

MINUTES OF THE SENATE COMMERCE COMMITTEE

The meeting was called to order by Chairperson Julia Lynn at 8:30 am on Wednesday, February 03, 2016, 548-S of the Capitol.

All members were present except:
Senator Susan Wagle – Excused

Committee staff present:
Debbie Bartuccio, Kansas Legislative Committee Assistant
Reed Holwegner, Legislative Research Department
Edward Penner, Legislative Research Department
Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:
Erik Wisner, Executive Director, Kansas Real Estate Commission
Luke Bell, General Counsel and Vice President of Governmental Affairs, Kansas Association of Realtors

Others in attendance:
[See Attached List](#)

Possible bill introductions

Chairperson Lynn asked if there were any bill introductions. There were none.

Hearing on: SB352 — Amending nonresident real estate broker and salesperson license requirements.

Chairperson Lynn opened the hearing on **SB 352** and recognized the following conferees:

Erik Wisner, Executive Director, Kansas Real Estate Commission, provided testimony in support of the bill. ([Attachment 1](#))

Senator Holland inquired as to the history concerning why Kansas law prohibits the Kansas Real Estate Commission from granting non-resident broker applicants any license other than a Kansas broker's license. Mr. Wisner responded he had not been able to determine why the law was written in this manner.

Senator Holland questioned if there were any liability issues for Kansas consumers utilizing the services of a non-resident salesperson. Mr. Wisner explained the non-resident salespersons are supervised by licensed Kansas brokers, who are responsible for the actions of their sales staff.

There were no other questions for Mr. Wisner.

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Luke Bell, General Counsel and Vice President of Governmental Affairs, provided testimony in support of the bill. ([Attachment 2](#))

There was no testimony submitted in opposition or neutral to the bill.

At the conclusion of the question and answer session, Chairperson Lynn closed the hearing on **SB 352**. She stated final action would be taken on the bill on February 9, 2016.

Chairperson Lynn announced the confirmation hearings for Patrick George and Kenneth Buchele, as members of the Kansas Bioscience Authority (KBA), are scheduled for the next Senate Commerce Committee meeting on February 4, 2016. She said the two individuals need to be confirmed because the KBA is under transition, and both Mr. George and Mr. Buchele have been involved with the KBA during this period. Chairperson Lynn stated she has had conversations with the current chief executive officer and the general counsel of the Kansas Bioscience Authority concerning the status of the organization. She said she planned to schedule an informational hearing concerning the KBA during this session.

Senator Holland inquired if the two individuals support the state divesting itself from the KBA. Chairperson Lynn responded affirmatively and said it was the unanimous decision of the KBA board to privatize. Senator Holland asked if the Attorney General had any concerns regarding the legality of the KBA making this change. Chairperson Lynn acknowledged there are questions concerning the transition of the KBA to a private organization; however, it was her understanding in order to allow the organization to move forward, the confirmation of the two individuals needs to be accomplished. Senator Holland stated he would be more comfortable if the informational hearing could occur prior to the confirmation hearing. Senator Lynn recognized the validity of Senator Holland's position, but she had addressed the question with Senate leadership and the Administration and learned it was important to move forward with the confirmation hearings at this time.

Senator Olson stated his intent to make his determination based on the qualifications of the individuals, regardless of the future structure of the KBA. He then noted at the Senate Commerce Committee meeting on February 2, 2016, a conferee who was on the agenda to speak neutral to **SB 338 - Rehabilitation of abandoned properties by cities** was not given an opportunity to do so. Chairperson Lynn acknowledged the omission, and said she had spoken with the conferee. This individual indicated his written testimony was sufficient, and it was not necessary to re-open the hearing.

Senator Melcher said it would be difficult for him to make a confirmation decision prior to hearing the informational presentation concerning the plan for the KBA.

Senator Denning stated he considered the transactions to be two separate situations, and he believed it was important to keep the board intact.

Senator Baumgardner inquired if there was an upcoming KBA Board meeting which Mr. George and

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

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Mr. Buchele needed to attend. Chairperson Lynn said she believed the next meeting to be at the end of the current month.

Senator Longbine, concurring with Senator Denning, said it was his understanding one of the confirmations is currently the KBA Treasurer, and without confirmation, is acting in a precarious situation in that role.

Chairperson Lynn said it was her intent to hold the confirmation hearings as scheduled and requested the hearings be limited to the business of confirming the two individuals. The informational hearing on the KBA will be scheduled to address questions concerning the future of the KBA organization.

Possible action on bills previously heard

There was no action on bills previously heard.

Chairperson Lynn adjourned the meeting at 9:03 a.m. The next meeting is scheduled for February 4, 2016.