



Matthew G. Bevin  
Governor

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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  
Steve K. Cline, Bowling Green

**NON-VOTING COMMISSIONERS**  
Tom Waldrop, Mayfield

**Kentucky Real Estate Commission**  
**\*SPECIAL MEETING\***

**MEETING MINUTES**  
**August 28, 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 Shirley Wiseman

**KREA Staff**

Marc Manley, Acting General Counsel  
Tony Cotto, PPC Executive Advisor  
Shannon Keene, PPC Office Legal Service  
Chaz English, PPC Office Legal Service

H.E. Corder II, Executive Director  
Hannah Carlin, Education Coordinator  
Shannon Buzard, Board Administrator

**Guests Present**

Missy Vanderpool, HARBOR  
Sue Ann Collins, NKAR  
Mike Jarell, First Nations Realty  
Greg Crase, NKAR

Jim DeMaio, GORA  
Jamie Wilson, NKAR  
RIP Phillips, KYR

**Call to Order and Guest Welcome**

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Lois Ann Disponett, at 9:13 am, August 28, 2019. All in attendance for this meeting were welcomed.

**Roll call**

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

**New Business**

No new business was discussed this meeting.

**Regulation Review**

Acting General Counsel Manley presented to the Commission an outline of the KREC Administrative Regulations and Statements of Consideration for 201 KAR 11:011, 201 KAR 11:105, and 201 KAR 11:461.

The Commissioners discussed all public comments and proposed responses to the comments to be contained in the Statements of Consideration for 201 KAR 11:011, Definitions, 201 KAR 11:105, Advertising, and 201 KAR 11:461.

In subject matters of 201 KAR 11:011 Definitions:

Single Agency – Following discussion on the public comment, Commissioner Cline motioned to accept the commenters’ request to delete “single agency” definition from 201 KAR 11:011. Commissioner Wiseman seconded the motion. Commissioners Cline and Wiseman voted no on this motion. Commissioner Chair Disponett declared the motion failed. Following further discussion, Commissioner Wiseman motioned to approve the General Counsel’s second recommended response and deny the commenters’ request to delete “single agency” from 201 KAR 11:011 definitions. Commissioner Cline seconded the motion. Commissioners Cline and Wiseman voted yes on this motion. Commissioner Chair Disponett declared the motion passed.

Branch Office - Acting General Counsel Manley reviewed and confirmed the Commissions previous response and actions regarding “branch office”.

Definition of advertising – Following discussion on the public comment, Commissioner Cline motioned to keep the current definition of 201 KAR 11:011, advertising “as-is”. Commissioner Wiseman second motion. Commissioners Cline and Wiseman voted yes on this motion. Commissioner Chair Disponett declared the motion passed. Commissioner Wiseman motioned to accept General Counsel’s proposed response that advertising applies to “all” in the current definition of 201 KAR 11:011. Commissioner Cline second motion. Commissioners Cline and Wiseman voted yes on this motion. Commissioner Chair Disponett declared the motion passed.

Education cycle and exemption – Following discussion on the public comment, Commissioner Wiseman motioned to keep the current definition of 201 KAR 11:011 “as is”. Commissioner Cline seconded the motion. Commissioners Cline and Wiseman voted yes on this motion. Commissioner Chair Disponett declared the motion passed.

Commissioner Cline motioned to amend General Counsel’s proposed response to remove the proposed statement that Commissioners would be exempt and to approve General Counsel’s proposed response in accordance with that amendment. Commissioner Wiseman seconded the motion. All Commissioners voted yes on the motion and motion passed.

Single family dwelling definition – Following discussion on the public comment, Commissioner Wiseman moved that the terms “duplex”, “triplex”, “fourplex”, “condominium”, and “townhouse”, be removed from the definition of “single family residential real estate” and that each of those terms be separately defined. Commissioner Cline seconded the motion and the motion carried. Commissioner Cline moved to accept the definition of “townhouse” as provided in the Dearborn text book. Commissioner Wiseman seconded the motion and the motion carried. Commissioner Cline moved to accept the definition of “condominium” as provided in the Dearborn textbook. Commissioner Wiseman seconded the motion and the motion carried. Commissioner Wiseman moved to separately define “duplex” as “two residential units sharing a single roof.” Commissioner Cline seconded the motion and the motion carried. Commissioner Wiseman moved to separately define “triplex” as “three residential units sharing a single roof.” Commissioner Cline seconded the motion and the motion carried. Commissioner Wiseman moved to separately define “fourplex” as “four residential units sharing a single roof.” Commissioner Cline seconded the motion and the motion carried. Commissioner Cline motioned to amend General Counsel’s proposed response to reflect the changes in the definitions that were accepted. Commissioner Wiseman seconded the motion and the motion carried.

In subject matters of 201 KAR 11:105, Advertising:

Broker Limitations – Following discussion of the public comment, Commissioner Cline made a motion to accept General Counsel’s recommended response. Commissioner Wiseman seconded the motion. With all in favor, motion carried.

Standard for Broker Responsibility – Following discussion of the public comment, Commissioner Cline motioned to accept General Counsel’s proposed response. Commissioner Wiseman seconded the motion. With all in favor, motion carried.

Audiovisual – Following discussion of the public comment, Commissioner Wiseman motioned to accept General Counsel’s proposed response. Commissioner Cline seconded the motion. All in favor, motion carried.

Beginning enforcement date – Following discussion of the public comment, Commissioner Wiseman motioned to amend the effective date of the regulation to 6 months from the date of enactment. Commissioner Disponett seconded motion.

A call to vote was issued. Commissioner Wiseman and Commissioner Disponett voted yes on the motion. Commissioner Cline voted no. Motion carried.

Size Requirements of Licensed Associate’s Name – Following discussion, Commissioner Cline made a motion that the sizing requirements apply to all advertisement. Commissioner Wiseman seconded motion. Commissioner Cline and Commissioner Wiseman voted no. Motion failed. Following the vote, further discussion was held on the response to the public comment. Commissioner Cline made motion to accept General Counsel’s proposed response to the public comment. Commissioner Disponett seconded motion. Motion carried.

Size of Licensed Sales Associate’s Name – Following discussion of the public comment, Commissioner Cline motioned to approve General Counsel’s proposed response. Commissioner Wiseman seconded motion. All in favor, motion carried.

Size Requirements of Licensed Brokers Name – Following discussion of the public comment, Commissioner Wiseman motioned to approve General Counsel’s proposed response to the comment. Commissioner Cline seconded motion. All in favor, motion carried. By consensus, the Commission agreed to discuss this subject later in the meeting after concluding with the remaining public comments.

Franchise Abbreviations and Agreements – Following discussion, Commissioner Cline motioned to approve General Counsel’s proposed response to the comment. Commissioner Wiseman seconded motion. All in favor, motion carried.

Sizing Requirements for Signs, Exceptions – Following discussion, Commissioner Cline made a motion to approve the General Counsel’s first proposed response to the public comment. Commissioner Wiseman seconded motion. All in favor, motion carried.

Advertising Notifications to Client – Following discussion, Commissioner Wiseman made a motion to approve the General Counsel’s recommended response. Commissioner Cline seconded motion. All in favor, motion carried.

Capitalization & Consumer – Following discussion on two similar public comments to capitalize the words “consumer” and “commission”, Commissioner Wiseman made a motion to accept the General Counsel’s proposed response to both public comments. Commissioner Cline seconded the motion. All in favor, motion carried.

Usage of Term “SOLD” – Following discussion, Commissioner Cline made a motion to accept the Commenters’ proposal that the word “closed” replace the word “sold” and approve the General Counsel’s recommended response as amended. Commissioner Wiseman seconded motion. All in favor, motion carried.

Usage of Slogans and Alternate or Assumed Names – Following discussion on two similar comments, one referring to nicknames and the other referring to assumed names, Commissioner Wiseman motioned to approve the General Counsel’s response to both public comments. Commissioner Cline seconded motion. All in favor, motion carried.

Disclosures/Guaranteed Sales Plans – Following discussion of the public comment, Commissioner Cline made a motion to accept the Commenter’s request to require written disclosure of a guaranteed sales plan by inserting the phrase “An exclusive buyer agency agreement is required,” and to approve General Counsel’s recommended response adopting the Commenter’s request. Commissioner Wiseman seconded motion. All in favor, motion carried.

IDX Processing – Following discussion of the public comment, Commissioner Wiseman motioned to approve General Counsel’s recommended response to the comment. Commissioner Cline seconded motion. All in favor, motion carried.

Minimum Standards Checklist – Following discussion of the public comment, Commissioner Cline motioned to approve General Counsel’s recommended response. Commissioner Wiseman seconded motion. All in favor, motion carried.

Team Terminology- Following discussion of the public comment, Commissioner Wiseman made a motion to approve General Counsel’s recommended response. Commissioner Cline seconded motion. All in favor, motion carried.

Broker Ownership – Following discussion of the public comment, Commissioner Wiseman made a motion to approve the General Counsel’s recommended response. Commissioner Cline seconded motion. All in favor, motion carried.

Internal Reference Correction – Following discussion of the public comment, Commissioner Wiseman motioned to accept Commenter’s technical correction. Commissioner Cline seconded motion. All in favor, motion carried.

Team Leader – Following discussion of the public comment, Commissioner Wiseman motioned to approve General Counsel’s recommended response that the comment was not germane to the regulation at issue. Commissioner Cline seconded motion. All in favor, motion carried.

Commission Compliance – Following discussion of the public comment, Commissioner Wiseman made a motion to approve the General Counsel’s recommended response. Commissioner Cline seconded motion. All in favor, motion carried.

False Advertisement – Following discussion of the public comment, Commissioner Cline made a motion to approve the General Counsel’s recommended response. Commissioner Wiseman seconded motion. All in favor, motion carried.

**Break & Reconvene in Open Session**

Commissioner Disponett stop the meeting for short break at 11:32am and then reconvened the meeting at 11:46 am.

Size Requirements of Licensed Agents Name – The Commission returned to the subject of sizing requirements to discuss limitations on the rule consistent with its earlier votes. Following discussion, Commissioner Cline moved to create a limited list of exceptions to the sizing requirements using the Tennessee rule as a model, such that the following items would be exempt from the sizing requirements “hats, pens, notepads, apparel, name tags, and the sponsorship of charitable and community events,” and to add a clause granting discretion to the Commission regarding items not listed. Commissioner Wiseman seconded the motion. All in favor the motion carried.

Following discussion with General Counsel, Commissioner Wiseman motioned to authorize legal services to make amendments to 201 KAR 11:011 and 201 KAR 11:105 in conformity with the Commission’s votes in this meeting. Commissioner Cline seconded. All in favor the motion carried.

**Next Committee Meeting**

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.

The Applicant Review and the Complaint Review Committees are to be determined.

**Meeting Adjournment**

Commissioner Disponett motioned to adjourn the meeting. There being no objections, meeting adjourned at 12:05 pm.