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SPECIAL MEETING
Kentucky Real Estate Commission
MEETING MINUTES
March 12, 2019

** Meeting occurred in Room #180 and included a via video teleconference pursuant to KRS 61.826**

Commission Members Present

Joe Hayden

KREA Staff

Heather L. Becker, General Counsel
Hannah Carlin, Education Coordinator via video teleconference
Shannon Buzard, Board Administrator

Guests Present

Nicole Knudtson, KY Realtors
Phaedra King, GLAR
Douglas Myers, Doug Meyers RE Services
Cindy L Bradley, KHC
Janice Yonce, LBAR
Rene Rogers, Attorney
Sumei Zhang, U of L
Sarah Comiskey Hondros College

Emily Timblin, Hondros College
Charles Ballard, ReMax Associates
Cindy Crutcher, Exit Realty Crutcher
Joe Simms, ReMax Associates
Lucy Brooks, Centry Real Estate School
Patrick Brooks, Centry Real Estate School
Joyce Sterling, Career Development Center
Kristen Reese, HSREA

A special meeting of the Kentucky Real Estate Commission was called to order by Commissioner Joe Hayden at 9:07am on March 12, 2019. Guests in attendance were introduced and welcomed. Roll call was taken and a quorum was present.

Public Comments

Members of the audience in attendance participated extensively with comments, questions, and suggestions to this meeting. Concerns were raised regarding the low test rates/scores and with interest towards what may be causing this. Some reasons mentioned were exam changes, weighted testing, limited feedback of statistics to instructors, lack of education and testing requirements for instructors, etc. Commissioner Hayden in agreement with their concerns, welcomed and accepted suggestions by members of the audience throughout this meeting.



Regulatory Review Discussion

Commissioner Joe Hayden began discussion regarding proposed legislation for 201 KAR 11:170 – Education Providers and 201 KAR 11:011 – Definitions by stating the specific goals of the meeting as being the following:

- Red Tape Reduction Act, regulation clean up, reorganization of education with a holistic view along with open discussion and input. Commissioner Hayden described the regulation as a very large regulation with multiple moving parts for all levels of education.
- “Raise the Bar” and consider how to improve testing scores.
- Have a more efficient Commission with more efficient processes of workload.
- Maintain pro-business support but also protect the public.
- Clarify which NAR programs will qualify as pre-licensing courses.
- Outline the content of the licensee compliance course.
- Finalize outlining the content of broker curriculum (specifically broker law course).
- Strengthen the instructor performance, evaluation and removal provisions.
- Discuss provider advertising (false advertising and partnering with brokerages).
- Make the Course Review Process more efficient.
- Clarify and establish education related definitions.

Education Coordinator, Hannah Carlin agreed with Commissioner Hayden’s outlined goals with additional comments being interested in audience input for the educational processes.

Commissioner Hayden started with the goal of improving the examination process, including scheduling exams, exam statistics, and implementing a stricter examination passage rules, including the number of times an exam may be retaken after it is failed.

Discussion of 201 KAR 11:210 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 members of the public in attendance. Counsel Becker gave an update regarding current legislation HB 436 having a first reading, but it will not affect regulation discussions of this meeting as the legislation continues to move forward.

Commissioner Hayden and the education coordinator clarified which NAR programs are established by virtue of statute as approved education providers and real estate schools. The committee outlined comprehensive education course curriculum requirements for Pre-license, Continuing and Post-licensing education for all providers, including the requirement for a scenario-based practicum or project applicable to the practice of real estate brokerage for sales associate and broker pre-licensing education.

Hannah Carlin, education coordinator for the Commission outlined suggested improvements to bring efficiency to the course submission and review process.

Commissioner Hayden recessed this meeting for lunch at 12:55 pm and resumed the meeting at 2:11 pm.

New standards for a Broker Management Skills Course and Broker law were better outlined. Real Estate Brokerage: A Management Guide, 9th Edition, published by DF Institute, Inc. d.b.a. Dearborn Real Estate Education, or the most recent edition of that publication was included as guideline for broker pre-licensing education courses.

Course instructor accountability through higher standards, qualifications, and evaluations were discussed.

Before finalizing the committee meeting, General Counsel Becker presented a question to members regarding an email seeking clarification about brokerage firms advertising relationships with providers. Members of the audience expressed mutual concerns and exposing live scenarios affecting this issue. General Counsel Becker suggested that the prohibition be more detailed and relocated to professional standards. Commissioner Hayden and General Counsel Becker referred back to audience for participation of any further comments, suggestions, questions or concerns in the finalized product of 201 KAR 11:170 – Education Providers and 201 KAR 11:011 – Definitions.

Changes or discussion on 201 KAR 11:011 – Definitions were outlined.

Next Meeting

The next scheduled special meeting is Friday, March 15, 2019 at 9am to discuss advertising and definitions of 201 KAR.

Meeting Adjournment

Commissioner Hayden moved to adjourn meeting. Meeting adjourned at 5:29pm, March 12, 2019.