

Testimony on HB 2066
House Commerce, Labor and Economic Development Committee
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Chairman Tarwater and members of the committee. On behalf of the Kansas Real Estate Commission (KREC), thank you for the opportunity to present neutral testimony on Substitute for HB 2066.

KREC has the statutory responsibility to grant licenses to individuals who are qualified to transact real estate. One of the requirements for licensure is an applicant must submit fingerprints to the Kansas bureau of investigation and the federal bureau of investigation in order for KREC to receive a criminal history report.

KSA 58-3039(b)(1) states that “As part of an application for an original license or in connection with any investigation of any holder of a license, the commission **shall** require a person to be fingerprinted and submit to a state and national criminal history record check.....The commission **shall** use the information obtained from fingerprinting and the criminal history for purposes of verifying the identification of the person and in the official determination of the qualifications and fitness of the person to be issued or to maintain a license.”

On Pg. 1 Line 19, the definition of "complete application" states that “If the licensing body has received all such forms, fees, documentation and any other information required or requested by the licensing body, **an application shall be deemed to be a complete application even if the licensing body has not yet received a criminal background report from the Kansas bureau of investigation.**” The bill goes on to state that if a military servicemember or military spouse applicant qualifies for licensure by submitting a “complete application” the licensing body shall issue a license to the applicant within 15 days unless they have a disqualifying criminal record.

In 2019, 1908 background check submissions were submitted to KREC. The results of 212 of those submissions (11%) were not received by the Commission within 15 days of submission to the KBI. In addition, a significant number of applicants do NOT disclose criminal history on their application and KREC only obtains this information on the criminal history report received from the KBI. In 2019, 79 applicants whose criminal history report noted criminal history did not disclose this information on their application for licensure including several with felony convictions.

KREC requests deleting the last sentence from the definition of “completed application” to avoid conflicts with current Kansas law and to give KREC the ability to determine whether the applicant has a disqualifying criminal record as stated in subsection (c)(2)(D) before issuing a license.

KREC supports common sense licensing standards for individuals transacting real estate in Kansas. However, the bill conflicts with KREC’s statutory obligation to determine the qualification and fitness of an applicant to be issued a Kansas real estate license. KREC thanks you for the opportunity to provide comments on HB 2066.