

Proposed

Three Townsite Plaza
120 SE 6th Ave Ste 200
Topeka KS 66603-3511



phone: 785-296-3411
fax: 785-296-1771
www.kansas.gov/krec

Erik Wisner, Executive Director

Real Estate Commission

Sam Brownback, Governor

State of Kansas
Kansas Real Estate Commission
Notice of Public Hearing on Proposed Administrative Regulation
August 3, 2015

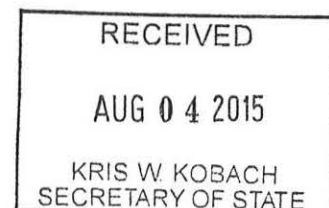
A public hearing will be conducted on Friday, October 16th, 2015 at 8:30 a.m. in the Pioneer Room, Maner Conference Center, Capitol Plaza Hotel, Topeka, KS to consider the adoption of proposed rules and regulations of the Kansas Real Estate Commission, on a permanent basis.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed rules and regulations. All interested parties may submit written comments prior to the hearing to the Kansas Real Estate Commission, Three Townsite Plaza, 120 SE 6th Ave., Suite 200, Topeka, KS 66603 or by email to erik.wisner@krec.ks.gov. All interested parties will be given a reasonable opportunity to present their views orally regarding the adoption of the proposed regulations during the public hearing. In order to provide all parties an opportunity to present their views, it may be necessary to request that each participant limit any oral presentation to five minutes.

Any individual with a disability may request an accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statements in an accessible format. Requests for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Kraig Knowlton at (785) 296-3411.

Summaries of the proposed regulations and their economic impact follow. Copies of the proposed regulations and the Economic Impact Statement for the proposed regulations can be viewed at the following website: <http://www.kansas.gov/krec/>

K.A.R. 86-1-5 - Fees. The purpose of the proposed regulation is to update the fees for broker and salesperson licensure following the passage of 2015 Senate Bill 108, which increased the statutory cap on licensure fees. The proposed regulation also lowers fees for background checks due to lower pass through costs to the Commission. Finally, the proposed regulation clarifies the calculation method for pro-rated license application fees. In order to ensure proper implementation of the proposed changes the Commission is proposing a delayed effective date of December 1, 2015. The economic impact will be borne solely by applicants for licensure and current licensees who renew their license.



86-1-5. Fees. (a) Each applicant shall pay a fee in an amount equal to the actual cost of the examination and the administration of the examination to the testing service designated by the commission.

(b) Each applicant shall submit the following fees for licensure to the commission:

(1) For submission of an application for an original salesperson's or broker's license, a fee of \$15;

(2) ~~for a temporary salesperson's license, a six-month fee of \$25;~~

(3) for an original salesperson's license, a prorated fee based on a two-year amount of ~~\$100~~ \$125;

(4) ~~(3)~~ for an original broker's license, a prorated fee based on a two-year amount of ~~\$150~~ \$175;

~~(5)~~ (4) for renewal of a salesperson's license, a two-year fee of ~~\$100~~ \$125;

~~(6)~~ (5) for renewal of a broker's license, a two-year fee of ~~\$150~~ \$175;

~~(7)~~ (6) for reinstatement of a license that has been deactivated or that has been canceled pursuant to K.S.A. 58-3047(c), and amendments thereto, or ~~by reason of~~ due to termination of a salesperson or associate broker, a fee of \$15;

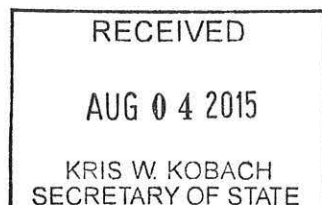
~~(8)~~ (7) for reinstatement of each license canceled pursuant to K.S.A. 58-3047(d) or (f), and amendments thereto, a fee of \$7.50;

~~(9)~~ (8) for a duplicate license, a fee of \$10;

~~(10)~~ (9) for certification of licensure to another jurisdiction, a fee of \$10;

~~(11)~~ (10) for each branch office, a fee of \$25;

~~(12)~~ (11) for each primary office of a company created or established by a supervising broker, a fee of \$25;



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(13) (12) for certification of a licensee's education history under K.S.A. 58-3046a, and amendments thereto, a fee of \$10;

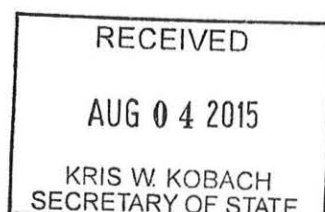
(14) (13) for certification of licensure of a professional corporation, a fee of \$10; and

(15) (14) for each additional primary or branch office at which a salesperson or an associate broker, supervising broker, or branch broker is associated or employed, if the person is associated or employed by more than one primary or branch office, a fee of \$10, which shall be paid by the salesperson or broker.

(c)(1) Each applicant for an original salesperson's or broker's license shall pay a fee of \$64 \$60 for the cost of submission of the applicant's fingerprints to the Kansas bureau of investigation for the purpose of obtaining a criminal history check conducted by the Kansas bureau of investigation and the federal bureau of investigation and for the commission's reasonable costs of administering the criminal history check program.

(2) Each licensee shall pay a fee of \$64 \$60, upon request of the commission, for the cost of submission of the licensee's fingerprints to the Kansas bureau of investigation for the purpose of obtaining a criminal history check conducted by the Kansas bureau of investigation and the federal bureau of investigation and for the commission's reasonable costs of administering the criminal history check program in connection with any investigation.

(d) ~~For each prorated fee, a monthly amount, rounded off to the nearest dollar, shall be established by the commission. Each applicant's prorated fee shall be calculated by the commission beginning on the last calendar day of the month in which the applicant submits an application and through the expiration date of the license.~~ (1)(A) For each original salesperson's license, the applicant shall pay a prorated fee that is calculated by multiplying \$5.00 by the number of months that remain in the applicant's two-year license cycle.



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(B) For each original broker's license, the applicant shall pay a prorated fee that is calculated by multiplying \$7.00 by the number of months that remain in the applicant's two-year license cycle.

(2) The number of months that remain in the applicant's two-year license cycle shall be determined beginning with the month following the date on which the applicant's application is received by the commission through the applicable expiration month, as specified in K.A.R. 86-1-3.

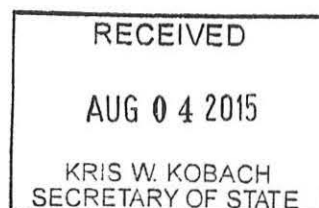
(e) Each entity seeking course approval pursuant to K.S.A. 58-3046a, and amendments thereto, shall submit the following applicable fee or fees to the commission:

(1) For approval of a course of instruction submitted by a course provider pursuant to K.S.A. 58-3046a, and amendments thereto, a fee of \$50; and

(2) for renewal of an approved course of instruction pursuant to K.S.A. 58-3046a, and amendments thereto, a fee of \$15.

(f) Each licensee seeking approval of a course of instruction pursuant to ~~subsection (k) of~~ K.S.A. 58-3046a(k), and amendments thereto, shall pay a fee of \$10 to the commission.

This regulation shall be effective on and after December 1, 2015. (Authorized by K.S.A. 74-4202(b); implementing K.S.A. 2006 Supp. 58-3039, as amended by L. 2007, ch. 88, sec. 1, and 58-3063, as amended by L. 2007, ch. 88, sec. 4 2014 Supp. 58-3063, as amended by L. 2015, ch. 21, sec. 6; implementing K.S.A. 2014 Supp. 58-3039 and 58-3063, as amended by L. 2015, ch. 21, sec. 6; effective Jan. 1, 1966; amended, E-73-30, Sept. 28, 1973; amended Jan. 1, 1974; amended, E-74-50, Sept. 13, 1974; amended May 1, 1975; amended, E-81-18, July 16, 1980; amended May 1, 1981; amended May 1, 1982; amended May 1, 1983; amended, T-86-10, May 1, 1985; amended May 1, 1986; amended, T-87-32, Nov. 19, 1986; amended May 1, 1987;



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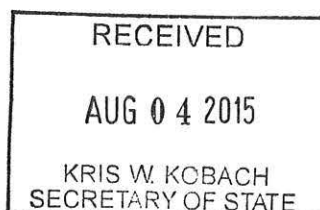
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amended Sept. 26, 1988; amended July 31, 1991; amended Dec. 20, 1993; amended July 31,
1996; amended, T-86-10-1-97, Oct. 1, 1997; amended Oct. 24, 1997; amended March 13, 1998;
amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; amended P-_____.)



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**KANSAS REAL ESTATE COMMISSION
ECONOMIC IMPACT STATEMENT FOR
PERMANENT PROPOSED REGULATIONS
K.A.R. 86-1-5**

Date: July 31, 2015

I. Summary of Proposed Regulations, Including Their Purpose.

The purpose of the proposed regulation is to update the fees for broker and salesperson licensure following the passage of 2015 Senate Bill 108, which increased the statutory cap on licensure fees. The proposed regulation also lowers fees for background checks due to lower pass through costs to the Commission. Finally, the proposed regulation clarifies the calculation method for pro-rated license application fees. In order to ensure proper implementation of the proposed changes the Commission is proposing a delayed effective date of December 1, 2015.

II. Reasons the Proposed Regulations Are Required, Including Whether the Regulations Are Mandated by Federal Law.

The proposed regulations are not mandated by federal law and there are no applicable requirements under federal law.

III. Anticipated Economic Impact upon the Kansas Real Estate Commission.

There is no economic impact to the Commission.

IV. Anticipated Financial Impact Upon Other Governmental Agencies and Upon Private Business or Individuals.

The cost will be borne solely by applicants for licensure and current licensees who renew their license.

V. Less Costly or Intrusive Methods That Were Considered

The Commission is not aware of any less costly or less intrusive methods.

