

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE.

The meeting was called to order by Chairperson Senator Nancey Harrington at 10:30 a.m. on February 12, 2002 in Room 245-N of the Capitol.

All members were present.

Committee staff present: Russell Mills, Legislative Research Department  
Dennis Hodgins, Legislative Research Department  
Theresa Kiernan, Office of the Revisor  
Nikki Kraus, Committee Secretary

Conferees appearing before the committee: Sherry Diel, Exec. Dir. Kansas Real Estate Commission  
Bill Yanek, Kansas Association of Relators

Others attending: Please see attached

Chairperson Harrington opened the hearing on:

**SB 439--Real estate brokers and salespersons; licensure; disciplinary action; dual agency** and  
**SB 440--Real estate brokers and salespersons; multiple affiliation, restrictions**

Sherry Diel, Executive Director of the Kansas Real Estate Commission, presented testimony to the committee in favor of **SB 439. (Attachment 1)**

Chairperson Harrington asked the committee for questions. Senator Gooch asked Ms. Diel if the first bill meant that even if someone had held a license for three years and then applied for renewal, upon which time something that they had done before the licensing came to light, the license could be revoked. Ms. Diel stated that the bill is not as much about renewals as violations against the license itself, such as misrepresenting themselves at the time of licensure. Senator Gooch expressed some concern about a statute of limitations.

Senator Teichman asked Ms. Diel if complaints against licensees are investigated. Ms. Diel stated that the Kansas Real Estate Commission does not do background checks, although they used to do them randomly. She stated that now, licensees are asked six questions which they answer and disclose any criminal history.

Senator Vratil stated that the statute of limitations in this bill is written differently and that Senator Gooch had a good point in bringing that up. Senator Vratil stated that if there is fraudulent misrepresentation at the time of licensure and it is not discovered until the time of renewal three years later, the license should not be revoked because of it. He stated that the bill might need to be amended.

Sherry Diel, Executive Director of the Kansas Real Estate Commission, presented testimony to the committee in favor of **SB 440. (Attachment 2)**

Chairperson Harrington asked the committee for questions. Senator Vratil asked Ms. Diel what the purpose of the consent of the supervising broker, and why the bill was requiring it to be written as opposed to oral. Ms. Diel stated that it was not like a contract, but there is a form which comes back to the commission in order for it to confirm that both parties have consented. Chairperson Harrington stated that the committee would probably hold over the bill to clarify any concerns.

Theresa Kiernan asked Senator Vratil if his concern was that the consent was written, and Senator Vratil stated that he was still not sure of the purpose of the bill. He stated that he did not see what requiring the agreement in writing serves. Ms. Kiernan stated that under current law this cannot be done unless written. After additional discussion, Chairperson Harrington stated that the committee may not take up the bill today so that Senator Vratil can have a chance to speak with Ms. Kiernan further.

Bill Yanek, Kansas Association of Relators, then presented testimony in favor of the bills. **(Attachment 3)**

Chairperson Harrington directed the committee to the written testimony of Anne Spiess, Kansas Government Affairs Director, Kansas City Regional Association of Realtors, in support of the bills. **(Attachment 4)**

CONTINUATION SHEET

MINUTES OF THE SENATE FEDERAL AND STATE AFFAIRS COMMITTEE at on February 12, 2002 in Room 245-N of the Capitol.

Chairperson Harrington stated that the committee would take up **SB 439** and **SB 440** next week.

Chairperson Harrington then stated that the committee would look at working **SB 405–Consumption of alcohol in certain places; state fair board** and **SB 407–Keg registration act** and the confirmation of Joyce Glasscock.

Senator Barnett stated that he would like express his appreciation to the committee for hearing **SB 407**. He stated that he would like an amendment to section four to omit the language “criminal prosecution or proceeding.” Senator Barnett made a motion to amend **SB 407**. Senator Lyon seconded the motion. The motion to amend passed.

Senator Gilstrap asked Senator Barnett if the keg tags will be provided to retailers. Senator Barnett replied that the tags would be provided without cost to the state. Senator Gilstrap stated that he would like to know if the concern from the Attorney General was addressed, and Senator Barnett confirmed that.

In response to a question from Senator Gooch, Senator Barnett stated that there would be a uniform identification system throughout the state. Senator Gooch asked Senator Vratil for legal language help, and Senator Vratil replied that Rules and Regs intend to adopt a standard for the identification.

Russell Mills stated that he had a question about line 30, and Theresa Kiernan stated that the amendment included conforming amendments to the bill.

Senator Barnett made a motion to recommend **SB 407** favorable for passage. Senator Lyon seconded that motion. The motion passed unanimously.

Chairperson Harrington stated that she had spoken with Representative Doug Mays about the House bill similar to **SB 405**, and Rebecca Rice had stated that the House bill was more preferable. In response to a question from Senator Brungardt, the Chair stated Ms. Rice stated that the House bill was better for wine tasting, but did not elaborate. Russell Mills stated that on the second page of the bill, there were two exemptions for the state fair to allow alcohol on parimutuel racing days and on wine tasting days. Mr. Mills stated that the law now allows the fair board to designate certain buildings in which alcohol can be consumed.

Senator Gooch asked if the content of the House bill was consistent with the intent of the Fair Board, and Theresa Kiernan stated that the House bill keeps the law as it is and allows the Fair Board to designate certain buildings. Senator Vratil stated that on page three beginning on line 16, the bill says the Fair Board may exempt themselves from the general provision, and that would make the change redundant. He stated that he believed that the Senate bill is better. Mr. Mills stated that the House committee was concerned that the State Fair may allow alcohol during fair days.

Senator Vratil made a motion to recommend **SB 405** favorable for passage. Senator Teichman seconded the motion. The motion passed.

Chairperson Harrington stated that Senator Barnett would carry **SB 407** on the floor and Senator Brungardt would carry **SB 405**.

Chairperson Harrington stated that the committee needed to address the issue of the confirmation of Joyce Glasscock for the position of Secretary of the Department of Administration.

Senator Teichman made a motion to confirm Joyce Glasscock. Senator Barnett seconded that motion. The motion passed.

Senator O’Connor made a motion to approve the minutes. Senator Gilstrap seconded the motion. The motion passed.

The meeting was adjourned at 12:00 p.m. The next meeting will be held on February 13, 2002 at 10:30 a.m.