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Governor

PUBLIC PROTECTION CABINET

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Kentucky Real Estate Commission

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Natalie W. Brawner
Executive Director

**KENTUCKY REAL ESTATE COMMISSION
(KREC)**

MEETING MINUTES

March 16, 2023

**Mayo-Underwood Conference Room 229NE
500 Mero Street, Frankfort, Kentucky 40601**

*** This meeting also occurred via Zoom video teleconference, pursuant to KRS 61.826***

Commission Members Present

Commissioner Chair, Lois Ann Disponett
Commissioner Larry Disney
Commissioner Raquel Carter
Commissioner Anthony Sickles
Commissioner James Simpson
Commissioner James King

Commission Members Absent

Commissioner Jennifer Brown-Day

KREA Staff

Natalie Brawner, Executive Director
August Pozgay, General Counsel
Hannah Carlin, Deputy Executive Director
René Rogers, Staff Attorney III
Terri Hulette, Executive Administrative Secretary
Seth Branson, Executive Administrative Secretary
Angie Reynolds, Administrative Specialist III

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Lois Ann Disponett, at 9:00 a.m. on **March 16, 2023**. Roll call was taken, and a quorum was present. Guests were welcomed and an introduction of staff and Commissioners were made.

Approval of Meeting Minutes

Commissioner Disney made a motion to approve the **February 16, 2023** KREC Meeting Minutes, Commissioner Carter seconded the motion. With all in favor, the motion carried.

Kentucky Real Estate Authority Report

The Executive Director, Natalie W. Brawner, welcomed everyone. She advised Commission members that all electronic correspondence will be sent to their state government emails. Timesheets, travel vouchers, or any other document that requires their signature will be emailed for approval each time they are prepared. She asked that they check their emails periodically and respond back to the board administrator accordingly.

Director Brawner also provided an update on the ARELLO mid-year conference and stated she is currently waiting for final approval for attendance. She thanked those who expressed an interest in attending.

Education and Licensing Report

Deputy Director Carlin presented the Commission the following licensing and education statistics:

1. PSI Testing Statistics

2023 February (First Time)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	3	42.86	4	57.14	7
License Reciprocity-Salesperson	10	55.56	8	44.44	18
Broker- National	8	72.73	3	27.27	11
Broker- State	7	63.64	4	36.36	11
Salesperson- National	106	72.60	40	27.40	146
Salesperson- State	84	56.76	64	43.24	148
TOTAL	218	63.93	123	36.07	341

2023 February (Repeat)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	1	50.00	1	50.00	2
License Reciprocity-Salesperson	8	61.54	5	38.46	13
Broker- National	1	33.33	2	66.67	3
Broker- State	2	66.67	1	33.33	3
Salesperson- National	46	32.62	95	67.38	141
Salesperson- State	66	40.00	99	60.00	165
TOTAL	124	37.92	203	62.08	327

2023 (Cumulative)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	10	52.63	9	47.37	19
License Reciprocity-Salesperson	29	56.86	22	43.14	51
Broker- National	12	70.59	5	29.41	17
Broker- State	10	62.50	6	37.50	16
Salesperson- National	284	53.58	246	46.42	530
Salesperson- State	267	45.72	317	54.28	584
TOTAL	612	50.29	605	49.71	1,217

1. Licensing Statistics

As of March 13, 2023

Type	Active	Inactive	TOTAL
Sales Associate	12,539	4,871	17,410
Broker	3,760	655	4,415
TOTAL	16,299	5,526	21,825

New Licenses Issued in 2023 (by month)

Month	Sales Associate	Broker	Total
January	74	2	76
February	117	8	125
March			
April			
May			
June			
July			
August			
September			
October			
November			
December			
TOTAL	191	10	201

Instructors

- | | | |
|---------|---------|---------|
| 1. R.P. | 3. K.W. | 5. R.W. |
| 2. A.R. | 4. T.W. | 6. L.V. |

Continuing Education and Post-License Education Courses

1. Greater Louisville Association of Realtors - 2 Courses
2. The C.E. Shop – 1 Course

Continuing Education Courses

1. Kaplan Real Estate Education – 1 Course

Broker Elective Courses

1. Kentucky Realtor Institute – 1 Course

Commissioner King made a motion to approve the education applications and requests as presented by Deputy Director Carlin, Commissioner Carter seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner Disney made a motion to authorize Deputy Executive Director Carlin, along with General Counsel August Pozgay, to draft and place a reminder on the website of the Biennial Renewal deadline for licensees by March 31, 2023, in accordance with the statute and regulations, Commissioner Carter seconded the motion. With all in favor, the motion carried.

Legal Report

General Counsel Pozgay provided a brief legislative update on the status of **House Bill 62** (RS 2023), which is the ‘wholesaling’ bill. The bill has been delivered to the Governor. If it goes through by the end of the legislative session, March 30, 2023 it would go into effect 90 days later, on June 28, 2023.

General Counsel Pozgay had been asked to discuss the potential of drafting an email reminder to all licensees regarding what the statute says about advertising and licensees who want to sell their own property. Commissioner King made a motion to authorize General Counsel Pozgay to draft an email reminder to all licensees to include educational information as well as direction as to where to report infractions. He asked that this letter goes before the chair for approval prior to sending, Commissioner Simpson seconded the motion. With all in favor, the motion carried.

In Re: E.C. General Counsel Pozgay provided a copy of a letter from E.C. requesting a modification to the KREC 404 form and its accompanying regulation. He asked the Commissioners if they would like him to look into this further. The Commission took no action at this time.

Committee Reports

Diversity, Equity, and Inclusion Committee (“DEI Committee”)

The DEI Committee did not meet this month.

Applicant Review Committee (“ARC”)

Commissioner Sickles presented the following recommendations of the ARC:

1. To defer the license application of **J. C.** until the next committee meeting. Applicant to provide notarized referrals.
2. To approve license application of **A.E.**
3. To approve license application of **J.L.C.**
4. To approve license application of **J.S.C.**
5. To approve license application of **E.S.**
6. To defer the license application of **M.T.** for further investigation.
7. To approve license application of **T.L.**
8. To approve license application of **J.M.**
9. To approve license application of **M.A.**
10. To approve license application of **S.F.**
11. To approve license application of **J.P.**
12. To approve license application of **J.B.**
13. To approve license application of **L.T.**
14. To approve license application of **M.H.**
15. To approve license application of **P.D.**
16. To approve license application of **N.C.**

Complaint Screening Committee (“CSC”)

Commissioner Carter presented the report of the CSC:

1. **In Re: B.R.G.** – Recommendation to the Commission to refer for investigation.
2. **In Re: Agreed Orders for B.D. and M.S.** – Recommendation to the Commission to approve the two (2) Agreed Orders as presented.
3. **21-C-056** – Recommendation to the Commission to refer for investigation.

Closed Session Legal Matters and Case Deliberations

At 9:36 a.m. Commissioner Carter moved to enter closed session, with agency staff and counsel, pursuant to KRS 61.810(1)(k) and KRE 503, for confidential communications made for the purpose of facilitating the rendition of legal services regarding E&O insurance, failure to pay or complete delinquency plans, and an inquiry from provider RICE; pursuant to KRS 61.810(1)(c) regarding litigation 22-CI-04296; pursuant to KRS 61.810(1)(j), quasi-judicial deliberations on individual adjudications regarding H.S.R.E.A. and licensee continuing education; pursuant to KRS 61.810(1)(j), quasi-judicial deliberations on individual adjudications regarding check returned non-sufficient funds; pursuant to KRS 61.810(1)(j), quasi-judicial deliberations on individual adjudications regarding potential discipline for failure to complete delinquency plans; pursuant to KRS 61.810(1)(j), quasi-judicial deliberations regarding complaint 21-C-033 and the sixteen (16) recommendations of the ARC regarding applicants J.C., A.E., J.L.C., J.S.C., E.S., M.T., T.L., J.M., M.A., S.F., J.P., J.B., L.T., M.H., P.D., N.C., and the three (3) recommendations by the CSC regarding In Re: B.R.G., In Re: Agreed Orders for B.D. and M.S., 21-C-056; pursuant to KRS 61.810(1)(j), quasi-judicial deliberations regarding the twelve (12) Applicant and (j) Licensee Requests of N.B., D.M.C., M.C., B.H., R.M., T.W., B.A., E.W., D.J., M.R., M.V., and L.G. Commissioner Simpson seconded the motion and the Commission entered into closed session.

Reconvene Open Session and Committee Recommendations

Commissioner Disney moved for the Commission to come out of closed session. Commissioner King seconded the

motion. The motion carried. Commission Chair Disponett resumed the full Commission meeting at 12:24 p.m. and welcomed everyone in attendance back to the Commission meeting.

Commissioner Sickles moved to adopt the **Applicant Review Committee** recommended actions as presented to the Commission, and recited the recommendations as listed above in these minutes. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

Commissioner Carter moved to adopt the **Complaint Screening Committee** recommended actions as presented to the Commission, and recited those recommendations as listed above in these minutes. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

Commissioner King made the motion regarding complaint **21-C-033** to offer of an Agreed Order of revocation effective as of the date of the filing of the Notice of Administrative Hearing (NOAH). Commissioner Disney seconded the motion. Having all in favor, the motion carried.

Commissioner King made the motion for General Counsel Pozgay to respond in the negative to the inquiry of **RICE Insurance**. Commissioner Carter seconded the motion. Having all in favor, the motion carried.

Commissioner Carter made the motion for General Counsel Pozgay to send a letter indicating withdrawal of course approvals for **H.S.R.E.A.** unless they provide a detailed plan regarding how this will not happen again within 10 days of receipt of that letter. Provider must cease and desist from providing their CORE course until application is submitted and approved by KREC. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

Commissioner Carter made the motion to approve the licensee Continuing License Credit in the list of licensees provided by **H.S.R.E.A.** Commissioner King seconded the motion. Having all in favor, the motion carried.

Applicant and Licensee Requests

1. **In Re: Application of N.B.** - Commissioner Simpson made a motion to approve the request, Commissioner Sickles seconded the motion. Commissioner Carter voted 'nay'. Remaining all in favor, motion carried.
2. **In Re: Application of D.M.C.** - Commissioner Simpson made a motion to approve the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
3. **In Re: Application of M.C.** - Commissioner Simpson made a motion to deny the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
4. **In Re: Application of B.H.** - Commissioner Simpson made a motion to deny the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
5. **In Re: Application of R.M.** - Commissioner Simpson made a motion to approve the request, Commissioner Sickles seconded the motion. Commissioner Carter voted 'nay'. Remaining all in favor, motion carried.
6. **In Re: Application of T.W.** - Commissioner Simpson made a motion to deny the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
7. **In Re: Application of B.A.** - Commissioner Simpson made a motion to deny the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

8. **In Re: Application of E.W.** - Commissioner Simpson made a motion to approve the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
9. **In Re: Application of D.J.** - Commissioner Simpson made a motion to deny the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
10. **In Re: Application of M.R.** – No action taken; license is terminally expired.
11. **In Re: Application of M.V.** – No action taken; license is terminally expired.
12. **In Re: Application of L.G.** - Commissioner Simpson made a motion to approve the request, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Old Business

201 KAR 11:121 – No update at this time.

Liability Insurance – No update at this time.

Commissioner Simpson made a motion for General Counsel Pozgay to prioritize the research of and provide an update for Liability Insurance. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

New Business

Commissioner Simpson complimented staff on their hard work on behalf of the Commission, but he also made a motion that by the next Commission meeting agency staff research the possibility of additional staffing and identify budget short falls. Commissioner King seconded the motion. Having all in favor, the motion carried.

Public Comment

Tom Cox thanked the Commission members and staff for their hard work. He noted that historically the Commission published a quarterly newsletter and indicated it provided useful information. .

Nicole Knudtson commented if the Commission choose to not have their monthly meetings it would delay approvals for education providers, courses, and instructors.

Approval Per Diem

1. Commissioner Disney made a motion to approve the per diem and travel expenses for the March 14, 2023 ARC Meeting for Commissioner Simpson and Commissioner Sickles. Commissioner Carter seconded the motion. Having all in favor, the motion carried.
2. Commissioner Sickles made a motion to approve the per diem and travel expenses for the March 14, 2023 CSC Meeting for Commissioner Carter and Commissioner Disney. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.
3. Commissioner King made a motion to approve the per diem and travel expenses for the March 16, 2023 KREC Regular meeting. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.


Meeting Adjournment

Commissioner Sickles made a motion to adjourn the meeting. Commissioner King seconded. Meeting adjourned at 12:51 p.m.

Next Meeting

The next Commission meeting will be Thursday, April 20, 2023 at 9:00 a.m.

Pursuant to KRS 324B.060, I, Natalie W. Brawner, Executive Director of the Kentucky Real Estate Authority (KREA), have reviewed and Approved the expenditures for the meeting of the Kentucky Real Estate Commission (the Commission) held on March 16, 2023. This Approval is based upon my review of the expenditures as described in the minutes and in greater detail as on file with the KREA. I did not review, nor did I participate in discussions, deliberations, or decisions regarding the actions taken by the Commission at this meeting related to individual disciplinary matters, investigations, or applicant reviews. The Commission approved the minutes of its March 16, 2023 meeting at its meeting held on April 20, 2023.



KREA Executive Director

Date: 4/21/2023