

Matthew G. Bevin Governor

K. Gail Russell, Secretary Public Protection Cabinet

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Kentucky Real Estate Commission

MEETING MINUTES August 15, 2019

Meeting occurred at the KREC Headquarters, 656 Chamberlin Avenue, Frankfort, KY 40601, in Room 108

Commission Members Present

Commissioner Chair, Lois Ann Disponett Commissioner Steve Cline Commissioner Joseph Hayden

KREA Staff

Heather L. Becker, General Counsel Alex Gaddis, Deputy General Counsel Tony Cotto, PPC Executive Advisor H.E. Corder II, Executive Director Michael Spann, Investigator

Guests Present

Richard Wilson, KY Realtors Dennis Stilger, Instructor Angie Cline, KY RRC Nicole Knudtson, KRI Steve Stevens, KY Realtors Rick Barker, Godby Realtors Beth Brock, Citizen Commissioner Tom Waldrop Commissioner Shirley Wiseman Commissioner Billy Beckham

Maryellen Mullikin, Administrative Licensing Coordinator Hannah Carlin, Education Coordinator Shannon Buzard, Board Administrator Marc Manley, Acting General Counsel

Rhonda Richardson, HSOK/Huff Realty Jessica Burch, KW Bluegrass Jeff Davis, Exit Realty Heartland Sumei Zhang, UOL Adam C. Hill, Godby Realty Mike Brewer, KYR

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Lois Ann Disponett, at 11:25 am, August 15, 2019. All in attendance for this meeting were welcomed.

Roll call

Roll call was taken by Commissioner Disponett and a quorum was present.

Approval of Meeting Minutes

Commissioner Hayden made a motion to approve the July 23, 2019 Commission Meeting Minutes. Commissioner Wiseman seconded the motion. Therein having all in favor, motion carried.

VOTING COMMISSIONERS Lois Ann Disponett, Chair Billy Joe Beckham, Smiths Grove Shirley W. Wiseman, Lexington Joseph Hayden, Louisville Steve K. Cline, Bowling Green

NON-VOTING COMMISSIONERS Tom Waldrop, Mayfield

Open Forum – Public Comments

Sumei Zhang, Associate Professor of UOL presented an education grant request and curriculum outline to the Commission. The Commission was grateful to hear Ms. Zhang's presentation, while they continue to review the KREC Education Grant Program.

Real Estate Authority Director Comments

Continuing comments regarding education grants, Director Corder offered support to the Commission regarding the real estate education grant program. Director Corder also gave positive comments with gratitude to the Commission and staff for the progress made in the regulation process and anticipates a smooth renewal season.

Education and Licensing Report

August 2019 Continuing Education Courses were reviewed and recommended for approval by Hannah Carlin. Commissioner Hayden made a motion to approve the "attached list of courses." Commissioner Beckham seconded the motion. Therein having all in favor, motion carried.

Ms. Carlin presented to the Commission a request to extend the course approval deadline to March 2020 to allow education providers sufficient time to review and implement upcoming regulation changes in future course submissions. Commissioner Cline made a motion to approve the extension to March 2020 for course approvals. Commissioner Hayden seconded the motion. Therein having all in favor, motion carried.

Ms. Carlin presented "the attached list" of June 2019 education and licensing statistics.

Commissioner Waldrop asked Ms. Mullikin for an update on the online application process. Ms. Mullikin stated approximately 50% are using the process and that it is operating quicker, even when there are technical difficulties.

Applicant Review Committee

The Applicant Review Committee recommended licensure of the following applicants to the full Commission:

- William Bingham
- Richard Garrett
- Christy Hayes

- James Narramore
- Rachel C. Bouya-Ahmed
- David K. Davis

- Janet Hoyt

Commissioner Wiseman made a motion to approve the list of applicants. Commissioner Hayden seconded the motion. Therein having all in favor, motion carried.

Commissioner Waldrop recommended new revisions for the applicant review screening process. Commissioner Wiseman gave a motion to accept the new revisions. Commissioner Hayden seconded the motion. Therein having all in favor, motion carried.

The Applicant Review Committee announced Commissioner Beckham will be replacing Commissioner Waldrop on the Committee when Commissioner Waldrop's term expires at the end of September.

• 18-C-010, Defer to next meeting

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Education Review Committee

The Education Committee had no report for this meeting with next scheduled meeting to be determined.

Legal Report

General Counsel Becker gave formally thanked Commissioner Tom Waldrop for his service and dedication to the Commission. She also announced the departure of Deputy General Counsel Gaddis as well as her temporary leave of absence for maternity leave. General Counsel Becker also introduced Acting General Counsel, Marc Manley and Executive Advisor, Chaz English.

General Counsel Becker reviewed with the Commission public comment outlines for the next Commission meeting to discuss responses to public comments on 201 KAR 11:011 and 201 KAR 11:105 scheduled for August 21, 2019 at 8:30 a.m. General Counsel Becker requested the Commission prepare for final decisions for regulations before the next scheduled hearing.

Executive Session Legal Matters and Case Deliberations

Commissioner Wiseman made a motion to enter executive session, pursuant to KRS 61.810(1)(c) and (j), and KRS 61.815 to discuss proposed or pending litigation and deliberate on individual adjudications and to discuss the Complaint Review Committee's recommendations in:

• 18-C-038

• 18-C-040

• 18-C-018

• 18-C-029

• 18-C-054

• 18-C-066

• 18-C-076

• 18-C-092

• 19-C-011

- 16-0086
- 17-INF-14
- 17-0015
- 18-C-006, 18-C-007
- 18-C-009, 18-C-021
- 18-C-010
- 18-C-013
- 18-C-019
- 18-C-036
- 19-C-015
 - 19-C-018

- 19-C-019
- 19-C-045
- Appleton
- Carpenter
- Conley-Jones
- Kraft
- Napier
- Underwood
- Allied Management

Commissioner Beckham seconded the motion and the Commission entered into closed session discussion.

Reconvene in Open Session

Commissioner Wiseman made a motion to reconvene in open session. Commissioner Hayden seconded the motion and it carried.

Complaint Review Committee

The Complaint Committee reported the following recommendations to the full Commission:

In the matter of case number

- 17-INF-14, Dismiss with caution letter
- 17-005, Dismiss
- 18-C-006, 18-007, Defer to next meeting
- 18-C-009, 18-C-021, Defer to next meeting

- 18-C-013, Defer to next meeting
- 18-C-019, Defer to next meeting
- 18-C-036, Defer to next meeting
- 18-C-038, Defer to next meeting
- 18-C-040, Defer to next meeting
- 18-C-018, Dismiss
- 18-C-029, Dismiss
- 18-C-054, Order to hearing
- 18-C-066, Dismiss with caution letter
- 18-C-076, Dismiss with caution letter
- 18-C-092, Dismiss with caution letter
- 19-C-011, Order to further investigation
- 19-C-015, Dismiss with caution letter

- 19-C-018, Dismiss with caution letter
- 19-C-019, Dismiss and defer to licensing board in locus state
- 19-C-045, Hold in Abeyance with conditions
- Appleton, Dismiss with caution letter
- Carpenter, Order further investigation
- Conley-Jones, Defer to next meeting
- Kraft, Commissioner Hayden recused, Defer to next meeting
- Napier, Dismiss
- Underwood, Dismiss with caution letter
- Allied Management, Dismiss

Commissioner Hayden made a motion to accept the committee recommendations. Commissioner Beckham seconded the motion. All were in favor for quorum and the motion carried.

The Commission also voted to accept the proposed Agreed Order in 16-0086 for Respondent Sabad and dismiss the case for Broker De Movellan. Commissioner Wiseman opposed to accepting the Agreed Order, but the remaining Commissioners voted 4-0 to accept.

The Complaint Committee's next scheduled meeting is September 10, 9:00 am, to be held at the KREC Headquarters via video teleconference.

New Business

Commissioner Disponett deferred education grants topic with intent to make final decisions at next meeting after having more detailed discussions with Ms. Carlin.

Regarding license recognition with Ohio, Mr. Steve Stevens stated to the Commission that Ohio is willing to work with KREC and has offered a positive proposal that compliments Kentucky requirements. The Commission took no action and will revisit the proposal at their next meeting.

Ms. Buzard made a presentation to the Commissioners for a quarterly electronic newsletter. The Commissioners agreed to participate with KREC Staff and assist with initiating a digital KREC quarterly newsletter.

Next Committee Meeting

The next scheduled special Commission meeting is August 21, 2019 at 8:30 am to be held at the KREC Headquarters before the scheduled KREC Public Hearing on August 21, 2019, 10 am at 656 Chamberlin Avenue, Frankfort, KY, 40601.

The next regularly scheduled Commission meeting is September 24, 2019 at 1:00 pm to be held at the Griffin Gate Marriot, 1800 Newtown Pike, Lexington, KY, 40511 during the KY Realtors 2019 Annual Convention.

Meeting Adjournment

Commissioner Wiseman made a motion to adjourn the meeting. Commissioner Haydon seconded the motion. Meeting adjourned at 2:23 pm.

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MEMORANDUM

COMMISSIONERS Lois Ann Disponett, Chair Billy Joe Beckham, Smiths Grove Shirley W. Wiseman, Lexington Joseph Hayden, Louisville Steve K. Cline, Bowling Green Tom Waldrop, Mayfield

STAFF Shannon Buzard, Board Administrator Heather Becker, General Counsel

DATE: August 6, 2019 FROM: Hannah Carlin, KREC Education Coordinator TO: Kentucky Real Estate Commission RE: 2019 Course Approvals

BACKGROUND

The attached list of education providers submitted applications for review and approval by the Commission. Commission staff members have reviewed the information submitted, which includes provider, course, and instructor applications. The courses meet the pre-licensing education, continuing education and post-license education requirements as outlined in 201 KAR Chapter 11. New courses are bolded.

RECOMMENDATION

Please approve the applications associated with the attached list of providers.



1. 2019 Broker Education Courses

Kentucky Realtor Institute

Course Name- Course Number	Instructors	Broker Hours
2019 Legal Summit (22718)	Harry Borders, Trista Curzydlo,	6
	Jason Vaughn	

2. 2019 Continuing Education Courses

Kentucky CCIM Chapter

Course Name- Course Number	Instructors	CE Hours
How to Identify, Acquire, Entitle, and Develop Residential Subdivisions (22727)	Joseph Pusateri	1 elective

3. 2019 Continuing Education and Post-licensing Education Courses

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Contracts and Forms (22865)	Chad McCoy, Christine Morgan	3 law	3 elective
Introduction to Investment Properties (22811)	Ronnie Lee Phillips	6 elective	3 finance, 3 elective
Listing to Purchase: Set-Up for Success (21100)	Chad McCoy, Christine Morgan	3 law	3 contracts
MLS Paragon Basics & Listing Notification (21105)	Lori Carter	3 elective	3 technology and data security
ShowingTime: Setting Appointments with Ease (22848)	Lori Carter, Kenny Cravens	2 elective	2 technology and data security

Realtor Association of Southern Kentucky

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MEMORANDUM

DATE: August 7, 2019 FROM: Hannah Carlin, KREC Education Coordinator TO: Kentucky Real Estate Commission RE: Education and Licensing Report

BACKGROUND

The attached document includes the following:

- July 2019 testing statistics
- 2019 licensing statistics (by month)
- Inactive vs. Active Status statistics

RECOMMENDATION

Please review. No action required.

ATTACHMENTS

Please see the attachment for the full report.

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STAFF Shannon Buzard, Board Administrator Heather Becker, General Counsel



1. PSI Testing Statistics

<u>July 2019</u>					
Type of Exam	Passed	%	Failed	% Failed	Total
		Passed			Exams
License Recognition- Broker	4	33.33	8	66.67	12
License Recognition-	22	73.33	8	26.67	30
Salesperson					
Broker- National	5	50.00	5	50.00	10
Broker- State	6	54.55	5	45.45	11
Salesperson-National	113	57.36	84	42.64	197
Salesperson-State	115	52.51	104	47.49	219
TOTAL	265	55.32	214	44.68	479

2019 (January-July)

Type of Exam	Passed	%	Failed	% Failed	Total
		Passed			Exams
License Recognition-	34	57.63	25	42.37	59
Broker					
License Recognition-	142	66.05	73	33.95	215
Salesperson					
Broker- National	59	55.66	47	44.34	106
Broker- State	62	62.00	38	38.00	100
Salesperson-National	775	58.45	551	41.55	1,326
Salesperson-State	780	52.95	693	47.05	1,473
TOTAL	1,852	56.48	1,427	43.52	3,279

2. Licensing Statistics

As of 8/7/2019

Туре	Active	Inactive	TOTAL
Sales Associate	10,912	6,333	17,245
Broker	4,003	899	4,902
TOTAL	14,915	7,232	22,147

Month	Sales Associate	Broker	Total
January	92	11	103
February	118	12	130
March	137	22	159
April	144	14	158
May	161	18	179
June	117	9	126
July	136	12	148
August			
September			
October			
November			
December			
TOTAL	905	98	1,003

New Licenses Issued in 2019 (by month)