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PUBLIC PROTECTION CABINET

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Kentucky Real Estate Commission

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Jacqueline Coleman
Lieutenant Governor

**KENTUCKY REAL ESTATE COMMISSION
(KREC)**

MEETING MINUTES

May 18, 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 Anthony Sickles
Commissioner James King
Commissioner Raquel Carter
Commissioner Jennifer Brown-Day

Commission Members Absent

Commissioner James Simpson

Kentucky Real Estate Authority (KREA) Staff

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

The Kentucky Real Estate Commission (“KREC” or “Commission”) meeting was called to order by Commission Chair, Lois Ann Disponett, at 9:01 a.m. on **May 18, 2023**. Roll call was taken, and a quorum was present. Guests were welcomed and an introduction to staff and Commissioners were made.

Approval of Meeting Minutes

Commissioner Carter made a motion to approve the **April 26, 2023 Special Meeting Minutes**, Commissioner Disney seconded the motion. With all in favor, the motion carried.

Kentucky Real Estate Authority Report

Kentucky Real Estate Authority (“KREA”) Deputy Executive Director, Hannah Carlin welcomed everyone. She reported that there was an ‘active shooter’ incident in the Mayo Underwood Building on May 17, 2023. She thanked everyone who called and checked on the staff’s safety.

Executive Director Natilie Brawner’s last day with Commission was May 15th, 2023. Until the position is filled, Deputy Director Carlin will be overseeing day to day operations. Ms. Carlin introduced Gerald Florence as the new KREA Investigator, replacing Chris Woodyard, whose last day was also May 15, 2023. She wished both Director Brawner and Investigator Woodyard the best and thanked them for their time with the Commission. The Authority remains in the process of hiring a new Procedure Development Specialist.

Education and Licensing Report

Ms. Carlin presented the Commission the following licensing and education statistics:

1. PSI Testing Statistics

2023 April (First Time)

Type of Exam	Passed	% Passed	Fail ed	% Failed	Total Exams
License Reciprocity- Broker	2	50.00	2	50.00	4
License Reciprocity- Salesperson	10	76.92	3	23.08	13
Broker- National	3	75.00	1	25.00	4
Broker- State	1	25.00	3	75.00	4
Salesperson- National	93	72.09	35	27.91	129
Salesperson- State	71	54.62	59	45.38	130
TOTAL	180	63.38	104	36.62	284

2023 April (Repeat)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	2	28.57	5	71.43	7
License Reciprocity-Salesperson	3	60.00	2	40.00	5
Broker- National	1	50.00	1	50.00	2
Broker- State	1	50.00	1	50.00	2
Salesperson- National	45	35.16	83	64.84	128
Salesperson- State	113	43.26	80	56.74	141
TOTAL	113	39.65	172	60.35	285

2023 (Cumulative)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity-Broker	19	48.72	20	51.28	39
License Reciprocity-Salesperson	62	58.49	44	41.51	106
Broker- National	21	70.00	9	30.00	30
Broker- State	18	62.07	11	37.93	29
Salesperson- National	558	52.79	499	47.21	1057
Salesperson- State	545	46.38	630	53.62	1175
TOTAL	1223	50.21	1213	49.79	2436

2. Licensing Statistics**As of May 11, 2023**

Type	Active	Inactive	TOTAL
Sales Associate	12710	4917	17627
Broker	3779	662	4441
TOTAL	16489	5579	22068

New Licenses Issued in 2023 (by month)

Month	Sales Associate	Broker	Total
January	74	2	76
February	117	8	125
March	112	13	125
April	144	4	148

May			
June			
July			
August			
September			
October			
November			
December			
TOTAL	447	27	474

At the April 20th meeting Commissioner Sickles had asked how these numbers compared to last year’s totals. Six hundred and twenty-six (626) new licenses were reported year-to-date (YTD) for May 2022, a 152-difference compared to the YTD 474 new licensees recorded for this year.

Legal Report

General Counsel Pozgay reported attending the Association of Real Estate License Law Officials Conference held in Boston, MA this year. It was very productive and KREA staff brought back useful materials. It provided a great opportunity for staff to share and discuss best practices with other state regulators.

General Counsel Pozgay stated that HB 62 (2023), will go into effect June 28, 2023.

Administrative regulation **201 KAR 11:121** has gone into effect as amended. Commission staff have received several inquiries concerning the changes, which have been presented to the Commission in the board packet. Staff is currently complying a list of these inquiries to be reviewed by Commission for consideration of a comprehensive response.

Committee Reports

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

The DEI Committee did not meet this month.

Applicant Review Committee (“ARC”)

Commissioner Day presented the following recommendations of the ARC:

1. To deny the license application of M.T.
2. To approve the license application of J.D.
3. To defer the license application of J.M. for further investigation.
4. To approve the license application of R.H.
5. To approve the license application of B.F.
6. To approve the license application of D.T.
7. To approve the license application of P.V.

8. To approve the license application of T.D.
9. To approve the license application of S.O.
10. To approve the license application of J.G.
11. To approve the license application of A.F.
12. To approve the license application of H.H.

Complaint Screening Committee (“CSC”)

Commissioner Carter presented the report of the CSC:

1. **22-KREC-003** – Recommend approving the Agreed Order as presented.
2. **23-KREC-002** – Recommend taking no action and moving forward to hearing.
3. **23-KREC-003** – No action, matter remains pending.

Closed Session Legal Matters and Case Deliberations

At 9:18 a.m. Commissioner Sickles moved to enter closed session, with agency staff and counsel, pursuant to KRS 61.815 and KRS 61.810(1)(c)(m)(j) to Board staff and Counsel to discuss proposed and pending litigation regarding the matter of quasi-judicial deliberations regarding the KREC Student Inquiry Regarding Education Provider, the Education Provider Renewal Applications, the twelve (12) recommendations of the ARC regarding applicants, M.T., J.D., J.M., R.H., B.F., D.T., P.V., T.D., S.O., J.G., A.F., H.H., the three (3) recommendations by the CSC regarding complaints 22-KREC-003, 23-KREC-002, 23-KREC-003, and licensee requests of C.B., C.F., C.T., C.W., H.B., J.H., K.B., L.H., L.S., M.F. O.L.P., P.A.B., S.P., and S.W. Commissioner Disney seconded the motion and the Commission entered into closed session.

Reconvene Open Session and Committee Recommendations

Commissioner King moved for the Commission to come out of closed session. Commissioner Disney seconded the motion. The motion carried. Commission Chair Disponett resumed the full Commission meeting at 11:12 a.m. and welcomed everyone in attendance back to the Commission meeting.

Commissioner Day moved to approve the following applications as presented to the **Application Review Committee; J.D., R.H, B.F, T.D., D.T., S.O, J.G., A.F., and H.H.**, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Commissioner Day moved to deny the application of **M.T.**, pursuant to KRS 335B.020 (1)(2) and KRS 335B.030 (2)(b). Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Commissioner Day moved to defer the application of **J.M.** for further investigation. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Commissioner Day moved to approve the application of **P.V.** Commissioner Sickles seconded the motion. Commissioner Carter abstained from the discussion and the vote. Remaining all in favor, 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.

Education Applications:

Commissioner Carter moved to authorize counsel to send letter indicating withdrawal of course approvals for **M.K.** unless a detailed plan acceptable to KREC is provided by **M.K.** within 30 days of receipt, stating a plan for how the issue presented will not recur; this provider must cease and desist offering its course “NAR: May the Force be with You” as a KREC approved course until an application is submitted and approved by KREC. Commissioner King seconded the motion. Commission Chair Disponett and Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner Carter moved to authorize counsel to send letter indicating withdrawal of course approvals for **B.R.** unless a detailed plan acceptable to KREC is provided by **B.R.** within 30 days of receipt, stating a plan for how the issue presented will not recur. Commissioner Sickles seconded the motion. Commission Chair Disponett and Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner Carter made a motion to approve licensee’s continuing education credits if potentially impacted by any issue presented regarding **M.K.**, Commissioner King seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner Carter made a motion to approve the licensee’s continuing education credits if potentially impacted by any issue presented regarding **B.R.**, Commissioner Day seconded the motion. Commission Chair Disponett and Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner Carter made a motion to refer the **Student Inquiry Regarding Education Provider** for further investigation of the provider’s course pursuant to 201 KAR 11:170 Section 12. Commissioner Day seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner King made a motion to defer the education provider application for **Education Pathways, LLC** until next month’s meeting. Commissioner Sickles seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Commissioner King made a motion to approve the remaining education provider and instructor applications as presented that met the requirements of 201 KAR 11:170. Commissioner Sickles seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Applicant and Licensee Requests

1. **In Re: Application of C.B.** - Commissioner Sickles made a motion to approve the request, Commissioner Carter seconded the motion. Having all in favor, the motion carried.
2. Commissioner Sickles made a motion to authorize KREC staff to process applications after they have been submitted in accordance with 201 KAR 11:210 Section 6(2)(b). Commissioner Disney seconded the motion. Having all in favor, the motion carried.
3. **In Re: Application of C.W.** – Commissioner King made a motion to approve the request, Commissioner Disney seconded the motion. Having all in favor, the motion carried.

4. Commissioner King made a motion to defer the requests of **C.F., C.T., H.B., J.H., J.D.H., K.B., L.H., L.S., M.F., O.L.P., P.A.B., S.P., and S.P., and S.P., and S.W.** Commissioner Disney seconded the motion. Having all in favor, the motion carried.

New Business

Commission Chair Disponett reported that their trip to ARELLO was a success. She found it to be very informative and productive.

Closed Session

At 11:24 a.m. Commissioner King moved to enter closed session, with agency staff and counsel, pursuant to KRS 61.810 (1)(k) and KRE 503 to receive legal advice regarding HB 62 (2023). Commissioner Carter seconded the motion and the Commission entered into closed session.

Reconvene Open Session

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 11:55 a.m. and welcomed everyone in attendance back to the Commission meeting.

Commissioner Carter stated that KREC has reviewed HB 62 (2023) and it will continue to be discussed in future Board meetings. Commissioner Carter made a motion to add HB 62 (2023) to the agenda of the June 15, 2023 meeting. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

Public Comment

Joyce Sterling identified herself and asked if company logos could be added to the new forms with KREC's approval? General Counsel Pozgay asked that she email him directly with her question.

Joseph Beck identified himself asked if the Commission would be providing any guidelines pertaining to HB 62 (2023). General Counsel Pozgay replied that HB 62 (2023) will be on the agenda at the June 15, 2023, meeting.

Tom Cox identified himself and commented on the use of Closed Session.

Approval Per Diem

1. Commissioner King made a motion to approve the per diem and travel expenses for the May 16, 2023 ARC Meeting for Commissioner Sickles and Commissioner Day. Commissioner Disney 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 May 16, 2023 CSC Meeting for Commissioner Carter and Commissioner Disney. Commissioner King seconded the motion. Having all in favor, the motion carried.
3. Commissioner Day made a motion to approve the per diem and travel expenses for the May 18, 2023 KREC Regular meeting. Commissioner Carter seconded the motion. Having all in favor, the motion carried.

Meeting Adjournment

Commissioner Sickles made a motion to adjourn the meeting. Commissioner Disney seconded. With all in favor, the meeting adjourned at 12:03 p.m.

Next Meeting

The next Commission meeting will be Thursday, June 15, 2023 at 9:00 a.m.

Pursuant to KRS 324B.060, I, Kristen Lawson, Acting ,
for 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
May 18, 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 May 18, 2023 meeting at its meeting
held on June 15, 2023.

Kristen R. Lawson

Date: 07/27/2023