

Approved: 2-6-95
Date

MINUTES OF THE SENATE COMMITTEE ON JUDICIARY

The meeting was called to order by Chairperson Tim Emert at 10:00 a.m. on February 1, 1995 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Michael Heim, Legislative Research Department
Jerry Donaldson, Legislative Research Department
Gordon Self, Revisor of Statutes
Janice Brasher, Committee Secretary

Conferees appearing before the committee: Jean Duncan, Director of the Kansas Real Estate Commission
Karen France, Director, Governmental Affairs, KAR

Others attending: See attached list

Chairman Emert called the meeting to order, and directed the Committee to consider a bill introduction. Chair Emert proposed to introduce a Committee bill requiring County and District Attorneys to report to the State Board of Education, the names, addresses, and Social Security numbers of any person convicted or pleading guilty to certain crimes involving children as victims. Motion made by Senator Parkinson, second by Senator Moran to introduce as a Committee bill. Motion carried.

SB 110--Concerning real estate transaction, regulating agency relationships; enacting the brokerage relationship

Jean Duncan, Director of the Kansas Real Estate Commission. Ms Duncan spoke in favor of **SB 110**, stating that this bill provides for a new act on brokerage relationships in real estate transactions (Attachment 1). Ms Duncan stated that the purpose is to promote better understanding of agency relationships and allow the parties to form reasonable expectations for broker behavior, resulting in higher levels of client satisfaction. Ms Duncan discussed certain sections of the bill and the need for those sections.

Questions were asked of Ms Duncan by Committee members regarding who was involved in the recommendations and what kinds of interests were represented in the development of this bill. Ms Duncan stated that an Association of the Task Force of the Realtors' Association, three representatives from the Commission of Realtors, and one public member. In answer to Senator Parkinson's question regarding the rights of consumer, Ms Duncan answered that this bill would expand the customer's rights because the Real Estate Commission would have more authority to take action against the licensee. Since **SB 110** would codify current common law, questions from the Committee regarding the ramifications of this bill concerning the public's rights were addressed.

Karen France, Director, Governmental Affairs, Kansas Association of Realtors described the background and the need for drafting of **SB 110** (Attachment 2). Ms France explained that this bill was developed to insure that everybody is playing by the same rules. Ms France further explained that the goal in drafting this bill is to codify and clarify existing case law into one document in order to serve both licensees and the public.

Questions and discussion followed concerning the ramifications **SB 110** would have on the public and the real estate industry. The consensus of the Committee was that more information was needed. Chairman Emert requested more information particularity from the Office of the Attorney General, from a law school, from Kansas Bar Association, Real Estate Section of the Bar, and Consumer Protection Agency.

Chairman Emert thanked the conferees, and adjourned the meeting at 10:55 a.m..

The next meeting is scheduled for February 2, 1995.

SENATE JUDICIARY COMMITTEE GUEST LIST

DATE: 2/1

NAME	REPRESENTING
<i>Deborah Hee</i>	
<i>MATTHEW MARTIN</i>	<i>KAR</i>
<i>Jean Duncan</i>	<i>KREC</i>
<i>Jon Newman</i>	<i>KS Governmental Consulting</i>
<i>Kathie Spruce</i>	<i>DOB</i>
<i>Karen FRANCE</i>	<i>KAR</i>
<i>R. Skong</i>	<i>KCMU</i>

Senate Judiciary Committee
February 1, 1995
Senate Bill 110

Mr. Chairman and members of the committee:

My name is Jean Duncan, and I am the Director of the Kansas Real Estate Commission.

Senate Bill 110 provides for a new act on brokerage relationships in real estate transactions. The intent of the act is to take the principles of agency and define their relationship to real estate brokerage without changing the fundamental way that real estate brokerage is conducted, giving due consideration to the needs and expectations of consumers.

The legislation provides specific minimum duties for each type of relationship between consumers and licensees. By providing a "road map" to licensees and the public, we hope to promote better understanding of agency relationships and allow the parties to form reasonable expectations for broker behavior, resulting in higher levels of client satisfaction.

Section 2 (page 1, line 19)
Contains definitions of terms used in the act.

Section 3 (page 2, line 40)
Contains provisions relating to agency agreements, including the time frame for obtaining written agreements. The prohibitions in subsections (i) through (p) are currently in the license act.

Section 4 (page 4, line 30)
Covers termination of client relationships. This is currently a gray area for licensees. The new language also delineates legal obligations of licensees upon termination, with specific guidelines in such areas as confidential information.

Section 5 (page 5, line 9)
Provides that compensation is presumed to come from the transaction and is to be determined by agency agreements. Payment of compensation, by itself, does not establish an agency between the party who paid the compensation and the broker.

Section 6 (page 5, line 33)
Sets forth the minimum duties and obligations of a seller's or landlord's agent.

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Attachment 1*

Section 7 (page 7, line 39)

Sets forth the minimum duties and obligations of a buyer's or tenant's agent.

Section 8 (page 9, line 39)

This section places the dual agency question as a matter of free choice in the marketplace. A client has the right to reject the dual agency. The informed consent of the parties must be evidenced by a dual agency consent agreement, which has to include the duties and obligations set forth in the section.

Section 9 (page 11, line 6)

Permits appointment of designated agents as an alternative to disclosed dual agency for in-house transactions. A broker may appoint an affiliated licensee as a designated agent to represent a buyer client to the exclusion of all other affiliated licensees. This allows the designated agent to sell another agent's (in-house) listing to the buyer client without becoming a dual agent.

Section 10 (page 11, line 30)

Requires licensees to disclose alternative agency relationships to consumers. The section also provides for disclosure of agency relationships between licensees.

Section 11 (page 12, line 27)

Provides protection for sellers and buyers by stating that clients are not liable for the misrepresentation of their agent unless the client actually knows of the misrepresentation. Likewise, the licensee is not liable for a misrepresentation of the client unless the licensee knew of the misrepresentation.

Section 12 (page 12, line 37)

The intent of the act is to codify common law. The language in this section clearly establishes that the act overrides the existing common law as it relates to real estate agency relationships.

Section 13 (page 12, line 41)

Requires the Real Estate Commission to provide suggested forms of agency agreements and authorizes the adoption of regulations.

Section 14 thru 25 (page 13, line 2)

Amendments to the license act begin with Section 14. The purpose is to delete provisions that are covered by the new act; to provide for appropriate cross references to the new act; and to amend statutory references where renumbering has occurred. Subsection (b) of Section 4 becomes subsection (e) on page 24.

Request for committee amendments

1. **Paragraph (4) on page 19.** There was a drafting error here which changes the meaning. I've distributed a balloon which will correct the error.

2. **Line 15 on page 9.** This is the section on duties of a buyer's agent. Change **salesperson** to **affiliated licensee**. It will then be the same term as used in the section on duties of a seller's agent (page 7, line 14).

3. **Lines 12-17 on page 10.** Add **landlord** to the references to seller and add **tenant** to the references to buyer.

4. Correction of typo errors:

Line 14, page 2 - change **form** to **from**

Line 31, page 2 - change **salesperson'** to **salespersons'**

Line 13, page 4 - change **form** to **from**

Line 32, page 11 - change **relationship** to **relationships**.

5. Effective date of act - January 1, 1996

Please provide for a January 1, 1996 effective date. We believe six months would be an appropriate period of time between the passage of the act and its effective date to allow for licensee education and the drafting of new forms.

We respectfully ask you to recommend the bill for passage, with the amendments requested.

Thank you.

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1 (3) Misappropriate moneys required to be deposited in a trust ac-
2 count pursuant to K.S.A. 58-3061 and amendments thereto, convert such
3 moneys to the licensee's personal use or commingle the money or other
4 property of the licensee's principals with the licensee's own money or
5 property, except that nothing herein shall prohibit a broker from having
6 funds in an amount not to exceed \$100 in the broker's trust account to
7 pay expenses for the use and maintenance of such account.

8 (4) ~~Accept [from] give or charge any rebate or undisclosed commission~~
9 ~~[to or pay] a referral fee to a person who is properly licensed as a broker~~
10 ~~or salesperson in another jurisdiction or who holds a corporate real estate~~
11 ~~license in another jurisdiction if the licensee knows that the payment of~~
12 ~~the referral fee will result in the payment of a rebate by the out-of-state~~
13 ~~licensee.~~

¶ (5) Pay

Renumber remaining subsections

14 (5) Represent or attempt to represent a broker without the broker's
15 express knowledge and consent.

16 (6) ~~Act in a dual capacity of agent and undisclosed principal in any~~
17 ~~transaction.~~

18 (7) (6) Guarantee or authorize any person to guarantee future profits
19 that may result from the resale of real property.

20 (8) (7) Place a sign on any property offering it for sale or lease without
21 the written consent of the owner or the owner's authorized agent.

22 (9) (8) Offer real estate for sale or lease without the knowledge and
23 consent of the owner or the owner's authorized agent or on terms other
24 than those authorized by the owner or the owner's authorized agent.

25 (10) (9) Induce any party to break any agency agreement or contract
26 of sale or lease.

27 (11) Solicit a listing or negotiate a sale, exchange or lease of real estate
28 directly with an owner or lessor if the licensee knows that such owner or
29 lessor has, with regard to the property, a written agency agreement grant-
30 ing an exclusive right to sell or lease to another broker.

31 (12) Solicit an agency agreement or negotiate a sale, exchange or lease
32 of real estate directly with a buyer or lessee if the licensee knows that
33 such buyer or lessee has a written agency agreement granting exclusive
34 representation to another broker.

35 (13) Except for a commercial or investment real estate property or
36 any property owned by any agency of the federal government, fail to
37 obtain a written agency agreement, including a fixed date of expiration,
38 signed by the party to be represented and by the licensee or fail to furnish
39 a copy of the agreement to the principal within a reasonable time. The
40 licensee shall not assign, sell or otherwise transfer a written agency agree-
41 ment to another broker without the express written consent of all parties
42 to the original listing agreement.

43 (14) If the licensee represents the seller, fail to disclose to a pro-

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...nest money deposit.

(e) Nothing in this section shall be construed to grant any person a private right of action for damages or to eliminate any right of action pursuant to other statutes or common law.

Sec. 22. K.S.A. 58-3064 is hereby amended to read as follows: 58-3064. Whenever any person has engaged in any act or practice that constitutes a violation of this act or rules and regulations adopted hereunder or the brokerage relationships in real estate transactions act or rules and regulations adopted thereunder, the commission may institute an action in the district court of the county in which the person resides or in the district court in the county in which such act or practice occurred for an injunction to enforce compliance with this the act or rules and regulations adopted hereunder. The commission shall not be required to give any bond or pay any filing fee for initiating such action. Upon a showing that the person has engaged in any act or practice in violation of this the act or rules and regulations adopted hereunder, the court may enjoin all such acts or practices and may make any orders necessary to conserve, protect and disburse any funds involved.

Sec. 23. K.S.A. 58-3065 is hereby amended to read as follows: 58-3065. (a) Willful violation of any provision of this act or the brokerage relationships in real estate transactions act is a misdemeanor punishable by imprisonment for not more than twelve (12) 12 months or a fine of not less than one hundred dollars (\$100) \$100 or more than one thousand dollars (\$1,000) \$1,000, or both, for the first offense and imprisonment for not more than twelve (12) 12 months or a fine of not less than one thousand dollars (\$1,000) \$1,000 or more than ten thousand dollars (\$10,000) \$10,000, or both, for a second or subsequent offense.

(b) Nothing in this act or the brokerage relationships in real estate transactions act shall be construed as requiring the commission or the director to report minor violations of this act the acts for criminal prosecution whenever the commission or the director believes that the public interest will be adequately served by other administrative action.

Sec. 24. K.S.A. 58-3068 is hereby amended to read as follows: 58-3068. (a) Moneys in the real estate recovery revolving fund shall be used in the manner provided by this act to reimburse persons who suffer monetary damages by reason of any of the following acts committed in connection with any transaction involving the sale of real estate in this state by any broker or salesperson who was licensed under the laws of this state at the time the act was committed or by any unlicensed employee of such broker or salesperson:

(1) Violation of any of the following provisions of this act:

K.S.A. 58-3061 and amendments thereto; or

(b) subsection (a)(2), (3), (22), (27) or (28) (14), (19) or (20) for sub-

(15), (20) or (21)

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1 section ~~(d)(2)~~ (b)(2) of K.S.A. 58-3062 and amendments thereto; or
 2 (2) violation of any provision of the brokerage relationships in real
 3 estate transactions act; or

4 (3) obtaining money or property by any act which would constitute
 5 any crime defined by K.S.A. 21-3701, 21-3704, 21-3705, 21-3706, 21-
 6 3707, 21-3710, 21-3711 or 21-3712, and amendments thereto.

7 (b) Any person may seek recovery from the real estate recovery re-
 8 volving fund under the following conditions:

9 (1) Such person has received final judgment in a court of competent
 10 jurisdiction of this state in any action wherein the cause of action was
 11 based on any of the acts described in subsection (a);

12 (2) the claim is made within two years after the date that final judg-
 13 ment is entered;

14 (3) such person has caused to be issued a writ of execution upon such
 15 judgment, and the officer executing the same has made a return showing
 16 that no personal or real property of the judgment debtor liable to be
 17 levied upon in satisfaction of the judgment could be found, or that the
 18 amount realized on the sale of the judgment debtor's property pursuant
 19 to such execution was insufficient to satisfy the judgment;

20 (4) such person has made all reasonable searches and inquiries to
 21 ascertain whether the judgment debtor is possessed of real or personal
 22 property or other assets, subject to being sold or applied in satisfaction
 23 of the judgment, and by such search such person has discovered no such
 24 property or assets, or that such person has discovered such property and
 25 assets and that such person has taken all necessary action and proceedings
 26 for the application thereof to the judgment and that the amount thereby
 27 realized was insufficient to satisfy the judgment;

28 (5) any amounts recovered by such person from the judgment debtor,
 29 or from any other source, has been applied to the damages awarded by
 30 the court; and

31 (6) such person is not a person who is precluded by subsection (c)
 32 from making a claim for recovery.

33 (c) A person shall not be qualified to make a claim for recovery from
 34 the real estate recovery revolving fund, if:

35 (1) The person is the spouse of the judgment debtor or a personal
 36 representative of such spouse;

37 (2) the person acted as principal or agent in the real estate transaction
 38 which is the subject of the claim and is a licensed broker or salesperson
 39 or is a partnership, association, *limited liability company* or corporation
 40 whose partners, members, officers and employees are licensed as pro-
 41 vided by subsection (b) of K.S.A. 58-3042 and amendments thereto; or

42 (3) such person's claim is based upon a real estate transaction in
 43 which the licensed broker or salesperson was acting on the broker's or



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TO: THE SENATE JUDICIARY COMMITTEE
FROM: KAREN FRANCE, DIRECTOR, GOVERNMENTAL AFFAIRS
DATE: FEBRUARY 1, 1995
SUBJECT: SB 110

Thank you for the opportunity to testify. The Kansas Association of REALTORS® strongly supports the legislation requested by the Kansas Real Estate Commission.

The law of agency, as it applies to real estate agents has been a very difficult area for many years. The law of agency, as developed in English common law does not really reflect the relationships which exist between principals and agents in the real estate industry. Nonetheless, those concepts have been artificially imposed upon the industry over the years and the industry has tried to adapt accordingly.

However, new developments in the marketplace in the past 10 years, such as buyer's agency, have stretched the agency concepts to new limits, creating a lot of uncertainty for licensees who are trying to conduct their business in a professional manner and for members of the public who do not know what they can legally expect from a real estate licensee. Our existing license law is, for the most part, silent as to guidance in this very difficult area. This leaves the Real Estate Commission in a precarious position, because they have little or no statutory authority for sanctioning a licensee who failed to represent their client. The public is forced into the court system for relief.

This is not just a Kansas phenomenon, but a nationwide one. In speaking to REALTORS® across the country, as well as their legal counsel it became clear that some clearcut clarifications of the real estate agency relationship were needed. Our NATIONAL ASSOCIATION OF REALTORS® appointed a Presidential Task Force to study the problem, and in 1993 that task force made up of both large and small brokerages from across the country developed a nine point recommendation list for the individual state associations to examine.

In 1994, our state association appointed a task force made up of brokers from Liberal, Colby, Johnson County, Wichita and many other towns in between to study the issue. We also included members of the Kansas Real Estate Commission and its staff. After many very heated sessions that Task Force finally arrived at a compromise version which the members felt workable. Our full board of directors approved those recommendations in September and the Kansas Real Estate Commission approved them in October of 1994. The bill before

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you embodies those recommendations.

The goal is to codify and clarify existing case law into one document in order to serve both licensees and the public. In many ways, it does create additional duties on our membership, something we do not do lightly. However, we believe that the trade off for these additional duties will be the establishment of clear guidelines under which our members can conduct their business.

This appears to be a very lengthy bill, however, the second half of the bill is primarily technical cleanup language, making way for the statutory changes of the first half.

NEW SECTION 1 Title of Act

NEW SECTION 2 Definitions

This section provides several definitions of terms which are used in the industry, but are largely undefined, except on a case by case basis. This method of definition has created a hodge podge of meanings and understandings leaving many uncertainties for licensees and the public alike.

NEW SECTION 3 Written Agency Agreements

This section lays out the minimum requirements for agency agreements are for buyers agents, sellers agents and dual agents. Specifically, the section lays out:

1. When agency agreements must be drawn
2. The minimum terms the agreement must contain
3. Requirements for providing copies of the agreements to the principal
4. Disclosure requirements if there is a potential for dual agency
5. Prohibitions against licensees including a power of attorney within an agency agreement.
6. Prohibitions against interfering with existing agency agreements, where the customer or client is already represented.

NEW SECTION 4 Termination of Relationships

This has been a gray area for licensees. Licensees who were trying to handle the termination of relationships properly were unclear what had to be kept confidential. For example, a common dilemma was what a licensee was to do when they represent a seller in one transaction, then that same seller becomes a buyer of a house listed by the same agent. If confidential financial information had been garnered during the first sale, was an agent legally obligated to disclose that information to the seller in the second transaction? This section clarifies that if the seller in the first transaction told the agent the information was confidential, then that agent would be prohibited from disclosing it in the second transaction. Without language to this effect, agents were put in a legal bind as to how to best serve their principal.

NEW SECTION 5 Compensation

This section clarifies that the compensation is not the determining factor in creating agency relationships, it is the written agency agreement which is the determining factor. With the

growth of buyer agency in the marketplace, questions have arisen as to who represents whom if the commission is technically paid by the seller. However, in truth the commission is generated from the transaction itself. There would be no commission paid if a willing buyer and seller never got together. This clarifies that licensees should not merely rely on who is paying the commission, but are legally obligated to carry out their agency duties as outlined in their agency agreements.

The section also provides a list of whom a broker may pay a commission to, in the event of a sale.

NEW SECTION 6 Minimum requirements of a seller's agent

This section, along with the next two sections, lay out the specific statutory duties which agents must adhere to for both customers and clients in the real estate transaction. This list comes from existing case law, not only from Kansas, but also other states. The existing license law is silent as to what those duties are and we spend many many hours advising both the public and our members as to what the proper methods of representation are under the law.

Under this section, a seller's agent, in representing a client, must:

1. Perform the terms of the written agreement made with the client;
2. Exercise reasonable skill and care for the client;
3. promote the interest of the client with the utmost good faith, loyalty and fidelity--the bill goes on to list the ways in which this duty is carried out

Additionally, this section lays out what a licensee's responsibilities are to customers, another piece of information which has been made available only in a hodge podge method. Under these provisions, a seller's agent must disclose any known defects to the potential purchasers but is not required to disclose unknown material defects, i.e. ones that cannot be seen or ones which the seller does not disclose to the agent.

If a professional inspector is hired to inspect the property and does not discover a defect which the agent is aware of, then the agent must disclose that defect to the purchaser. If, on the other hand, if a professional inspector is hired and fails to find a defect which neither the seller has informed the agent about, nor is it something the agent knows, then the agent would not be held responsible for the failure of the professional, trained in their field, to discover and disclose that defect. Real estate licensees are not plumbers, electricians or engineers and cannot be held to that standard. However, the section clearly states that they will be held to exercise the degree of care expected to be exercised by a reasonably prudent person who has the knowledge, skills and training required for the licensure as a broker or salesperson.

The last paragraph of the section is very important in that it clearly lays out that a seller cannot be liable for punitive or exemplary damage for the licensee's failure to perform any of the duties delineated in this section, unless they have engaged in fraudulent or malicious

conduct themselves. In many court cases sellers have been charged with punitive damages for the wrongful acts of their agents, over which they had not control. We feel this is a severe inequity.

NEW SECTION 7 Minimum requirements of a buyer's agent

This section mirrors the previous section by providing the "do's and don'ts" for buyers agents. The concept of buyers agency has been a very large change in the real estate marketplace. Whereas in the past, most agents represented sellers and buyers were treated as customers who went unrepresented, a growing number of buyers are demanding representation at the same level as the sellers. This evolution has caused many of the gray areas in the agency law as it relates to the real estate industry. This section creates a list of what licensees must do if they take on the responsibility of providing buyer representation. This list lets the buyer, the agent and the seller and their agent know exactly what a buyer's agent can and cannot do.

NEW SECTION 8 Minimum requirements of a dual agent

While the practice of dual agency is discouraged, many buyers and sellers are content to have that sort of relationship with agents in a real estate transaction. The advent of buyer's agency has increased the utilization of dual agency, but with that process numerous gray areas have arisen as to what the limitations are on agents acting in a dual agency capacity. This section lays these out in a very clear cut manner, putting everyone in the transaction on notice of what the agent can and cannot do for them, so that they can make an informed choice about accepting that kind of agency relationship. By laying this out to the buyers and sellers who are considering this type of relationship, it should provide the information they need to decide that, in fact, they are better served by seeking representation elsewhere. On the other hand they can make an informed choice that they are sophisticated enough to not need the detailed assistance single agency would provide and are willing to, essentially, go it alone.

NEW SECTION 9 Separate representation in one firm

Under existing case law, if one agent in a brokerage firm is performing as a buyer's agent for any buyer, and that buyer becomes interested in a listing of another agent of the firm, the buyer's agent, the listing agent and the broker of that firm are all considered dual agents. This is the case, even though the buyer's agent has never had any previous contact with that seller. A dual agency relationship kicks in the very limited list of possibilities which have been laid out in the previous section, thus severely limiting the ability of the listing agent to really go to bat for the seller, or the ability of the buyer's agent to really go to bat for the buyer. Not to mention the position of the broker, who in all likelihood has never met the buyer or the seller, but is now considered the agent of both of them.

The Illinois legislature addressed this problem by creating another level of agency relationships called the Designated Agent. Six other states have followed suit and this section embodies that idea. Under this concept, if a broker designates a particular agent in the firm

to be a buyer's agent as to a particular buyer, then, as to any listings of the firm, other than the buyer's agent's own listing, that buyer's agent is considered to be a designated agent, rather than a dual agent. The broker is not considered to be a dual agent unless the broker becomes involved in the transaction, for example, by showing an in-house listing to the buyer or by becoming involved in the negotiation process. At that point the broker and the buyer's agent will be considered dual agents and the previous section kicks in. Additionally, if a designated agent's buyer indicates interest into one of the designated agent's listings, then the designated agent will once again be treated as a dual agent. The rules for utilizing the designated agent are laid out in this section.

NEW SECTION 10 Disclosure of agency relationships

This section will go a long way towards providing solid information to the buying and selling public as to what they can expect when they enter into a real estate transaction. Under this section the Kansas Real Estate Commission will develop a document which will lay out, in straightforward language, what alternative agency relationships are available to the buying and selling public. This document must be presented by licensees to buyers and sellers at the beginning of the buying and selling process.

This section also requires agents to disclose to other agents what the capacity of their agency relationship is, i.e. whether they are acting as a seller's agent or a dual agent. This disclosure is crucial so that each licensee knows what sorts of information they can or cannot disclose to the other agent they are dealing with in the transaction.

NEW SECTION 11 Imputed knowledge

This section clarifies that a seller or buyer cannot be held liable for any representations made by their agent unless they knew of the misrepresentation. At the same time agents are not liable for the misrepresentations of their buyer or seller, unless they knew of them and did not properly disclose them.

NEW SECTION 12 Common law

This section indicates that this legislation is intended to become the benchmark for future litigation in this area, since it is a codification of current case law. By codifying case law we are trying to put the hodge podge of information on the subject into a comprehensive, understandable body of law that can be carried out and enforced for the good of all.

NEW SECTION 13 Rules and regulations

Merely gives the authority to the Kansas Real Estate Commission to generate the rules and regulations necessary to carry out the provisions of the bill.

SECTIONS 14-23

The Revisor's Office felt this legislation was best handled by creating a new chapter in the law, separate from the existing license law. Accordingly, some parts in the existing license law would be redundant or unnecessary if left in place. The balance of the bill deletes the overlapping parts and correlates the conflicting sections with the provisions in the new chapter, with some minor alterations and updates mixed in.

We know this is a comprehensive bill but it addresses so many issues which have arisen for consumers and licensees, it is long overdue. We ask you for your support in cleaning up a lot of uncertainty for everyone by passing the bill out favorably.