

**State of Kansas**  
**Kansas Real Estate Commission**  
**Notice of Public Hearing on Proposed Administrative Regulations**

October 21, 2019

A public hearing will be conducted on Monday, January 6, 2020 at 9:00 a.m. at the Kansas Real Estate Commission, 700 SW Jackson, Suite 404, Topeka, KS 66603 to consider the adoption of proposed regulations of the Kansas Real Estate Commission (KREC), on a permanent basis.

This 60-day notice of the public hearing shall constitute a public comment period for receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to the hearing to the Kansas Real Estate Commission, 700 SW Jackson, Suite 404, Topeka, KS 66603 or by email to [erik.wisner@ks.gov](mailto:erik.wisner@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 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 Erik Wisner 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.krec.ks.gov>

**KAR 86-1-10** revises definitions, distance education standards, instructor requirements and renewal dates for courses of instruction approved by KREC. The changes proposed in this regulation should have no economic impact on any regulated entities.

**KAR 86-1-11** revises standards and curriculum for courses approved by KREC. The revisions include adding a requirement to use an approved outline for the "Kansas real estate management course," repealing the "broker core," renaming the "salesperson/broker core" to "Kansas required core" course and allowing for a maximum of three hours of continuing education credit during a renewal period to be earned by attending a KREC meeting. The changes proposed in this regulation should have no economic impact on any regulated entities.

**KAR 86-1-12** clarifies procedures for monitoring and withdrawing approval of approved courses. The changes proposed in this regulation should have no economic impact on any regulated entities.

**KAR 86-1-13 and 86-1-16** repeal obsolete language related to education standards. The changes proposed in these regulations will have no economic impact.

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**KAR 86-1-17** revises certain responsibilities of schools who offer approved courses. This includes issuance of certificates to students, submission of electronic course rosters and advertising requirements. The changes proposed in this regulation should have no economic impact on any regulated entities.

**KAR 86-1-18, 86-3-6a and 86-3-20** repeal obsolete language due to the passage of 2019 SB 60. The changes proposed in these regulations will have no economic impact.

**KAR 86-3-7** defines advertisement or advertising as it pertains to real estate license law and clarifies advertising requirements for affiliated licensees of a supervising broker contained in K.S.A. 58-3086. Any licensee who must change their advertising to comply with this proposed regulation could be financially impacted. In discussions with industry, it appears the major change that would require expenditure of resources is the requirement for the licensee's name or team name to be adjacent to the brokerage name. Since this only applies to digital advertisements, any costs should not be significant.

Erik Wisner  
Executive Director  
for the Kansas Real Estate Commission

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86-1-10. Approved courses of instructions; procedure. ~~(a) Definitions.~~

~~(1) "School" means an entity that is eligible under subsection (h) of K.S.A. 58-3046a, and amendments thereto, to offer courses approved by the commission.~~

~~(2) "Cosponsor" means an entity that is not eligible to offer courses approved by the commission under subsection (h) of K.S.A. 58-3046a, and amendments thereto. However, the entity shall be eligible to offer courses approved by the commission if the entity is sponsored by an entity described in paragraph (a)(1) and the requirements of subsection (i) are met.~~

~~(b) Request for course approval. To obtain commission approval of a course of education required by K.S.A. 58-3046a, and amendments thereto, each school shall meet the following requirements:~~

~~(1) Notify the commission of the name, address, and telephone number of the coordinator who will supervise the course; and~~

~~(2) submit all information required by the commission for course and instructor approval at least 45 days before the first scheduled class session. The information shall include the following:~~

~~(A) A completed application for course registration on a form that has been obtained from the commission;~~

~~(B) an application for real estate instructor, completed in accordance with subsection (g);~~

~~(C) the procedure for maintenance of attendance records;~~

~~(D) the proposed dates, times, and locations of the course offering;~~

~~(E) the total amount of the attendance fee for the course;~~

~~(F) the total number of class sessions;~~

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~~(G) the duration of each session;~~

~~(H) the total number of hours in the course; and~~

~~(I) the course objectives and a detailed course outline.~~

~~(c) Preliminary notification of approval or disapproval. Within 15 working days after the commission receives the request for approval, the school shall be notified by the commission, in writing, of the commission's decision to approve or disapprove the course.~~

~~(1) In each notice of approval, the number of hours of credit to be given for attending the course shall be stipulated by the commission.~~

~~(2) If the commission requires additional time to reach a decision, the school shall be notified by the commission, in writing, of the following:~~

~~(A) The fact that the course is under review; and~~

~~(B) the date by which the commission expects to complete its review.~~

~~(d) The school shall remit the course fee prescribed by K.A.R. 86-1-5 if the commission notifies the school of tentative approval of the course. The course shall not receive final approval from the commission until the commission receives the course fee.~~

~~(e) Changes. Each school shall notify the commission, in writing, at least 15 days before a significant change in a course approved by the commission.~~

~~(1) The term "significant change" shall include a change in any of the following:~~

~~(A) The coordinator;~~

~~(B) the instructor;~~

~~(C) the name or location of the school;~~

~~(D) the course outline;~~

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~~(E) the dates and times the course is offered;~~

~~(F) the location where the course is offered; or~~

~~(G) the fees charged to students.~~

~~(2) Nothing in this regulation shall preclude the commission from approving substitution of an instructor to teach an approved course, if the instructor meets the qualifications specified in subsection (g).~~

~~(f) Distance education courses.~~

~~(1) Each school requesting approval of a distance education course shall submit the following information:~~

~~(A) A copy of all course materials, including textbooks, student workbooks, and examinations with answers;~~

~~(B) the time frame for completion of the course; and~~

~~(C) the time allotted for examinations and the method by which examinations will be proctored.~~

~~(2) A school may issue a certificate of completion of a distance education course approved by the commission to meet any requirement of K.S.A. 58-3046a, and amendments thereto, to any student if the student has met either of the following requirements:~~

~~(A) Received a score of at least 70 percent on a proctored closed-book examination, in which case the proctor shall complete and provide the school with a certification form approved by the commission for each examination administered by the proctor; or~~

~~(B) received a score of at least 90 percent on an open-book examination.~~

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~~(g) Request for instructor approval; notification of approval or disapproval. Each person desiring to teach a course approved by the commission shall submit an application for instructor approval on a form obtained from the commission. Each instructor shall indicate evidence of knowledge of the subject matter and the ability to effectively instruct or evidence that the instructor has received a commission approved designation.~~

~~(1) Knowledge of the subject matter shall be shown by meeting at least one of the following requirements:~~

~~(A) Holding a college degree in real estate or a college degree in law, business, or another academic area directly related to the course that the applicant intends to teach; or~~

~~(B) having at least three years of experience in the professional area of real estate directly related to the course that the applicant intends to teach.~~

~~(2) The ability to effectively teach shall be shown by meeting at least one of the following requirements:~~

~~(A) Having completed, within the preceding two years, a commission approved course of study for instructors designed to develop the ability to communicate;~~

~~(B) holding a current teaching certificate issued by a state department of education or an equivalent agency in another jurisdiction;~~

~~(C) holding a four-year college or university degree in the field of education; or~~

~~(D) having successfully demonstrated the ability to teach in schools, seminars, or an equivalent setting.~~

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~~(3)(A) Within 15 working days of receipt of an application for instructor approval, the school coordinator shall be notified by the commission, in writing, of its decision to approve or disapprove the instructor.~~

~~(B) If the commission requires additional time to reach a decision, the school coordinator shall be notified by the commission, in writing, of the fact that the application is under review and of the date by which the commission expects to complete its review.~~

~~(h) Registration of approved courses; application for renewal.~~

~~(1) The registration of courses approved by the commission shall expire at the end of each calendar year.~~

~~(2) Applications to renew approval of courses and instructors shall be sent to each school by the commission by November 1.~~

~~(i) Sponsoring courses. A school may request approval of a course that is developed and presented by a cosponsor.~~

~~(1) The school shall submit an application that has been obtained from the commission for approval of a sponsored course.~~

~~(2) The school shall maintain responsibility for each course presented by a cosponsor, including issuance of a certificate of satisfactory completion to each student who successfully completes the course. The school shall submit a roster to the commission, in a format approved by the commission, that specifies which students satisfactorily completed the course.~~

~~(a) Definitions. Each of the following terms, as defined in this subsection, shall apply to K.A.R. 86-1-10 through K.A.R. 86-1-12 and K.A.R. 86-1-17:~~

~~(1) "Commission" means Kansas real estate commission.~~

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(2) "Coordinator" means an individual who serves as the primary contact for a school and is responsible for complying with the requirements in this regulation.

(3) "Course" means instruction designed to fulfill the education requirements of K.S.A. 58-3046a, and amendments thereto.

(4) "Distance education course" means a course for which the school provides instructional materials by mail or electronic transmission to students who are physically separated from the instructor for all or a portion of the course.

(5) "In-person education course" means a course provided to students who are not physically separated from the instructor.

(6) "Monitoring" means review of approved courses by commission staff to ensure that the attendance, presentation platform, instruction time, outline, and materials provided by schools meet the requirements of the commission.

(7) "School" means an entity eligible under K.S.A. 58-3046a(g), and amendments thereto, to offer courses approved by the commission.

(b) Request for course approval. Each school seeking commission approval of a course shall submit the following information to the commission at least 45 days before the first scheduled class session:

(1) A completed course approval application obtained from the commission;

(2) a copy of all course materials, including textbooks, student workbooks, and examinations with answers;

(3) the total number of sessions, sections, or modules;

(4) the duration of each session, section, or module;

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(5) the total number of requested hours for the course;

(6) the course objectives and a detailed course outline; and

(7) the course approval fee prescribed by K.A.R. 86-1-5.

(c) Additional course approval requirements for distance education courses.

(1) In addition to meeting the requirements of subsection (b), each school requesting approval of a distance education course shall submit the following information:

(A) The means to access the distance education course as it will be offered to students;

(B) evidence of sufficient information technology support to enable students to complete the distance education course;

(C) documentation on how the distance education course will require active participation by each student and substantial interaction between the students and the instructor, other students, or a computer program; and

(D) evidence that the system used for testing students will scramble questions and items for any quizzes or examinations to ensure a random presentation.

(2) Each distance education course certified by the association of real estate license law officials shall be presumed to meet the requirements in paragraph (c)(1).

(3) Each school offering a distance education course approved by the commission under K.S.A. 58-3046a(e) or K.S.A. 58-3046a(f), and amendments thereto, shall require each student to answer at least 10 quiz or examination questions per credit hour.

(4) Each school offering a distance education course approved by the commission under K.S.A. 58-3046a(a), K.S.A. 58-3046a(b), K.S.A. 58-3046a(c) or K.S.A. 58-3046a(d), and

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amendments thereto, shall require each student to answer at least 50 quiz or examination questions.

(5) Each school shall issue a certificate of completion of each distance education course approved by the commission to meet any requirement of K.S.A. 58-3046a, and amendments thereto, to each student who has answered at least 90 percent of the quiz or examination questions correctly during the distance education course.

(d) Instructors. Each school coordinator shall be responsible for ensuring that the school's instructors have the specialized preparation, training, and experience in the subject matter to be taught to ensure competent instruction.

(e) Changes to an approved course.

(1) Except as provided in paragraph (e)(2), each school shall submit a new application for course approval under subsection (b) if there is any change to the course content, outline, objectives, or presentation platform for an approved course.

(2) A school shall not be required to submit a new application for course approval under subsection (b) if any of the following changes:

(A) The coordinator;

(B) the location of the school; or

(C) the course title.

(3) Each school shall submit notification to the commission of each change described in paragraph (e)(2) at least 15 days before the change is scheduled to occur.

(4) Each school shall submit notification to the commission at least 15 days before the discontinuation of any course or the intent to close the school.

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(f) Registration of approved courses; application for renewal.

(1) The registration of courses approved by the commission shall expire on January 31 of each year. Each application to renew the approval of a course shall be submitted on a form provided by the commission.

(2) Each application to renew approval of a course received after the expiration date shall require the submission of a new application for approval pursuant to subsection (b).

This regulation shall be effective on and after July 1, 2020. (Authorized by K.S.A. 2006 2019 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6, and K.S.A. 2019 Supp. 74-4202(b); implementing K.S.A. 2006 2019 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6; effective, T-83-32, Oct. 25, 1982; effective May 1, 1983; amended May 1, 1984; amended, T-86-31, Sept. 24, 1985; amended May 1, 1986; amended, T-87-32, Nov. 19, 1986; amended May 1, 1987; amended Jan. 29, 1990; amended July 16, 1990; amended Nov. 17, 1995; amended Dec. 14, 2001; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; amended P-\_\_\_\_\_.)

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86-1-11. Minimum curricula and standards for course. (a) Each school offering a course approved by the commission under ~~subsection (a) of~~ K.S.A. 58-3046a(a), and amendments thereto, shall use a course outline provided by the commission and shall ~~register the course under~~ use the title "principles of real estate."

(b) Each school offering a course approved by the commission under ~~subsection (b) of~~ K.S.A. 58-3046a(b), and amendments thereto, shall use a course outline provided by the commission and shall ~~register the course under~~ use the title "~~broker pre-license course.~~" "Kansas real estate fundamentals course."

(c) Each school offering a course approved by the commission under ~~subsection (c) of~~ K.S.A. 58-3046a(c), and amendments thereto, shall use a course ~~content~~ outline provided by the commission and shall ~~register the course under~~ use the title "Kansas practice course."

(d) Each school offering a course approved by the commission under K.S.A. 58-3046a(d), and amendments thereto, shall use a course outline provided by the commission and shall use the title "Kansas real estate management course."

(e) Each school offering a course approved by the commission under ~~subsection (d) of~~ K.S.A. 58-3046a(e), and amendments thereto, shall use a course ~~content~~ outline provided by the commission and shall ~~register the course under~~ use the title "Kansas law course."

(f) The 12 hours of additional instruction required by subsections (e) and (f) of K.S.A. 58-3046a(f), and amendments thereto, shall consist of courses approved by the commission.

(1) The hours required for each renewal of a salesperson's license shall consist of at least three hours designated as mandatory ~~core~~ hours titled "Kansas required core" and not more than nine hours designated as elective hours.

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~~(2) The hours required for each renewal of a broker's license shall consist of at least six hours designated as mandatory core hours and not more than six hours designated as elective hours.~~

~~(3) Each course approved by the commission shall be designated by the commission as either mandatory core hours or elective hours.~~

~~(4) The following courses may be approved by the commission as mandatory core hours:~~

~~(A) A course registered under the title "required salesperson and broker core." Each school offering this course shall use a course outline limited to the topics of brokerage relationships and misrepresentation; and~~

~~(B) a course registered under the title "required broker core." Each school offering this course shall use a course outline limited to one or more of the following topics:~~

~~(i) Procedures manuals;~~

~~(ii) trust accounts;~~

~~(iii) management, including all facets of supervising a real estate company;~~

~~(iv) common violations of the real estate brokers' and salespersons' license act and the brokerage relationships in real estate transactions act;~~

~~(v) commercial sales and leasing issues; or~~

~~(vi) farm and ranch issues.~~

~~(5) In any advertising of a course entitled "required broker core," the school shall identify each topic listed in paragraphs (c)(4)(B)(i) through (vi) that is covered by the course.~~

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~~(6) Each salesperson shall meet the mandatory core requirement specified in paragraph (e)(1) by taking a course approved by the commission titled "required salesperson and broker core."~~

~~(7) Each broker shall meet the mandatory core requirement specified in paragraph (e)(2) by taking two courses approved by the commission titled "required salesperson and broker core" and "required broker core."~~

~~(8) Credit given to any licensee for a course submitted by the licensee pursuant to subsection (k) of K.S.A. 58-3046a, and amendments thereto, shall be designated by the commission either as meeting a mandatory core requirement or as elective hours.~~

~~(9) (1) A nonresident of Kansas may receive elective-hour credit for courses approved by the commission of the nonresident's state of residence. A nonresident of Kansas may receive credit for a mandatory core requirement only for courses approved by the commission pursuant to this regulation by submitting to the commission proof of completion of courses approved by the real estate regulatory agency of the nonresident's state of residence completed during that individual's Kansas license renewal period.~~

~~(10) (2) Each approved course shall have a total instruction time of at least three hours.~~

~~(11) (3) Any licensee may receive a maximum of three elective hours of credit during any renewal period for real estate appraisal courses designated as such approved by the commission.~~

~~(4) Any licensee may receive a maximum of three elective hours of credit during any renewal period for attending a commission meeting approved by the commission. The licensee shall sign in at the beginning of the commission meeting and shall be physically present at the~~

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commission meeting for at least three consecutive hours of the commission meeting, to receive the three-hour credit.

(5) Any licensee who is an instructor of a course approved by the commission to meet a requirement of K.S.A. 58-3046a, and amendments thereto, may receive credit for the number of hours taught by the instructor. The credit may be received by an instructor only once for each course taught during a renewal period.

The provisions of this subsection shall be effective on and after July 1, 2020.

~~(f) The 30 hours of instruction required by paragraph (f)(1) of K.S.A. 58-3046a, and amendments thereto, shall consist of either of the following:~~

~~(1) A course registered under the title "salesperson's post-license course." Each school offering the course shall use a course outline provided by the commission; or~~

~~(2) 30 hours of commercial courses approved by the commission. (Authorized by K.S.A. 2006 2019 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6, and K.S.A. 2019 Supp. 74-4202(b); implementing K.S.A. 2006 2019 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6; effective, T-86-31, Sept. 24, 1985; effective May 1, 1986; amended, T-87-32, Nov. 19, 1986; amended May 1, 1987; amended May 1, 1988; amended Sept. 26, 1988; amended Nov. 18, 1991; amended Dec. 20, 1993; amended Dec. 29, 1995; amended Jan. 1, 1997; amended, T-86-10-1-97, Oct. 1, 1997; amended Oct. 24, 1997; amended Sept. 17, 1999; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; amended, T- \_\_\_\_\_, \_\_\_\_\_; amended P- \_\_\_\_\_.)~~

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86-1-12. Monitoring courses; withdrawal of approval. (a) ~~Approved courses and instructors may be monitored by the commission through classroom visitations~~ Each approved course shall be subject to monitoring by the commission, with or without prior notice, ~~and by survey of course participants.~~

(b) ~~Commission evaluation of an instructor shall address whether the approved course syllabus is adequately covered. If the commission determines that the instructor's presentations do not reflect current real estate knowledge or allow the student to meet objectives of the course, the evaluation report shall specify these deficiencies. The evaluation may include a rating of the instructor's knowledge of the subject matter and ability to effectively instruct.~~

(c) ~~A written report shall be furnished to the school coordinator regarding any unsatisfactory evaluation of an instructor. If an instructor receives a second unsatisfactory evaluation, the instructor's approval to teach the course may be withdrawn. Written notification of this action shall be given to the school coordinator and the instructor. The notification shall outline the reasons for withdrawal of approval. If the school coordinator and instructor show satisfactory evidence that deficiencies have been corrected, the commission may reinstate approval of the instructor to teach the course.~~

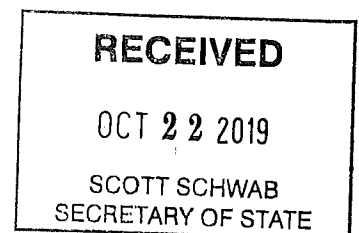
(d) ~~When approval of an instructor is withdrawn, the school may assign another approved instructor to teach the course. If another instructor is not designated to teach the course, approval of the course shall be withdrawn for any subsequent offerings of the course by the school.~~

(1) ~~The commission may also withdraw~~ Course approval may be withdrawn by the commission for falsification of attendance records or failure to comply with any provision of K.A.R. 86-1-10, K.A.R. 86-1-11, or K.A.R. 86-1-17.

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(2) (c) Withdrawal of course approval during class sessions in process shall not affect credit given to students who are attending the course. ~~The commission may reinstate~~ Approval of a course may be reinstated by the commission upon satisfactory evidence that deficiencies have been corrected. (Authorized by K.S.A. 2019 Supp. 58-3046a and K.S.A. 2019 Supp. 74-4202(b); implementing K.S.A. 2019 Supp. 58-3046a, ~~as amended by 1995 SB 123, § 4~~; effective, T-86-31, Sept. 24, 1985; effective May 1, 1986; amended Nov. 17, 1995; amended P- \_\_\_\_\_.)

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86-1-13. (Authorized by K.S.A. 2006 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6, and K.S.A. 74-4202(b); implementing K.S.A. 2006 Supp. 58-3046a, as amended by L. 2007, ch. 88, sec. 6; effective, T-86-31, Sept. 24, 1985; effective May 1, 1986; amended May 1, 1988; amended Jan. 29, 1990; amended Sept. 21, 1992; amended Nov. 17, 1995; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; revoked P-\_\_\_\_\_.)

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86-1-16. (Authorized by K.S.A. 74-4202(b); implementing K.S.A. 1987 Supp. 58-3046a;  
effective Sept. 26, 1988; revoked P-\_\_\_\_\_.)

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86-1-17. Responsibilities of schools. (a) ~~Evaluation of courses and instructors.~~

(1) ~~The coordinator appointed by each school pursuant to K.A.R. 86-1-10 shall regularly and consistently evaluate the courses and instructors.~~

(2) ~~At the request of the commission, the coordinator shall perform the following:~~

(A) ~~Ask students to complete an instructor evaluation form approved by the commission;~~  
and

(B) ~~unless the instructor is also the coordinator, complete an instructor evaluation form.~~  
~~The coordinator shall submit the student and coordinator evaluations to the commission.~~

(3) ~~Before the conclusion of each course, each school shall notify all students that a student opinion form may be obtained from the commission and is available electronically.~~

Course registration. Each school shall request that any applicant or licensee registering for a course verify the applicant's or licensee's registration or license number and use the applicant's or licensee's name exactly as it appears on file with the commission to ensure that the applicant or licensee will receive credit for the course.

(b) Issuance of certificates to students.

(1) Within ~~seven~~ five calendar days of completion of the course, each school shall issue a certificate of completion in person, electronically, or by mail to each student who successfully completes a course approved by the commission. Each school shall use certificate forms approved by the commission.

(2) The school shall not issue a certificate to any student who was absent for more than 10 percent of the classroom hours scheduled for courses registered, pursuant to K.A.R. 86-1-11, under the title "principles of real estate," ~~"broker pre-license course," "salesperson's post-license~~

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course," "Kansas real estate fundamentals course," "Kansas real estate management course,"  
"Kansas law course," or "Kansas practice course." The school shall not issue a certificate to any  
 student who was absent during any portion of the scheduled classroom hours for any other  
 course approved by the commission pursuant to K.A.R. 86-1-11.

(c) Submission of ~~certificates~~ course completion records to the commission.

(1) ~~Each school shall submit a copy of each certificate issued for completion of a  
 correspondence or home study program course to the commission within seven calendar days  
 after course completion. If the course completion date is less than seven calendar days before the  
 licensee's renewal date established by K.A.R. 86-1-4, the school shall postmark, hand deliver, or  
 electronically submit the certificate to the commission no later than the renewal date.~~

(2) ~~Each certificate submitted pursuant to this paragraph shall include the word "COPY"  
 in bold and conspicuous type in the upper right corner of the certificate.~~

(d) ~~Submission of rosters to the commission.~~

(1) ~~Except as provided in paragraph (d)(5), each school shall submit a roster to the  
 commission within seven calendar days after the completion date of any course approved by the  
 commission. If the completion date is less than seven calendar days before any renewal date  
 established by K.A.R. 86-1-4, the school shall postmark, hand deliver, or electronically submit  
 the roster to the commission no later than the renewal date.~~

(2) (A) ~~The roster shall be submitted on a form approved by the commission and shall  
 include the following:~~

(i) ~~The name of the school;~~

(ii) ~~the school code;~~

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~~(iii) the name of the course;~~

~~(iv) the course code;~~

~~(v) the name of the instructor;~~

~~(vi) the city where the course was offered;~~

~~(vii) the number of hours approved for credit either as elective hours or as mandatory hours;~~

~~(viii) the date on which the course was completed;~~

~~(ix) the full name and license number of each licensee who attended the course and was issued a certificate pursuant to subsection (b); and~~

~~(x) the total number of licensees listed on the roster.~~

~~(B) The school shall list the licensees in alphabetical order on the roster.~~

~~(C) The school coordinator or the instructor shall sign each page of the roster.~~

~~(3) Any roster containing incorrect or incomplete licensee information may be returned to the school coordinator for correction. No credit hours may be entered into the commission records for any such licensee until the licensee information is corrected and returned to the commission.~~

(1) Each school shall submit a list of the individuals who completed each course offered by the school, in a format approved by the commission and within five calendar days after the course completion date. If the completion date is less than five calendar days before any expiration date established by K.S.A. 58-3045 and amendments thereto and K.A.R. 86-1-3, the school shall submit the information no later than the expiration date.

~~(4) (2) Any roster not in compliance with any other requirement of paragraph (d)(2)~~

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containing incorrect or incomplete information may be returned to the school. No credit hours may be entered into the commission records until the roster is corrected and returned to the commission.

(5) ~~The school shall not submit a roster for any correspondence or home study program course or for any course registered, pursuant to K.A.R. 86-1-11, under the title "principles of real estate," "broker pre license course," "Kansas practice course," or "Kansas law course."~~

(e) (d) Advertising and course registrations.

(1) A school shall not advertise a course as meeting the educational requirements of the Kansas real estate brokers' and salespersons' license act before the school ~~places verification of~~ receives commission approval ~~on file at the school.~~

(2) A school shall not advertise ~~that an instructor will teach a course approved by the commission before the school places verification of approval of the instructor for the course on file at the school~~ using a school name different from what was submitted to the commission on the course approval form.

(3) Neither a school nor a representative of a school shall guarantee that successful completion of a course will result in the student's passing a real estate licensing examination.

(4) The school shall include a statement that the course is approved for a specified number of mandatory hours toward the 12-hour requirement or for a specified number of elective hours toward the 12-hour requirement in any advertising of a course approved pursuant to ~~subsection (e) of K.A.R. 86-1-11~~ and in any course registration form.

(5) ~~Each school shall request that any licensee registering for a course verify the licensee's license number and use the licensee's name exactly as it appears on the licensee's~~

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~~license to ensure that the licensee will receive credit for the course. A school shall not publish or~~  
~~distribute information that is false, misleading, or inconsistent with Kansas real estate license~~  
~~law.~~

(~~f~~) (e) Maintenance of records.

(1) Each school shall maintain for ~~a minimum of~~ at least three years, ~~at the school's~~  
~~business address,~~ a record of each student who has successfully completed a course approved by  
the commission.

(2) The school shall keep attendance records current and available for inspection by  
commission representatives upon request. (Authorized by K.S.A. 2019 Supp. 58-3046a and  
K.S.A. 2019 Supp. 74-4202(b); implementing K.S.A. ~~2006~~ 2019 Supp. 58-3046a, ~~as amended by~~  
~~L. 2007, ch. 88, sec. 6~~; effective Nov. 17, 1995; amended, T-86-7-2-07, July 2, 2007; amended  
Nov. 16, 2007; amended P- \_\_\_\_\_.)

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86-1-18. (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; effective Nov. 17, 1995; amended, T-86-7-2-07, July 2, 2007; amended Nov. 16, 2007; revoked P-\_\_\_\_\_.)

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86-3-6a. (Authorized by K.S.A. 74-4202(b); implementing K.S.A. 58-3060, as amended by L.

1986, Ch. 209, Sec. 12; effective, E-81-18, July 16, 1980; effective May 1, 1981; amended, T-

87-32, Nov. 19, 1986; amended May 1, 1987; amended May 1, 1988; revoked P-\_\_\_\_\_.)

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86-3-7. Advertising. (a) ~~All advertising, except on property which is not listed with a broker and which is personally owned by a licensee or in which a licensee may have an interest, shall include the name of the broker by using the broker's trade or business name and such other information as the broker considers necessary. The use of only a post office box number, telephone number or street address shall be deemed a violation of K.S.A. 58-3062(a)(1).~~

~~(b) Unless property personally owned by a licensee or property in which a licensee may have an interest is listed with a broker, all advertising caused by the licensee on such property shall be done in such a manner as to clearly inform the public that a real estate broker, associate broker or salesperson is the owner of or has an interest in the property advertised.~~

~~(c) A real estate broker who enters into an agreement which authorizes the broker to utilize the name or trade name of any other person in the conduct of the broker's real estate business shall file a copy of such agreement in the public records of the commission. The term "trade name" shall include, but not be limited to, trademark, service mark or trade identification. Failure to comply with this section shall be deemed a violation of K.S.A. 58-3062(a)(1).~~

~~(d) A broker shall not advertise or promote the broker's business in a manner that would confuse, hinder or mislead the public as to the identity of the broker responsible for the debts and liabilities of the business or entity. Violation of this section shall be deemed a violation of K.S.A. 58-3062(a)(1). For the purposes of this regulation and K.S.A. 58-3034 et seq. and amendments thereto, "advertisement" and "advertising" shall mean communication in any form of media between a licensee or other entity acting on behalf of one or more licensees and consumers or the public, for any purpose related to licensed real estate activity. These terms shall include business cards, signs, insignias, letterheads, telephone or electronic mail, radio, television, newspaper and~~

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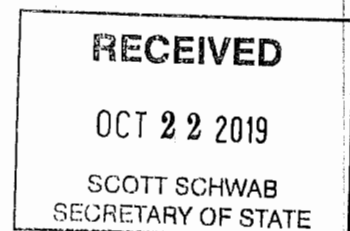
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magazine advertisements, internet advertising, web sites, social media or social networking, display or group advertisements in telephone directories, and billboards.

(b) No employed or associated salesperson or associate broker may include in an advertisement a name or team name that meets any of the following conditions:

(1) Uses the term "realty," "brokerage," "company," or any other term that can be construed as a real estate company separate from the supervising broker's company;

(2) is more than two times larger in font size than the font size of the supervising broker's trade name or business name; or

(3) is not adjacent to the supervising broker's trade name or business name in any internet, web site, social media, or social networking advertisement.

(c) The context of an advertisement may be considered by the commission when determining whether the employed or associated salesperson or associate broker committed a violation under subsection (b).

This regulation shall be effective on and after July 1, 2020. (Authorized by K.S.A. 2019 Supp. 74-4202(b); implementing K.S.A. 1992 Supp. 58-3062(a)(1) K.S.A. 2019 Supp. 58-3086; effective Jan. 1, 1966; amended Jan. 1, 1974; amended, E-76-18, April 29, 1975; modified, L. 1976, ch. 332, May 1, 1976; amended, E-81-18, July 16, 1980; amended May 1, 1981; amended Dec. 20, 1993; amended P- \_\_\_\_\_.)

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86-3-20. (Authorized by K.S.A. 74-4202(b); implementing K.S.A. 58-3049, as amended by 1985

SB 107; effective, T-86-31, Sept. 24, 1985; effective May 1, 1986; revoked P-\_\_\_\_\_.)

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**Kansas Administrative Regulations  
Economic Impact Statement  
For the Kansas Division of the Budget**

Kansas Real Estate Commission

Agency

Erik Wisner

Agency Contact

785.296.6951

Contact Phone Number

86-1-10, 86-1-11, 86-1-12, 86-1-13, 86-1-16, 86-1-17, 86-1-18, 86-3-6a and 86-3-20.

K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to:

Division of the Budget  
900 SW Jackson, Room 504-N  
Topeka, KS 66612

**I. Brief description of the proposed rule(s) and regulation(s).**

The proposed regulations would amend requirements related to required pre-license and continuing education requirements as required by K.S.A. 58-3046a. There are also several statutes the Commission is proposing to repeal because they are obsolete due to changes being proposed in the regulations and due to the passage of 2019 SB 60.

**II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)**

The proposed regulations are not mandated by federal law and there are no applicable requirements under federal law. The federal government does not regulate Kansas real estate licensing law.

**III. Agency analysis specifically addressing following:**

**A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;**

The proposed regulations should enhance the ability for schools and individuals to submit records via electronic means. The proposed regulations should not restrict business activities or growth.

**B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;**

There should be no economic impact.

**C. Businesses that would be directly affected by the proposed rule and regulation;**

Entities who provide approved courses. Licensees required to take approved courses.

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**D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;**

Most of these changes simplify requirements for taking and reporting education courses.

**E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;**

Most of these changes simplify requirements for taking and reporting education courses. This simplification should minimize costs to entities who provide approved education and licensees and applicants.

**F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

\$0

**Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?**

YES ☐ NO ☒

**Give a detailed statement of the data and methodology used in estimating the above cost estimate.**

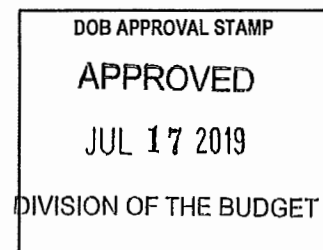
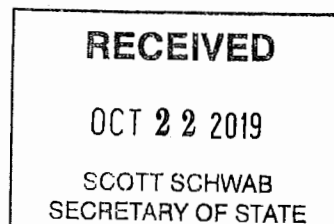
Most of these changes simplify requirements for taking and reporting education courses so there should be no economic impact.

**Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.**

YES ☐ NO ☒

**G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.**

N/A.

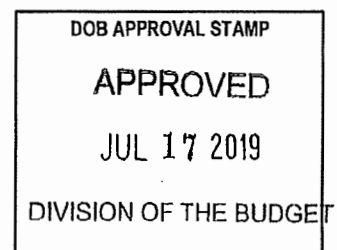
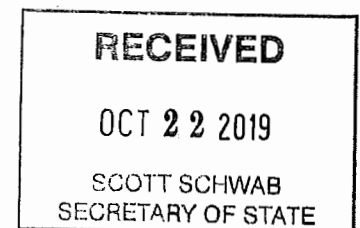


- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).**

Many of the proposed changes were recommended by a task force of industry members and entities that provide approved courses. All changes have been discussed for several years during Commission meetings and a draft of all proposed changes was reviewed by the Kansas Association of Realtors.

- I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).**

N/A.



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**Kansas Administrative Regulations  
Economic Impact Statement  
For the Kansas Division of the Budget**

Kansas Real Estate Commission  
Agency

Erik Wisner  
Agency Contact

785.296.6951  
Contact Phone Number

86-3-7  
K.A.R. Number(s)

Submit a hard copy of the proposed rule(s) and regulation(s) and any external documents that the proposed rule(s) and regulation(s) would adopt, along with the following to: Division of the Budget  
900 SW Jackson, Room 504-N  
Topeka, KS 66612

**I. Brief description of the proposed rule(s) and regulation(s).**

The proposed regulation would define advertisement or advertising as it pertains to real estate license law and clarify advertising requirements for affiliated licensees of a supervising broker contained in K.S.A. 58-3086.

**II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)**

The proposed regulations are not mandated by federal law and there are no applicable requirements under federal law. The federal government does not regulate Kansas real estate licensing law.

**III. Agency analysis specifically addressing following:**

**A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;**

The proposed regulation would clarify current advertising requirements. This could limit some advertising currently being promoted by licensees but would enhance public understanding related to the broker or company the licensee who is advertising the property is affiliated with.

**B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;**

Any licensee who must change their advertising to comply with proposed regulation could be impacted. In discussions with industry, it appears the major change that would require resources is the requirement for the licensee's name or team name to be adjacent to the brokerage name. Since this only applies to digital advertisements the costs are not as significant.

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**C. Businesses that would be directly affected by the proposed rule and regulation;**

Kansas real estate licensees.

**D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;**

The clarity in the advertising requirements and the protection of the public in knowing what company they are transacting real estate with outweigh costs a licensee could incur in modifying their advertisements.

**E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;**

In discussions with industry, it appears the major change that would require resources is the requirement for the licensee's name or team name to be adjacent to the brokerage name. Since this only applies to digital advertisements the costs are not as significant.

**F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.**

\$25,000 or less. This would mostly be one-time costs for licensees to come into compliance with the proposed regulation changes that go into effect on July 1, 2020.

**Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?**

YES ☐ NO ☒

**Give a detailed statement of the data and methodology used in estimating the above cost estimate.**

It is difficult to estimate how many licensees will make changes. The Commission estimates most changes will be to digital advertisements. The Commission estimates 250 licensees will need to change their advertisements. At one hour of time at a cost of \$100 per hour the Commission came up with a total of \$25,000. As noted previously this would be a one-time cost.

**Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.**

YES ☐ NO ☒

**G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal**

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liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

N/A.

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).**

The Commission solicited feedback from licensees and the Kansas Association of Realtors. Based on the feedback from these groups, the Commission made several changes to minimize the impact including restricting some requirements to only digital advertising and delaying the effective date to July 1, 2020. The Commission has been discussing a draft of the proposed regulation or substantially similar language since at least 2017.

- I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).**

N/A.

