

Approved: 3/6/08
Date

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:17 A.M. on February 22, 2008 in Room 784 of the DSOB.

All members were present except:

Brenda Landwehr- excused
Candy Ruff- excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department
Dennis Hodgins, Kansas Legislative Research Department
Jill Wolters, Office of Revisor of Statutes
Renae Jefferies, Office of Revisor of Statutes
Stephen Bainum, Committee Assistant

Conferees appearing before the committee:

Sherry Diel, Kansas Real Estate Commission
Luke Bell, Kansas Association of Realtors

Others attending: See attached list.

The Chairman opened the hearing on **HB 2746 Amendments to real estate brokers' and salespersons' license act; advertising.**

Sherry Diel gave her testimony in support of HB 2746. She spoke about the recovery fund being funded years ago by excess money in the fee fund for payment of claims. The maximum that can be paid for a claim is \$15,000.00 and we have about \$516,000.00 in the recovery fund. The minimum balance is \$250,000. Anything above that can be used for education purposes. They would consider setting up an advisory committee to advise on uses of the money. The Commission is concerned with dealing with threats against licensees and consumers. They want regulation authority to deal with these problems.

Representative Quigley asked for an explanation of page 19 line 30 "monitoring education courses". Sherry said that the Commission approves pre-license curriculum and instructors for real estate courses.

Representative Pauls said she had a little concern with the definition of "unprofessional conduct" language in the bill. Some agencies have abused the use of that phrase. Sherry said that they just want the ability to prosecute those who commit unprofessional acts.

Sherry continued her testimony with an explanation of a technical balloon. (Attachment 1). On page 16, lines 12 and 13 text was lined out. On page 17 the words "broker, associate broker or salesperson" were changed to "licensee".

Luke Bell presented his testimony in support of HB 2746. He indicated that the Association of Realtors would support an amendment to give definition to "unprofessional conduct".

Representative Huntington asked if the Association wanted to remove page 11, section 15. Luke said only three terms were requested to be removed, "attempt to represent".

There were no more questions and the Chairman closed the hearing on **HB 2746** and advised the committee that it would be worked next week.

The Chairman called for action on **HB 2827 Rules and regulations; consideration of effect on small employers.**

Representative Kiegerl made a motion to pass HB 2827 favorable for passage. Representative Grant seconded the motion. It passed by unanimous voice vote.

Representative Kiegerl made a motion that it be placed on the consent calendar. The motion was seconded by Representative Ruiz and passed by unanimous voice vote.

CONTINUATION SHEET

MINUTES OF THE House Commerce and Labor Committee at 9:17 A.M. on February 22, 2008 in Room 784 of the DSOB.

The Chairman called for action on **HB 2772 Real estate appraisers, full licensure.**

Representative Humerickhouse made a motion to propose an amendment to change page 1, lines 32 and 33 from a class B misdemeanor to a class A misdemeanor. Several members of the committee felt that the penalty level was too severe.

Representative Huntington seconded the motion.

Representative Kiegerl asked what the maximum penalty would be for a class A misdemeanor. Representative Pauls thought it was \$2,500 fine and up to a year in jail.

The motion passed on a unanimous voice vote.

Representative Humerickhouse made a motion to adopt the balloon. Representative Huntington seconded the motion. The motion passed on unanimous voice vote.

Representative Humerickhouse made a motion to accept the language from the CPA's and the Whitney Damron balloon. Representative Metsker seconded the motion and it passed on unanimous voice vote.

Representative Grant made a motion to pass HB 2772 favorable for passage as amended. Representative Huntington seconded the motion. It passed on a unanimous voice vote.

The Chairman reminded the committee that the next meeting was scheduled for Monday, February 25th. He adjourned the meeting at 10:10 A.M.