



Andy Beshear
Governor

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Lieutenant Governor

PUBLIC PROTECTION CABINET
Kentucky Real Estate Authority
Kentucky Real Estate Commission
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Ray A. Perry
Secretary
DJ Wasson
Deputy Secretary

KENTUCKY REAL ESTATE COMMISSION
(KREC)

MEETING MINUTES

July 18, 2024

9:00 a.m.

Mayo-Underwood Conference Room 229NE
500 Mero Street
Frankfort, Kentucky 40601

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

Commission Members Present

Commissioner Chair, Larry Disney
Commissioner Anthony Sickles
Commissioner Deni Hamilton
Commissioner Anne West Butler
Commissioner Raquel Carter
Commissioner Jennifer Brown-Day

KREA Staff

Tracy Carroll, Executive Director
Gerald Florence, Deputy Executive Director
Patrick Riley, General Counsel
René Rogers, Staff Attorney III
Randy Kloss, KREA Investigator
Terri Hulette, Executive Administrative Secretary
Megan LaShelle, KREAB Board Coordinator
Leah Redden, KBHI Board Coordinator
Angie Reynolds, KREC Board Coordinator
Calee Carroll, KREA Intern

Call to Order and Guest Welcome

The Kentucky Real Estate Commission meeting was called to order by Commission Chair, Larry Disney, at 9:01 a.m. on **July 18, 2024**. Roll call was taken, and a quorum was present. Guests were welcomed and an introduction to staff and Commissioners were made.

Approval of Meeting Minutes

Commissioner Hamilton made a motion to approve the **June 20, 2024**, KREC Meeting Minutes. Commissioner Butler seconded the motion. Having all in favor, motion carried.

KREA Executive Director Update

Deputy Director Florence reported that since July 2023, KREC has had a few new staff members. The latest addition, a paralegal. She will be starting this Monday. There has been a dramatic decrease in the timing of issuing licenses and turning over paperwork consistently in the last 3 months.

Executive Director Carroll has worked with staff to set up internal committees to help create efficiency initiatives, such as DPL, Website and Forms Committees as to streamline and increase efficiency.

Education and Licensing Report

Deputy Director 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 01/01/24 - 03/31/24

Printed on 07/15/24

KY Broker	KY Real Estate Broker - State	KY Real Estate Broker - National
	Candidates	Candidates
First time Passes:	9 (34.62 %)	19 (73.08 %)
First time Fails:	17 (65.38 %)	7 (26.92 %)
Repeat Passes:	15 (50.0 %)	6 (75.0 %)
Repeat Fails:	15 (50.0 %)	2 (25.0 %)
Total	56	34
KY License Reciprocity Broker	KY License Reciprocity Broker - State	
	Candidates	
First time Passes:	6 (50.0 %)	
First time Fails:	6 (50.0 %)	
Repeat Passes:	3 (60.0 %)	
Repeat Fails:	2 (40.0 %)	
Total	17	
KY License Reciprocity Salesperson	KY License Reciprocity Salesperson - State	
	Candidates	
First time Passes:	22 (44.9 %)	
First time Fails:	27 (55.1 %)	
Repeat Passes:	14 (42.42 %)	
Repeat Fails:	19 (57.58 %)	
Total	82	

KY Sales Associate	KY Real Estate Sales Associate - State	KY Real Estate Sales Associate - National
	Candidates	Candidates
First time Passes:	247 (57.71 %)	279 (65.19 %)
First time Fails:	181 (42.29 %)	149 (34.81 %)
Repeat Passes:	140 (40.7 %)	98 (28.99 %)
Repeat Fails:	204 (59.3 %)	240 (71.01 %)
Total	772	766

At this time Deputy Director Florence presented the national averages as previously requested by the Commissioners. He will provide 2022 comparison to 2024 at the August meeting.

	Salesperson National	Salesperson State	Prelicensing Course Requirement #hours
Alabama	26	82	26
Alaska	33	16	80
Arizona	80	21	63
Arkansas	79	41	91
California	51	96	68
Colorado	89	59	73
Connecticut	64	88	70
Delaware	78	24	77
Florida	38	31	92
Georgia	44	75	69
Hawaii	39	25	67
Idaho	45	28	37
Illinois	22	92	66
Indiana	96	14	45
Iowa	14	59	36
Kansas	14	72	60
Kentucky	91	92	83
Louisiana	34	84	76
Maine	99	86	90
Maryland	79	79	29
Massachusetts	70	79	24
Michigan	67	53	60
Minnesota	83	97	55
Mississippi	55	50	72
Missouri	45	83	68

Montana	26	32	38
Nebraska	85	77	27
Nevada	43	37	84
New Hampshire	87	52	56
New Jersey	73	11	46
New Mexico	61	33	44
New York	29	65	63
North Carolina	55	89	85
North Dakota	87	47	25
Ohio	23	31	79
Oklahoma	89	75	67
Oregon	34	17	29
Pennsylvania	80	35	28
Rhode Island	11	59	82
South Carolina	41	87	47
South Dakota	95	32	92
Tennessee	69	47	91
Texas	59	10	63
Utah	88	82	32
Vermont	10	24	52
Virginia	85	82	66
Washington	11	100	41
West Virginia	38	55	31
Wisconsin	19	14	69
Wyoming	18	49	82
Nationwide Average	55	55	

Deputy Director Florence reported the following educational requests:

1) **Instructors**

- a. **C.A.**
- b. **L.V.**
- c. **J.L.**
- d. **R.R.**

2) **Continuing Education & Post-Licensing Education Courses**

- a. Greater Louisville Association of Realtors
Real Estate Negotiation Expert (RENE)
Instructor(s): Maurice Hampton
Broker Electives: 16
CE Law: 6
CE Hours: 3
PLE Hours: 3 Contracts, 3 Disclosure, 3 Agency

b. The CE Shop

Upholding Fair Housing Laws

Instructor(s): Susan “Jill Malloy”, Amy Adams Broker
Electives: 3

c. Kentucky CCIM Chapter

Kentucky Land Use Law Update

Instructor(s): Cliff Ashburner

CE Law: 1

d. 2024 Commercial Real Estate Tax Update

Instructor(s): Andrew Ackermann,

Stephen Lukinovich

CE Law: 1

e. WebCE Inc.

Redefining Buyer Representation in the Digital Age

Instructor(s): Ann Heinz

CE Hours: 3

Deputy Director Florence requested the Commission’s approval of the education and instructors’ applications as presented, excluding the application of **J.L.** which will be discussed in closed session.

Commissioner Butler made a motion to approve the education applications excluding the application of **J.L.** as presented by Deputy Director Florence. Commissioner Hamilton seconded the motion. Commissioner Disney abstained from the discussion and the vote. Remaining all in favor, motion carried.

Chairmen Disney stated that a long time ago the Commission would conduct an ‘alignment’ of their course work every two years. Selected Commissioners and staff members would make themselves available to the public for Q&A. This was not to teach the exam, but to have the licensees better prepare for the exam and other industry related issues. Commissioner Sickles stated that he would like to learn what other states are doing in regards to education and if what is being taught in the classroom is reflective of what is relevant to the industry. Deputy Director Florence stated that he and staff would be open for that discussion at a later time.

Legal Report

General Counsel Patrick Riley reported that himself and Staff Attorney René Rogers will be attending the first annual Arello Legal Exchange. They will be participating in 2-3 breakout sessions regarding listing services, and how that information may relate to future matters with the Greater Louisville Association of Realtors (G.L.A.R.) and the Bluegrass Realtor Association. He and Staff Attorney Rogers will take the opportunity to look into the educational, testing and licensing processes of other states as requested by the Commissioners. There is also an opportunity to learn more about National Association of Realtors (N.A.R.) regarding recent settlements in the field and how they may impact KREC in the future. They will report back all their findings to the Commission next month.

General Counsel Riley reported that regarding item **6.1 24-CI-001928 (S.A. & P.A.)** litigation matter comments will be reserved for closed session.

At this time Staff Attorney Rogers reported that she and Procedures Development Specialist Seth Brandson attended the Kentucky Realtors Association (KYR) Summer Retreat in French Lick, Indiana. It was a successful trip. They had the opportunity to speak and connect with many members of the industry and the community.

Committee Reports

Applicant Review Committee (ARC)

Commissioner Sickles presented the following recommendation of the:

1. Recommend approval of **B.M.**
2. Recommend approval of **L.G.**
3. Recommend approval of **V.M.**

Complaint Screening Committee (CSC)

Commissioner Carter presented the following recommendation of the CSC:

1. **19-C-033** – Recommend to dismiss.
2. **19-C-056** – Recommend to for farther investigation.
3. **19-C-077** – Recommend to notate Respondent’s file in the DPL with pending complaint, details, reopen the matter and contact Boone Co Circuit Court for additional details.
4. **21-C-032** – Recommend for farther investigation.
 - a. **19-C-080** - Recommend for farther investigation.
 - b. **20-C-019** - Recommend for farther investigation.
 - c. **20-C-028** - Recommend to dismiss
5. **21-C-057** – Recommend a \$1000 fine, 6 hours of additional C.E. (3 hours Agency & 3 hours Law) and a Formal Reprimand.
6. **23-C-052** – Recommend to dismiss.
7. **24-C-005** – Recommend to request a sworn answer from the respondent.
8. **24-C-007** – Recommend to request a sworn answer from the respondent.
9. **24-C012** – Recommend to request a sworn answer from the respondent.
10. **24-C-017** – Recommend to request a sworn answer from the respondent.

General Counsel Riley noted that he will only provide an update regarding complaint **19-C-056** in closed session at this time.

Closed Session Legal Matters and Case Deliberations

At 9:24 a.m., Commissioner Hamilton moved 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 in the items as listed in the above-listed committee reports and/or the following matters: Instructor’s application of **J.L.** and licensee renewal request of **A.J.** as presented; Commissioner Butler seconded the motion and the Commissioner entered closed session.

Reconvene Open Session and Committee Recommendations

Commissioner Day moved for the Commission to come out of closed session. Commissioner Butler seconded the motion. The motion carried. Commission Chair Disney resumed the full Commission meeting at 10:05 a.m. and welcomed everyone in attendance back to the Commission meeting.

Applicant Review Committee (ARC)

Commissioner Hamilton moved to adopt the **Applicant Review Committee's** full recommendations as discussed in closed session, and recited the recommendations as listed above in these minutes. Commissioner Sickles seconded the motion. Having all in favor, the motion(s) carried.

Complaints Screening Committee (CSC)

In Re: To complaint **19-C-033** Commissioner Carter moved close the matter against respondent **R.M.** and to dismiss the matter against **C.A.** Commissioner Butler seconded the motion. Having all in favor, the motion carried.

Commissioner Carter moved to adopt the **Complaint Screening Committee's** remaining nine (9) recommendations as presented to the Commission, and recited the recommendations as listed above in these minutes. Commissioner Butler seconded the motion. Having all in favor, motion carried

Instructor Application Request

In Re: To the Application of **J.L.** Commissioner Day made a motion to approve the request on the contingent that the applicant submits a completed application, Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Licensee Renewal Consideration Requests

In Re: To the license renewal consideration request of **A.J.** Commissioner Carter made a motion to deny the request Commissioner Sickles seconded the motion. Having all in favor, the motion carried.

Commissioner Sickles asked for the legal update regarding House Bill (HB) 403. Chairmen Disney stated **HB 403** was approved into law as of **July 15, 2024**. KREA administrators and staff have been asked to help provide a plan in moving forward with the requirements of the HB. He asked for two volunteers from the sitting Commissioners to join him in creating a HB 403 sub-committee to discuss and review in detail the requirements and process as required by the new law. Commissioners Day and Carter volunteered at this time. General Counsel Riley pointed out that a Special Meeting can be called at any time to address HB 403 as needed.

At this time Commissioner Sickles made a motion to create **HB 403 Review Committee** consisting of Chairmen Disney, Commissioners Day and Carter. Commissioner Day seconded the motion. Having all in favor, the motion carried.

New Business

There was no new business at this time.

Public Comment

There was no public comment at this time.

Approval Per Diem

1. Commissioner Day made a motion to approve the per diem and travel expenses for the July 16, 2024, **ARC** Meeting for Commissioner Sickles and Commissioner Butler. Commissioner Carter seconded the motion. Having all in favor, the motion carried.
2. Commissioner Sickles made a motion to approve the per diem and travel expenses for the July 16, 2024, **CSC** Meeting for Commissioner Carter and Commissioner Hamilton. Commissioner Day seconded the motion. Having all in favor, the motion carried.
3. Commissioner Day made a motion to approve the per diem and travel expenses for the July 18, 2024, **KREC** Regular meeting. Commissioner Carter seconded the motion. Having all in favor, the motion carried.

Meeting Adjournment

Commissioner Sickles made a motion to adjourn the meeting. Commissioner Hamilton seconded. With all in favor, the meeting adjourned at 10:33 a.m.

Approved

Next Meeting

The next Commission meeting will be Thursday, August 15, 2024 at 9:00 a.m.

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 (the Commission) held on July 18, 2024. 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 August 15, 2024

Tracy Carroll

Date: 8/26/2024