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Authority Boards
Kentucky Real Estate Commission
Kentucky Real Estate Appraisers Board
Kentucky Board of Auctioneers
Kentucky Board of Home Inspectors

Heather L. Becker, General Counsel
Kentucky Real Estate Authority

SPECIAL MEETING

**Kentucky Real Estate Commission
COMMITTEE MEETING**

Meeting Minutes
November 26, 2018

Committee Members

Joe Hayden

KREA Staff

Heather L. Becker, General Counsel

Guests Present

Jeff Davis
Vickie Grimes
Nicole Knudtson
Rhonda Richardson
Joyce Bea Sterling

Commissioner Hayden called the special committee meeting of the Kentucky Real Estate Commission to order, at 9:08 AM on Monday, November 26, 2018 at the Real Estate Commission's Conference Room, located at 656 Chamberlin Avenue, Suite B in Frankfort, Kentucky 40601

Regulatory Review Discussion

Commissioner Hayden and Counsel Becker held discussion regarding the repeal of or amendment to 201 KAR 11:011 Definitions. The following items were covered:



Definitions:

In an effort to clarify, the following agency relationships and their starting points were discussed: Dual agency, designated agency, transactional brokerage, exclusive and limited agency.

Sections were added to the standards of conduct regulation to address the requirement of good faith and fair dealing, and the fiduciary duties that licensees owe to clients, prospective clients, and consumers was discussed.

After a discussion on whether to clarifying the meaning of transaction, it was decided the plain meaning would suffice.

Following a discussion on the fiduciary duties regarding consumers, clients, and prospective clients, we added sections to highlight the importance of confidentiality and professionalism.

The definition of business relations was discussed, it was decided to include this disclosure on the agency agreement form.

The definition of contact was eliminated because it was a concept that tied into former agency relationship origins.

A lengthy discussion on the definition of “team leader” and whether a broker license should be required, or a similar requirement as a designated manager in KRS 324.112(2).

After a discussion on the Real Estate Settlement Procedures Act as it relates to Section 1 in the standards of conduct regulation, the language was tweaked slightly.

The agency agreement and consumer disclosure sections were revised to flow with the revised definitions.

Due to the time needed to review the education and licensing, it was decided to table those to December 4th at 1:00 P.M. in advance of the December 5th special meeting.

Next Meeting

The next meeting of the Kentucky Real Estate Commission will be a special held committee meeting on December 4, 2018 at 1:00 PM at the Kentucky Real Estate Authority, 656 Chamberlin Avenue, Suite B, Frankfort, KY 40601.

The next regular meeting of the Kentucky Real Estate Commission is December 13, 2018 at 9:00 AM.

Meeting Adjournment

Commissioner Hayden adjourned the meeting at 6:00 P.M.