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



Phone: (785) 296-3411 Fax: (785) 296-1771 www.krec.ks.gov krec@ks.gov

Erik Wisner, Executive Director

Laura Kelly, Governor

MINUTES OF THE MEETING Kansas Real Estate Commission July 19, 2021

The Kansas Real Estate Commission held its regular meeting on Monday, July 19, 2021, at 9:00 a.m.

Commissioners Present:

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

Staff Present:

Erik Wisner, Executive Director
Wendy Alkire, Deputy Director, Compliance Director
Amber Nutt, Education and Communication Director
Stacey Serra, Administrative Director
Alycia Smith, Licensing Director
Cindy Boswell, Real Estate Specialist
Kiereon Sisney, Real Estate Specialist

Kansas Real Estate Commission Legal Counsel:

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

Members of the Public:

Ally Johnson Mark Tomb Sue Wenger John Killian

Call to Order

Mr. Wuertz called the meeting to order at 9:01 a.m.

Approval of the Minutes of the June 21, 2021 Meeting

Mr. Schlosser moved the minutes of the June 21, 2021 meeting be approved. Ms. Kelly seconded the motion. Motion carried unanimously.

Hearing of Jeff Mullen, Docket No. 21-9716

Hearing of Jason Ray, Docket No. 21-9662

Hearing of Whitney McMurry, Docket No. 21-9719

Hearing of Michael Elson, Docket No. 21-9664

Hearing of Andrew Inzerillo, Docket No. 21-9715

Review of Delegation of Authority

Ms. Alkire presented proposed further changes to the Delegation of Authority, which delegates authority to Commission staff for specified scenarios and violations related to complaints, compliance reviews and other possible compliance issues, that was initially reviewed by the Commission at the June 21, 2021 meeting. Mr. Schlosser moved to adopt the revised Delegation of Authority with a change that a repeat violation will result in a warning letter if the prior violation was cited more than five years before and a Commission Directive if the repeat violation was less than five years prior. Ms. Moyer seconded the motion. Motion carried unanimously.

Compliance Report

Staff have completed 249 compliance reviews in FY2021. 108 files were closed with no violations. In FY2021, staff have received 270 complaints, 277 complaint files have been closed, and there are 37 open complaint files. Some complaints cross over fiscal years.

Compliance courses are scheduled for July 21 and October 20, 2021 for BRRETA and October 14, 2021 for Broker Supervision.

Education and Communication Report

Staff approved one pre-license course and six elective continuing education courses in June 2021.

In FY2021, Pearson Vue administered 4,144 exams with an overall pass rate of 60%. 29 brokers and 369 salespersons tested based on requirements met in another state. Brokers had an 83% pass rate, and salespersons had an 87% pass rate.

Licensing Report

As of July 7, 2021, there are 19,564 licensees which is an increase of 1,776 compared to July 2020. There are 417 pending applications (134 salesperson, 22 broker, and 261 fingerprint-only files), this is an increase of 142 applicants compared to July 2020.

Director's Report

The real estate fee fund balance as of June 30, 2021 is \$1,121.39 up \$141,211 from July 1, 2020. Real estate fee fund receipts for FY21 were \$1,279,739. This is 6% higher than original estimates. FY21 revenue was the highest since at least FY08. Real estate fee fund expenditures for FY21 were \$1,118,897, this is 5% less than original estimates. The Commission was able to encumber over \$65,000 in funds for future online licensing services enhancements which will provide some flexibility in spending in FY22 and 23. Background investigation fee fund receipts for FY21 were \$153,335. This is 25% higher than estimates. Real estate recovery fund receipts for FY21 were \$5,796. The balance is \$297,776, up \$4,658 from July 1, 2020.

Mr. Wisner indicated he is working with legal counsel on next steps in implementation of 2021 HB 2066. Mr. Wisner also provided an overview of possible changes to 2021 SB 219 related to unlicensed practice that the

Commission introduced during the 2021 legislative session. Both items will be on the agenda for further discussion at the next meeting.

Public Comment

Mr. Wisner presented a written comment from David Flanders who requested that real estate licensees who are also attorneys be exempted from continuing education requirements.

Executive Session

Mr. Schlosser moved that the Commission recess into executive session pursuant to K.S.A. 75-4319(b)(1) to discuss personnel matters of non-elected personnel and to protect the privacy of the parties involved regarding employment status. In addition, Sarah Shipman, Deputy Attorney should be present to aid the Commission in their discussion. Ms. Kelly seconded the motion. Motion carried unanimously.

The Commission reconvened the open meeting at 12:35 pm.

Mr. Schlosser moved to grant the Executive Director a pay increase of 4.68% effective July 11, 2021. Ms. Moyer seconded the motion. Motion carried unanimously

Adjournment

Mr. Wuertz adjourned the meeting at 12:36 pm.