



Matthew G. Bevin
Governor

K. Gail Russell, Secretary
Public Protection Cabinet

H.E. Corder II, Executive Director
Kentucky Real Estate Authority

Kentucky Real Estate Authority
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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

SPECIAL MEETING
Kentucky Real Estate Commission

MEETING MINUTES
May 23, 2019

This meeting occurred at 656 Chamberlin Avenue, Frankfort, KY, 40601 in Room 180.

Commission Members Present

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

Commission Members Non- Present

Commissioner Tom Waldrop
Commissioner Shirley Wiseman

KREA Staff

H.E. Corder II, Executive Director
Heather Becker, General Counsel
Alex Gaddis, Deputy General Counsel
Maryellen Mullikin, Administrative Coordinator
Michael Spann, Investigator
Shannon Buzard, Board Administrator

Guests Present

Joyce Sterling, CDC
Rhonda Richardson, HomeService KY, Inc
Dennis Stilger, GLAR
Virginia Lawson, McBrayer
Jeff Davis, Exit Realty Heartland

Jessica Burch, Keller Williams Bluegrass
Tommy Helmick, CDC
Jenny Dion, KRI
Nicole Knudtson, KRI

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Lois

Ann Disponett, at 11:17 am on Thursday, May 23, 2019. Guests in attendance were welcomed and introductions of guests, staff, and commissioners were made that included special guests of the Chair, daughter, Anna Marie and Father, Dave Disponett. Roll call was taken and a quorum was present.

Approval of Meeting Minutes

Commissioner Beckham made a motion to approve the April 18, 2019 Full Commission Meeting Minutes. Commissioner Hayden seconded the motion. With all in favor the motion carried.

Commissioner Hayden made a motion to approve the April 25, 2019 Special Regulatory Review Commission Meeting Minutes. Commissioner Beckham seconded the motion. With all in favor the motion carried.

Commissioner Hayden made a motion to approve the May 6, 2019 Special Regulatory Review Commission Meeting Minutes. Commissioner Beckham seconded the motion. With all in favor the motion carried.

Education and Licensing Report

May 2019 Continuing Education Courses were reviewed and recommended for approval by General Counsel Becker. Commissioner Beckham made a motion to approve the “attached list of courses.” Commissioner Hayden seconded the motion. With all in favor the motion carried.

2019 Retroactive Continuing Education Courses were reviewed and recommended for approval by General Counsel Becker. Commissioner Hayden made a motion to approve the “attached list of courses.” Commissioner Beckham seconded the motion. With all in favor the motion carried.

Ms. Mullikin presented “the attached list” May 2019 education and licensing statistics.

Ms. Mullikin presented licensing reinstatement fee waiver requests to the full Commission for the following licensee’s:

- 183682, Commissioner Beckham motioned to deny the request. Commission Hayden seconded the motion. With all in favor the motion carried.
- 218776, Commissioner Hayden motioned to deny the request. Commission Cline seconded the motion. With all in favor the motion carried.
- 180641, Commissioner Hayden motioned to deny the request. Commission Cline seconded the motion. With all in favor the motion carried.
- 197706, Commissioner Beckham motioned to deny the request. Commission Hayden seconded the motion. With all in favor the motion carried.
- 224113, Commissioner Cline motioned to deny the request. Commission Hayden seconded the motion. With all in favor the motion carried.

Real Estate Authority Director Comments

Director Corder had no comments.

Open Forum – Public Comments

One member of the public directed a question to Ms. Mullikin asking for more clarification and instruction regarding new applicants applying online. Ms. Mullikin gave clarification how applicants can apply online and that it is not the same as creating a new online services account that can only be established after being issued a license with an OP ID number.

Applicant Review Committee

The Applicant Review Committee made the following recommendations to the full Commission:

- Brian Lewis be approved, subject to probationary terms

- Nicholas Bentley be approved, subject to acknowledgment from his principal broker

Commissioner Hayden made a motion to approve both applicants. Commissioner Beckham seconded the motion. With all in favor the motion carried.

The Applicant Review Committee meeting scheduled for June is cancelled with the next scheduled meeting to be announced for July.

Complaint Review Committee

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

In the matter of

- 16-0095, Dismiss
- 16-0086, Accept counter offer
- 18-C-053, Make offer of settlement in accordance with General Counsel's memo
- 18-C-067, Order to recovery fund hearing
- 19-C-030, Deferred to next meeting.
- 19-C-031, Dismiss

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

The Complaint Committee meeting scheduled for June is cancelled with the next scheduled meeting to be announced for July.

Education Review Committee

No report.

Legal Report

General Counsel Becker addressed to the Commission an email seeking clarification regarding issue of dispersing commission checks and authority of a brokerage having contracts stored in electronic storage.

There was no docket report for this meeting.

General Counsel Becker presented to the Commission information to consider regarding future Education grants. The Commission discussed pros and cons with various types of grant options.

With Commission interest, General Counsel Becker agreed to follow up the issue and bring back to the Commission for further review.

Commission Regulation Review Discussions

General Counsel Becker began the current regulation review of 201 KAR 11:011, Definitions, 201 KAR 11:105, Advertising, 201 KAR 11:121, Professional standards of conduct, 201 KAR 11:170, Education providers, 201 KAR 11:190, Complaints and discipline, 201 KAR 11:210, Licensing, 201 KAR 11:220, Insurance and 201 KAR 11:461 Repealer.

Discussions of 201 KAR 11:011, Definitions, 201 KAR 11:105, Advertising, 201 KAR 11:121, and Professional standards of conduct included all sections with changes and corrections being established for recommendation by KREC Commissioners, with the assistance of legal guidance of the KREA General Counsel and from the KREA Executive Director.

A motion was attempted but not completed by Commissioner Hayden and Commissioner Beckham to approve all proposed regulations subject to changes and amendments, however it was then deferred for further discussion and motions later during the meeting.

Recess

Commissioner Chair, Disponett recessed meeting for brief lunch and reconvened the meeting at 12:45 for lunch and reconvened the meeting at 1:24pm.

Commissioner Hayden made a final motion after withdrawing previous motions to approve the proposed regulations for 201 KAR 11:170, Education providers, subject to updated amendments of evaluation forms. Commissioner Beckham seconded motion. All in favor, motion carried.

After the Commissions extensive discussions, Commissioner Hayden made a final motion to approve the proposed regulations for 201 KAR 11:105, Advertising. Commissioner Cline seconded the motion. All in favor, motion carried.

During portion of this meeting General Counsel Becker gave clarification of three types of regulation to better understand 201 KAR 11:461, Repealer.

1. New Regulation - has not been introduced
2. Amendment of Regulation – changing existing regulation
3. Repealing Regulation – deleting changes to new or existing regulation

Toward end of this meeting General Counsel Becker reviewed current tasks for regulations that are completed and still to be completed:

- 201 KAR 11:011, Definitions, completed
- 201 KAR 11:105, Advertising, completed
- 201 KAR 11:121, Professional standards of conduct, review & refine sections agency and broker duties sections, timeshares and forms
- 201 KAR 11:170, Education providers, completed, check cross references, refine evaluation forms
- 201 KAR 11:190, Complaints and discipline, complete, refine forms
- 201 KAR 11:210, Licensing, complete, refine forms
- 201 KAR 11:220, Insurance, complete
- 201 KAR 11:461, Repealer, complete

Commissioner Hayden made motion to approve 201 KAR 11:011, Definitions. Commission Beckham seconded. All in favor, motion carried.

Executive Session Legal Matters and Case Deliberations

There was no executive session for this meeting.

KREC Chair and Other Comments

No new comments were offered for this meeting.

New Business

Commissioner Cline made a motion to approve Commissioner ARELLO conference and training to be held in September at Denver, CO. Commissioner Beckham seconded motion. With all in favor, motion carried.

Approval of Travel & Per Diem

Commissioner Beckham moved to approve travel and per diem for regular and special meeting dates of April 25th through May 23rd, 2019. Commission Cline seconded the motion. With all in favor, motion carried.

Next Committee Meeting

The next regular full Commission meeting will be held June 13, 2019 at 1:00 pm at Owensboro Convention Center, 3rd Floor, East C-D, 501 West 2nd Street, Owensboro, KY 42301.

Meeting Adjournment

Commissioner Beckham made a motion to adjourn the meeting. Commissioner Cline seconded the motion. All in favor, the meeting was adjourned at 4:47 PM.



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MEMORANDUM

DATE: May 20, 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 in bold.

RECOMMENDATION

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

1. 2019 Pre-licensing Courses

Kentucky REALTOR Institute

Course Name- Course Number	Instructors	Pre-licensing Hours
Principles of Home Inspection: Systems and Standards v3.0 (22675)	Art Reed	80 (broker credit)

2. 2019 Continuing Education Courses

Hondros College

Course Name- Course Number	Instructors	CE Hours
Kentucky Core Course (22659)	David "Al" Batteiger	6 law

3. 2019 Continuing Education and Post-licensing Education Courses

Hondros College

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Advertising (22667)	David "Al" Batteiger	3 elective	3 advertising
Agency (22672)	David "Al" Batteiger	6 law	6 agency
Antitrust Awareness (22664)	David "Al" Batteiger	1 law	1 elective
Applying Property Law Through Case Studies (22662)	David "Al" Batteiger	4 law	4 elective
Business Planning for New Licensees (22660)	David "Al" Batteiger	3 elective	3 elective
Contracts (22671)	David "Al" Batteiger	6 law	6 contracts
Fair Housing (22668)	David "Al" Batteiger	3 law	3 fair housing
Finance (22669)	David "Al" Batteiger	3 elective	3 finance
Kentucky Disclosure Obligations (22673)	David "Al" Batteiger	3 elective	3 disclosure
KREC Licensee Compliance (22673)	David "Al" Batteiger	3 law	3 licensee compliance
Property Management (22661)	David "Al" Batteiger	4 elective	4 elective

Risk Management (22665)	David “Al” Batteiger	2 elective	2 risk management
Sales Comparison Approach for Residential Appraisers (22663)	David “Al” Batteiger	4 elective	4 elective
Technology and Data Security (22666)	David “Al” Batteiger	3 elective	3 technology and data security

Residential Real Estate Council

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Digital Marketing: Establishing a Social Media Brand- RS 139 (22676)	Marki Lemons-Ryhal	6 elective	6 elective
First Time Home Buyer Specialist: A Blueprint for Success (22677)	Rich Sands	6 elective	6 elective
Systems for REALTOR Success- RS 138	James Nellis, Frank Serio, Debbie Yost	6 elective	6 elective



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MEMORANDUM

DATE: May 20, 2019
FROM: Hannah Carlin, KREC Education Coordinator
TO: Kentucky Real Estate Commission
RE: Retroactive Course Approval

BACKGROUND

On behalf of three approved education providers, the KREC education department is asking the Commission to retroactively approve the following courses to the date as indicated by each course:

HomeServices Real Estate Academy

Course Name	Instructor	Hours Requested	Effective Date
Presenting Multiple Offers (21778)	Harry Borders, Jennifer Fields	3 law (CE)	3/1/2019

Kentucky REALTOR Institute

Course Name	Instructor	Hours Requested	Effective Date
KREC Licensee Compliance (22680)	Sandy Huwel	3 law (CE) 3 licensee compliance (PLE)	3/1/2019

Ward Elliot Institute

Course Name	Instructor	Hours Requested	Effective Date
Agency- The Correct Way (18080)	Ward Elliot	3 law (CE)	1/1/2019
Effective Risk Management (21820)	Ward Elliot	6 law (CE)	1/1/2019
Kentucky Core Course (17928)	Ward Elliot	6 law (CE)	1/1/2019

Both HomeServices Real Estate Academy and Kentucky REALTOR Institute submitted the appropriate documents on time for the March 2019 Commission meeting. Their courses failed to appear on the March 2019 agenda due to an oversight from the Commission staff.

The courses listed for the Ward Elliot Institute were not submitted to the Commission prior to the effective date. School administrator, Ward Elliot, forgot to submit the documents for approval in November 2018. The Ward Elliot Institute has conducted these courses in 2019. The Kentucky Core Course was offered twice to a total of forty-four (44) licensees. “Agency- The Correct Way” was offered twice to a total of thirty-eight (38) licensees.

RECOMMENDATION

Please decide whether to approve the courses.

ATTACHMENTS

Email from Ward Elliot to Hannah Carlin, dated April 24, 2019.

From: [Ward Elliott](#)
To: [Carlin, Hannah M \(KREC\)](#)
Subject: Applications
Date: Wednesday, April 24, 2019 7:42:17 AM

Good Morning, Hannah:

Here are the numbers you requested:

2 Effective Risk Management classes = 38 licensees total

3 Core classes - 44 licensees total

Again, I sincerely apologize for the extra work I have caused you.

It is especially amazing to me that I would forget to renew the Core Course as I have been involved as an instructor for that program longer than anyone in Kentucky. I was one of the group of 4 licensees that worked with Linda Poliskie, former Education director, in developing the original Core. In fact, I presented it for the Commission at various locations in Kentucky in the initial start-up. I have since presented it hundreds of times over the last 30+ years. It is my favorite CE program.

Anyway, I respectfully request that the commission approve these two classes retroactively so the licensees involved will not be penalized.

Thank you for your assistance and understanding as we try to correct my mistake.

Ward

Ward Elliott

270-991-0612

www.wardelliottinstitute.com



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MEMORANDUM

DATE: May 20, 2019
FROM: Hannah Carlin, KREC Education Coordinator
TO: Kentucky Real Estate Commission
RE: Education and Licensing Report

BACKGROUND

The attached document includes the following:

- April 2019 testing statistics
- 2019 licensing statistics (by month)
- Escrow statistics
- Post-licensing statistics

RECOMMENDATION

Please review. No action required.

ATTACHMENTS

Please see the attachment for the full report.

1. PSI Testing Statistics

April 2019

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Recognition-Broker	5	83.33	1	16.67	6
License Recognition-Salesperson	22	75.86	7	24.14	29
Broker- National	6	50.00	6	50.00	12
Broker- State	8	53.33	7	46.67	15
Salesperson- National	109	56.48	84	43.52	193
Salesperson- State	114	54.29	96	45.71	210
TOTAL	264	56.77	201	43.23	465

2019 (January-April)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Recognition-Broker	24	68.57	11	31.43	35
License Recognition-Salesperson	80	63.49	46	36.51	126
Broker- National	43	60.56	28	39.44	71
Broker- State	45	63.38	26	36.62	71
Salesperson- National	468	59.39	320	40.61	788
Salesperson- State	467	52.65	420	47.35	887
TOTAL	1,127	56.98	851	43.02	1,978

2. Licensing Statistics

As of 5/20/2019

Type	Active	Escrow	TOTAL
Sales Associate	10,576	6,297	16,873
Broker	3,950	902	4,852
TOTAL	14,526	7,199	21,725

New Licenses Issued in 2019 (by month)

Month	Sales Associate	Broker	Total
January	92	11	103
February	118	12	130
March	137	22	159
April	144	14	158
May			
June			
July			
August			
September			
October			
November			
December			
TOTAL	491	60	550

3. Education Statistics

- a. Licensees cancelled for failure to complete post-license education during April: 5