broker Renewal Fees	\$ 270,000.00	\$ 12,320.00	\$ 30,240.00	\$ 29,137.50	\$ 22,365.00	\$ 18,427.50	\$ 26,617.50	\$ 29,452.50	\$ 16,537.50	\$-	\$-	\$-	\$-	\$ 185,097.50	69%
SF Slsp Renewal Fees	\$ 650,000.00	\$ 46,412.50	\$ 66,937.50	\$ 72,000.00	\$ 61,762.50	\$ 45,225.00	\$ 55,237.50	\$ 74,925.00	\$ 45,787.50	\$-	\$-	\$-	\$-	\$ 468,287.50	72%
LF Late Ren Fees	\$ 70,000.00	\$ 10,140.00	\$ 8,460.00	\$ 13,050.00	\$ 6,570.00	\$ 9,090.00	\$ 6,660.00	\$ 14,040.00	\$ 6,390.00	\$-	\$-	\$-	\$-	\$ 74,400.00	106%
MISC (CF/DP,NC,OC/CR/IR,CC/OO,BC)	\$ 25,000.00	\$ 1,911.50	\$ 2,268.00	\$ 1,381.00	\$ 806.50	\$ 1,712.50	\$ 1,412.50	\$ 3,483.00	\$ 1,494.00	\$-	\$-	\$-	\$-	\$ 14,469.00	58%
Refunds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$-	\$-	\$-	\$-	\$ -	
454090 OTHER FINES PENALTIES FORFEIT	\$ 18,000.00	\$ 1,100.00	\$ 4,675.63	\$ 6,873.75	\$ 990.50	\$ 2,453.94	\$ 1,402.50	\$ 2,036.25	\$ 2,710.90	##	##	##	##	\$ 22,243.47	124%
469090 Other Nonrevenue Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	##	##	##	\$ -	
461190 Asset Conversion Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,160.00	\$ -	##	##	##	##	\$ 6,160.00	
Gross Revenue	\$ 1,291,000.00	\$ 85,341.50	\$ 139,819.63	\$ 141,891.25	\$ 108,397.50	\$ 89,076.94	\$ 105,739.00	\$ 147,808.75	\$ 90,424.90	##	##	##	##	\$ 908,499.47	70%

Real Estate Commission (Fund 1000) 10% to SGF

Income Statement
For the Year Ending: 06/30/2023

	July '21	August '21	September '21	October '21	November '21	December '21	January '22	February '22	March '22	April '22	May '22	June '22	YTD		
Revenue															
421100 License Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	##	##	##	##	\$ -	
421110 Licenses Business	\$ 5,943.50	\$ 15,016.00	\$ 15,091.50	\$ 11,973.00	\$ 9,672.00	\$ 11,573.50	\$ 15,512.50	\$ 9,746.00	##	##	##	##	\$ 94,528.00		
454090 Fines/Penalties/Forfeitures	\$ 750.00	\$ 974.37	\$ 6,426.25	\$ 1,000.00	\$ -	\$ 147.50	\$ 2,913.75	\$ 1,489.10	##	##	##	##	\$ 13,700.97		
Gross Revenue	\$ 6,693.50	\$ 15,990.37	\$ 21,517.75	\$ 12,973.00	\$ 9,672.00	\$ 11,721.00	\$ 18,426.25	\$ 11,235.10	##	##	##	##	\$ 108,228.97		
													Bal until \$100K me	\$ 5,472.00	

54900 (Fund 2721)
BU-0100

For the year ending: 06/30/2024

BUDGET	July-23	August-23	September-23	October-23	November-23	December-23	January-24	February-24	March-24	April-24	May-24	June-24	YTD	Remaining Budget	% Spent
Budget Balance as of: 07/01/2023	\$ -														
Operating Expenses															
Salaries & Wages (51000)	\$ 934,092.00	\$ 68,775.35	\$ 67,151.94	\$ 100,420.01	\$ 75,016.61	\$ 71,972.56	\$ 92,690.95	\$ 73,080.79	\$ 71,665.50	\$ -	\$ -	\$ -	\$ 620,773.71	\$ 313,318.29	66%
Total Salaries & Wages	\$ 934,092.00	\$ 68,775.35	\$ 67,151.94	\$ 100,420.01	\$ 75,016.61	\$ 71,972.56	\$ 92,690.95	\$ 73,080.79	\$ 71,665.50	\$ -	\$ -	\$ -	\$ 620,773.71	\$ 313,318.29	66%
Communication (52000)	\$ 19,474.00	\$ -	\$ 1,329.26	\$ 1,288.55	\$ 1,325.67	\$ 1,313.90	\$ 1,311.21	\$ 1,319.43	\$ 1,307.34	\$ -	\$ -	\$ -	\$ 9,195.36	\$ 10,278.64	47%
Other Freight and Express (52100)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Printing and Advertising (52200)	\$ 2,606.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,606.00	0%
Rents (52300)	\$ 52,332.00	\$ 4,054.59	\$ 4,092.59	\$ 8,117.18	\$ 8.00	\$ 6,623.08	\$ 9,487.69	\$ 4,070.59	\$ 5,185.12	\$ -	\$ -	\$ -	\$ 41,638.84	\$ 10,693.16	80%
Repair and Serv Equip Furn (52400)	\$ 310.00	\$ -	\$ -	\$ -	\$ 6.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.00	\$ 304.00	2%
In State Travel & Subsistence (52510)	\$ 50,161.00	\$ -	\$ 1,891.26	\$ 4,665.47	\$ 11,067.81	\$ 890.70	\$ 3,476.71	\$ 3,923.74	\$ 2,037.91	\$ -	\$ -	\$ -	\$ 27,953.60	\$ 22,207.40	56%
Out of State Travel & Subsistence (52520)	\$ 5,860.00	\$ -	\$ -	\$ 451.96	\$ 1,022.46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,474.42	\$ 4,385.58	25%
Fees - Other Services (52600)	\$ 106,592.00	\$ -	\$ 9,519.92	\$ 5,812.45	\$ 4,484.86	\$ 5,031.73	\$ 4,257.23	\$ 4,103.23	\$ 14,625.18	\$ -	\$ -	\$ -	\$ 47,834.60	\$ 58,757.40	45%
Fees - Professional Services (52700)	\$ 112,015.00	\$ -	\$ 25,200.00	\$ -	\$ 160.00	\$ 2,084.90	\$ -	\$ 25,504.95	\$ -	\$ -	\$ -	\$ -	\$ 52,949.85	\$ 59,065.15	47%
Utilities (52800)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Other Contractual Services (52900)	\$ 4,059.00	\$ (311.91)	\$ 2,795.00	\$ 45.00	\$ 194.00	\$ 15.00	\$ 75.00	\$ 45.00	\$ 60.00	\$ -	\$ -	\$ -	\$ 2,917.09	\$ 1,141.91	72%
Total Contractual Services	\$ 353,409.00	\$ 3,742.68	\$ 44,828.03	\$ 20,380.61	\$ 18,268.80	\$ 15,959.31	\$ 18,607.84	\$ 38,966.94	\$ 23,215.55	\$ -	\$ -	\$ -	\$ 183,969.76	\$ 169,439.24	52%
Clothing (53000)	\$ 1,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,400.00	0%
Food for Human Consumption (53200)	\$ 925.00	\$ -	\$ 39.01	\$ 47.35	\$ 47.35	\$ 80.72	\$ 47.35	\$ 64.03	\$ 30.67	\$ -	\$ -	\$ -	\$ 356.48	\$ 568.52	39%
Maint Constr Material Supply (53400)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Vehicle Part Supply Accessory (53500)	\$ 500.00	\$ -	\$ -	\$ -	\$ 84.91	\$ 47.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131.92	\$ 368.08	26%
Pro Scientific Supply Other (53600)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Office & Data Supplies (53700)	\$ 1,500.00	\$ -	\$ 50.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50.40	\$ 1,449.60	3%
Other Supplies and Materials (53900)	\$ 300.00	\$ -	\$ 20.91	\$ 70.00	\$ 224.77	\$ 45.68	\$ -	\$ 8.00	\$ -	\$ -	\$ -	\$ -	\$ 369.36	\$ (69.36)	123%
Total Commodities	\$ 4,625.00	\$ -	\$ 110.32	\$ 117.35	\$ 357.03	\$ 173.41	\$ 47.35	\$ 72.03	\$ 30.67	\$ -	\$ -	\$ -	\$ 908.16	\$ 3,716.84	20%
Furn Fixtures and Equipment (54000)	\$ 1,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89.00	\$ 1,161.00	7%
Books & Library Material (54110)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Microcomputer Equipment (54130)	\$ 1,800.00	\$ -	\$ 40.69	\$ 1,191.47	\$ -	\$ -	\$ 1,480.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,712.82	\$ (912.82)	151%
Software (54180)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Building Improvements (54200)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Total Capital Outlay	\$ 3,050.00	\$ -	\$ 40.69	\$ 1,191.47	\$ -	\$ -	\$ 1,480.66	\$ 89.00	\$ -	\$ -	\$ -	\$ -	\$ 2,801.82	\$ 248.18	92%
Total Operating Expenses	\$ 1,295,176.00	\$ 72,518.03	\$ 112,130.98	\$ 122,109.44	\$ 93,642.44	\$ 88,105.28	\$ 112,826.80	\$ 112,208.76	\$ 94,911.72	\$ -	\$ -	\$ -	\$ 808,453.45	\$ 486,722.55	62%

Real Estate Commission (Fund 2722)

Cash Balance Report

For the Year Ending
Cash at Beginning of Year

6/30/2024
\$ 10,061.62

Revenue

Average Daily Balance Interest	\$	-		
Other Nonrevenue Receipts	\$	-		
Recovery of Prior FY Exp	\$	67,080.00		
TOTAL REVENUE			\$	67,080.00

Expenditures

Salaries & Wages	\$	-		
Contractual Services	\$	60,257.00		
Commodities	\$	-		
Capital Outlay	\$	-		
TOTAL EXPENDITURES			\$	60,257.00

Less Prior FY Expenditures	\$	7,213.00
Less Accounts Payable	\$	-
Less Transfer	\$	-

Ending Cash Balance

\$ 9,671.62

Real Estate Commission (Fund 7368)

Cash Balance Report

For the Year Ending
Cash at Beginning of Year

6/30/2022
\$ 331,570.73

Revenue

Average Daily Balance Interest	\$	10,518.72	
Recovery of Prior FY Exp	\$	5,551.00	
Other Nonrevenue Receipts	\$	-	
TOTAL REVENUE			\$ 16,069.72

Expenditures

Salaries & Wages			
Contractual Services			
Commodities			
Capital Outlay			
TOTAL EXPENDITURES			\$ -
		Less Priot FY Expenditures	\$ -
		Less Accounts Payable	\$ -
		Less Transfer	\$ -

Ending Cash Balance	\$ 347,640.45
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HOUSE BILL No. 2101

By Committee on Financial Institutions and Pensions

1-19

1 AN ACT concerning real estate transactions; *relating to brokers,*
2 *salespersons and real estate transactions; authorizing the Kansas*
3 *real estate commission to issue cease and desist orders;* regulating
4 contract for deed transactions; *providing for certain penalties related*
5 *thereto;* making certain deceptive actions violations of the consumer
6 protection act; *amending K.S.A. 58-3065 and repealing the existing*
7 *section.*

8
9 *Be it enacted by the Legislature of the State of Kansas:*

10 *New* Section 1. (a) Sections 1 through 4, and amendments thereto,
11 shall be known and may be cited as the Kansas contract for deed act.

12 (b) As used in sections 1 through 4, and amendments thereto:

13 (1) "Buyer" means a person who purchases property subject to a
14 contract for deed or any legal successor in interest to the buyer.

15 (2) "Contract for deed" means an executory agreement in which the
16 seller agrees to convey title to real property to the buyer and the buyer
17 agrees to pay the purchase price in five or more subsequent payments
18 exclusive of the down payment, if any, while the seller retains title to the
19 property as security for the buyer's obligation. Option contracts for the
20 purchase of real property are not contracts for deed.

21 (3) "Property" means real property located in this state upon which
22 there is located or will be located a structure designed principally for
23 occupancy of one to four families that is or will be occupied by the buyer
24 as the buyer's principal place of residence.

25 (4) "Seller" means any person who makes a sale of property by means
26 of a contract for deed or any legal successor in interest to the seller.

27 *New* Sec. 2. (a) Any contract for deed or affidavit of equitable
28 interest may be recorded in the office of the county register of deeds where
29 the property is located by any interested person.

30 (b) *Following the notice and opportunity to cure provided for in*
31 *section 4(c), and amendments thereto, the buyer shall have 15 days to:*

32 (1) *Record a record of release of affidavit of equitable interest or*
33 *contract for deed, if such affidavit or contract were recorded; and*

34 (2) *vacate the premises, if applicable.*

1 (c) *If the buyer fails to satisfy the conditions under subsection (b),*
2 *then such buyer shall be responsible for the seller's reasonable attorney*
3 *fees, costs and expenses for the removal of the affidavit of equitable*
4 *interest or contract of deed from the title and eviction of the buyer from*
5 *the premises, if applicable.*

6 **New Sec. 3.** (a) A seller shall not execute a contract for deed with a
7 buyer if the seller does not hold title to the property. Except as provided
8 further, a seller shall maintain fee simple title to the property free from any
9 mortgage, lien or other encumbrance for the duration of the contract for
10 deed. This subsection shall not apply to a mortgage, lien or encumbrance
11 placed on the property:

12 (1) Due to the conduct of the buyer;

13 (2) with the agreement of the buyer as a condition of a loan obtained
14 to make improvements on the property; or

15 (3) by the seller prior to the execution of the contract for deed if:

16 (A) The seller disclosed the mortgage, lien or encumbrance to the
17 buyer; ~~or~~

18 (B) the seller continues to make timely payments on the outstanding
19 mortgage, lien or other encumbrance;

20 **(C) the seller disclosed the contract for deed to the mortgagee,**
21 **lienholder or other party of interest; and**

22 **(D) the seller satisfies and obtains a release of the mortgage, lien**
23 **or other encumbrance not later than the date the buyer makes final**
24 **payment on the contract for deed unless the buyer assumes the**
25 **mortgage, lien or other encumbrance as part of the contract for deed.**

26 (b) Any violation of this section is a deceptive act or practice under
27 the provisions of the Kansas consumer protection act and shall be subject
28 to any and all of the enforcement provisions of the Kansas consumer
29 protection act.

30 **New Sec. 4.** (a) A buyer's rights under a contract for deed shall not be
31 forfeited or canceled except as provided in this section, notwithstanding
32 any provision in the contract providing for forfeiture of buyer's rights.
33 Nothing in this section shall be construed to limit the power of the district
34 court to require proceedings in equitable foreclosure.

35 (b) The buyer's rights under a contract for deed shall not be forfeited
36 until the buyer has been notified of the intent to forfeit as provided in
37 subsection (c) and has been given a right to cure the default, and such
38 buyer has failed to do so within the time period allowed. A timely tender of
39 cure shall reinstate the contract for deed.

40 (c) A notice of default and intent to forfeit shall:

41 (1) Reasonably identify the contract and describe the property
42 covered by it;

43 (2) specify the terms and conditions of the contract with which the

1 buyer has not complied; and

2 (3) notify the buyer that the contract will be forfeited unless the buyer
3 performs the terms and conditions within the following periods of time:

4 (A) If the buyer has paid less than 50% of the purchase price, 30 days
5 from completed service of notice; or

6 (B) if the buyer has paid 50% or more of the purchase price, 90 days
7 from completed service of notice.

8 (d) A notice of default and intent to forfeit shall be served on the
9 buyer in person, or by leaving a copy at the buyer's usual place of
10 residence with someone of suitable age and discretion who resides at such
11 place of residence, or by certified mail or priority mail, return receipt
12 requested, addressed to the buyer at the buyer's usual place of residence.

13 (e) Nothing in this section shall be construed to preclude the buyer or
14 the seller from pursuing any other remedy at law or equity.

15 ***Sec. 5. K.S.A. 58-3065 is hereby amended to read as follows: 58-***
16 ***3065. (a) Willful violation of any provision of this act or the brokerage***
17 ***relationships in real estate transactions act is a misdemeanor punishable***
18 ***by imprisonment for not more than 12 months or a fine of not less than***
19 ***\$100 or more than \$1,000, or both, for the first offense and***
20 ***imprisonment for not more than 12 months or a fine of not less than***
21 ***\$1,000 or more than \$10,000, or both, for a second or subsequent***
22 ***offense.***

23 ***(b) Nothing in this act or the brokerage relationships in real estate***
24 ***transactions act shall be construed as requiring the commission or the***
25 ***director to report minor violations of the acts for criminal prosecution***
26 ***whenever the commission or the director believes that the public interest***
27 ***will be adequately served by other administrative action.***

28 ***(c) If the commission determines that a person or associated***
29 ***association, corporation, limited liability company, limited liability***
30 ***partnership, partnership, professional corporation or trust has practiced***
31 ***without a valid broker's or salesperson's license issued by the commission,***
32 ***in addition to any other penalties imposed by law, the commission, in***
33 ***accordance with the Kansas administrative procedure act, may issue a***
34 ***cease and desist order against the unlicensed person.***

35 ***Sec. 6. K.S.A. 58-3065 is hereby repealed.***

36 ~~Sec. 7.~~ 7. This act shall take effect and be in force from and after its
37 publication in the statute book.

HOUSE BILL No. 2745

AN ACT concerning occupational licensing; relating to occupational licensing, certification and registration fees; providing that military spouses of active military servicemembers shall be exempted from all such fees; amending K.S.A. 2023 Supp. 48-3406 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2023 Supp. 48-3406 is hereby amended to read as follows: 48-3406. (a) For the purposes of this section:

(1) "Applicant" means an individual who is:

(A) A military spouse; or military servicemember who resides or plans to reside in this state due to the assigned military station of the individual or the individual's spouse; or

(B) an individual who has established or intends to establish residency in this state.

(2) "Complete application" means the licensing body has received all forms, fees, documentation, a signed affidavit stating that the application information, including necessary prior employment history, is true and accurate and any other information required or requested by the licensing body for the purpose of evaluating the application, consistent with this section and the rules and regulations adopted by the licensing body pursuant to this section. If the licensing body has received all such forms, fees, documentation and any other information required or requested by the licensing body, an application shall be deemed to be a complete application even if the licensing body has not yet received a criminal background report from the Kansas bureau of investigation. *An application by a military spouse of an active military servicemember shall be considered a "complete application" without the submission of fees, pursuant to the provisions of subsection (u).*

(3) "Electronic credential" or "electronic certification, license or registration" means an electronic method by which a person may display or transmit to another person information that verifies the status of a person's certification, licensure, registration or permit as authorized by a licensing body and is equivalent to a paper-based certification, license, registration or permit.

(4) "Licensing body" means an official, agency, board or other entity of the state that authorizes individuals to practice a profession in this state and issues a license, registration, certificate, permit or other authorization to an individual so authorized.

(5) "Military servicemember" means a current member of any branch of the United States armed services, United States military reserves or national guard of any state or a former member with an honorable discharge.

(6) "Military spouse" means the spouse of a military servicemember.

(7) "Person" means a natural person.

(8) "Private certification" means a voluntary program in which a private organization grants nontransferable recognition to an individual who meets personal qualifications and standards relevant to performing the occupation as determined by the private organization.

(9) "Scope of practice" means the procedures, actions, processes and work that a person may perform under a government issued license, registration or certification.

(10) "Verification system" means an electronic method by which the authenticity and validity of electronic credentials are verified.

(b) Notwithstanding any other provision of law, any licensing body shall, upon submission of a complete application, issue a paper-based and verified electronic license, registration or certification to an applicant as provided by this section, so that the applicant may lawfully practice the person's occupation. Any licensing body may satisfy any requirement under this section to provide a paper-based license,

registration, certification or permit in addition to an electronic license, registration, certification or permit by issuing such electronic credential to the applicant in a format that permits the applicant to print a paper copy of such electronic credential. Such paper copy shall be considered a valid license, registration, certification or permit for all purposes.

(c) An applicant who holds a valid current license, registration or certification in another state, district or territory of the United States shall receive a paper-based and verified electronic license, registration or certification:

(1) If the applicant qualifies under the applicable Kansas licensure, registration or certification by endorsement, reinstatement or reciprocity statutes, then pursuant to applicable licensure, registration or certification by endorsement, reinstatement or reciprocity statutes of the licensing body of this state for the license, registration or certification within 15 days from the date a complete application was submitted if the applicant is a military servicemember or military spouse or within 45 days from the date a complete application was submitted for all other applicants; or

(2) if the applicant does not qualify under the applicable licensure, registration or certification by endorsement, reinstatement or reciprocity statutes of the licensing body of this state, or if the Kansas professional practice act does not have licensure, registration or certification by endorsement, reinstatement or reciprocity statutes, then the applicant shall receive a license, registration or certification as provided herein if, at the time of application, the applicant:

(A) Holds a valid current license, registration or certification in another state, district or territory of the United States with licensure, registration or certification requirements that the licensing body determines authorize a similar scope of practice as those established by the licensing body of this state, or holds a certification issued by another state for practicing the occupation but this state requires an occupational license, and the licensing body of this state determines that the certification requirements certify a similar scope of practice as the licensing requirements established by the licensing body of this state;

(B) has worked for at least one year in the occupation for which the license, certification or registration is sought;

(C) has not committed an act in any jurisdiction that would have constituted grounds for the limitation, suspension or revocation of the license, certificate or registration, or that the applicant has never been censured or had other disciplinary action taken or had an application for licensure, registration or certification denied or refused to practice an occupation for which the applicant seeks licensure, registration or certification;

(D) has not been disciplined by a licensing, registering, certifying or other credentialing entity in another jurisdiction and is not the subject of an unresolved complaint, review procedure or disciplinary proceeding conducted by a licensing, registering, certifying or other credentialing entity in another jurisdiction nor has surrendered their membership on any professional staff in any professional association or society or faculty for another state or jurisdiction while under investigation or to avoid adverse action for acts or conduct similar to acts or conduct that would constitute grounds for disciplinary action in a Kansas practice act;

(E) does not have a disqualifying criminal record as determined by the licensing body of this state under Kansas law;

(F) provides proof of solvency, financial standing, bonding or insurance if required by the licensing body of this state, but only to the same extent as required of any applicant with similar credentials or

experience;

(G) pays any fees required by the licensing body of this state; and

(H) submits with the application a signed affidavit stating that the application information, including necessary prior employment history, is true and accurate.

Upon receiving a complete application and the provisions of subsection (c)(2) apply and have been met by the applicant, the licensing body shall issue the license, registration or certification within 15 days from the date a complete application was submitted by a military servicemember or military spouse, or within 45 days from the date a complete application was submitted by an applicant who is not a military servicemember or military spouse, to the applicant on a probationary basis, but may revoke the license, registration or certification at any time if the information provided in the application is found to be false. The probationary period shall not exceed six months. Upon completion of the probationary period, the license, certification or registration shall become a non-probationary license, certification or registration.

(d) Any applicant who has not been in the active practice of the occupation during the two years preceding the application for which the applicant seeks a license, registration or certification under subsection (c)(2) may be required to complete such additional testing, training, monitoring or continuing education as the Kansas licensing body may deem necessary to establish the applicant's present ability to practice in a manner that protects the health and safety of the public, as provided by subsection (j).

(e) Upon submission of a complete application, an applicant may receive an occupational license, registration or certification based on the applicant's work experience in another state, if the applicant:

(1) Worked in a state that does not use an occupational license, registration, certification or private certification to regulate an occupation, but this state uses an occupational license, registration or certification to regulate the occupation;

(2) worked for at least three years in the occupation during the four years immediately preceding the application; and

(3) satisfies the requirements of subsection (c)(2)(C) through (H).

(f) Upon submission of a complete application, an applicant may receive an occupational license, registration or certification under subsection (b) based on the applicant's holding of a private certification and work experience in another state, if the applicant:

(1) Holds a private certification and worked in a state that does not use an occupational license or government certification to regulate an occupation, but this state uses an occupational license or government certification to regulate the occupation;

(2) worked for at least two years in the occupation;

(3) holds a current and valid private certification in the occupation;

(4) is held in good standing by the organization that issued the private certification; and

(5) satisfies the requirements of subsection (c)(2)(C) through (H).

(g) An applicant licensed, registered or certified under this section shall be entitled to the same rights and subject to the same obligations as are provided by the licensing body for Kansas residents, except that revocation or suspension of an applicant's license, registration or certificate in the applicant's state of residence or any jurisdiction in which the applicant held a license, registration or certificate shall automatically cause the same revocation or suspension of such applicant's license, registration or certificate in Kansas. No hearing shall be granted to an applicant where such applicant's license,

registration or certificate is subject to such automatic revocation or suspension, except for the purpose of establishing the fact of revocation or suspension of the applicant's license, registration or certificate by the applicant's state of residence or jurisdiction in which the applicant held a license, registration or certificate.

(h) In the event the licensing body determines that the license, registration or certificate currently held by an applicant under subsection (c)(2) or the work experience or private credential held by an applicant under subsections (e) or (f), who is a military spouse or military servicemember does not authorize a similar scope of practice as the license, registration or certification issued by the licensing body of this state, the licensing body shall issue a temporary permit for a limited period of time to allow the applicant to lawfully practice the applicant's occupation while completing any specific requirements that are required in this state for licensure, registration or certification that were not required in the state, district or territory of the United States in which the applicant was licensed, registered, certified or otherwise credentialed, unless the licensing body finds, based on specific grounds, that issuing a temporary permit would jeopardize the health and safety of the public.

(i) In the event the licensing body determines that the license, registration or certification currently held by an applicant under subsection (c)(2) or the work experience or private credential held by an applicant under subsections (e) or (f), who is not a military spouse or military servicemember, does not authorize a similar scope of practice as the license, registration or certification issued by the licensing body of this state, the licensing body may issue a temporary permit for a limited period of time to allow the applicant to lawfully practice the applicant's occupation while completing any specific requirements that are required in this state for licensure, registration or certification that was not required in the state, district or territory of the United States in which the applicant was licensed, registered, certified or otherwise credentialed, unless the licensing body finds, based on specific grounds, that issuing a temporary permit would jeopardize the health and safety of the public.

(j) Any testing, continuing education or training requirements administered under subsection (d), (h) or (i) shall be limited to Kansas law that regulates the occupation and that are materially different from or additional to the law of another state, or shall be limited to any materially different or additional body of knowledge or skill required for the occupational license, registration or certification in Kansas.

(k) A licensing body may grant licensure, registration, certification or a temporary permit to any person who meets the requirements under this section but was separated from such military service under less than honorable conditions or with a general discharge under honorable conditions.

(l) Nothing in this section shall be construed to apply in conflict with or in a manner inconsistent with federal law or a multistate compact, or a rule or regulation or a reciprocal or other applicable statutory provision that would allow an applicant to receive a license. Nothing in this section shall be construed as prohibiting a licensing body from denying any application for licensure, registration or certification, or declining to grant a temporary or probationary license, if the licensing body determines that granting the application may jeopardize the health and safety of the public.

(m) Nothing in this section shall be construed to be in conflict with any applicable Kansas statute defining the scope of practice of an occupation. The scope of practice as provided by Kansas law shall apply to applicants under this section.

(n) Notwithstanding any other provision of law, during a state of emergency declared by the legislature, a licensing body may grant a temporary emergency license to practice any profession licensed, certified, registered or regulated by the licensing body to an applicant whose qualifications the licensing body determines to be sufficient to protect health and safety of the public and may prohibit any unlicensed person from practicing any profession licensed, certified, registered or regulated by the licensing body.

(o) Not later than January 1, 2025, licensing bodies shall provide paper-based and verified electronic credentials to persons regulated by the licensing body. A licensing body may prescribe the format or requirements of the electronic credential to be used by the licensing body. Any statutory or regulatory requirement to display, post or produce a credential issued by a licensing body may be satisfied by the proffer of an electronic credential authorized by the licensing body. A licensing body may use a third-party electronic credential system that is not maintained by the licensing body.

(p) On or before January 1, 2025, and subject to appropriations therefore, the secretary of administration shall develop and implement a uniform or singular license verification portal for the purpose of verifying or reporting license statuses such as credentials issued, renewed, revoked or suspended by licensing bodies or that have expired or otherwise changed in status. The secretary of administration may utilize the services or facilities of a third party for the central electronic record system. The central electronic record system shall comply with the requirements adopted by the information technology executive council pursuant to K.S.A. 75-7203, and amendments thereto. Beginning January 1, 2025, each licensing body shall be able to integrate with the uniform or singular license verification portal in the manner and format required by the secretary of administration indicating any issuance, renewal, revocation, suspension, expiration or other change in status of an electronic credential that has occurred. No charge for the establishment or maintenance of the uniform or singular license verification portal shall be imposed on any licensing body or any person with a license, registration, certification or permit issued by a licensing body. The centralized electronic credential data management systems shall include an instantaneous verification system that is operated by the licensing body's respective secretary, or the secretary's designee, or the secretary's third-party agent on behalf of the licensing body for the purpose of instantly verifying the authenticity and validity of electronic credentials issued by the licensing body. Centralized electronic credential data management systems shall maintain an auditable record of credentials issued by each licensing body.

(q) Nothing in this section shall be construed as prohibiting or preventing a licensing body from developing, operating, maintaining or using a separate electronic credential system of the licensing body or of a third party in addition to making the reports to the central electronic record system required by subsection (p) or participating in a multistate compact or a reciprocal licensure, registration or certification process as long as the separate electronic credential system of the licensing body integrates with the uniform or singular license verification portal.

(r) Each licensing body shall adopt rules and regulations necessary to implement and carry out the provisions of this section.

(s) This section shall not apply to the practice of law or the regulation of attorneys pursuant to K.S.A. 7-103, and amendments thereto, or to the certification of law enforcement officers pursuant to the Kansas law enforcement training act, K.S.A. 74-5601 et seq., and amendments thereto.

(t) The state board of healing arts and the state board of technical professions, with respect to an applicant who is seeking a license to practice professional engineering or engage in the practice of engineering, as defined in K.S.A. 74-7003, and amendments thereto, may deny an application for licensure, registration or certification, or decline to grant a temporary or probationary license, if the board determines the applicant's qualifications are not substantially equivalent to those established by the board. Such boards shall not otherwise be exempt from the provisions of this act.

(u) Notwithstanding any other provision of law to the contrary, applicants who are military spouses of active military service members shall be exempt from all fees assessed by any licensing body to obtain an occupational credential in Kansas and renew such credential including initial or renewal application, licensing, registration, certification, endorsement, reciprocity or permit fees and any criminal background report fees, whether assessed by the licensing body or another agency. Licensing bodies shall adopt rules and regulations to implement the provisions of this subsection.

(v) This section shall apply to all licensing bodies not excluded under subsection (s), including, but not limited to:

- (1) The abstracters' board of examiners;
- (2) the board of accountancy;
- (3) the board of adult care home administrators;
- (4) the secretary for aging and disability services, with respect to K.S.A. 65-5901 et seq. and 65-6503 et seq., and amendments thereto;
- (5) the Kansas board of barbering;
- (6) the behavioral sciences regulatory board;
- (7) the Kansas state board of cosmetology;
- (8) the Kansas dental board;
- (9) the state board of education;
- (10) the Kansas board of examiners in fitting and dispensing of hearing instruments;
- (11) the board of examiners in optometry;
- (12) the state board of healing arts, as provided by subsection (t);
- (13) the secretary of health and environment, with respect to K.S.A. 82a-1201 et seq., and amendments thereto;
- (14) the commissioner of insurance, with respect to K.S.A. 40-241 and 40-4901 et seq., and amendments thereto;
- (15) the state board of mortuary arts;
- (16) the board of nursing;
- (17) the state board of pharmacy;
- (18) the Kansas real estate commission;
- (19) the real estate appraisal board;
- (20) the state board of technical professions, as provided by subsection (t); and
- (21) the state board of veterinary examiners.

~~(v)~~(w) All proceedings pursuant to this section shall be conducted in accordance with the provisions of the Kansas administrative procedure act and shall be reviewable in accordance with the Kansas judicial review act.

~~(w)~~(x) Commencing on July 1, 2021, and each year thereafter, each licensing body listed in subsection (u)(1) through (21) shall provide a report for the period of July 1 through June 30 to the director of legislative research by August 31 of each year, providing information requested by the director of legislative research to fulfill the requirements of this subsection. The director of legislative research shall develop the report format, prepare an analysis of the reports and submit and present the analysis to the office of the governor, the committee on commerce, labor and economic development of the

house of representatives, the committee on commerce of the senate, the committee on appropriations of the house of representatives and the committee on ways and means of the senate by January 15 of the succeeding year. The director's report may provide any analysis the director deems useful and shall provide the following items, detailed by applicant type, including military servicemember, military spouse and non-military individual:

- (1) The number of applications received under the provisions of this section;
- (2) the number of applications granted under this section;
- (3) the number of applications denied under this section;
- (4) the average time between receipt of the application and completion of the application;
- (5) the average time between receipt of a complete application and issuance of a license, certification or registration; and
- (6) identification of applications submitted under this section where the issuance of credentials or another determination by the licensing body was not made within the time limitations pursuant to this section and the reasons for the failure to meet such time limitations.

All information shall be provided by the licensing body to the director of legislative research in a manner that maintains the confidentiality of all applicants and in aggregate form that does not permit identification of individual applicants.

Sec. 2. K.S.A. 2023 Supp. 48-3406 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.

1 confidential by law and privileged, shall not be subject to the open records
2 act, shall not be subject to subpoena and shall not be subject to discovery
3 or admissible in evidence in any private civil action.

4 (p) Issue, amend and revoke written administrative guidance
5 documents in accordance with the applicable provisions of the Kansas
6 administrative procedure act.

7 **Sec. 38. K.S.A. 2023 Supp. 58-3035** is hereby amended to read as
8 follows: 58-3035. As used in this act, unless the context otherwise
9 requires:

10 (a) "Act" means the real estate brokers' and salespersons' license act.

11 (b) "Advance listing fee" means any fee charged for services related
12 to promoting the sale or lease of real estate and paid in advance of the
13 rendering of such services, including any fees charged for listing,
14 advertising or offering for sale or lease any real estate, but excluding any
15 fees paid solely for advertisement or for listing in a publication issued for
16 the sole purpose of promoting the sale or lease of real estate wherein
17 inquiries are directed to the owner of the real estate or to real estate
18 brokers and not to unlicensed persons who publish the listing.

19 (c) "Associate broker" means an individual who has a broker's license
20 and who is employed by another broker or is associated with another
21 broker as an independent contractor and participates in any activity
22 described in subsection (f).

23 (d) "Branch broker" means an individual who has a broker's license
24 and who has been designated to supervise a branch office and the activities
25 of salespersons and associate brokers assigned to the branch office.

26 (e) "Branch office" means a place of business other than the principal
27 place of business of a broker.

28 (f) "Broker" means an individual, other than a salesperson, who
29 advertises or represents that such individual engages in the business of
30 buying, selling, exchanging or leasing real estate or who, for
31 compensation, engages in any of the following activities as an employee
32 of, or on behalf of, the owner, purchaser, lessor or lessee of real estate:

33 (1) Sells, exchanges, purchases or leases real estate.

34 (2) Offers to sell, exchange, purchase or lease real estate.

35 (3) Negotiates or offers, attempts or agrees to negotiate the sale,
36 exchange, purchase or leasing of real estate.

37 (4) Lists or offers, attempts or agrees to list real estate for sale, lease
38 or exchange.

39 (5) Auctions or offers, attempts or agrees to auction real estate or
40 assists an auctioneer by procuring bids at a real estate auction.

41 (6) Buys, sells, offers to buy or sell or otherwise deals in options on
42 real estate.

43 (7) Assists or directs in the procuring of prospects calculated to result

1 in the sale, exchange or lease of real estate.

2 (8) Assists in or directs the negotiation of any transaction calculated
3 or intended to result in the sale, exchange or lease of real estate.

4 (9) Engages in the business of charging an advance listing fee.

5 (10) Provides lists of real estate as being available for sale or lease,
6 other than lists provided for the sole purpose of promoting the sale or lease
7 of real estate wherein inquiries are directed to the owner of the real estate
8 or to real estate brokers and not to unlicensed persons who publish the list.

9 (g) "Commission" means the Kansas real estate commission.

10 (h) "Exchange" means a type of sale or purchase of real estate.

11 (i) "Interest" means: (1) Having any type of ownership in the real
12 estate involved in the transaction; or (2) an officer, member, partner or
13 shareholder of any entity that owns such real estate excluding an
14 ownership interest of less than 5% in a publicly traded entity.

15 (j) "Lease" means rent or lease for nonresidential use.

16 (k) "Licensee" means any person licensed under this act as a broker
17 or salesperson.

18 (l) (1) "Office" means any permanent location where one or more
19 licensees regularly conduct real estate business as described in subsection
20 (f) or a location that is held out as an office.

21 (2) "Office" does not mean a model home office in a new home
22 subdivision if the real estate transaction files are maintained in the primary
23 office or branch office.

24 (m) "Primary office" means a supervising broker's principal place of
25 business for each company created or established by the broker.

26 (n) "Real estate" means any interest or estate in land, including any
27 leasehold or condominium, whether corporeal, incorporeal, freehold or
28 nonfreehold and whether the real estate is situated in this state or
29 elsewhere, but does not include oil and gas leases, royalties and other
30 mineral interests, and rights of way and easements acquired for the
31 purpose of constructing roadways, pipelines, conduits, wires and facilities
32 related to these types of improvement projects for private and public
33 utilities, municipalities, federal and state governments, or any political
34 subdivision. For purpose of this act, any rights of redemption are
35 considered to be an interest in real estate.

36 (o) "Salesperson" means an individual, other than an associate broker,
37 who is employed by a broker or is associated with a broker as an
38 independent contractor and participates in any activity described in
39 subsection (f).

40 (p) "Supervising broker" means an individual, other than a branch
41 broker, who has a broker's license and who has been designated as the
42 broker who is responsible for the supervision of the primary office of a
43 broker and the activities of salespersons and associate brokers who are

1 assigned to such office and all of whom are licensed pursuant to ~~subsection~~
2 ~~(b) of~~ K.S.A. 58-3042(b), and amendments thereto. "Supervising broker"
3 ~~also means~~ *includes* a broker who operates a sole proprietorship and with
4 whom associate brokers or salespersons are affiliated as employees or
5 independent contractors.

6 *(q) "Applicant" means an individual who has applied or intends to*
7 *apply for licensure under this act as a broker or salesperson.*

8 **Sec. 39. K.S.A. 2023 Supp. 58-3039** is hereby amended to read as
9 follows: 58-3039. (a) Any person desiring to act as a broker or salesperson
10 ~~must~~ *shall* file an application for a license with the commission or, if
11 required by the commission, with the testing service designated by the
12 commission. The application shall be in such form and detail as the
13 commission shall prescribe. The commission may require any portion of
14 the application to be submitted electronically.

15 (1) Any applicant who qualifies for licensure as a salesperson shall
16 submit the application accompanied by evidence of compliance with
17 K.S.A. 58-3046a(a) and (c), and amendments thereto.

18 (2) Any applicant who qualifies for licensure as a broker shall submit
19 the application accompanied by evidence of compliance with K.S.A. 58-
20 3046a(b) and (d), and amendments thereto.

21 (3) All applicants shall submit the application and license fees as
22 prescribed by K.S.A. 58-3063, and amendments thereto.

23 (b) (1) As part of an application for an original license or in
24 connection with any investigation of any holder of a license, the
25 commission shall require a person to be fingerprinted and submit to a state
26 and national criminal history record check *in accordance with section 2,*
27 *and amendments thereto.* ~~The fingerprints shall be used to identify the~~
28 ~~person and to determine whether the person has a record of criminal~~
29 ~~history in this state or other jurisdiction. The commission shall require the~~
30 ~~applicant to submit the fingerprints to the Kansas bureau of investigation~~
31 ~~and the federal bureau of investigation for a state and national criminal~~
32 ~~history record check in the manner designated by the Kansas bureau of~~
33 ~~investigation. The commission shall use the information obtained from~~
34 ~~fingerprinting and the criminal history for purposes of verifying the~~
35 ~~identification of the person and in the official determination of the~~
36 ~~qualifications and fitness of the person to be issued or to maintain a~~
37 ~~license.~~

38 ~~(2) Local and state law enforcement officers and agencies shall assist~~
39 ~~the commission in taking and processing fingerprints of applicants for and~~
40 ~~holders of any license and shall release all records of adult convictions to~~
41 ~~the commission.~~

42 (3) The commission may fix and collect a fee in an amount necessary
43 to reimburse the commission for the cost of fingerprinting and the criminal

1 history record check. Such fee shall be established by rule and regulation
2 in accordance with K.S.A. 58-3063, and amendments thereto. Any moneys
3 collected under this subsection shall be deposited in the state treasury and
4 credited to the background investigation fee fund.

5 (c) A license to engage in business as a broker or salesperson shall be
6 granted only to a person who is 18 or more years of age and who has a
7 high school diploma or its equivalent.

8 (d) (1) In addition to the requirements of subsection (c), except as
9 provided in subsection (e), each applicant for an original license as a
10 broker shall have been licensed as a salesperson in this state or as a
11 salesperson or broker in another state, and shall have been actively
12 engaged in any of the activities described in K.S.A. 58-3035(f), and
13 amendments thereto, for a period of at least two years during the three
14 years immediately preceding the date of the application for a license.

15 (2) The commission may adopt rules and regulations to implement
16 the provisions of this subsection.

17 (e) The commission may accept proof of experience in the real estate
18 or a related business or a combination of such experience and education
19 which the commission believes qualifies the applicant to act as a broker as
20 being equivalent to all or part of the experience required by subsection (d).

21 (f) Each applicant for an original license shall be required to pass an
22 examination covering the subject matter which brokers or salespersons
23 generally confront while conducting activities that require a real estate
24 license. The examination shall consist of a general portion that tests the
25 applicant's knowledge of real estate matters that have general application.
26 The state portion of the examination shall test the applicant's knowledge of
27 real estate subject matter applicable to a specific jurisdiction.

28 (1) Except as provided in K.S.A. 58-3040, and amendments thereto,
29 each applicant for an original license shall be required to pass the general
30 or national portion of the examination.

31 (2) Each applicant for an original license shall be required to pass the
32 Kansas state portion of the examination.

33 (3) No license shall be issued on the basis of an examination if either
34 or both portions of the examination were administered more than six
35 months prior to the date that the applicant's application is received by the
36 commission. The examination may be given by the commission or testing
37 service designated by the commission. Each person taking the examination
38 shall pay the examination fee prescribed pursuant to K.S.A. 58-3063, and
39 amendments thereto, which fee the commission may require to be paid to
40 it or directly to the testing service designated by the commission. The
41 examination for a broker's license shall be different from or in addition to
42 that for a salesperson's license.

43 (g) The commission, prior to granting an original license, shall

1 require proof that the applicant has a good reputation for honesty,
2 trustworthiness, integrity and competence to transact the business of a
3 broker or salesperson in such manner as to safeguard the public interest.

4 (h) An application for an original license as a salesperson or associate
5 broker shall be accompanied by the recommendation of the supervising
6 broker or branch broker with whom the salesperson or associate broker is
7 to be associated, or by whom the salesperson or associate broker is to be
8 employed, certifying that the applicant is honest, trustworthy and of good
9 reputation.

10 Sec. 40. K.S.A. 2023 Supp. 58-4102 is hereby amended to read as
11 follows: 58-4102. As used in this act:

12 (a) "Appraisal" or "real estate appraisal" means an analysis, opinion
13 or conclusion prepared by a real estate appraiser relating to the nature,
14 quality, value or utility of specified interests in, or aspects of, identified
15 real estate. An appraisal may be classified by subject matter into either a
16 valuation or an analysis. A valuation is an estimate of the value of real
17 estate or real property. An analysis is a study of real estate or real property
18 other than estimating value.

19 (b) "Appraisal assignment" means an engagement for which an
20 appraiser is employed or retained to act, or would be perceived by third
21 parties or the public as acting, as a disinterested party in rendering an
22 unbiased analysis, opinion or conclusion relating to the nature, quality,
23 value or utility of specified interests in, or aspects of, identified real estate.

24 (c) "Broker's price opinion" and "comparative market analysis"
25 means an analysis, opinion or conclusion prepared by an individual
26 licensed as a real estate broker or salesperson pursuant to K.S.A. 58-3034
27 et seq., and amendments thereto, relating to the price of specified interests
28 in or aspects of identified real estate property that is provided to a potential
29 customer, client or third party in the ordinary course of business.

30 (d) "Board" means the real estate appraisal board established pursuant
31 to the provisions of this act.

32 (e) "Federal law" means title XI of the financial institutions reform,
33 recovery and enforcement act of 1989 (12 U.S.C. § 3331 et seq.) and any
34 other federal law, and any regulations adopted pursuant thereto.

35 (f) "Federally related transaction" means any real estate-related
36 financial transaction which: (1) A federal financial institutions regulatory
37 agency or the resolution trust corporation engages in, contracts for or
38 regulates; and (2) requires the services of an appraiser.

39 (g) "*Licensee*" means an individual who has submitted an application
40 for an original license or certificate, licensure by reciprocity or
41 endorsement or renewal of a license or certification or a person who is
42 currently licensed or certified under this act.

43 (h) "Real estate" means an identified parcel or tract of land, including

Bill Number	Bill Sponsor	Bill Subject	Current Status	Last Action
SB 28	Senate Financial Institutions and Insurance Committee	Appropriations for FY 2024, FY 2025, FY 2026, FY 2027 and FY 2028 for various state agencies	In Conference Committee	03/20/2024 - Senate Change of conferees; appointed Waymaster, Hoffman and Helgerson
H Sub for SB 291	Senate Federal and State Affairs Committee	Information technology...	Nonconcurrent in Senate	03/27/2024 - Senate Nonconcurrent; appointed Thompson, Kloos and Pittman
SB 397	Senate Financial Institutions and Insurance	Eliminating annual controlled business reporting requirements placed on title agents and insurers	In Senate Financial Institutions and	01/26/2024 - Senate Referred to Financial Institutions and Insurance
SB 491	Senate Judiciary Committee	Standardizing criminal history record check fingerprinting language and defining who may be fingerprinted for a criminal history record check	Pending enrollment	03/21/2024 - House Final Action: Passed; Yeas 119, Nays 1
HB 2101	House Financial Institutions and Pensions Committee	Regulating contract for deed transactions, authorizing recording of contract for deeds or affidavits of equitable interest, listing deceptive practices constituting violations of the consumer protection act, requiring notice to the buyer of default and allowing buyers to cure such default	On General Orders in Senate	03/27/2024 - Senate Committee Report recommending bill be passed as amended, by Financial Institutions and Insurance
Sub for HB 2598	House Commerce, Labor and Economic Development Committee	Authorizing the Kansas real estate commission to issue cease and desist orders, prohibiting dealing in assignable contracts for certain residential real estate and providing that certain violations thereof are subject to the Kansas consumer protection act, regulating contract for deed transactions, authorizing recording of contract for deeds or affidavits of equitable interest, listing deceptive practices constituting violations of the consumer protection act, requiring notice to the buyer of default and allowing buyers to cure such default	Stricken from Calendar in House	02/23/2024 - House Stricken from Calendar by Rule 1507
HB 2614	House Elections Committee	Requiring state agencies to provide to the public notice of revocation of administrative rules and regulations and removing abolished state agencies from state agency review requirement	Pending motion to concur or nonconcur	03/27/2024 - Senate Emergenced to Final Action: Passed as amended; Yeas 40, Nays 0
HB 2648	House	Requiring the director of the budget to independently determine	Pending	03/27/2024 - Senate

Bill Number	Bill Sponsor	Bill Subject	Current Status	Last Action
	Commerce, Labor and Economic Development Committee	costs of compliance and implementation for all proposed rules and regulations and authorizing the director of the budget to disapprove proposed rules and regulations	enrollment	Final Action: Passed; Yeas 27, Nays 13
HB 2745	House Commerce, Labor and Economic	Providing that military spouses of active military servicemembers shall be exempted from all occupational licensing, registration and certification fees	Pending action by Governor	03/26/2024 - House Enrolled and presented to the Governor
HB 2767	House Energy, Utilities and Telecommunications Committee	Requiring agencies and other entities subject to the administrative procedure act to confirm receipt of service of an order or notice prior to the imposition of fines or penalties	In House Judiciary	02/09/2024 - House Referred to Judiciary
HB 2818	House Federal and State Affairs Committee	Providing for a legislative review process and criteria when considering bills that propose new or additional occupational regulation, requiring the joint committee on administrative rules and regulations to review such bills and authorizing the joint committee to direct regulatory entities or to contract with a consulting firm to provide a report to the legislature to inform the legislature's consideration of such bill	In House Commerce, Labor and Economic Development	03/06/2024 - House Scheduled Hearing in Commerce, Labor and Economic Development: Tuesday, 3/12, 1:30 PM, Rm 346-S
HB 2821	House Federal and State Affairs Committee	Regulatory sandbox	In House Commerce, Labor and Economic Development	03/13/2024 - House Scheduled Hearing in Commerce, Labor and Economic Development: Monday, 3/18, 1:30 PM, Rm 346-S



Kansas Bureau of Investigation

Tony Mattivi
Director

Kris W. Kobach
Attorney General

January 19, 2024

Dear Customer,

This letter is to inform you of an impending increase in fees for criminal history record checks conducted by the Kansas Bureau of Investigation (KBI). This action is a necessary response to the increasing costs of providing record check services. The fees have not been increased in 15 years, and moving forward a cost adjustment is needed.

Effective July 1, 2024, the fees for State and Federal criminal history record check services will be as follows:

- Name-based record checks: \$30
- Fingerprint-based record checks (for searches within Kansas): \$45
- Fingerprint-based record checks (of both state and federal systems): \$57
- Any record check can still be certified for the same additional price of \$10

RapBack services for the state of Kansas will remain free for the first year with a \$3 charge each subsequent year, per individual. However, with the launch of our new Automated Biometric Identification System (ABIS), Kansas will soon be able to participate in the Federal Rapback program. Once we are able to participate in Federal Rapback, both Kansas and Federal Rapback services will be free of charge.

We greatly appreciate your business and strive to provide efficient services to you. If you have any questions, please contact Nicole Mattox, Interim Administrator of the Information Services Division at nicole.mattox@kbi.ks.gov or (785) 296-8256.

Sincerely,

Tony Mattivi
KBI Director

Enclosure

86-1-5. Fees. (a) Each applicant shall pay a fee in an amount equal to the actual cost of the examination and the administration of the examination to the testing service designated by the commission.

(b) Each applicant shall submit the following fees for licensure to the commission:

- (1) For submission of an application for an original salesperson's license, a fee of \$15;
- (2) for submission of an application for an original broker's license, a fee of \$50;
- (3) for an original salesperson's license, a prorated fee based on a two-year amount of \$125;
- (4) for an original broker's license, a prorated fee based on a two-year amount of \$175;
- (5) for renewal of a salesperson's license, a two-year fee of \$125;
- (6) for renewal of a broker's license, a two-year fee of \$175;
- (7) for each branch office, a fee of \$100; and

(8) for each primary office of a company created or established by a supervising broker, a fee of \$100.

(c)(1) Each applicant shall pay a fee of ~~\$60~~ \$70 to the commission for the cost of submitting the applicant's fingerprints to the Kansas bureau of investigation (KBI) for the purpose of obtaining a criminal history check conducted by the KBI and the federal bureau of investigation and for the commission's reasonable costs of administering the criminal history check program.

(2) Each licensee who is submitting fingerprints in connection with an investigation of that licensee shall pay a fee of ~~\$60~~ \$70 for the cost of submitting the licensee's fingerprints to the KBI for the purpose of obtaining a criminal history check conducted by the KBI and the federal bureau of investigation and for the commission's reasonable costs of administering the criminal history check program in connection with any investigation.

(d) Each course provider seeking course approval pursuant to K.S.A. 58-3046a, and amendments thereto, shall pay a fee of \$75 to the commission.

(e) Each licensee seeking approval of a course of instruction pursuant to K.S.A. 58-3046a(k), and amendments thereto, shall pay a fee of \$20 to the commission. (Authorized by K.S.A. 2017 Supp. 58-3063; implementing K.S.A. 2017 Supp. 58-3039 and 58-3063; effective Jan. 1, 1966; amended, E-73-30, Sept. 28, 1973; amended Jan. 1, 1974; amended, E-74-50, Sept. 13, 1974; amended May 1, 1975; amended, E-81-18, July 16, 1980; amended May 1, 1981; amended May 1, 1982; amended May 1, 1983; amended, T-86-10, May 1, 1985; amended May 1, 1986; amended, T-87-32, Nov. 19, 1986; amended May 1, 1987; amended Sept. 26, 1988; amended July 31, 1991; amended Dec. 20, 1993; amended July 31, 1996; amended, T-86-10-1-97, Oct. 1, 1997; amended Oct. 24, 1997; amended March 13, 1998; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; amended Dec. 1, 2015; amended March 17, 2017; amended Dec. 21, 2018; amended Sept. 16, 2022.)

PUBLIC COMMENT

From: [Bud Cortner](#)
To: [Erik J. Wisner \[KREC\]](#)
Subject: FW: Buyers Agency Agreement
Date: Monday, March 18, 2024 1:47:33 PM
Attachments: [image001.png](#)
[image002.png](#)

Email request recieved on Mar. 18. Attached is PR from NAR and Attachment B from proposed NAR settlement that details requirements related to MLS and buyer agency agreements referenced in the public comment. EW

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.

Dear Mr. Wisner,

Realizing that the NAR settlement is not finalized, this is probably a little premature to be suggesting but I will go ahead anyway. The settlement is requiring that any agent that belongs to the MLS is to have a Buyers Agency Agreement signed before showing any property. I have been teaching this to my agents since we opened our brokerage last year. Some of our agents have been doing this only to have the buyer say they can get another agent that will not make them sign it first. I know they can because we see agents getting Buyers Agency signed and back dated at the closing table. I know this suggestion would not change that entirely but I think it would help us a lot if the commission could see fit to also make signing before showing a KREC requirement.

Just an idea that might make the new program work a little smoother.

Thanks for all you do.

Bud Cortner

Heritage 1st Realty, Supervising Broker

Heritage 1st Realty



Cell: 316.708.4681

Off: 316.512.1300

111 S Whittier

Wichita, KS 67207

<http://heritage1strealty.com>

CAUTION!!! I will never send you wiring instructions or ask you for wiring instructions via email. I will never request that you send any type of personal/financial information, provide me with any portion of your SS# or the account number on your existing mortgage, in ANY form. If and when that information is needed I will ask that you contact the title company



National Association of REALTORS® Reaches Agreement to Resolve Nationwide Claims Brought by Home Sellers

March 15, 2024 Media Contact: Suzanne Bouhia 202-383-1050

Legal, Fostering Consumer-Friendly Real Estate Marketplaces

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CHICAGO (March 15, 2024) – The National Association of REALTORS® (NAR) today announced an agreement that would end litigation of claims brought on behalf of home sellers related to broker commissions. The agreement would resolve claims against NAR, over one million NAR members, all state/territorial and local REALTOR® associations, all association-owned MLSs, and all brokerages with an NAR member as principal that had a residential transaction volume in 2022 of \$2 billion or below.

The settlement, which is subject to court approval, makes clear that NAR continues to deny any wrongdoing in connection with the Multiple Listing Service (MLS) cooperative compensation model rule (MLS Model Rule) that was introduced in the 1990s in response to calls from consumer protection advocates for buyer representation. Under the terms of the agreement, NAR would pay \$418 million over approximately four years.

Feedback

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“NAR has worked hard for years to resolve this litigation in a manner that benefits our members and American consumers. It has always been our goal to preserve consumer choice and protect our members to the greatest extent possible. This settlement achieves both of those goals,” said Nykia Wright, Interim CEO of NAR.

Two critical achievements of this resolution are the release of most NAR members and many industry stakeholders from liability in these matters and the fact that cooperative compensation remains a choice for consumers when buying or selling a home. NAR also secured in the agreement a mechanism for nearly all brokerage entities that had a residential transaction volume in 2022 that exceeded \$2 billion and MLSs not wholly owned by REALTOR® associations to obtain releases efficiently if they choose to use it.

NAR fought to include all members in the release and was able to ensure more than one million members are included. Despite NAR’s efforts, agents affiliated with HomeServices of America and its related companies—the last corporate defendant still litigating the Sitzer-Burnett case—are not released under the settlement, nor are employees of the remaining corporate defendants named in the cases covered by this settlement.

In addition to the financial payment, NAR has agreed to put in place a new MLS rule prohibiting offers of broker compensation on the MLS. This would mean that offers of broker compensation could not be communicated via the MLS, but they could continue to be an option consumers can pursue off-MLS through negotiation and consultation with real estate professionals. Offers of compensation help make professional representation more accessible, decrease costs for home buyers to secure these services, increase fair housing opportunities, and increase the potential buyer pool for sellers. They are also consistent with the real estate laws in the many states that expressly authorize them.

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Further, NAR has agreed to enact a new rule that would require MLS participants working with buyers to enter into written agreements with their buyers. NAR continues, as it has done for years, to encourage its members to use buyer brokerage agreements that help consumers understand exactly what services and value will be provided, and for how much. These changes will go into effect in mid-July 2024.

“Ultimately, continuing to litigate would have hurt members and their small businesses,” said Ms. Wright. “While there could be no perfect outcome, this agreement is the best outcome we could achieve in the circumstances. It provides a path forward for our industry, which makes up nearly one fifth of the American economy, and NAR. For over a century, NAR has protected and advanced the right to real property ownership in this country, and we remain focused on delivering on that core mission.”

“NAR exists to serve our members and American consumers, and while the settlement comes at a significant cost, we believe the benefits it will provide to our industry are worth that cost,” said Kevin Sears, NAR President. “NAR is focused firmly on the future and on leading this industry forward. We are committed to innovation and defining the next steps that will allow us to continue providing unmatched value to members and American consumers. This will be a time of adjustment, but the fundamentals will remain: buyers and sellers will continue to have many choices when deciding to buy or sell a home, and NAR members will continue to use their skill, care, and diligence to protect the interests of their clients.”

The National Association of REALTORS® is America’s largest trade association, representing more than 1.5 million members involved in all aspects of the residential and commercial real estate industries. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict [Code of Ethics](#).

APPENDIX B - REALTOR® MLS “OPT IN” AGREEMENT

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI WESTERN DIVISION**

RHONDA BURNETT, JEROD BREIT, HOLLEE ELLIS,
FRANCES HARVEY, and JEREMY KEEL, on behalf of
themselves and all others similarly situated,

Plaintiffs,

v.

THE NATIONAL ASSOCIATION OF REALTORS®,
REALOGY HOLDINGS CORP., HOMESERVICES OF
AMERICA, INC., BHH AFFILIATES, LLC, HSF
AFFILIATES, LLC, RE/MAX LLC, and NATIONAL
ASSOCIATION OF REALTORS® REALTY, INC.,

Defendants.

Case No. 19-cv-00332-SRB

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION**

CHRISTOPHER MOEHRL, MICHAEL COLE, STEVE
DARNELL, JACK RAMEY, DANIEL UMPA and JANE RUH
on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

THE NATIONAL ASSOCIATION OF REALTORS®,
REALOGY HOLDINGS CORP., HOMESERVICES OF
AMERICA, INC., BHH AFFILIATES, LLC, HSF
AFFILIATES, LLC, THE LONG & FOSTER COMPANIES,
INC., RE/MAX LLC, and KELLER WILLIAMS REALTY,
INC.,

Defendants.

Case No. 1:19-cv-01610-ARW

WHEREAS, some plaintiffs have alleged that certain MLSs participated in a conspiracy to raise, fix, maintain, or stabilize real estate commissions in violation of Section 1 of the Sherman Act and corresponding state laws;

WHEREAS, Stipulating MLS is a REALTOR® MLS and denies Plaintiffs' allegations in the Actions;

WHEREAS, Plaintiffs have conducted an extensive investigation into the facts and the law regarding the claims and allegations asserted in the Actions, including more than four years of fact and expert discovery, and have concluded that a settlement according to the terms set forth below is fair, reasonable, and adequate and in the best interest of Plaintiffs and the Settlement Class;

WHEREAS, Stipulating MLS believes that it is not liable for the claims and allegations asserted and has good defenses, but nevertheless has decided to enter into this agreement to avoid further expense, inconvenience, and the distraction of burdensome and protracted litigation, to obtain the nationwide releases, orders, and judgment contemplated by the Settlement Agreement, and to put to rest with finality all claims and allegations that Plaintiffs and Settlement Class Members have or could have asserted against the Stipulating MLS; and

WHEREAS, Stipulating MLS has agreed to cooperate with Plaintiffs and to implement certain practice changes, each as set forth in the Settlement Agreement and Appendix B.

NOW, THEREFORE, in consideration of the agreements and releases set forth in the Settlement Agreement and Appendix B and other good and valuable consideration, and intending to be legally bound, it is agreed by and between _____ ("Stipulating MLS") and the Plaintiffs that the Actions be settled, compromised, and dismissed with prejudice as to Stipulating MLS only, without costs to Plaintiffs, the Settlement Class or Stipulating MLS except as provided for herein, subject to the approval of the Court, on the following terms and conditions:

1. Stipulating MLS agrees that the terms reflected in this Appendix B shall have the same meaning as those defined in the Settlement Agreement.

2. Stipulating MLS represents that it is a REALTOR® MLS, as that term is defined in the Settlement Agreement. This representation is a material component of Appendix B and Stipulating MLS's inclusion as a Released Party.

3. Stipulating MLS agrees that, to be effective, it must provide an executed version of this Appendix B to the below email address within 60 days of the filing of the first motion for preliminary approval of the Settlement Agreement:

(1) realtorsoptin@jndla.com, (2) realtorsoptin@cohenmilstein.com, and

(3) nargovernance@nar.realtor

4. As a condition for being a Released Party, as that term is defined in the Settlement Agreement, stipulating MLS agrees to be bound by the practice changes in Paragraphs 68 and the cooperation terms in Paragraph 69 of the Settlement Agreement.

5. As soon as practicable, and in no event later than 150 days after the filing of the first motion for preliminary approval of the Settlement Agreement, each Stipulating MLS will implement the following practice changes:

i. eliminate any requirement by the MLS that listing brokers or sellers must make offers of compensation to cooperating brokers or other buyer representatives (either directly or through buyers), and eliminate any requirement that such offers, if made, must be blanket, unconditional, or unilateral;

ii. prohibit the MLS participants, subscribers, other real estate brokers, other real estate agents, and sellers from (a) making offers of compensation on the multiple listing service to cooperating brokers or other buyer representatives (either directly or through buyers); or (b) disclosing on the multiple listing service listing broker compensation or total

brokerage compensation (i.e., the combined compensation to both listing brokers and cooperating brokers);

iii. eliminate all broker compensation fields on the MLS, and prohibit the sharing of offers of compensation to buyer brokers or other buyer representatives via any other fields on the MLS;

iv. eliminate and prohibit any requirements conditioning participation or membership in an MLS on offering or accepting compensation to buyer brokers or other buyer representatives;

v. agree not to create, facilitate, or support any non-MLS mechanism (including by providing listing information to an internet aggregators' website for such purpose) for listing brokers or sellers to make offers of compensation to buyer brokers or other buyer representatives (either directly or through buyers), however, this provision is not violated by (a) a REALTOR® MLS providing data or data feeds to a REALTOR®, REALTOR® MLS participant, or third party unless the REALTOR® MLS knows those data or data feeds are being used directly or indirectly to establish or maintain a platform for offers of compensation from multiple brokers (i.e., the REALTOR® MLS cannot intentionally circumvent this requirement); or (b) a REALTOR® or REALTOR® MLS Participant displaying both (1) data or data feeds from a MLS and (2) offers of compensation to buyer brokers or other buyer representatives but only on listings from their own brokerage;

vi. unless inconsistent with state or federal law or regulation before or during the operation of this Paragraph 5(vi) of Appendix B, require that all MLS Participants working with a buyer enter into a written agreement prior to the buyer touring any listing;

a. to the extent that such a Participant will receive compensation from

any source, the agreement must specify and conspicuously disclose the amount or rate of compensation it will receive or how this amount will be determined;

b. the amount of compensation reflected must be objectively ascertainable and may not be open-ended (e.g., “buyer broker compensation shall be whatever amount the seller is offering to the buyer”);

c. such a Participant may not receive compensation for brokerage services from any source that exceeds the amount or rate agreed to in the agreement with the buyer;

vii. prohibit Participants, subscribers, and other real estate brokers and agents accessing the multiple listing service from representing to a client or customer that their brokerage services are free or available at no cost to their clients, unless they will receive no financial compensation from any source for those services;

viii. require MLS Participants acting for sellers to conspicuously disclose to sellers and obtain seller approval for any payment or offer of payment that the listing broker or seller will make to another broker, agent, or other representative (e.g., a real estate attorney) acting for buyers; and such disclosure must be in writing, provided in advance of any payment or agreement to pay to another broker acting for buyers, and specify the amount or rate of any such payment;

ix. require MLS Participants to disclose to prospective sellers and buyers in conspicuous language that broker commissions are not set by law and are fully negotiable (i) in their listing agreement if it is not a government-specified form, (ii) in their agreement with buyers if it is not a government-specified form, and (iii) in pre-closing disclosure documents if there are any and they are not government-specified forms. In the event that the listing agreement, buyer representation agreement, or pre-closing disclosure documents are a

government form, then MLS participants must include a disclosure with conspicuous language expressly stating that broker commissions are not set by law and are fully negotiable.

x. to the extent that the multiple listing services publishes form listing agreements, buyer representation agreements, or pre-closing disclosure documents for use by REALTORS®, participants, and/or subscribers, ensure that those forms include language disclosing to prospective sellers and buyers in conspicuous language that broker commissions are not set by law and are fully negotiable.

xi. require that MLS Participants and subscribers must not filter out or restrict MLS listings communicated to their customers or clients based on the existence or level of compensation offered to the broker assisting the buyer;

xii. rescind or modify any existing rules that are inconsistent with the practice changes reflected in this Paragraph 5 of Appendix B; and

xiii. develop educational materials that reflect and are consistent with each provision in these practice changes, and eliminate educational materials, if any, that are contrary to it.

xiv. the practice changes in Paragraph 5 of Appendix B shall not (a) prevent offers of compensation to buyer brokers or other buyer representatives off of the multiple listing service or (b) sellers from offering buyer concessions on an MLS (e.g., for buyer closing costs), so long as such concessions are not limited to or conditioned on the retention of or payment to a cooperating broker or other buyer representative.

6. The obligations set forth in Paragraph 5 of this Appendix B will terminate 7 years after the notice date.

7. Stipulating MLS agrees to provide proof of compliance with these practice changes if requested by Co-Lead Counsel.

8. Stipulating MLS will provide valuable cooperation to Plaintiffs and Settlement Class Member as follows in the Actions, including to the extent that any is consolidated pursuant to In re Real Estate Commission Antitrust Litigation (MDL No. 3100):

i. use reasonable efforts to authenticate documents and/or things produced by it in the Actions where the facts indicate that the documents and/or things at issue are authentic, by declarations or affidavits if possible, or at hearings or trial if necessary;

ii. use reasonable efforts to provide the facts necessary to establish, where applicable, that documents and/or things produced by it in the Actions are “business records,” a present sense impression, an excited utterance, a recorded recollection, or are otherwise admissible under the Federal Rules of Evidence, by declarations or affidavits if possible, or at hearings or trial if necessary;

iii. use reasonable efforts at their expense to provide relevant class member and listing data and answer questions about that data to support the provision of class notice, administration of any settlements, or the litigation of the Actions;

iv. stipulate that Plaintiffs have the consent to obtain from third parties relevant class member and listing data to support the provision of class notice, administration of any settlements, or the litigation of the Actions;

v. agree that Plaintiffs may use in the remaining Actions any discovery materials provided by it or its officers or employees in Moehrl or Burnett;

vi. agree that the Settlement Agreement and Appendix B shall not preclude Plaintiffs from seeking the production of non-privileged documents in its possession, custody, or control;

vii. if a Defendant includes a witness on a witness list in the Actions who is then a current officer or employee of the multiple listing service, the multiple listing service will cooperate in providing access via counsel to that witness prior to trial testimony for up to two (2) hours;

viii. withdraw any existing response before the Judicial Panel on Multidistrict Litigation with respect to *In re Real Estate Commission Antitrust Litigation* (MDL No. 3100); and

ix. agree not to provide greater assistance in discovery or trial to any defendant or other non-Released Party in the Actions than to the Plaintiffs unless required by subpoena or other compulsory process.

9. Stipulating MLS's cooperation obligations, as set forth in Paragraph 8 of Appendix B, shall not require the production of information, testimony, and/or documents that are protected from disclosure by the attorney-client privilege, work product doctrine, joint defense privilege, or any other applicable privilege or doctrine.

10. Stipulating MLS's obligation to cooperate will not be affected by the release set forth in the Settlement Agreement, Appendix B, or the final judgment orders with respect to National Association of REALTORS®. Unless this Settlement Agreement or Appendix B is rescinded, disapproved, or otherwise fails to become Effective, the obligation to cooperate as set forth here will continue until the date that final judgment has been entered in all of the Actions and the time for appeal or to seek permission to appeal from the from the entry of a final judgment has expired or, if appealed, any final judgment has been affirmed in its entirety by the court of last resort to which such appeal has been taken and such affirmance is no longer subject to further appeal or review.

11. Stipulating MLS acknowledges that the practice changes and cooperation set forth in Paragraphs 5 and 8 of Appendix B are a material components of Appendix B and agrees to use its reasonable best efforts to provide them.

12. Stipulating MLS consents to entry of a final judgment order enjoining Stipulating MLS in accordance with the provisions of Paragraph 68 of the Settlement Agreement.

13. The terms of Appendix B are and shall be binding upon and inure to the benefit of, to the fullest extent possible, each of Plaintiffs and Stipulating MLS, and upon all other Persons claiming any interest in the subject matter hereto through any of the Settling Parties, Releasing Parties, Released Parties, and any Settlement Class Members.

14. Any disputes between Stipulating MLS and Co-Lead Counsel concerning this Appendix B shall, if they cannot be resolved, be presented first to an agreed mediator for assistance in mediating a resolution and, if a resolution is not reached, to the Court.

15. The Court shall retain jurisdiction over the implementation and enforcement of the Settlement Agreement and the Settlement, including Appendix B.

16. Stipulating MLS acknowledges that it has been and is being fully advised by competent legal counsel of Stipulating MLS's own choice and fully understands the terms and conditions of the Settlement Agreement, including Appendix B, and the meaning and import thereof, and that such Stipulating MLS's execution of this Appendix B is with the advice of such Stipulating MLS's counsel and of such Stipulating MLS's own free will. Stipulating MLS submits to the exclusive jurisdiction of the Court for the purposes of interpreting and enforcing the terms of Appendix B, including but not limited to, the practice changes contained therein. Stipulating MLS represents and warrants that it has sufficient information regarding the transaction and the other parties to reach an informed decision and has, independently and without relying upon the other parties, and based on such information as it has deemed appropriate, made its own decision to enter

into the Settlement Agreement, including Appendix B, and was not fraudulently or otherwise wrongfully induced to enter into the Settlement Agreement.

17. Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Appendix B.

Date: ____ day of _____, 2024

On behalf of _____