



Andy Beshear
Governor

Jacqueline Coleman
Lieutenant Governor

PUBLIC PROTECTION CABINET

Kentucky Real Estate Commission

Mayo-Underwood Building
500 Mero Street, 2NE09
Frankfort, Kentucky 40601
Phone: (502) 564-7760
<https://krec.ky.gov>

Ray A. Perry
Secretary

**KENTUCKY REAL ESTATE COMMISSION
(KREC)**

MEETING MINUTES

October 20, 2022.

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 Jennifer Brown-Day
Commissioner Raquel Carter
Commissioner Anthony Sickles

KREA Staff

August Pozgay, General Counsel
Hannah Carlin, Deputy Executive Director
René Rogers, Staff Attorney III
Angie Reynolds, Administrative Specialist III
Terri Hulette, Executive Administrative Secretary
Aaliyah Boller, Legal Intern
Seth Branson, Executive Administrative Secretary

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Lois Ann Disponett, at 9:00 a.m. on **October 20, 2022**. Roll call was taken, and a quorum was present. Guests were welcomed introductions of staff and Commissioners were made.

At the request of the Chair, General Counsel August Pozgay presented on the Open Meetings Act with a reminder on updates to the Act.

Approval of Meeting Minutes

Commissioner Carter made a motion to approve the **September 28, 2022** KREC Meeting Minutes, Commissioner Simpson seconded the motion. With all in favor, the motion carried.

Kentucky Real Estate Authority Report

Ms. Hannah Carlin announced that Director Robert Astorino recently retired effective October 1, 2022. She will be assuming some of the director’s administrative duties in the interim. Ms. Carlin reported that the Cabinet is actively working to fill the director vacancy, as well as the vacancy for the KREA investigator.

Ms. Missy Pittman will be KREA’s new fiscal manager, effective October 16, 2022. .

Education and Licensing Report

Ms. Carlin presented the Commission the following:

1. PSI Testing Statistics

2022 September (First Time)

2022 September (First Time) Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	3	75.00	1	25.00	4
License Reciprocity- Salesperson	9	52.94	8	47.06	17
Broker- National	1	50.00	1	50.00	2
Broker- State	1	50.00	1	50.00	2
Salesperson- National	97	69.29	43	30.71	140
Salesperson- State	77	54.23	65	45.77	142
TOTAL	188	61.24	119	38.76	307

2022 September (Repeat)

2022 September (Repeat) Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	1	100.00	0	0.00	1
License Reciprocity- Salesperson	6	54.55	5	45.45	11
Broker- National	2	100.00	0	0.00	2
Broker- State	2	50.00	2	50.00	4
Salesperson- National	38	35.85	68	64.15	106
Salesperson- State	55	39.86	83	60.14	138
TOTAL	104	39.69	158	60.31	262

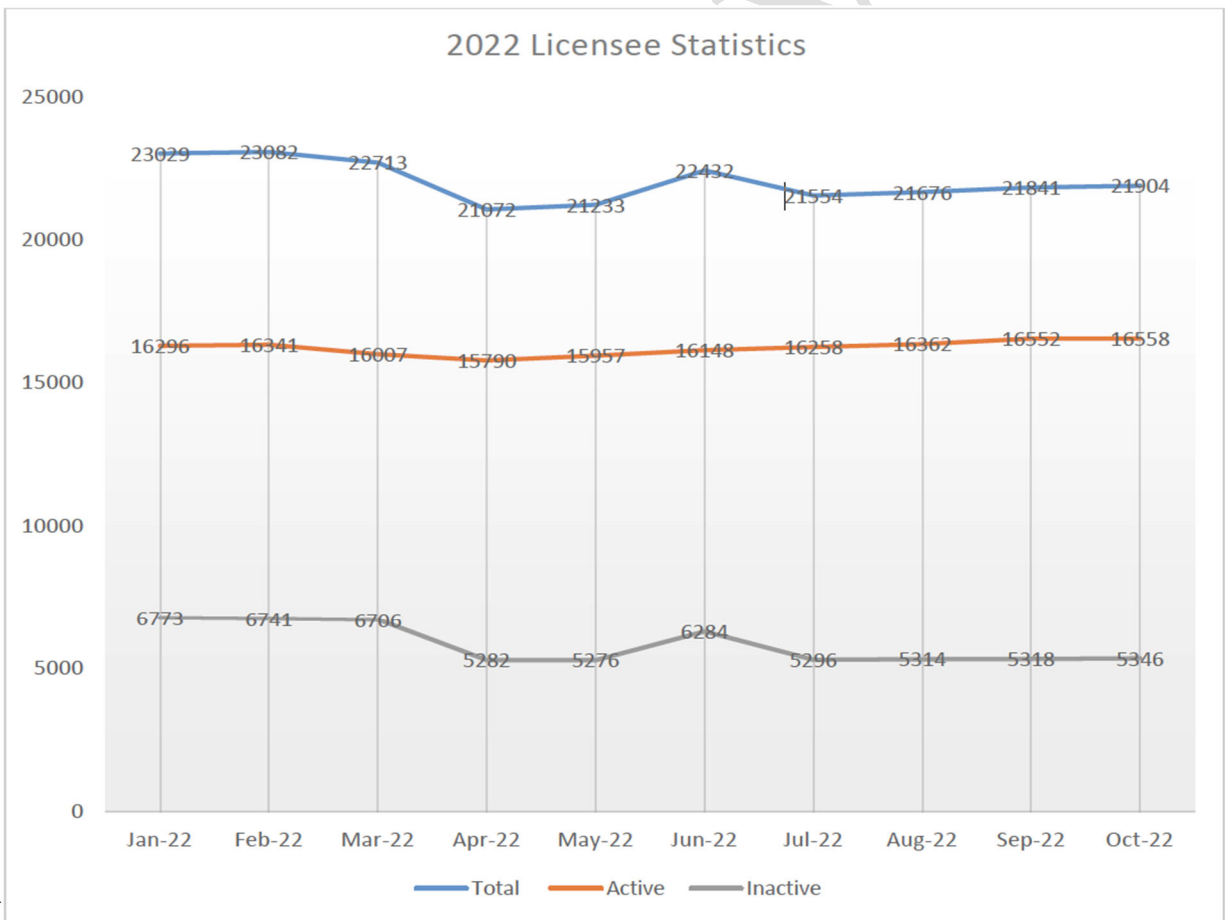
2022 (Cumulative)

2022 (Cumulative) Type of Exam	Passed	% Passed	Failed	% Failed	Total Exams
License Reciprocity- Broker	36	48.65	38	51.35	74
License Reciprocity- Salesperson	143	59.09	99	40.91	242
Broker- National	90	60.81	58	39.19	148
Broker- State	88	52.38	80	47.62	168
Salesperson- National	1198	53.22	1053	46.78	2251
Salesperson- State	1209	47.92	1314	52.08	2523
TOTAL	2764	51.13	2642	48.87	5406

2. Licensing Statistics

As of September 22, 2022

As of September 22, 2022 Type	Active	Inactive	TOTAL
Sales Associate	12,710	4,712	17,422
Broker	3,848	634	4,482
TOTAL	16,558	5,346	21,904



January	132	11	143
February	39	14	53

March	190	56	246
April	171	13	184
May	145	3	148
June	132	1	133
July	127	5	132
August	146	4	150
September	130	9	139
October			
November			
December			
TOTAL	1,212	116	1,328

Instructors

- R.B.
- K.C.
- E.H.
- C.M.
- A.P.

Continuing Education and Post-License Education Courses

Bluegrass Realtors

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Environmental Hazards in Real Estate Transactions (25509)	Kari Cheek	3 law	3 elective

Greater Louisville Association of Realtors

Course Name- Course Number	Instructors	CE Hours	PLE Hours
Common Defects and Water Damage (25511)	Eric Hay	3 elective	3 elective
Environmental Hazards and More (25510)	Eric Hay	3 elective	3 elective

Continuing Education Courses

The CE Shop

Course Name- Course Number	Instructors	CE Hours
File Share: Protecting Consumers and Your Business from Unfair Practices (25508)	Jill Malloy	3 elective

The September 2022 Continuing Education Applications were reviewed for compliance with 201 KAR 11:170 and recommended to the Commission for approval by Hannah Carlin.

Commissioner Carter made a motion to approve four (4) instructors' applications: **R.B., K.C., E.H., and C.M.**, and to approve the four (4) courses as recommended by Ms. Carlin. Commissioner Day seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried. The Commission held consideration of the application for instructor of **A.P.** for discussion in closed session later in the meeting.

Legal Report

General Counsel August Pozgay reported his findings concerning a potential drug testing and monitoring program and provided the Commission with materials from the program, as well as a potential workaround on certain Agreed Orders for the Commission's review. Mr. Pozgay also reported that administrative hearings remain on course

Committee Reports

Applicant Review Committee

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

1. **22-KREC-004:** recommend approve the Agreed Order.
2. **In Re: Application of K.J.:** defer the Agreed Order, applicant to provide details of testing regimen, applicant must sign clean copy of agreed order.
3. **In Re: Application of M.K.:** recommend approve the Agreed Order.
4. **In Re: Application of T.C.:** recommend defer for further review at next meeting.
5. **In Re: Application of C.D.:** recommend approving the application on the condition that the licensee returns all fees earned or received as a result of their unlicensed brokerage activity as required by law. Additionally, recommend the Commission open its own complaint against the principal broker and assign it for an investigation.
6. **In Re: Application of N.H.:** recommend approval.
7. **In Re: Application of J.B.:** recommend approval.
8. **In Re: Application of A.C.E.:** recommend approval.
9. **In Re: Application of J.H.:** recommend approval.
10. **In Re: Application of T.K.** recommend defer for further review at next meeting. Applicant needs to send in letter of explanation.
11. **In Re: Application of T.N.:** recommend approval.
12. **In Re: Application of J.P.:** recommend defer the license application for further review at the next meeting, and refer to the investigator for further investigation.
13. **In Re: Application of G.S.:** recommend approval.
14. **In Re: Application of T.S.:** recommend defer for further review at the next meeting. Applicant failed to appear.
15. **In Re: Application of J.Z.:** recommend approval.

Complaint Review Committee

Commissioner Day read the report of the Complaint Review Committee:

1. **22-C-015** – Recommendation: Dismissal for failure to supplement.

2. **22-C-031** – Recommendation: Dismissal for failure to supplement.
3. **22-C-032** – Recommendation: Dismissal for failure to supplement.
4. **21-C-050** – Recommendation: Refer for further investigation.
5. **22-KREC-003** – Recommendation: Reject settlement offer; would like to review with full KREC as to potential counteroffer, if any.
6. **In Re: Matter of R.T. Plea** – Recommendation: Refer for further investigation.
7. **In Re: Self-Report of R.G.** – Recommendation: No action; authorize General Counsel to send a letter on behalf of KREC reminding licensee of ethical obligations.

Closed Session Legal Matters and Case Deliberations

At 9:53 a.m. Commissioner Disney moved to enter executive session, pursuant to KRS 61.810(1)(c) and (j), and KRS 61.815, to deliberate on individual adjudications regarding the following matters: the fifteen (15) recommendations of the ARC Committee; the seven (7) recommendations by the CRC Committee; 22-CI-004296; and applicant requests to the Commission:

In Re: Request of Former Licensee B.A.
 In Re: Inactive Status Request of Licensee E.C.
 In Re: Pre-Licensing Course of L.F.
 In Re: Licensing Examination of B.M.
 In Re: Application of P.M.
 In Re: Request of Licensee R.B.
 In Re: Notification of Death or Incapacity of Licensee J.G.
 Instructor Application of A.P.

Commissioner King seconded the motion and the Commission entered into closed (executive) session.

Reconvene Open Session and Committee Recommendations

Commissioner Simpson motioned for the Commission to come out of executive session. Commissioner Sickles seconded the motion. Commission Chair Disponett resumed the full Commission meeting at 12:30 p.m. and welcomed everyone in attendance back to the teleconference Commission meeting.

Commissioner King moved to adopt the **Applicant Review Committee** recommendations as presented to the Commission, and recited the recommendations as listed above in these minutes. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

Commissioner Day moved to adopt the **Complaint Review Committee** items as presented to the Commission, and recited those recommendations as listed above in these minutes. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

In Re: Request of Former Licensee B.A.: Commissioner Simpson made a motion to defer the request of former licensee B.A. Commissioner King seconded the motion. Having all in favor, the motion carried.

In Re: Inactive Status Request of Licensee E.C.: Commissioner Simpson made a motion to deny the inactive status request of licensee E.C. Commissioner Day seconded the motion. Having all in favor, the motion carried.

In Re: Pre-Licensing Course of L.F.: Commissioner Carter made a motion regarding the pre-licensing course of L.F. to grant an administrative hearing. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

In Re: Licensing Examination of B.M.: Commissioner Disney made a motion regarding the licensing examination of B.M. to permit the applicant to retake the examination and send letter to the vendor with additional information necessary to be forwarded. Commissioner King seconded the motion. Having all in favor, the motion carried.

In Re: Application of P.M.: Commissioner Carter made a motion concerning the application of P.M. that applicant must obtain a new background check and retest. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

In Re: Request of Licensee R.B.: Commissioner Carter made a motion to authorize General Counsel to inform the legislator that the Commission reviewed the request of R.B.; has no ability to relax a statutory requirement for that individual; and cannot comment on a potential bill that has not been drafted. Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

In Re: Notification of Death or Incapacity of Licensee J.G.: Commissioner Carter made a motion concerning the notification of death or incapacity of licensee J.G. to approve the request for D.S. to close the existing business within the six months following the death of the principal broker, as long as D.S. confirms D.S. will be the custodian of records. Commissioner Day seconded the motion. Having all in favor, the motion carried.

22-CI-004296 (Jefferson Cir.): Commissioner Simpson made a motion to concerning **22-CI-004296 (Jefferson Cir.)** to authorize the Commission's attorney to engage in settlement negotiations. Commissioner Disney seconded the motion. Having all in favor, the motion carried.

Instructor Application of A.P.: Commissioner Carter made a motion to deny the instructor application of A.P. Commissioner Sickles seconded the motion. Having all in favor, the motion carried. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Old Business

General Counsel August Pozgay reported that the statement of consideration for **201 KAR 11:121** was filed acknowledging public comment and feedback. However, material incorporated by reference (agency forms) that incorporated the public comment and feedback of the regulation itself were not filed. General Counsel presented the Commission with draft forms.

No action was taken by the Commission regarding the drafts presented. Commissioner Carter made a motion to authorize General Counsel to request deferral of the proposed regulation amendment 201 KAR 11:121 from the November 2022 Administrative Regulation Review Subcommittee meeting. Commissioner Day seconded the motion. With all in favor, the motion carried.

New Business

Disclosure of Military Installations

General Counsel August Pozgay received a draft bill regarding seller's form disclosure of nearby military installations, and provided the Commission with information and analysis, as well as a draft potential regulatory solution.

No action was taken by the Commission regarding the drafts presented. Commissioner Carter made a motion to authorize General Counsel to invite proponents of the draft bill to present its origins at the next board meeting. Commissioner Day seconded the motion. With all in favor, the motion carried.

BCTC Grant Proposal

At this time Ms. Carlin introduced Ms. Sherry Wand of the Bluegrass Community and Technical College (BCTC). Due to technical difficulties, Ms. Wand was unable to provide a verbal presentation regarding the BCTC's grant proposal to the Commission.

Commissioner Sickles made a motion approve the BCTC Grant Proposal who must obtain a new background check and retest. Commissioner Carter seconded the motion. Having all in favor, the motion carried.

Public Comment

Richard Wilson, Kentucky Realtors (KYR), inquired in sum, if the Commission were to consider a regulation regarding the disclosure of military installations, whether that would follow the notice and comment process, or if it would be through an agency amendment to the regulations currently in process? General Counsel Pozgay informed Mr. Wilson that if there were changes to be made regarding the disclosure of military installations, any changes would be done through a new regulation amendment process, including notice and comment.

Approval Per Diem

1. Commissioner Disney made a motion to approve the per diem and travel expenses for the October 19, 2022 ARC Meeting for Commissioners Simpson and King. Commissioner Carter seconded the motion. Having all in favor, the motion carried.
2. Commissioner Carter made a motion to approve the per diem and travel expenses for the October 19, 2022 CRC Meeting for Commissioners Day and Sickles. Commissioner Disney seconded the motion. Having all in favor, the motion carried.
3. Commissioner King made a motion to approve the per diem and travel expenses for the October 20, 2022 KREC Regular meeting. Commissioner Simpson seconded the motion. Having all in favor, the motion carried.

Meeting Adjournment

The next KREC meeting will be November 17, 2022 at 9:00 a.m. for the regular meeting. Watch for a zoom link.

Commissioner Simpson made a motion to adjourn the meeting. Commissioner King seconded. Meeting adjourned at 1:24 p.m.

Pursuant to KRS 324B.060, I, Natalie W. Brawner,
Executive Director of the Kentucky Real Estate Authority
(KREA), have reviewed and Approved the expenditures for the meeting
of the Kentucky Real Estate Commission (the Commission) held on October 20,
2022. Although I was not present at this meeting, my 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 October 20, 2022
meeting at its meeting held on November 17, 2022.

Natalie W. Brawner 2/3/2023
KREA Executive Director/Date