



USAA REAL ESTATE REWARDS NETWORK
10750 McDermott Freeway
San Antonio, Texas 78288-0553

February 2, 2018

The Honorable Les Mason
Chair- House Commerce, Labor & Economic Development
Kansas State Capitol- Room 521-E
300 SW 10th
Topeka, KS 66612

Honorable Les Mason and House Committee Members

I'm Larry Lloyd, Director in USAA Real Estate Rewards Network. I'm providing testimony on behalf of Greg Jaeger, the President of USAA Residential Real Estate Services, the business entity from which we deliver the USAA Real Estate Rewards Network to USAA members.

Mr. Jaeger testimony letter has been submitted.

Without the passage of House Bill 2494, the uncertainty around the current regulation which impacts our industry, will restrict this unique benefit that we have provided in Kansas since 2006 and since 1992 in a vast majority of states across the country. I respectfully ask you to support House Bill 2494 in support of those serving and their family members.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry Lloyd", written over a horizontal line.

Larry Lloyd
Director
USAA Real Estate Rewards Network.



USAA RESIDENTIAL REAL ESTATE SERVICES, INC.
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Chair- House Commerce, Labor & Economic Development
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I'm Greg Jaeger, the President of USAA Residential Real Estate Services, the business entity from which we deliver the USAA Real Estate Rewards Network to USAA members. I am the son of a US Army veteran, have been licensed as a real estate broker and agent and have been a USAA employee for over 14 years. From these experiences, I feel confident to write about the real estate related needs of service members and their families.

My reason for writing today is to ask for your support for House Bill 2494 and the benefits the program offers USAA members. Without this bill and the clarity it provides, our members will be negatively impacted and USAA would not be allowed to fulfill our Mission of providing for our members' financial security, in this case through USAA Real Estate Rewards Network.

USAA was founded in 1922 by 25 members of the US Military with the idea that they could establish a company owned by its members where the products and services would be designed to focus on the unique needs of those serving our country and their family members. From those humble beginnings some 96 years ago, the company has grown substantially. Today, there are over 12 million members nationwide and 32,000+ employees highly regarded as the best in the industry at delivery of our unique mission to our members. We work hard each day to ensure that USAA's corporate mission focused on the financial security of those serving and their families is top of mind.

There are over 358,000 military and family members in Kansas, with 120,032 of them USAA members. The military and related population represent over 12% of the state's population with USAA's Kansas members representing 33 percent of those military and families.

As I mentioned earlier, I lead a real estate business for USAA that provides a unique service to its members. USAA members move with a frequency that is greater than twice as often as civilians and their moves frequently cover great distances to locations where they have no familiarity. These unique challenges for USAA members drove the creation of the Real Estate Rewards Network. We offer to members a network of brokers and agents that is closely managed and monitored. We provide training to the network providers to ensure that they understand the uniqueness associated with our members'

relocations. This program provides peace of mind to the military and their families as they go through these frequent transitions. In addition, as members complete their transactions in the program, my brokerage provides a large portion of the referral fee earned to the member.

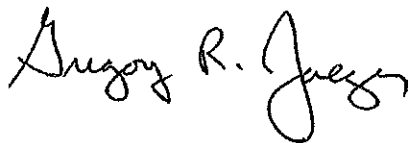
In Kansas, we want to continue to do that in the form of a rebate, which is allowed in the vast majority of other states where it arrives to our members in the form of a check or ACH deposit. This rebated helps meet USAA's mission of ensuring our members financial security. For our members, the rebate helps them with offsetting the practical everyday costs of their frequent moves.

My program has been providing benefits to members since its inception in 1992 nationwide and in Kansas since 2006. Since 2006, our program has helped 5,270 Kansas families buy/sell real estate and has provided benefits of \$4.8M during that timeframe. Last year alone, 529 USAA families in Kansas used the Real Estate Rewards Network program and received over \$500K in benefits.

I think we all recognize the limited compensation that those serving our country receive and the frequency with which they are asked to relocate in the delivery of their service to country. Our program helps them to better manage the buying and selling experiences associated with their frequent moves and the cash benefit provided will help to offset some of the costs that always come up with these moves.

Without the passage of House Bill 2494, the uncertainty around the current regulation which impacts our industry, will restrict this unique benefit that we have provided in Kansas since 2006 and since 1992 in a vast majority of states across the country. I respectfully ask you to support House Bill 2494 in support of those serving and their family members.

Sincerely,

A handwritten signature in cursive script that reads "Gregory R. Jaeger". The signature is written in black ink and is positioned above the typed name and title.

Greg Jaeger
President
USAA Residential Real Estate Services, Inc.