

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Don Dahl at 9:00 A.M. on January 25, 2006 in Room 241-N of the Capitol.

All members were present except:

Patricia Kilpatrick- excused

Scott Schwab- excused

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department

Norm Furse, Office of Revisor of Statutes

Rena Jefferies, Office of Revisor of Statutes

June Evans, Committee Secretary

Conferees appearing before the committee:

Sherry C. Diel, Executive Director, Kansas Real Estate Commission

Others attending:

See attached list.

The Chairman announced that Friday, January 27's meeting had been cancelled.

The Chairman opened the hearing on **SB 269 - Real Estate brokers and salespersons; escrow account requirements; prohibited acts; rebates.**

Staff gave a briefing on **SB 269** stating that the bill was carried over from the 2005 session. There are some technical changes; the date of 2004 needs to be changed to 2005 wherever it appears in the bill. Another technical amendment is that K.S.A. Supp. 58-3062 was amended into another bill last year. Section 2 has been deleted.

Sherry C. Diel, Executive Director, Kansas Real Estate Commission, testified as a proponent to **SB 269** with requested amendments: (1) a \$50 late fee would be added to K.S.A. 58-3039(f)(2) when an application to convert a temporary salesperson's license to a standard salesperson's license is filed subsequent to the expiration date of the temporary license; (2) permit escrow funds derived from a broker cooperation agreement to either be held in the Kansas broker's trust account or by a third-party escrow agent located in Kansas; (3) address an alleged ambiguity in the wording of the statute to clarify that a licensee engaged as a transaction broker shall not act as an agent for either party in the real estate transaction; (4) a salesperson or associate broker must notify their supervising broker or branch broker of any licensed activities that they are performing and any licensed activities conducted by the affiliated licensee must be performed under the general supervision of the supervising broker or branch broker (Attachment 1).

Written testimony in support of **SB 269** was provided by Bill Yanek, KAR Director of Government Relations, Kansas Association of Realtors (Attachment 2).

The meeting adjourned at 9:20 a.m. The next meeting will be January 26, 2006.