



Andy Beshear
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Kentucky Real Estate Commission**
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**KENTUCKY REAL ESTATE COMMISSION
(KREC)**

MEETING MINUTES

November 22, 2021

Mayo-Underwood Hearing Room 133CE

*** This meeting also occurred via Zoom Teleconferencing, pursuant to KRS 61.826***

Commission Members Present

Commissioner Chair, Lois Ann Disponett
Commissioner Larry Disney
Commissioner James Simpson
Commissioner James King
Commissioner Steve Cline
Commissioner Raquel Carter
Commissioner Anthony Sickles

KREA Staff

Robert Astorino, Executive Director
Molly Cassady, General Counsel
Hannah Carlin, Education Coordinator
Brian Travis, Investigator
Terri Hulette, Executive Administrative Secretary
Angie Reynolds, Administrative Specialist III
Michelle Rhody, COT
Bill Jackson, COT

Guests Present

859-544-7384
Daniel Lineberry
Daniel Richardson
Houston Natcher
Jaclyn Graves
Reynolds Hart
Sandy Newell

Jim DeMaio, RASK
Josh Cooper
Joshua LaRocco
Margie Harper
Nicole Knudtson
Steve Stephens, KY Realtors

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order through video teleconference by Commission Chair, Lois Ann Disponett, at 9:03 a.m. on November 22, 2021. Roll call was taken and a quorum was present. Guests in attendance were welcomed and introductions of guests, staff, and commissioners were made.

Approval of Meeting Minutes

Commissioner Disney made a motion to approve the **October 21, 2021** Meeting Minutes Commissioner Cline seconded the motion. With all in favor, the motion carried.

Education and Licensing Report

Ms. Hannah Carlin presented the Commission the following:

1. PSI Testing Statistics

October 2021 (First Time)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	4	80.00	1	20.00	5
License Reciprocity- Salesperson	3	37.50	5	62.50	8
Broker- National	4	80.00	1	20.00	5
Broker- State	2	40.00	3	60.00	5
Salesperson- National	87	69.05	39	30.95	126
Salesperson- State	60	47.62	66	52.38	126
TOTAL	160	58.18	115	41.82	275

October 2021 (Repeat)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	0	0	0	0	0
License Reciprocity- Salesperson	2	50.00	2	50.00	4
Broker- National	2	50.00	2	50.00	4
Broker- State	3	50.00	3	50.00	6
Salesperson- National	29	34.52	55	65.48	84
Salesperson- State	60	46.88	68	53.13	128
TOTAL	96	42.48	130	57.12	226

2021 (Cumulative)

Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	22	50.00	22	50.00	44
License Reciprocity- Salesperson	83	59.71	56	40.29	139
Broker- National	98	63.23	57	36.77	155
Broker- State	91	52.91	81	47.09	172
Salesperson- National	1,435	58.26	1,028	41.79	2,463
Salesperson- State	1,420	51.60	1,332	48.40	2,752
TOTAL	3,149	55.00	2,576	45.00	5,725

2. Licensing Statistics

As of November 15, 2021

Type	Active	Inactive	TOTAL
Sales Associate	12,308	5,816	18,124
Broker	3,885	882	4,767
TOTAL	16,193	6,698	22,891

Licenses cancelled in October 2021: 2 (2 brokers)

New Licenses Issued in 2021 (by month)

Month	Sales Associate	Broker	Total
January	109	10	119
February	172	14	186
March	122	5	127
April	163	12	175
May	138	7	145
June	138	8	146
July	151	14	165
August	150	15	165
September	161	9	170
October	143	12	155
November			
December			
TOTAL	1,447	106	1,553

No **Continuing Education Applications** were presented for the month of November.

Ms. Carlin presented the November 2021 licensing requests:

1. **211928:** Commissioner Sickles made the motion to deny. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

2. **224030:** Commissioner Sickles made the motion to deny. Commissioner Simpson seconded the motion. Commissioner Carter and King opposed. Remaining all in favor, motion carried.
3. **274094:** Commissioner Simpson made a motion to approve. Commissioner Sickles seconded the motion. Commissioner Carter abstained from the discussion and the vote. Remaining all in favor, motion carried.
4. **273945:** Commissioner Disney made the motion to deny. Commissioner Cline seconded the motion. Having all in favor, the motion carried.

Executive Director Comments

Director Astorino informed the Commission of the KREA Chairperson meeting that is scheduled for December 7, 2021 at 10:00 a.m. All four chairpersons, Secretary Perry and Chief of Staff, D.J. Wasson plan to attend to discuss concerns and future plans for each of the KREA boards.

Director Astorino provided the Commission with an update on the errors and omissions contract procurement process. The Finance Cabinet received bids in response to the request for proposal. He was not able to comment on the results of the bids but promised to provide updates as the process continues.

The administrative staff added a new member to the team to assist with license applications. Director Astorino hopes to add another new staff member in December to prepare for the upcoming education deadlines and license renewal period.

Commission staff has worked diligently to update the content of the website. Frequent website visitors will notice a different look over the next few months as staff works to add necessary revisions.

The Diversity, Equity, & Inclusion Scholarship Committee outline was reviewed by the Cabinet and returned with ten suggestions that may help to make this a better program. The DEI Scholarship Committee will be meeting on December 3rd as to discussion their suggestions.

Commission staff has worked diligently with Illinois and Indiana to negotiate reciprocity agreements with each state. Director Astorino remains hopeful an agreement will be reached with each state within the coming months.

Committee Reports

Education Committee

There was no Education Committee meeting for this month.

Form Committee

There was no Form Committee meeting for this month.

Diversity, Equity, & Inclusion Committee

There was no Diversity, Equity, & Inclusion Committee meeting for this month.

Applicant Review Committee

Commissioner Simpson read the report of the Application Review Committee and the Committee's recommended action on each licensee:

At this time the Applicant Review Committee made the following recommendations:

1. To deny the license application of R.S.
2. To approve the license application of J.C.
3. To approve the license application of B.M.
4. To deny the license application of M.B.
5. To approve the license application of H.N.
6. To approve the license application of S.M.
7. To defer the license application of J.L. for further investigation.
8. To defer the license application of A.P. for further investigation.

Complaint Review Committee

Commissioner Sickles read the report of the Complaint Review Committee, and the Committee's recommended action on each Complaint, to be further discussed in Executive Session. The Committee's recommendations are as follows:

1. **20-C-033** – The Committee found evidence of violations and recommends the following sanctions: a sixty (60) day suspension followed by a twelve (12) month probationary period; \$1,000 fine; 12 hours of CE (9 in law, 3 in ethics); and a formal reprimand. Further, the Respondent and his new principal broker must meet with ARC before a decision is made on whether to reactivate his license.
2. **20-C-043** – The Committee found no evidence of violations with respect to either Respondent and recommends dismissal of the complaint.
3. **20-C-044** – The Committee found no evidence of violations and recommends dismissal of the complaint.
4. **21-C-010** – The Committee found evidence of violations and recommends the following sanctions: a \$500 fine, 6 hours of CE (3 in law, 3 in advertising); and a formal reprimand.

Executive Session Legal Matters and Case Deliberations

At 9:36 a.m. Commissioner Disney made a motion to enter executive session, pursuant to KRS 61.810(1)(c) and (j), and KRS 61.815 to deliberate on individual adjudications and to discuss 8 new applications and the 4 above CRC case recommendations as offered by Commissioner Carter:

- 20-C-033
- 20-C-043
- 20-C-044
- 21-C-010

Commissioner Simpson seconded the motion and the Commission entered into executive session discussion.

Reconvene Open Session and Committee Recommendations

Commissioner Cline motioned for the Commission to come out of executive sessions. Commissioner Carter seconded the motion. Commission Chair Disponett resumed the full Commission meeting at 10:24 a.m. and welcomed everyone in attendance back to the teleconference Commission meeting.

Commissioner Simpson made the motion to adopt the **Applicant Review Committee** items as previously recommended to the Commission. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Commissioner Sickles made the motion to adopt the **Complaint Review Committee** items 20-C-043, 20-C-044 and 21-C-010 as previously recommended to the Commission. Commissioner King seconded the motion. Having all in favor, the motion carried.

Commissioner Sickles made the motion to revoke the license from the Respondent in case of 20-C-033. Commissioner Cline seconded the motion. Having all in favor, the motion carried.

Final Actions of the Commission

1. **20-C-033 – The Commission declined to follow the recommendation of the Complaint Review Committee and imposes the following sanction: revocation of license.**
2. **20-C-044 – Having found no evidence of violations, the complaint is hereby dismissed.**
3. **20-C-043 – Having found no evidence of violations, the complaint is hereby dismissed.**
4. **21-C-010 – Having found evidence of violations, the Commission imposes the following sanctions: a \$500 fine, 6 hours of CE (3 in law, 3 in advertising); and a formal reprimand.**

Final actions of the Commission are not given full force and effect until a final order is issued pursuant to KRS 324B.060(4)

Public Comment

Chairperson Disponett opened the floor for public comments.

Daniel Richardson identified himself and asked if his broker's license was approved at this meeting. Ms. Carlin informed him that it would be discussed at the December meeting.

Legal Report

Docket Update

General Counsel reported that it was a busy month for administrative hearings. She conducted one hearing to adjudicate two complaints against a single licensee and attended eleven hearings on recovery fund damages resulting from twelve complaints filed against two licensees. All of the hearings went well, and she is awaiting recommended orders.

She clarified that her legal report for the previous month had included a disciplinary action against an education provider that was to have a prehearing in November, but this was not a KREC case and apologizes for any confusion that may have been caused.

There will be a prehearing conference for a license denial coming up on December 3rd. Several individuals have requested a hearing in response to license denials and/or disciplinary actions. She is working on getting Notices of Administrative Hearings drafted for those cases.

She and staff are also working to finalize the regulation amendment packet for Legislative Research Committee (LRC) with the hope of having it filed by the end of the year.

New Business

No new Business at this time.

Approval Per Diem

1. Commissioner Disney made a motion to approve the per diem for Commissioners Simpson and Commissioner Cline for the attendance of the November 17, 2021 Application Review Committee meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.
2. Commissioner King made a motion to approve the per diem for Commissioners Disney and Commissioner Sickles for the attendance of the November 17, 2021 Complaint Review Committee meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.
3. Commissioner Simpson made a motion to approve the per diem for the November 18, 2021 KREC Regular meeting. Because it was teleconferenced, there were no travel expenses. Commissioner Carter seconded the motion. Having all in favor, the motion carried.

Meeting Adjournment

The next KREC meeting will be December 16, 2021 at 9:00 a.m. for the regular meeting. Watch for a zoom link.

Commissioner King made a motion to adjourn the meeting. Commissioner Simpson seconded. Meeting adjourned at 12:32 a.m.

I, Robert Astorino, Executive Director of the Kentucky Real Estate Authority, have reviewed and pursuant to KRS 324B.060, have (Approved or Disapproved) the expenditures of the Kentucky Real Estate Commission (Insert name of Board) as described in these attached minutes.

Meeting Date November 22, 2021.

I have not reviewed, nor did I participate in discussions, deliberations, or decisions regarding, the actions of the Board as it relates to individual disciplinary matters, investigations, or applicant reviews.

Robert Astorino, KREA Executive Director

Date November 22, 2021