

Andy Beshear  
Governor

Jacqueline Coleman  
Lieutenant Governor



Ray A. Perry  
Secretary

DJ Wasson  
Deputy Secretary

PUBLIC PROTECTION CABINET  
Kentucky Real Estate Authority  
Kentucky Real Estate Commission  
500 Mero Street, 2NE09  
Frankfort, KY 40601  
Phone: (502) 564-7760

**KENTUCKY REAL ESTATE COMMISSION  
MAIN MEETING**

**MEETING MINUTES**

**February 19, 2026**

**9:00 a.m. ET**

**Mayo-Underwood Building**

**500 Mero Street**

**Frankfort, Kentucky 40601**

**Hearing Room 229NE**

**\*This meeting occurred via Microsoft Teams Meeting video teleconference, pursuant to KRS 61.826\***

A meeting of the Kentucky Real Estate Commission (“KREC” or “Commission”) was held on February 19, 2026, at the Mayo-Underwood Building, Frankfort, KY 40601, Conference Room 229NE, and by videoconference via MS Teams.

**Commissioners Present**

Commissioner Kenneth Sagan

Commissioner Jennifer Brown-Day

Commissioner Raquel Carter

Commissioner Anne West Butler

**KREA Staff**

Tracy Carroll, Executive Director

Gerald Florence, Deputy Executive Director

Patrick Riley, General Counsel

Libby Johnson, Board Coordinator

Randy Kloss, Investigator

Tim Nehring, Investigator

Seth Branson, Procedural Development

Specialist II

Rachel Couch, Paralegal



### **Call to Order and Guest Welcome**

The Kentucky Real Estate Commission meeting was called to order by Commissioner Butler at 9:00 a.m. ET on February 19, 2026. Roll call was taken, and a quorum was present. Guests were welcomed and an introduction to Commissioners was made.

### **Approval of Meeting Minutes**

Commissioner Sagan made a motion to approve the January 15, 2026, meeting minutes as presented. Commissioner Day seconded the motion. With all in favor, the motion carried unanimously.

### **KREA Update**

Executive Director Tracy Carroll provided the KREA update and welcomed the guests and speakers, who Mr. Riley will introduce. Ms. Carroll suggested to the commissioners that the April dates may need to be changed since the April KREC meetings fall on the same dates as the ARELLO mid-year conference. Ms. Carroll also announced that an intern has been selected for the summer internship position and that we are in the beginning stages of hiring a new temporary employee. Ms. Carroll stated that Gerald Florence will speak further about the intern and the new temporary position. Ms. Carroll expressed her appreciation for the board members and their continued efforts to keep things running smoothly both in and out of the office.

Deputy Executive Director Gerald Florence announced that KREA's new intern will begin this summer and will be a great asset to KREA. The new intern has previously interned with two law firms and has experience reviewing regulations and drafting legal documents. Mr. Florence also stated that KREC has been sending renewal notifications to help prevent as many individuals as possible from being cancelled for failure to renew, as the March deadline is quickly approaching.

Mr. Florence reviewed the current budget with the Commissioners and those in attendance. He presented the following:



**Real Estate Commission**  
**58-677-677A-677E-JEE0-13N8**

|  |   | FY24 Actual         | FY25 Actual           | FY26 Operating Budget 7/2025 | FY26 YTD 2/2/26     |
|--|---|---------------------|-----------------------|------------------------------|---------------------|
|  | <b>Source of Funds</b>  |                     |                       |                              |                     |
|  | <b>Restricted Funds</b>   |                     |                       |                              |                     |
|  | <b>Balance Forward</b>  | <b>1,565,978.08</b> | <b>2,822,101.48</b>   | <b>1,855,100.00</b>          | <b>1,855,067.72</b> |
| R382   | License Examination Fee   | 60.00               | 341,600.00            | 345,000.00                   | 174,700.00          |
| R383   | Initial License Fee   | 91,370.00           | 76,780.00             | 85,000.00                    | 42,570.00           |
| R384   | Renewal License Fee   | 1,199,170.00        | 19,800.00             | 1,200,000.00                 |                     |
| R385   | Reinstatement License Fee                                       | 16,960.00           | 10,681.00             | 20,000.00                    | 2,110.00            |
| R386   | Other Fees Related To Licenses                                  | 64,019.00           | 52,618.60             | 60,000.00                    | 25,951.00           |
| R404   | General Fees From Public  | 174,095.00          | 41,990.00             | 120,000.00                   | 21,995.00           |
| R701   | Fines   | 355,000.00          | 144,150.00            | 200,000.00                   | 24,750.00           |
| R839   | Other Deposits  | 51.68               |                       |                              |                     |
|  | <b>Total Revenue</b>  | <b>1,900,725.68</b> | <b>687,619.60</b>     | <b>2,030,000.00</b>          | <b>292,076.00</b>   |
|  | <i>Cash to Real Estate Authority</i>                            | <i>(817,000.00)</i> | <i>(1,415,000.00)</i> | <i>(1,415,000.00)</i>        | <i>(707,400.00)</i> |
|  | <b>Total Balance Forward + Revenue - Cas</b>                    | <b>2,649,703.76</b> | <b>2,094,721.08</b>   | <b>2,470,100.00</b>          | <b>1,439,743.72</b> |
|  | <b>Expenses</b>   |                     |                       |                              |                     |
| E114   | Per Diem (Boards & Comm)  | 29,100.00           | 28,800.00             | 34,200.00                    | 16,200.00           |
| E121   | Employers FICA  | 2,226.15            | 2,203.20              | 2,600.00                     | 1,262.25            |
|  | <b>Total Per Diem and Fringe Benefits</b>                       | <b>31,326.15</b>    | <b>31,003.20</b>      | <b>36,800.00</b>             | <b>17,462.25</b>    |
|  | Other Personnel Costs   | (204,204.50)        | 208,045.50            | 260,800.00                   | 105,780.50          |
|  | <b>Total Personnel Costs</b>                                    | <b>(172,878.35)</b> | <b>239,048.70</b>     | <b>297,600.00</b>            | <b>123,242.75</b>   |
|  | Total Operating Costs   | 480.57              | 604.66                | 26,000.00                    | 3,685.10            |
|  | <b>Total Expenditures</b>                                       | <b>(172,397.78)</b> | <b>239,653.36</b>     | <b>323,600.00</b>            | <b>126,927.85</b>   |
|  | <b>Total Revenue + Balance Forward minus Total Expenditures</b> | <b>2,822,101.54</b> | <b>1,855,067.72</b>   | <b>2,146,500.00</b>          | <b>1,312,815.87</b> |
| <b>Notes:</b>  |   |                     |                       |                              |                     |
| ** Total allotment (spending authority) for FY26 is \$323,600.   |   |                     |                       |                              |                     |
| ** Approximate salary and fringe of employees assigned to KREC - \$266,809.08                                    |   |                     |                       |                              |                     |
| ** Approximate salary and fringe of administrative employees assigned to Real Estate Authority - \$1,252,493.98. |   |                     |                       |                              |                     |
| ** Operating Costs include travel.   |   |                     |                       |                              |                     |



**Real Estate Commission Educ Res & Recovery**

58-677-677A-677E-JEF0-13N5

|  |   | FY24 Actual  | FY25 Actual  | FY26 Operating Budget 7/2025 | FY26 YTD 2/2/26 |
|--|---|--------------|--------------|------------------------------|-----------------|
|  | <b>Source of Funds</b>  |              |              |                              |                 |
|  | <b>Restricted Funds</b>   |              |              |                              |                 |
|  | <b>Balance Forward</b>  | 4,518,154.61 | 5,962,175.05 | 6,259,800.00                 | 6,259,839.61    |
| R382   | License Examination Fee   |              | 120.00       |                              |                 |
| R383   | Initial License Fee   | 84,970.00    | 71,720.00    | 80,000.00                    | 41,430.00       |
| R384   | Renewal License Fee   | 1,204,080.00 | 20,580.00    | 1,200,000.00                 |                 |
| R385   | Reinstatement License Fee                                       | (40.00)      |              |                              |                 |
| R386   | Other Fees Related To Licenses                                  | (455.00)     |              |                              |                 |
| R404   | General Fees from Public  | (40.00)      |              |                              |                 |
| R701   | Fines   | (3,000.00)   |              |                              |                 |
| R771   | Interest Income   | 246,132.19   | 307,607.72   | 260,000.00                   | 140,138.29      |
|  | <b>Total Revenue</b>  | 1,531,647.19 | 400,027.72   | 1,540,000.00                 | 181,568.29      |
|  | <i>Cash to Real Estate Authority</i>                            | -            | -            | -                            | -               |
|  | <b>Total Balance Forward + Revenue - Cas</b>                    | 6,049,801.80 | 6,362,202.77 | 7,799,800.00                 | 6,441,407.90    |
|  | <b>Expenses</b>   |              |              |                              |                 |
| E114   | Per Diem (Boards & Comm)  | -            | -            | -                            | -               |
| E121   | Employers FICA  | -            | -            | -                            | -               |
|  | <b>Total Per Diem and Fringe Benefits</b>                       | -            | -            | -                            | -               |
|  | Other Personnel Costs   |              |              | 10,000.00                    |                 |
|  | <b>Total Personnel Costs</b>                                    | -            | -            | 10,000.00                    | -               |
|  | <b>Total Operating Costs</b>                                    | 87,626.75    | 102,363.16   | 90,000.00                    | 565.02          |
|  | <b>Total Expenditures</b>                                       | 87,626.75    | 102,363.16   | 100,000.00                   | 565.02          |
|  | <b>Total Revenue + Balance Forward minus Total Expenditures</b> | 5,962,175.05 | 6,259,839.61 | 7,699,800.00                 | 6,440,842.88    |
| <b>Notes:</b>  |   |              |              |                              |                 |
| ** Total allotment (spending authority) for FY26 is \$100,000. |   |              |              |                              |                 |



# Education and Licensing Report

Deputy Executive Director Gerald Florence presented to the Commission the following licensing and education statistics:

## 1. PSI Testing Statistics

### KENTUCKY REAL ESTATE EXAMINATION STATISTICS SUMMARY CUMULATIVE

For the Period of 01/01/26 - 02/02/26

Printed on 02/18/26

Page: 1

| <b>KY Broker</b>   | <b>KY Real Estate Broker - State</b> | <b>KY Real Estate Broker - National</b> |
|--------------------|--------------------------------------|---|
|                    | Candidates                           | Candidates                              |
| First time Passes: | 1 (16.67 %)                          | 6 (100.0 %)                             |
| First time Fails:  | 5 (83.33 %)                          | 0 (0.0 %)                               |
| Repeat Passes:     | 4 (57.14 %)                          | 2 (100.0 %)                             |
| Repeat Fails:      | 3 (42.86 %)                          | 0 (0.0 %)                               |
| <b>Total</b>       | <b>13</b>                            | <b>8</b>                                |

| <b>KY License Reciprocity Broker</b> | <b>KY License Reciprocity Broker - State</b> |
|--------------------------------------|--|
|                                      | Candidates                                   |
| First time Passes:                   | 1 (50.0 %)                                   |
| First time Fails:                    | 1 (50.0 %)                                   |
| Repeat Passes:                       | 0 (0.0 %)                                    |
| Repeat Fails:                        | 3 (100.0 %)                                  |
| <b>Total</b>                         | <b>5</b>                                     |

| <b>KY License Reciprocity Salesperson</b> | <b>KY License Reciprocity Salesperson - State</b> |
|---|---|
|   | Candidates  |
| First time Passes:                        | 6 (50.0 %)  |
| First time Fails:                         | 6 (50.0 %)  |
| Repeat Passes:                            | 6 (50.0 %)  |
| Repeat Fails:                             | 6 (50.0 %)  |
| <b>Total</b>                              | <b>24</b>   |



| <b>KY Sales Associate</b> | <b>KY Real Estate<br/>Sales Associate<br/>- State</b> | <b>KY Real Estate<br/>Sales Associate<br/>- National</b> |
|---------------------------|---|--|
|                           | Candidates  | Candidates   |
| First time Passes:        | 66 (56.45 %)  | 74 (72.65 %)   |
| First time Fails:         | 45 (44.55 %)  | 28 (27.45 %)   |
| Repeat Passes:            | 31 (49.21 %)  | 21 (38.18 %)   |
| Repeat Fails:             | 32 (50.79 %)  | 34 (61.82 %)   |
| <b>Total</b>              | <b>164</b>  | <b>157</b>   |

Procedural Development Specialist II Seth Branson reported the following educational and instructor applications.

**1) Providers**

**i) Sunland Real Estate Education**

**2) Courses**

**a. Agent Academy**

**i) Formula to Sell Any Home**

Instructor(s): Vickie Grimes

CE Hours: 1

PLE Hours: 1 Electives

**ii) Mortgage Fraud and Predatory Lending**

Instructor(s): Vickie Grimes

Broker Electives: 3

CE Hours: 3

PLE Hours: 3 Electives

**iii) Real Estate and Taxes**

Instructor(s): Vickie Grimes

Broker Electives: 3

CE Hours: 3

PLE Hours: 3 Electives

**iv) Real Estate Finance**

Instructor(s): Vickie Grimes

Broker Electives: 3

CE Hours: 3

PLE Hours: 3 Finance



**v) Sales and Marketing 101**

Instructor(s): Vickie Grimes

Broker Electives: 3

CE Hours: 3

PLE Hours: 3 Advertising

**vi) Sustainable Housing and Building Green**

Instructor(s): Vickie Grimes

Broker Electives: 3

CE Hours: 3

PLE Hours: 3 Electives

**b. A-Pass-Weikel**

**i) Broker Management**

Instructor(s): John J. Weikel II

Broker Curriculum: 48

**ii) Principles & Practice of Real Estate**

Instructor(s): John Weikel, Tiffany Williams, Louise Venettozzi, Crissie Buntin, Rebecca Woo, Kenneth Isenberg, Jeffrey E Jones

Pre-License Hours: 96

**iii) Real Estate Law**

Instructor(s): John J Weikel II

Broker Curriculum: 48

**c. Kentucky Academy of Real Estate**

**i) Kentucky Core Course V2.0**

Instructor(s): Cora Henderson

CE Law: 6

Core Hours: 6

**ii) Kentucky Commission Compliance V2.0**

Instructor(s): Cora Henderson

CE Law: 3

PLE Hours: 3 Licensee Compliance

**d. Kaplan**

**i) Buyer Representation in Real Estate V6.0**

Instructor(s): Ted Highland

CE Law: 6

PLE Hours: 6 Risk Management

**ii) The Errors Tour: Real Estate Edition V1.0**

Instructor(s): Ted Highland

CE Hours: 4

PLE Hours: 4 Risk Management



- e. **Kentucky CCIM Chapter**
  - i) **Using IRC 1031 as a Sales Tool**  
Instructor(s): Todd Pajonas  
CE Law: 1

Commissioner Carter made a motion to approve the education applications as presented by Mr. Branson. Commissioner Sagan seconded the motion. Having all in favor, the motion carried.

### **KREA Legal Update**

General Counsel Patrick Riley presented the KREA Legal Update. He introduced Director Eric Gibson with the Kentucky Division of Emergency Management, who provided an overview of potential issues with flood insurance—and those individuals/residences who may be precluded from receiving future FEMA flood financial assistance. Mr. Gibson informed the Commission and guests of the importance of reviewing flood insurance policies and shared examples of homeowners who allowed their policies to lapse, resulting in KYEM and FEMA being unable to provide further financial disaster flood assistance. Commissioner Carter inquired whether there was a website to identify individuals/residences who had received FEMA disaster flood assistance. Director Gibson advised that there was no such site currently. Director Gibson advocated awareness and future education opportunities for KREC licensees on this issue.

Mr. Riley then introduced Cindy Grissom with RISC Insurance. Ms. Grissom informed the Commission that RISC has renewed its agreement to continue providing Errors and Omissions (E&O) insurance coverage for real estate agents in Kentucky. Ms. Grissom also discussed the distinction of ERP and E&O Insurance for inactive licensees and advocated that the inclusion of an ERP policy for inactive licensees with current E&O Insurance may be unnecessary.

Continuing, Mr. Riley informed the Commission that the KREC April meetings conflict with the upcoming ARELLO Mid-Year Conference and suggested that the Commission consider adjusting the meeting dates.

Commissioner Sagan made a motion to amend the April meeting dates and reschedule to April 28, 2026, and April 30, 2026. Commissioner Carter seconded the motion. With all in favor, the motion carried.

Mr. Riley concluded the update by announcing that CORE has officially been finalized and will be distributed to education providers. Mr. Riley noted that KREA's paralegal Rachel Couch played a significant role in helping complete the process.

### **Committee Reports**

#### **1. Applicant Review Committee Report**

Commissioner Sagan presented the following recommendations of the CSC meeting:



1. In Re: Application of **S.C.** – Recommend approval to the Commission.
2. In Re: Application of **M.J.** – Recommend approval to the Commission.
3. In Re: Agreed Order of **R.B.** – Recommend full execution of the Agreed Order to the Commission.

Commissioner Sagan moved to adopt the Applicant Review Committee’s full recommendations as presented to the Board and recited in the recommendations as listed above in these minutes. Commissioner Carter seconded the motion. Having all in favor, motion carried.

## **2. Complaint Screening Committee Report**

Commissioner Carter presented the following recommendations of the CSC meeting:

1. **19-C-093/19-C-094** – Recommend deferring to the full Commission.
2. **22-C-061** – Recommend to the Commission for dismissal with notation in file for an additional 3 hours of agency if licensee requests to become active.
3. **23-C-004** – Status update only.
4. **25-C-046** – Recommend to the Commission to defer until the March 2026 KREC Main Meeting.
5. **25-C-047** – Recommend to the Commission for further investigation.
6. **26-C-001** – Recommend to the Commission to accept withdrawal and dismiss.

### **Closed Session**

Commissioner Sagan made a motion to enter closed session pursuant to KRS 61.815 and KRS 61.810(1)(c) and (j), with board staff and counsel, to discuss proposed or pending litigation and deliberate on individual adjudications at 9:46 a.m. ET as listed in the agenda and these minutes above. The motion was seconded by Commissioner Day. Having all in favor, the motion carried.

### **Reconvene in Open Session**

Commissioner Carter made a motion to come back to open session at 10:05 a.m. ET. The motion was seconded by Commissioner Butler. Having all in favor, the motion carried.

### **Complaint Screening Committee Report—Motions**

Commissioner Carter moved to adopt the Complaint Screening Committee’s full recommendations as presented to the Board and recited in the recommendations as listed above in these minutes, and to amend the recommendation of 19-C-093/19-C-094 which the full commission moves to dismiss. Commissioner Sagan seconded the motion. Having all in favor, motion carried.

### **New Business**

Commissioner Butler made a motion to approve the Kentucky-Mississippi reciprocity agreement. Commissioner Sagan seconded the motion. Having all in favor, the motion carried.



KREC received a detailed and innovative grant proposal from the University of Louisville to expand its college real estate program that based on its scale included a larger financial request. The Commission plans to review the grant and bring it back for further discussion at the March meeting.

### **Public Comments**

No public comments.

### **Recess**

Commissioner Butler made a motion to recess at 10:12 a.m. ET. Commissioner Sagan seconded the motion. Having all in favor, motion carried.

Commissioner Butler made a motion to reconvene from recess at 10:23 a.m. ET. Commissioner Sagan seconded the motion. Having all in favor, motion carried.

### **Regulatory Review**

The Commission first reviewed 201 KAR 11:011 – Definitions. During the review of “electronic communication,” Commissioner Carter suggested that text messages should include verification of delivery, and Commissioner Sagan inquired about the ability to recover deleted text messages. While reviewing the definition of “fourplex,” Commissioner Butler asked whether the term is the same as a patio house or if it could be defined similarly to a condominium. Other topics discussed included “artificial intelligence.”

The Commission then reviewed 201 KAR 11:105 to discuss advertising regulations. During the discussion, the Commission considered whether the name used by a real estate licensee in advertising should be required to match the licensee’s legal birth name rather than a nickname, even if the nickname is similar to the birth name. Executive Director Carroll discussed included formal written consent for advertising in post-closing disclosures. Commissioner Carter stated she was opposed to such consent and discussed buyer’s agent representation agreements. Review of the regulations will continue at the KREC March Main Meeting.

### **Approval Per Diem**

Commissioner Butler made a motion to approve the per diem and travel expenses for the February 17, 2026, ARC Meeting; February 17, 2026, CSC Meeting; and February 19, 2026 KREC Main Meeting. Commissioner Sagan seconded the motion. Having all in favor, the motion carried.

### **Meeting Adjournment**

Commissioner Carter moved to adjourn the meeting at 10:59 a.m. ET. Commissioner Sagan seconded the motion. Having all in favor, the meeting adjourned.

**Next KREC meeting will be held March 19, 2025.**



Pursuant to KRS 324B.060, I, Tracy Carroll, Executive Director for the Kentucky Real Estate Authority (KREA) have reviewed and Approved the expenditures for the meeting of the Kentucky Real Estate Commission (“KREC” or “The Commission”) held on February 19, 2026. 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 meeting at its meeting held on March 19, 2026

*Tracy Carroll*

Date: 3/19/2026

