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Erik Wisner, Executive Director

Laura Kelly, Governor

MINUTES OF THE MEETING Kansas Real Estate Commission August 30, 2021

The Kansas Real Estate Commission held its regular meeting on Monday, August 30, 2021, at 9:00 am by Zoom teleconference.

Commissioners Present:

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

Staff Present:

Erik Wisner, Executive Director Amber Nutt, Education and Communication Director Alycia Smith, Licensing Director

Kansas Real Estate Commission Legal Counsel:

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

Members of the Public:

Kim Bischler Kimberly Goudy Ally Johnson Mark Tomb Sean Tomb Kelly White

Call to Order

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

Approval of the Minutes of the July 19, 2021 Meeting

Mr. Schlosser moved the minutes of the July 19, 2021 meeting be approved. Ms. Moyer seconded the motion. Motion carried unanimously.

Unlicensed Practice Legislation

Mr. Wisner provided an overview of possible changes to 2021 SB 219 related to unlicensed practice that the Commission introduced during the 2021 legislative session. Changes include eliminating language related to pattern of business and the threshold for an exemption that allowed for assigning an equitable interest if it only

occurred once in a 12 month period, eliminate the authority for the commission to issue a fine to an unlicensed individual, and eliminate subpoena language. Ms. Kelly moved approval of the proposed changes to the unlicensed activity legislation. Mr. Schlosser seconded the motion. Motion carried unanimously.

HB 2066 After Action

Mr. Wisner and Ms. Shipman provided an overview of 2021 HB 2066. They indicated there would need to be some revisions to the application process and possibly delegation of authority to implement the provisions of the bill. They will present recommendations at the next meeting.

Review of Guidelines for Disposition of License Applications

Ms. Smith and Mr. Wisner presented proposed changes to the Delegation of Authority for License Applications, which delegates authority to Commission staff for specified scenarios related to license applications. The Commission members provided feedback and staff will bring back revisions for further review and possible approval at the October meeting.

Compliance Report

Staff have completed 36 compliance reviews in FY2022. 15 files were closed with no violations. In FY2022, staff have received 67 complaints. Compliance courses are scheduled for October 20, 2021 and February 3, 2022 for BRRETA and October 14, 2021 and January 26, 2022 for Broker Supervision.

Education and Communication Report

Staff approved 4 pre-license course and 7 elective continuing education courses in FY22. In FY2022, Pearson Vue has administered 268 exams with an overall pass rate of 62%.

Licensing Report

As of August 2021, there are 19,796 licensees which is an increase of 2,108 compared to August 2020. There are 396 pending applications (126 salesperson, 20 broker, and 250 fingerprint-only files), this is an increase of 82 applicants compared to August 2020.

Director's Report

Mr. Wisner reviewed the realigned budget proposal for FY22 and 23. Proposed realignments include: 1) increase in real estate fee fund revenue in FY22 and 23 due to higher than anticipated license applications and renewals; 2) minor increases in expenditures for agency cellphones, training/conference registration fees and credit card convenience fees; and minor decreases in expenditures for OITS fees, travel related costs and agency listserv software. The only significant new expense not included in the approved budget is a 25% increase in the Attorney General's legal representation charges. This increase is due to a law change passed during the 2021 legislative session that increased the statutory rate for attorney fees. Ms. Moyer moved to request a budget enhancement of \$7,100 to cover the increase in the Attorney General's legal representation charges for FY23. Mr. Schlosser seconded the motion. Motion carried unanimously.

Mr. Wisner reviewed the current contract with Pearson Vue for exam administration services. Mr. Wisner indicated the initial five-year contract is expiring September 30, 2021 and recommended extending the contract for an additional five year period. Ms. Moyer moved to extend the contract for another five year period until September 30, 2026. Mr. Schlosser seconded the motion. Motion carried unanimously.

Mr. Wisner also noted that ARELLO has published documents related to the value of real estate licensure given the increase scrutiny of occupational licensing.

Public Comment

Ally Johnson include in the Zoom chat that as a broker coming in from out of state in it would be great if all supervised transactions would count toward the transaction point total for a Kansas broker license.

Adjournment

Mr. Schlosser moved to adjourn the meeting at 11:11am. Ms. Kelly seconded the motion. Motion carried unanimously.