

**AGENDA**  
**June 17, 2024**

Zoom Meeting

<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 April 8, 2024 Commission Meeting
2. Formal Hearing
  - Jennifer Flores, Docket 24-1962 9:00am
3. HB 2745 Implementation (Military Spouse Fee Waiver)
4. Staff Reports
  - Education and Communication Report (Nutt)
  - Licensing Report (Smith)
  - Compliance Report (Alkire)
  - Director's Report (Wisner)
5. Possible Public Comment

Adjournment

Upcoming Commission Meeting Dates:

- Aug 26
- Nov 18

# APPROVAL OF MINUTES

**MINUTES OF THE MEETING**  
**Kansas Real Estate Commission**  
**April 8, 2024**

The Kansas Real Estate Commission held its regular meeting on Monday, April 8, 2024 at 9:00 a.m. in the KREC Conference Room 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  
Lindsey Bowes, Legal Assistant  
Kiereon Sisney, Real Estate Specialist/Auditor  
Tim O'Brien, Real Estate Specialist/Investigator

Alycia Smith, Licensing Director  
Wendy Alkire, Deputy Director & Compliance Director  
Cindy Boswell, Real Estate Specialist/Senior Investigator  
Stephanie Nelson, Senior Licensing Specialist  
Lynn Comfort, Real Estate Specialist/Auditor

**Kansas Real Estate Commission Legal Counsel:**

Nicole Turner, Assistant Attorney General  
Will Skepnek, Assistant Attorney General  
Spencer Taylor, Assistant Attorney General  
Sydney Walsh, Assistant  
Lisa Mendoza, First Assistant Attorney General

**Members of the Public:**

Mary Froese	Chris Folgate	Lauren Sams	Todd Woodburn	Jolene Martins
TJ Larson	Lana Robbins	Mark Tomb	Vanessa Schmidt	Michael Sharp
Janet Carter	Deb Marklevits	Michael Blackburn	Shelby Ross	
Bryon Ruoff	Katelyn Taylor	Randy Vanderpool	Dawn Sharp	
Bud Cortner	Kim Bischler	Steve Metarelis		

**Call to Order**

Ms. Moyer called the meeting to order at 9:00 a.m.

**Approval of the Minutes of the January 24, 2024 Meeting**

Mr. Schlosser moved to approve the minutes of the January 24, 2024 meeting. Ms. McConnell seconded the motion. Motion carried unanimously.

**Hearing of Breana R. Holt, Docket 23-1158**

**Hearing of Joseph A. Swartz, Docket 24-1863**

### **Licensing Report**

As of March 2024, there are 19,155 licensees, which is a decrease of 109 compared to March 2023. There are 218 pending applications (62 salesperson, 13 broker, and 143 fingerprint-only files). This is a decrease of 70 applicants compared to March 2023.

### **Compliance Report**

Staff has received 231 complaints and completed 237 compliance reviews so far in FY24. Compliance courses are scheduled for May 7, 2024 and August 20, 2024 for BRRETA and June 4, 2024 and August 28, 2024 for Broker Supervision.

Ms. Alkire provided a summary of her meeting with the Executive Board of the Kansas Register of Deeds Association (RDA). Currently 27 of 105 Kansas counties have property notification systems. The notifications are tied to the property owner's name and not the property. Sending information on the service to property owners in counties that do not have the service could cause undue burden on the county. The counties that have the service want it to be used. Consensus was to continue collecting information before determining next steps.

### **Hearing of Jerron L. Cheeks, Docket 24-1793**

#### **Compliance Report (cont.)**

Ms. Alkire reviewed proposed changes to the number of files reviewed during a compliance review. Mr. Schlosser moved to change the number of files reviewed during a compliance review to be 10% of the broker's past year pending and closed transaction total rounded up to the next whole number with a cap of 20 files effective immediately. Ms. Kelly seconded the motion. Motion carried unanimously.

Ms. Alkire provided an overview of a complaint received by the Attorney General's office and a copy of a redacted demand letter sent to the respondent in the complaint that was provided to KREC. The demand letter indicated the respondent in the proposed transaction filed an affidavit of equitable interest with the local Register of Deeds office without making any payments to the seller. Therefore, the buyer did not have equitable rights in the property and the letter provided a footnote to a legal case where 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 to the property.

#### **Education and Communication Report**

Staff has approved two pre-license courses and 71 continuing education courses for FY24. Pearson VUE has administered 1,952 exams with an overall pass rate of 57%. Ms. Nutt shared the annual Educators Meeting is scheduled for October 8, 2024.

Ms. Nutt reviewed proposed changes to K.A.R. 86-1-10 related to synchronous distance education courses. Ms. Harvey moved the Commission approve proposed changes to K.A.R. 86-1-10. Approved courses of instructions; procedure. Mr. Schlosser seconded the motion. Motion carried unanimously.

Ms. Nutt reviewed results from a standard setting meeting on March 4, 2024 with Pearson VUE and six subject matter experts (SMEs) to review the cut score for the salesperson and broker state exams. Mr. Schlosser moved to adopt the recommended cut score of 1.79 and a 62% estimated pass rate for brokers. Ms. McConnell seconded. Motion carried unanimously.



### **Director's Report**

The real estate fee fund balance as of February 28, 2024 is \$1,491,328 which is up \$79,000 for FY24. Real estate fee fund receipts for FY24 are \$908,499 and real estate fee fund expenditures for FY24 are \$808,453. Background investigation fee fund receipts for FY24 are \$67,080 and the real estate recovery fund receipts for FY24 are \$16,070.

Mr. Wisner provided an update on the new licensing system and on legislative and policy matters. The 2024 Legislature passed bills granting KREC authority to issue cease and desist orders, exempting spouses of active duty military servicemembers from occupational licensing fees and updating statutes related to KBI criminal history checks.

The KBI is increasing the fee to process background checks from \$47 to \$57. K.A.R. 86-1-5 must be amended to raise the fee collected from individuals who require a criminal history check. KBI agreed to delay the effective date until the amended regulation goes into effect. Mr. Schlosser moved to amend K.A.R. 86-1-5. Fees. to increase the fee cap from \$60 to \$70. Ms. McConnell seconded. Motion carried unanimously.

### **Public Comment**

Bud Cortner with Heritage 1<sup>st</sup> Realty submitted a letter on buyer agency agreements and the proposed NAR settlements.

### **Adjournment**

The meeting adjourned at 11:58 a.m.

HB 2745  
Implementation  
(Military Spouse Fee Waiver)

# MEMO



DATE: June 17, 2024  
TO: KREC Commission Members  
FROM: Erik Wisner, Executive Director  
RE: 2024 HB 2745 Implementation

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

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During the 2024 Legislative Session, the Legislature passed and the Governor signed into law HB 2745. This bill exempts spouses of active military servicemembers who reside or plan to reside in Kansas due to the assigned military station of the individuals spouse from all occupational licensing, registration, and certification fees. This law goes into effect July 1, 2024.

For KREC this means these individuals are exempt from all application and license related fees including original application and license fees, KBI background check fees and renewal fees. The bill requires KREC to implement rules and regulations to implement the provisions of the bill.

Staff does not have enough information to determine a fiscal impact to the agency. In consultation with other boards and in internal discussions the most efficient way to implement this is to add a single question to application forms to determine eligibility and not require additional supporting documentation at this time. Both our current and future licensing system developers have indicated adding a single question to determine the fee exemption can be accomplished with minimal or no cost. Note that the applicant or licensee is responsible for indicating they are eligible for the exemption each time they complete an application form and could be subject to discipline if they misrepresent their eligibility for the exemption pursuant to K.S.A. 58-3062(f)(1).

Below are two motions for the commission to review and approve.

## **Revisions to Application Forms**

*<NAME> moves the Commission grant the authority to staff to revise all application forms to add a question that states "Are you the spouse of an active military servicemember who resides or plans to reside in Kansas due to the assigned military station of your spouse?" to determine eligibility for the fee exemption in 2024 HB 2745 starting on July 1, 2024.*

## **Amendments to K.A.R. 86-1-5. Fees. (See attachment\*)**

*<NAME> moves the Commission approve amendments to K.A.R. 86-1-5 to exempt spouses of active military servicemembers from all original application and license fees, KBI background check fees and renewal application fees and grant the Executive Director the authority to work with counsel, the Department of Administration and the Attorney General's office on language to affect these amendments.*

\*Note the attachment includes proposed amendments to background check fees approved by the Commission at the April 8, 2024 meeting.

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 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.

(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.*

**From:** [Kansas Office of the Governor](#)  
**To:** [Erik J. Wisner \[KREC\]](#)  
**Subject:** Media Release: Governor Kelly Signs Bipartisan Bill Removing Barriers to Career Opportunities for Military Spouses  
**Date:** Friday, March 29, 2024 12:01:20 PM

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Header



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**For Immediate Release:**

March 29, 2024

**Contact:**

Grace Hoge

[Grace.Hoge@ks.gov](mailto:Grace.Hoge@ks.gov)

**Governor Kelly Signs Bipartisan Bill  
Removing Barriers to Career Opportunities**

## for Military Spouses

**TOPEKA** — Governor Laura Kelly today signed [House Bill 2745](#), which exempts spouses of military servicemembers from all occupational licensing, registration, and certification fees, eliminating barriers to career opportunities for military spouses in Kansas.

"As the daughter of a career Army officer, I know the importance of supporting our military personnel and their spouses," **Governor Laura Kelly said**. "I'm proud to sign this bipartisan bill that knocks down barriers and ensures military spouses have every opportunity to fill the jobs we've created in Kansas."

In February 2023, Governor Kelly [announced](#) that Kansas was the first state in the nation to join the Alliance for States Providing Interoperable Reciprocity (ASPIRE). This coalition advocates for the acceleration of military reciprocity by and between states, easing the process of obtaining an occupational license in a state to which military personnel and their families are deployed.

"Military spouses play a crucial role in contributing to Kansas' workforce and economic success," **said Kansas State Senator Usha Reddi, District 22, and member of the Governor's Military Council**. "This bill will allow us to better support our servicemembers and their families by removing the hurdles military spouses face when seeking job opportunities."

Governor Kelly also signed a [bipartisan bill](#) in 2021 that expedites the issuance of occupational credentials to military servicemembers and military spouses seeking to establish residency in Kansas. The legislation makes it easier for military spouses to transition into the workforce and contribute to the Kansas economy.

In addition to House Bill 2745, Governor Kelly also signed the following bipartisan bills:

**[Senate Bill 399](#)**: Aligns submission deadlines for monthly reports filed by vehicle dealers.

**[Senate Bill 424](#)**: Updates the Kansas plane coordinate system act to align with federal changes.

**[Senate Bill 481](#)**: Renames Kansas State University Polytechnic Campus as Kansas State University Salina.

**[Senate Substitute for House Bill 2247](#)**: Modernizes certain terms, definitions, deadlines and provisions contained in the uniform consumer credit code (UCCC) to

**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.

(f) Any applicant or licensee who is a spouse of a military servicemember who resides or plans to reside in this state due to the assigned military station of the individual's spouse as defined in K.S.A. 48-3406 and amendments thereto, shall be exempt from all fees assessed pursuant to subsection (b)(1) through (b)(6) and subsection (c)(1). (Authorized by K.S.A. 2017 Supp. 58-3063 and K.S.A. 2023 Supp. 48-3406; implementing K.S.A. 2017 Supp. 58-3039 and 58-3063 and K.S.A. 2023 Supp. 48-3406; 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.)

# STAFF REPORTS

EDUCATION &  
COMMUNICATION  
REPORT

MEMO



DATE: June 17, 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 06/03/24)**

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**Education Reports** – See attached

Course Applications	Mar - May 2024	FY24 Total	FY23 Total
In-person	23	45	49
Virtual (synchronous)	4	6	2
Distance (asynchronous)	16	65	65
Pre-License	1	3	7
Continuing Education	42	113	109
Elective	42	107	77
Mandatory	0	6	32
Withdrawn or Denied	0	1	4
<b>Total Processed</b>	<b>43</b>	<b>116</b>	116

Exam Performance Summary	FY24 Total	FY23 Total
Broker Pass Rate	56%	61%
Salesperson Pass Rate	57%	57%
<b>Overall Pass Rate</b>	<b>57%</b>	57%
Broker Total Exams	228	246
Salesperson Total Exams	2,420	2,865
<b>Total Exams</b>	<b>2,648</b>	3,111

Additional Items:

- 06/12/24 - New KREC website draft reveal to SMEs
- 08/13/24 - New website launches



# New Courses from 3/1/24 to 5/31/24

<u>Course Type</u>	<u>Course #</u>	<u>Course Title</u>	<u>Hours</u>	<u>Status</u>	<u>Location</u>
<b>Career Education Systems</b>					
Elective	E20459	Transitioning to Commercial Real Estate	3	Active	In Person
<b>Colibri Real Estate, LLC</b>					
Elective	E20434	Live Webinar: NAR: May the Code Be With You	3	Active	Distance
Elective	E20435	Online Correspondence: Property Condition Discovery and Disclosure Compliance	3	Active	Distance
Elective	E20436	Property Condition Discovery and Disclosure Compliance	3	Active	Distance
Elective	E20437	Cybersecurity: Protecting the Real Estate Transaction	3	Active	Distance
Elective	E20438	Online Correspondence: Cybersecurity: Protecting the Real Estate Transaction	3	Active	Distance
Elective	E20475	Online Correspondence: Charting Your Success: The Code of Ethics, Buyer Rep	3	Active	Distance
Elective	E20439	Serving Generational Clients	3	Active	Distance
Elective	E20440	Online Correspondence: Serving Generational Clients	3	Active	Distance
Elective	E20441	Online Correspondence: Workforce Housing: Solutions for Homes and Financing	4	Active	Distance
Elective	E20442	Workforce Housing: Solutions for Homes and Financing	4	Active	Distance
Elective	E20463	Charting Your Success: The Code of Ethics, Buyer Representation, and Your Value	3	Active	Distance
<b>Kansas Association of Realtors</b>					
Elective	E20451	Accredited Buyer's Representative (ABR)	9	Active	In-person
Elective	E20464	Building an Ethical AI-Driven Real Estate Industry	3	Active	In Person
Elective	E20465	Real Estate - The New Horizon	4	Active	In Person
Elective	E20466	All About the VA Loan Process	4	Active	In Person
Elective	E20468	Real Estate - The New Horizon	3	Active	In Person
Elective	E20469	All About the VA Loan Process	3	Active	In Person
<b>Kansas City Regional Association of REALTORS</b>					
Elective	E20446	Buyer's Agent Bootcamp (Zoom)	3	Active	Distance
Elective	E20447	Living the American Dream: Fair Housing and Equal Opportunity For All	3	Active	In-person
Elective	E20448	Dealing with an Inflationary Market and Why Real Estate is the Answer	3	Active	In-person
Elective	E20449	Dealing with an Inflationary Market and Why Real Estate is the Answer (Zoom)	3	Active	Distance
Elective	E20454	Buyer's Agent Bootcamp	3	Active	In Person
Elective	E20455	The ABC's and N's of Commercial Leasing	3	Active	In Person
Elective	E20456	The ABC's and N's of Commercial Leasing (Zoom)	3	Active	Distance
Elective	E20457	Taxation for Commercial Real Estate	3	Active	In Person
Elective	E20458	Taxation for Commercial Real Estate (Zoom)	3	Active	Distance
Elective	E20470	Senior Real Estate Specialist	9	Active	In Person
<b>Kansas Mortgage CE Institute (Open Mortgage)</b>					
Elective	E20443	HECM for Purchase	3	Active	In-person
<b>Kaplan Real Estate Education</b>					
Kansas Practice Course	P20433	Kansas Practice Course v1.0	30	Active	Distance

McKissock LP

<u>Course Type</u>	<u>Course #</u>	<u>Course Title</u>	<u>Hours</u>	<u>Status</u>	<u>Location</u>
Elective	E20444	Online Correspondence: Serving Generational Clients	3	Active	Distance
Elective	E20445	Serving Generational Clients	3	Active	Distance
Elective	E20461	Charting Your Success: Code of Ethics, Buyer Representation, & Your Valu	3	Active	Distance
Elective	E20462	(OC)Charting Your Success: Code of Ethics, Buyer Representation, & Your	3	Active	Distance
<b>Preferred Systems, Inc.</b>					
Elective	E20473	Home Warranty Training	3	Active	In Person
<b>ReeceNichols Training</b>					
Elective	E20467	Essential 1031 Exchange Strategies	3	Active	In Person
<b>REjournals</b>					
Elective	E20474	3rd Annual Kansas City Apartment Summit	3	Active	In Person
<b>Residential Real Estate Council</b>					
Elective	E20460	Residential Real Estate Probate Specialist Certification - RS 184	8	Active	In Person
<b>RSCK School of Real Estate</b>					
Elective	E20453	Back to Basics in a Changing Market	3	Active	In Person
Elective	E20471	Accredited Buyer's Representative (ABR)	9	Active	In Person
Elective	E20472	Specializing in the Senior Market	3	Active	In Person
<b>Salina Community Relations</b>					
Elective	E20452	2024 Fair Housing Seminar	6	Active	In Person
<b>Scheerer Home Team Training</b>					
Elective	E20450	Accredited Buyer's Representative	9	Active	In-person

## Exam Performance Summary by Fiscal Year (FY20-FY24)



Fiscal Year	First Time Takers					Repeat Takers					Overall Statistics				
	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate
<b>FY2020</b>															
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%
<b>FY2021</b>															
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%
<b>FY2022</b>															
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%
<b>FY2023</b>															
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%
<b>FY2024 (July 2023 - May 2024)</b>															
Broker	127	85	67%	42	33%	101	42	42%	59	58%	228	127	56%	101	44%
Salesperson	1,433	952	66%	481	34%	987	420	43%	567	57%	2,420	1,372	57%	1,048	43%
Total	1,560	1,037	66%	523	34%	1,088	462	42%	626	58%	2,648	1,499	57%	1,149	43%

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

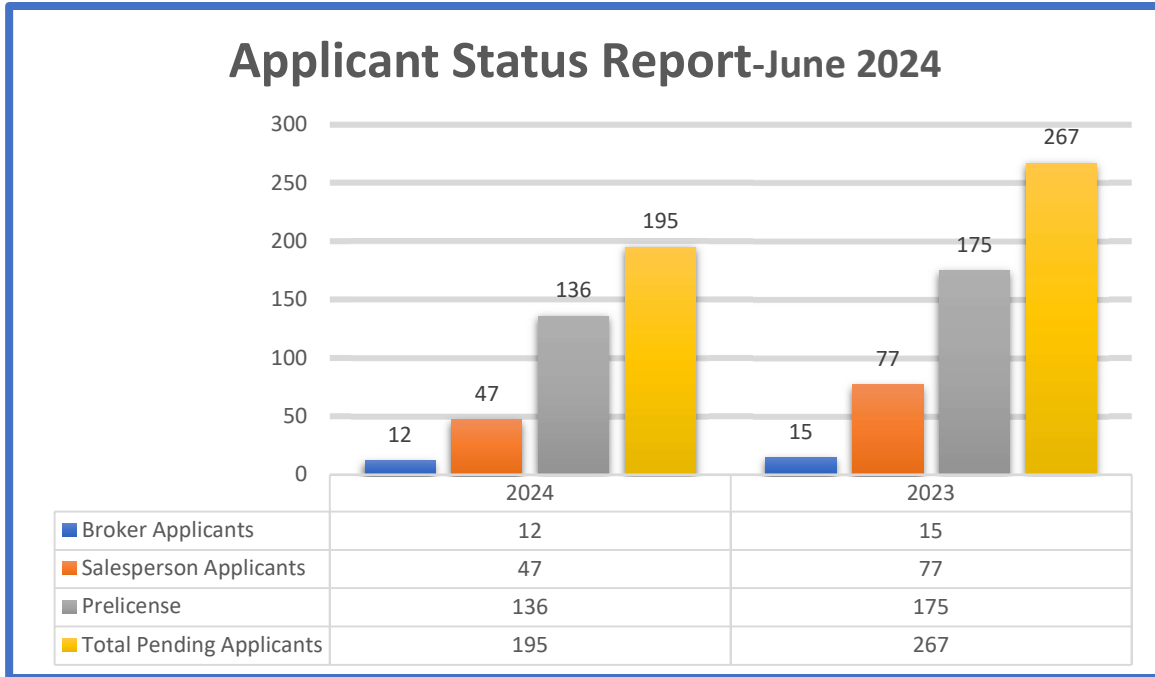


Kansas Broker	First Time Takers					Repeat Takers					Overall Statistics				
	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate	Total Exams	Total Pass	Pass Rate	Total Fail	Fail Rate
Career Education Systems - Wichita	1	1	100%	0	0%	0	0	0%	0	0%	1	1	100%	0	0%
Lowry School of Real Estate	12	10	83%	2	17%	10	4	40%	6	60%	22	14	64%	8	36%
Career Education Systems - Online	29	19	66%	10	34%	27	14	52%	13	48%	56	33	59%	23	41%
Waiver - KREC Equivalent Requirements Met	25	15	60%	10	40%	16	9	56%	7	44%	41	24	59%	17	41%
Career Education Systems - Kansas City	41	31	76%	10	24%	32	9	28%	23	72%	73	40	55%	33	45%
Kansas Association of REALTORS	19	9	47%	10	53%	16	6	38%	10	63%	35	15	43%	20	57%
<b>Total</b>	<b>127</b>	<b>85</b>	<b>67%</b>	<b>42</b>	<b>33%</b>	<b>101</b>	<b>42</b>	<b>42%</b>	<b>59</b>	<b>58%</b>	<b>228</b>	<b>127</b>	<b>56%</b>	<b>101</b>	<b>44%</b>

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	141	129	91%	12	9%	27	20	74%	7	26%	168	149	89%	19	11%
RSCK School of Real Estate	7	4	57%	3	43%	2	2	100%	0	0%	9	6	67%	3	33%
Colibri Real Estate, LLC	77	56	73%	21	27%	49	24	49%	25	51%	126	80	63%	46	37%
The CE Shop, Inc.	165	114	69%	51	31%	115	57	50%	58	50%	280	171	61%	109	39%
Career Education Systems - Kansas City	303	196	65%	107	35%	179	86	48%	93	52%	482	282	59%	200	41%
Career Education Systems - Online	223	150	67%	73	33%	154	65	42%	89	58%	377	215	57%	162	43%
Lowry School of Real Estate	20	13	65%	7	35%	18	8	44%	10	56%	38	21	55%	17	45%
ReeceNichols Training	62	37	60%	25	40%	44	20	45%	24	55%	106	57	54%	49	46%
Career Education Systems - Wichita	178	112	63%	66	37%	127	51	40%	76	60%	305	163	53%	142	47%
Perry Real Estate College	7	4	57%	3	43%	3	1	33%	2	67%	10	5	50%	5	50%
Kansas Real Estate School	50	34	68%	16	32%	37	9	24%	28	76%	87	43	49%	44	51%
ReeceNichols Training – Online	13	6	46%	7	54%	14	6	43%	8	57%	27	12	44%	15	56%
Training Partners	32	20	63%	12	38%	31	7	23%	24	77%	63	27	43%	36	57%
Kansas Association of REALTORS	98	53	54%	45	46%	125	41	33%	84	67%	223	94	42%	129	58%
PDH Academy	9	5	56%	4	44%	13	4	31%	9	69%	22	9	41%	13	59%
Key Real Estate School	18	7	39%	11	61%	18	7	39%	11	61%	36	14	39%	22	61%
Career Academy of Real Estate - Penfed Realty	28	10	36%	18	64%	30	12	40%	18	60%	58	22	38%	36	62%
Pinnacle Real Estate School	0	0	0%	0	0%	1	0	0%	1	100%	1	0	0%	1	100%
<b>Total</b>	<b>1,433</b>	<b>952</b>	<b>66%</b>	<b>481</b>	<b>34%</b>	<b>987</b>	<b>420</b>	<b>43%</b>	<b>567</b>	<b>57%</b>	<b>2,420</b>	<b>1,372</b>	<b>57%</b>	<b>1,048</b>	<b>43%</b>

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.

# LICENSING REPORT

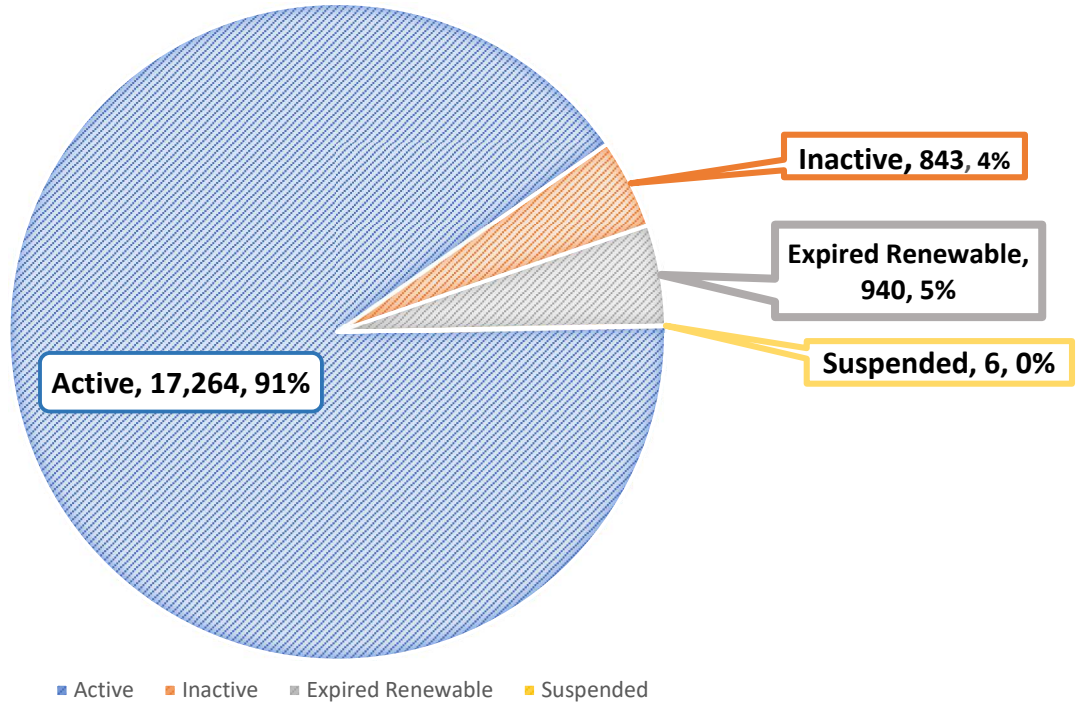


## TRENDS

Overall decrease of **72** applicants compared to May 2023

- **Broker Applicants: -3**
- **Salesperson Applicants: -30**
- **Prelicense Applicants: -39**

## LICENSE TOTAL REPORT-JUNE 2024



Total of **19,053** licensees; this is a decrease of 203 licenses compared to May 2023

- **17,264 Active Licenses** (13,922 Salesperson, 3,342 Broker; ↓ 75 from prior year)
- **843 Inactive Licenses** (790 Salesperson, 53 Broker; ↓ 22 from prior year)
- **940 Expired Renewable Licenses** (855 Salesperson, 85 Broker; ↓ 103 from prior year)
- **6 Suspended Licenses** (2 Salesperson, 4 Broker; ↓ 3 from prior year)

OFFICE INFORMATION	
OFFICE TYPE	
COMPANY	BRANCH
2,250	202
<b>OFFICE TOTAL: 2,452</b>	

↓ 45 companies/branches compared to May 2023

# COMPLIANCE REPORT



MEMO



DATE: June 17, 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 06/05/2024)**

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Complaints – See attached reports	FY24 YTD	FY23 YTD Comparison	Difference YTD
Complaints Logged	304	309	-2%
Open Complaints Under Investigation	57		
Oldest Open Complaint (not held for legal or I-Team)	01/07/2024		

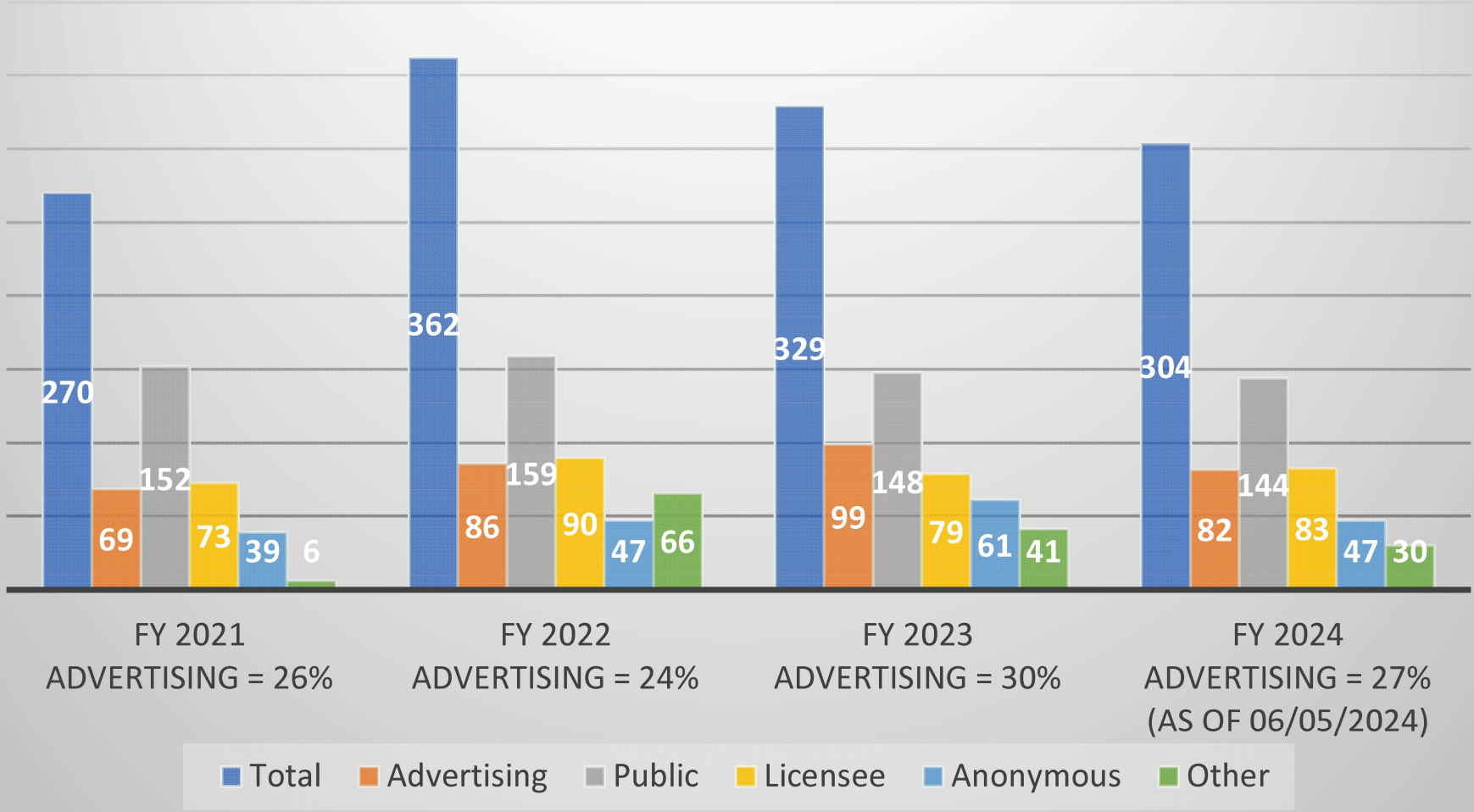
Compliance Reviews – See attached reports	FY24 YTD	FY23 YTD Comparison	Difference YTD
Compliance Reviews Complete	304	267	+12%
Additional Brokers with no transactions	195	198	-2%
Follow Up Compliance Reviews	61		
Follow Up with Repeat Violations	25%		
Follow Up with No Violations or Minor Violations	59%		

Legal Case Review	As of 06/05/2024	As of 03/25/2024
Oldest Disciplinary File Pending KREC Staff Review	01/02/2024	08/18/2023
Oldest Disciplinary File Pending AG Review (non-OAH)	N/A	08/28/2023

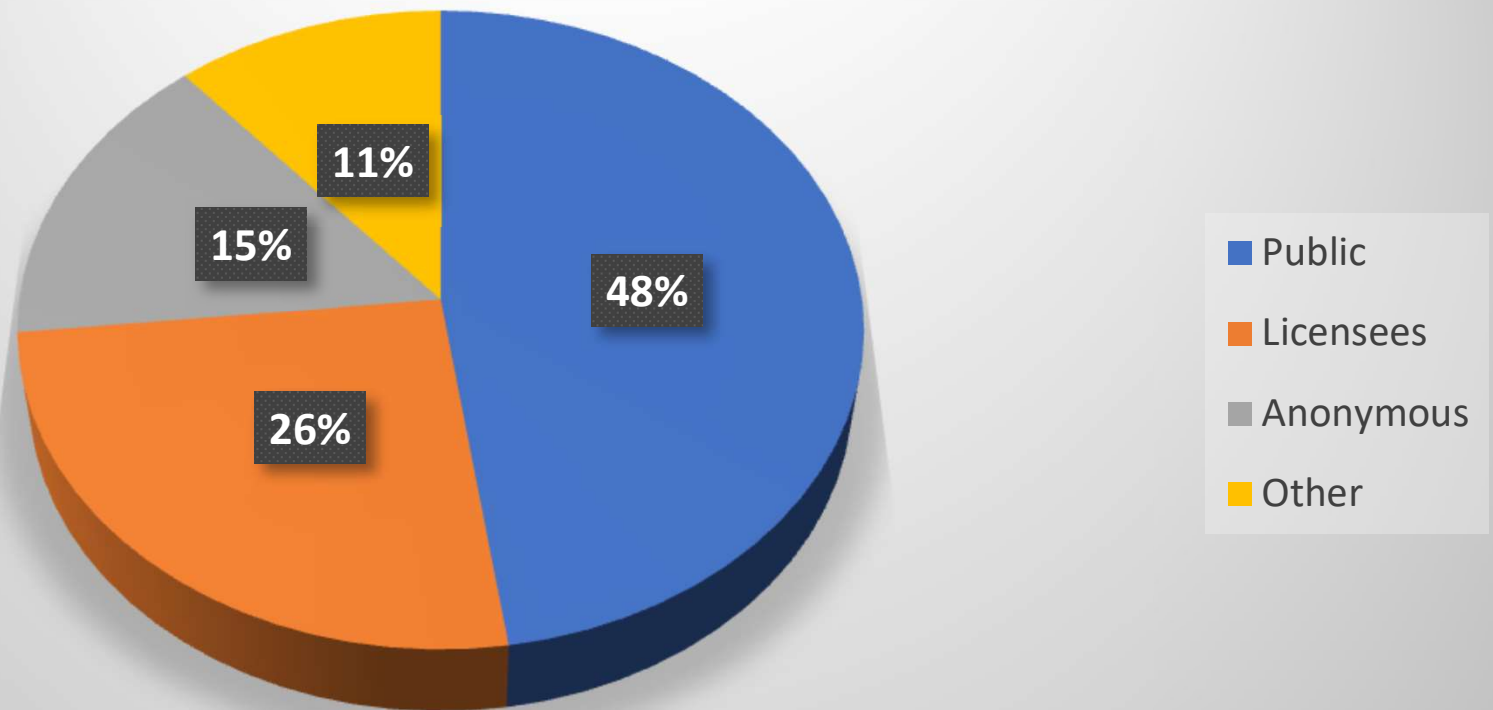
**Miscellaneous**

- Compliance Course Attendees-See attached chart
  - Next scheduled dates: Broker Supervision- August 28, 2024 & November 20, 2024  
BRRETA - August 20, 2024 & November 14, 2024

# Complaint Data

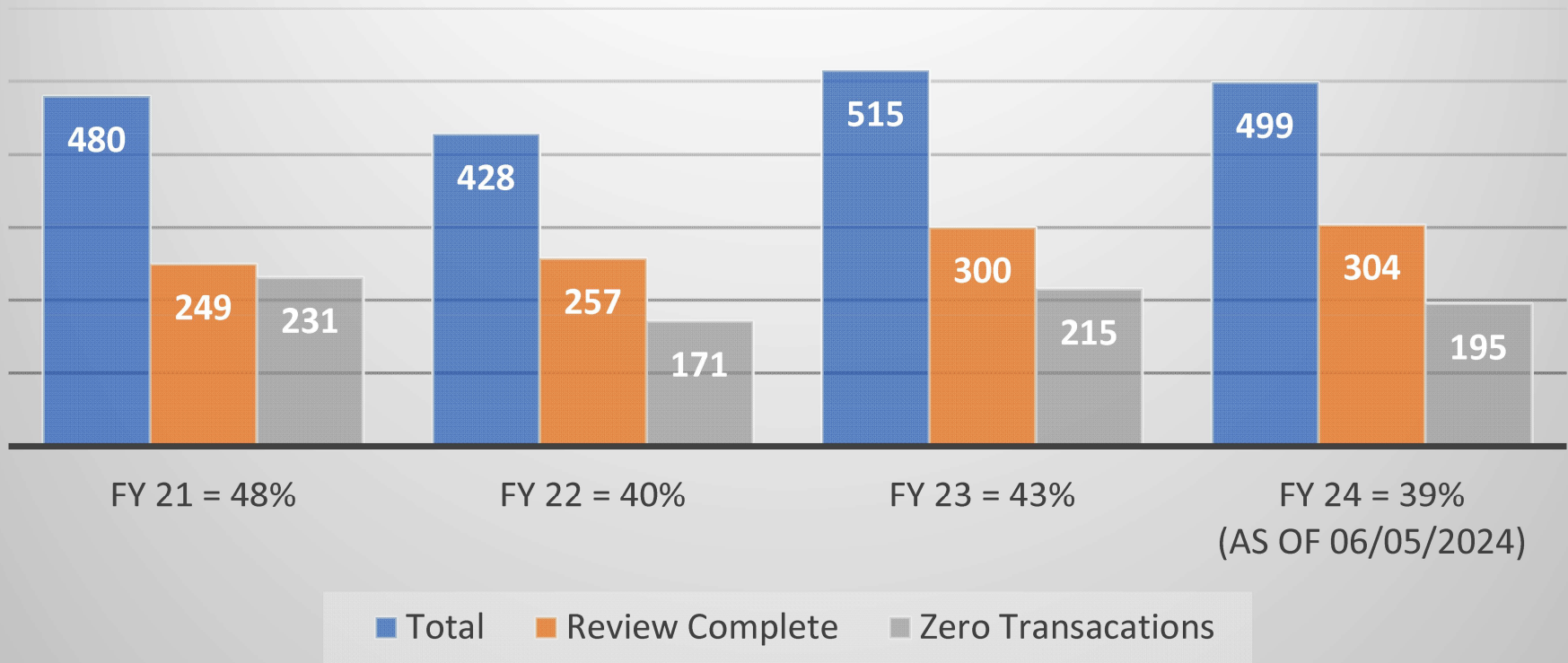


## Complaint Source - FY 21 - FY 24



# Compliance Reviews

(with percent of brokers reporting no transactions)



FY2024 Results of follow up compliance review

Updated: 6/5/2024

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	3	3			
February 2024	4	2	1	1				
March 2024	6	3	1	1	1			
April 2024	3	1		1	1			
May 2024	2		1				1	
June 2024						16		
<b>Total</b>	<b>62</b>	<b>19</b>	<b>17</b>	<b>15</b>	<b>10</b>		<b>1</b>	

Compliance Review Complete	62
Quality Control Review Needed	1
Total w/Confirmed Results	61
Total w/Confirmed Results	61
Files w/Repeat Violation	15
Percentage	0.2459

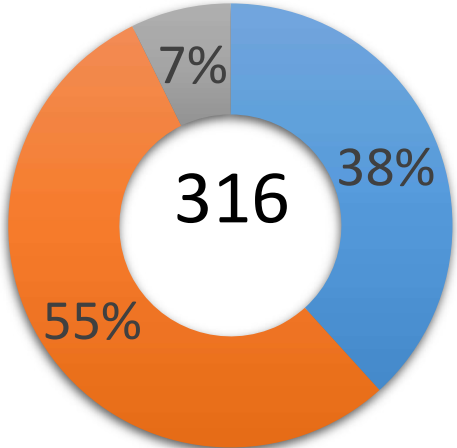


# Compliance Course Attendance

FY 20 - FY 24

(as of 06/05/2024)

■ Required 
 ■ Volunteer 
 ■ Other



\* Participants attending both courses are counted twice in the total

Compliance Course Attendance				
	Required	Volunteer	Other	Total
Broker Supervision	36	92	13	141
BRRETA	85	80	10	175
<b>Total</b>	<b>121</b>	<b>172</b>	<b>23</b>	<b>316</b>

# DIRECTOR'S REPORT



# MEMO



DATE: June 17, 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

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## Fiscal

- The real estate fee fund balance as of May 31, 2024 is \$1,517,256 up \$104,770 for FY24.
  - Revenue. Real estate fee fund revenue for FY24 are \$1,214,526. This is 2% higher than original estimates. 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 \$1,088,310. This is 8% lower than original estimates. There are a few significant expenses for computer replacements for security systems and the conference room that will be purchased in June but we will be well under estimated expenditures due to OITS covering all costs for the existing and new license system.
- Background investigation fee fund revenue for FY24 are \$95,580. This is 10% less than estimates. Real estate recovery fund receipts for FY24 are \$20,114.
- The \$20,000 Special Litigation Reserve fund transfer approved by the Commission as part of the FY24 budget has been completed and the balance in the fund is \$100,000. The fund was created in 2020 and can be used to cover legal cost for unforeseen occurrences where legislative appropriation requests are not possible.
- Budget. The budget for FY24 and 25, as proposed by the Commission, was approved by the legislature and signed into law in April. The budget also includes a minimum 5% pay increase for most state employees in FY25 and funding to bring certain job classification to within 10% of market rates.

## Legislative and Policy Issues

- Legislative Update
  - Statute changes from [HB 2101](#) (KREC Cease and Desist Authority) and [SB 491](#) (KBI Fingerprint Cleanup Bill) will be live on website July 1.
  - Staff is working on updates to delegation of authority to implement cease and desist authority that will be presented at the August meeting.

- Licensing System Update
  - The go-live date needs to be extended further 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) **Delayed from Feb to June or July**
    - User Acceptance Testing (All staff) **Delayed from April to July/August**
    - Final User Training ~~Mid-May~~ **TBD**
    - Cutover to New System ~~Jun 6-10~~ **TBD**
    - Go-Live ~~Jun 11~~ **TBD (prior to end of 2024)**
  - OITS has informed KREC that all costs related to the project including continued payment to current vendor to maintain legacy system and outyear costs will be paid by the state. These outyear costs were estimated to be between \$50-60k annually.

### Dates and Events

- **2024 Commission Meeting Tentative Dates (via Zoom or at Commission Conf Room unless noted)**
  - Aug. 26
  - Nov. 18
- **Staff Presentations**
  - KAR Association Executive Day, Aug. 6, Wichita (Cindy)
- **Other Events**
  - Aug 6-8 – ARELLO Legal Exchange (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	\$	(900.00)		
LICENSE BUSINESS SERVICES	\$	1,180,825.00		
OTHER FINES PENALTIES FORFEIT	<b>\$</b>	<b>28,297.22</b>		
OTHER NON REVENUE RECEIPTS	\$	6,160.00		
<b>TOTAL REVENUE</b>		<b>6,160.00</b>	<b>\$</b>	<b>1,214,526.22</b>

### Expenditures

Salaries & Wages	\$	851,952.72		
Contractual Services	\$	234,200.71		
Commodities	\$	2,026.47		
Capital Outlay	\$	129.69		
<b>TOTAL EXPENDITURES</b>		<b>1,088,309.59</b>	<b>\$</b>	<b>1,088,309.59</b>

Net Total Transfers

Less Acct. Pay \$ (11,900.73)

Less Prior FY Expenditures \$ 10,149.02

**Ending Cash Balance**

**\$ 1,516,653.64**

## Cash Balance Report (Fund 2721 - Hospitality)

For the Year Ending  
Cash at Beginning of Year

6/30/2024

**\$ 1,000.00**

### Expenditures

Salaries & Wages	\$	-		
Contractual Services	\$	397.14		
Commodities	\$	-		
Capital Outlay	\$	-		
<b>TOTAL EXPENDITURES</b>		<b>397.14</b>	<b>\$</b>	<b>397.14</b>

**Ending Cash Balance**

**\$ 602.86**

**Total Cash Balance - Trial Balance**

**\$ 1,517,256.50**

														Income Statement		
														For the Year Ending: 06/30/2024		
														92		
	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	% Collect	
Revenue																
420400	CLERICAL SERVICES	\$ -	\$ -	\$ 144.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144.00		
421100	LICENSE PERSONAL SERVICES	\$ -	\$ -	\$ (450.00)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (225.00)	\$ -	\$ (225.00)	\$ -	\$ (900.00)		
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	\$ 82,854.50	\$ 116,260.00	\$ 101,308.50	\$ -	\$ 1,180,825.00	93%
	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	\$ 2,102.00	\$ 4,085.00	\$ 2,150.00	\$ -	\$ 26,782.50	81%
	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	\$ 2,345.00	\$ 2,100.00	\$ 700.00	\$ -	\$ 18,760.00	110%
	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	\$ 11,862.50	\$ 23,125.00	\$ 15,250.00	\$ -	\$ 156,325.00	75%
	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	\$ 14,630.00	\$ 22,400.00	\$ 22,925.00	\$ -	\$ 245,052.50	91%
	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	\$ 41,825.00	\$ 53,575.00	\$ 50,000.00	\$ -	\$ 613,687.50	94%
	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	\$ 10,230.00	\$ 8,800.00	\$ 9,500.00	\$ -	\$ 102,930.00	147%
	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	\$ (140.00)	\$ 2,175.00	\$ 783.50	\$ -	\$ 17,287.50	69%
	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	\$ 1,991.25	\$ 3,312.50	\$ 750.00	\$ -	\$ 28,297.22	157%
469090	Other Nonrevenue Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
461190	Asset Conversion Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,160.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,160.00	
	<b>Gross Revenue</b>	<b>\$ 1,291,000.00</b>	<b>\$ 85,341.50</b>	<b>\$ 139,819.63</b>	<b>\$ 141,891.25</b>	<b>\$ 108,397.50</b>	<b>\$ 89,076.94</b>	<b>\$ 105,739.00</b>	<b>\$ 147,808.75</b>	<b>\$ 90,424.90</b>	<b>\$ 84,620.75</b>	<b>\$ 119,572.50</b>	<b>\$ 101,833.50</b>	<b>\$ -</b>	<b>\$ 1,214,526.22</b>	<b>94%</b>

														Income Statement	
														For the Year Ending: 06/30/2024	
														92	
	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	\$ 5,550.50	\$ -	\$ -	\$ -	\$ 100,078.50	
454090	Fines/Penalties/Forfeitures	\$ 750.00	\$ 974.37	\$ 6,426.25	\$ 1,000.00	\$ -	\$ 147.50	\$ 2,913.75	\$ 1,489.10	\$ 2,658.75	\$ 1,337.50	\$ (78.50)	\$ -	\$ 17,618.72	
	<b>Gross Revenue</b>	<b>\$ 6,693.50</b>	<b>\$ 15,990.37</b>	<b>\$ 21,517.75</b>	<b>\$ 12,973.00</b>	<b>\$ 9,672.00</b>	<b>\$ 11,721.00</b>	<b>\$ 18,426.25</b>	<b>\$ 11,235.10</b>	<b>\$ 8,209.25</b>	<b>\$ 1,337.50</b>	<b>\$ (78.50)</b>	<b>\$ -</b>	<b>\$ 117,697.22</b>	
														Bal until \$100K met	\$ (78.50)

**54900 (Fund 2721)**  
**BU-0100**

															<i>For the year ending: 06/30/2024</i>	
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	
<b>Budget Balance as of: 07/01/2023</b>																
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	\$ 103,029.85	\$ 71,594.85	\$ 56,554.31	\$ -	\$ 851,952.72	\$ 82,139.28	91%
<b>Total Salaries &amp; Wages</b>	<b>\$ 934,092.00</b>	<b>\$ 68,775.35</b>	<b>\$ 67,151.94</b>	<b>\$ 100,420.01</b>	<b>\$ 75,016.61</b>	<b>\$ 71,972.56</b>	<b>\$ 92,690.95</b>	<b>\$ 73,080.79</b>	<b>\$ 71,665.50</b>	<b>\$ 103,029.85</b>	<b>\$ 71,594.85</b>	<b>\$ 56,554.31</b>	<b>\$ -</b>	<b>\$ 851,952.72</b>	<b>\$ 82,139.28</b>	<b>91%</b>
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	\$ 1,351.08	\$ 1,301.90	\$ 1,334.31	\$ -	\$ 13,182.65	\$ 6,291.35	68%
Other Freight and Express (52100)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
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	\$ 6,914.72	\$ 4,064.09	\$ 4,604.80	\$ -	\$ 57,222.45	\$ (4,890.45)	109%
Repair and Serv Equip Furn (52400)	\$ 310.00	\$ -	\$ -	\$ -	\$ 6.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6.00	\$ 304.00	2%
In State Travel & Subsistence (5251)	\$ 50,161.00	\$ -	\$ 1,891.26	\$ 4,665.47	\$ 11,067.81	\$ 890.70	\$ 3,476.71	\$ 3,923.74	\$ 2,037.91	\$ 302.77	\$ 5,320.70	\$ 3,581.89	\$ -	\$ 37,158.96	\$ 13,002.04	74%
Out of State Travel & Subsistence (5252)	\$ 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	\$ 14,410.31	\$ 3,778.32	\$ 3,539.48	\$ -	\$ 69,562.71	\$ 37,029.29	65%
Fees - Professional Services (52700)	\$ 112,015.00	\$ -	\$ 25,200.00	\$ -	\$ 160.00	\$ 2,084.90	\$ -	\$ 25,504.95	\$ -	\$ -	\$ 100.00	\$ -	\$ -	\$ 53,049.85	\$ 58,965.15	47%
Utilities (52800)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Contractual Services (52900)	\$ 4,059.00	\$ (311.91)	\$ 2,795.00	\$ 45.00	\$ 194.00	\$ 15.00	\$ 75.00	\$ 45.00	\$ 60.00	\$ (135.00)	\$ (253.42)	\$ 15.00	\$ -	\$ 2,543.67	\$ 1,515.33	63%
<b>Total Contractual Services</b>	<b>\$ 353,409.00</b>	<b>\$ 3,742.68</b>	<b>\$ 44,828.03</b>	<b>\$ 20,380.61</b>	<b>\$ 18,268.80</b>	<b>\$ 15,959.31</b>	<b>\$ 18,607.84</b>	<b>\$ 38,966.94</b>	<b>\$ 23,215.55</b>	<b>\$ 22,843.88</b>	<b>\$ 14,311.59</b>	<b>\$ 13,075.48</b>	<b>\$ -</b>	<b>\$ 234,200.71</b>	<b>\$ 119,208.29</b>	<b>66%</b>
Clothing (53000)	\$ 1,400.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 976.60	\$ -	\$ 976.60	\$ 423.40	70%
Food for Human Consumption (5320)	\$ 925.00	\$ -	\$ 39.01	\$ 47.35	\$ 47.35	\$ 80.72	\$ 47.35	\$ 64.03	\$ 30.67	\$ 99.29	\$ 63.19	\$ 37.51	\$ -	\$ 556.47	\$ 368.53	60%
Maint Constr Material Supply (5340)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29.20	\$ -	\$ 29.20	\$ (29.20)	
Vehicle Part Supply Accessory (5350)	\$ 500.00	\$ -	\$ -	\$ -	\$ 84.91	\$ 47.01	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131.92	\$ 368.08	26%
Pro Scientific Supply Other (53600)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Office & Data Supplies (53700)	\$ 1,500.00	\$ -	\$ 50.40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37.85	\$ -	\$ 89.22	\$ -	\$ 177.47	\$ 1,322.53	12%
Other Supplies and Materials (5390)	\$ 300.00	\$ -	\$ 20.91	\$ 70.00	\$ 224.77	\$ 45.68	\$ -	\$ 8.00	\$ -	\$ (302.77)	\$ -	\$ 88.22	\$ -	\$ 154.81	\$ 145.19	52%
<b>Total Commodities</b>	<b>\$ 4,625.00</b>	<b>\$ -</b>	<b>\$ 110.32</b>	<b>\$ 117.35</b>	<b>\$ 357.03</b>	<b>\$ 173.41</b>	<b>\$ 47.35</b>	<b>\$ 72.03</b>	<b>\$ 30.67</b>	<b>\$ (165.63)</b>	<b>\$ 63.19</b>	<b>\$ 1,220.75</b>	<b>\$ -</b>	<b>\$ 2,026.47</b>	<b>\$ 2,598.53</b>	<b>44%</b>
Furn Fixtures and Equipment (5400)	\$ 1,250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 89.00	\$ 1,161.00	7%
Books & Library Material (54110)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Microcomputer Equipment (54130)	\$ 1,800.00	\$ -	\$ 40.69	\$ 1,191.47	\$ -	\$ -	\$ 1,480.66	\$ -	\$ -	\$ (2,672.13)	\$ -	\$ -	\$ -	\$ 40.69	\$ 1,759.31	2%
Software (54180)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Building Improvements (54200)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total Capital Outlay</b>	<b>\$ 3,050.00</b>	<b>\$ -</b>	<b>\$ 40.69</b>	<b>\$ 1,191.47</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,480.66</b>	<b>\$ 89.00</b>	<b>\$ -</b>	<b>\$ (2,672.13)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 129.69</b>	<b>\$ 2,920.31</b>	<b>4%</b>
<b>Total Operati</b>	<b>\$ 1,295,176.00</b>	<b>\$ 72,518.03</b>	<b>\$ 112,130.98</b>	<b>\$ 122,109.44</b>	<b>\$ 93,642.44</b>	<b>\$ 88,105.28</b>	<b>\$ 112,826.80</b>	<b>\$ 112,208.76</b>	<b>\$ 94,911.72</b>	<b>\$ 123,035.97</b>	<b>\$ 85,969.63</b>	<b>\$ 70,850.54</b>	<b>\$ -</b>	<b>\$ 1,088,309.59</b>	<b>\$ 206,866.41</b>	<b>84%</b>

**54900 (Fund 2721) Official Hospitality**  
**BU-0104**

															<i>For the year ending: 06/30/2024</i>	
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	
<b>Budget Balance as of: 07/01/2023</b>																
Official Hospitality (529700)	\$ 1,000.00															
All Other Expenses	\$ -	\$ 25.98	\$ -	\$ 66.27	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 62.40	\$ -	\$ -	\$ (62.40)	\$ 242.49	\$ 371.16	
<b>Total Hospitality Expenses</b>	<b>\$ 1,000.00</b>	<b>\$ 25.98</b>	<b>\$ 66.27</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 62.40</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (62.40)</b>	<b>\$ 242.49</b>	<b>\$ 397.14</b>	

# Real Estate Commission (Fund 2722)

## Cash Balance Report

For the Year Ending  
Cash at Beginning of Year

6/30/2024
<b>\$ 10,061.62</b>

### Revenue

Average Daily Balance Interest	\$	-		
Other Nonrevenue Receipts	\$	-		
Recovery of Prior FY Exp	\$	95,580.00		
<b>TOTAL REVENUE</b>			<b>\$</b>	<b>95,580.00</b>

### Expenditures

Salaries & Wages	\$	-		
Contractual Services	\$	92,735.00		
Commodities	\$	-		
Capital Outlay	\$	-		
<b>TOTAL EXPENDITURES</b>			<b>\$</b>	<b>92,735.00</b>

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

**Ending Cash Balance**

<b>\$ 5,693.62</b>
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# Real Estate Commission (Fund 7368)

## Cash Balance Report

For the Year Ending  
Cash at Beginning of Year

6/30/2024  
**\$ 331,570.73**

**Revenue**

Average Daily Balance Interest	\$	14,563.16	
Recovery of Prior FY Exp	\$	5,551.00	
Other Nonrevenue Receipts	\$	-	
<b>TOTAL REVENUE</b>			<b>\$ 20,114.16</b>

**Expenditures**

Salaries & Wages	\$	10,000.00	
Contractual Services	\$	119.99	
Commodities	\$	-	
Capital Outlay	\$	-	
<b>TOTAL EXPENDITURES</b>			<b>\$ 10,119.99</b>

Less Prior FY Expenditures	\$	-	
Less Accounts Payable			
Less Transfer	\$	-	

**Ending Cash Balance** **\$ 341,564.90**

# PUBLIC COMMENT