

SENATE BILL No. 60

AN ACT concerning real estate; relating to licensing of brokers and salespersons; application, temporary licenses, education requirements, deactivation and reinstatement of licenses, broker's primary office, fees, effect on other licenses of suspension or revocation of certain licenses; Kansas real estate commission; organization, seal; amending K.S.A. 74-4202 and K.S.A. 2018 Supp. 58-3039, 58-3040, 58-3045, 58-3046a, 58-3047, 58-3060, 58-3063, 58-3080 and 58-3081 and repealing the existing sections; also repealing K.S.A. 58-3049.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2018 Supp. 58-3039 is hereby amended to read as follows: 58-3039. (a) Any person desiring to act as a broker or salesperson must file ~~a written~~ *an* application for a license with the commission or, if required by the commission, with the testing service designated by the commission. The application shall be in such form and detail as the commission shall prescribe. *The commission may require any portion of the application to be submitted electronically.*

(1) Any applicant who qualifies for licensure as a salesperson shall submit the application accompanied by evidence of compliance with ~~subsection (a) of K.S.A. 58-3046a(a) and (c), and amendments thereto.~~

(2) Any applicant who qualifies for licensure as a broker shall submit the application accompanied by evidence of compliance with ~~subsection (b) of K.S.A. 58-3046a(b) and (d), and amendments thereto.~~

~~(3) Any applicant who qualifies for licensure as a salesperson on or after July 1, 2007, shall submit the application accompanied by evidence of compliance with subsection (c) of K.S.A. 58-3046a, and amendments thereto.~~

~~(4) Any applicant who qualifies for licensure as a broker on or after July 1, 2007, shall submit the application accompanied by evidence of compliance with subsection (d) of K.S.A. 58-3046a, and amendments thereto.~~

~~(5) All applicants shall submit the application and license fees as prescribed by K.S.A. 58-3063, and amendments thereto.~~

(b) (1) 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 fingerprints shall be used to identify the person and to determine whether the person has a record of criminal history in this state or other jurisdiction. The commission shall require the applicant to submit the fingerprints to the Kansas bureau of investigation and the federal bureau of investigation for a state and national criminal history record check *in the manner designated by the Kansas bureau of investigation.* 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.

(2) Local and state law enforcement officers and agencies shall assist the commission in taking and processing fingerprints of applicants for and holders of any license and shall release all records of adult convictions to the commission.

(3) The commission may fix and collect a fee in an amount necessary to reimburse the ~~board~~ *commission* for the cost of fingerprinting and the criminal history record check. Such fee shall be established by rule and regulation in accordance with K.S.A. 58-3063, and amendments thereto. Any moneys collected under this subsection shall be deposited in the state treasury and credited to the ~~real estate~~ *background investigation* fee fund.

(c) A license to engage in business as a broker or salesperson shall be granted only to a person who is 18 or more years of age and who has a high school diploma or its equivalent.

(d) In addition to the requirements of subsection (c), except as provided in subsection (e), each applicant for an original license as a

broker shall have been:

(4) licensed as a salesperson in this state or as a salesperson or broker in another state, and shall have been actively engaged in any of the activities described in ~~subsection (f) of K.S.A. 58-3035(f)~~, and amendments thereto, for a period of at least two years during the ~~five~~ *three* years immediately preceding the date of the application for a license; ~~or.~~

~~(2) if an applicant resides in a county that has a population of 20,000 or less, the commission may, upon a finding that such county suffers from a shortage of brokers and upon compelling evidence of need, waive or alter the requirements of this subsection. The commission shall adopt rules and regulations to establish alternative licensing criteria for such applicants. The commission may adopt rules and regulations to implement the provisions of this subsection.~~

(e) The commission may accept proof of experience in the real estate or a related business or a combination of such experience and education which the commission believes qualifies the applicant to act as a broker as being equivalent to all or part of the experience required by subsection (d).

(f) Each applicant for an original license shall be required to pass an examination covering the subject matter which brokers or salespersons generally confront while conducting activities that require a real estate license. The examination shall consist of a general portion that tests the applicant's knowledge of real estate matters that have general application. The state portion of the examination shall test the applicant's knowledge of real estate subject matter applicable to a specific jurisdiction.

(1) Except as provided in K.S.A. 58-3040, and amendments thereto, each applicant for an original license shall be required to pass the general or national portion of the examination.

(2) Each applicant for an original license shall be required to pass the Kansas state portion of the examination.

(3) No license shall be issued on the basis of an examination if either or both portions of the examination were administered more than six months prior to the date that the applicant's application is ~~filed with~~ *received by* the commission. The examination may be given by the commission or ~~any person~~ *testing service* designated by the commission. Each person taking the examination shall pay the examination fee prescribed pursuant to K.S.A. 58-3063, and amendments thereto, which fee the commission may require to be paid to it or directly to the testing service designated by the commission. The examination for a broker's license shall be different from or in addition to that for a salesperson's license.

(g) The commission, prior to granting an original license, shall require proof that the applicant has a good reputation for honesty, trustworthiness, integrity and competence to transact the business of a broker or salesperson in such manner as to safeguard the public interest.

(h) An application for an original license as a salesperson or associate broker shall be accompanied by the recommendation of the supervising broker or branch broker with whom the salesperson or associate broker is to be associated, or by whom the salesperson or associate broker is to be employed, certifying that the applicant is honest, trustworthy and of good reputation.

~~(i) (1) Each applicant for an original salesperson's license who meets the requirements of this act prior to July 1, 2007, shall be issued a temporary salesperson's license which shall expire six months after the last calendar day of the month in which the license was issued, on the last calendar day of that month.~~

~~(2) No later than 10 days prior to the expiration date of a temporary salesperson's license, the salesperson shall file an application on a form provided by the commission. The application shall be accompanied by the license fee prescribed by K.S.A. 58-3063, and amendments thereto, and evidence of compliance with the requirements of subsection (f)(1) of K.S.A. 58-3046a, and amendments thereto. The commission shall issue a salesperson's license to a person who complies with the provisions of this paragraph. The issuance date of the salesperson's license shall be the day following the expiration date of the temporary license. The expiration date of the license shall be determined in accordance with a schedule established by rules and regulations of the commission.~~

~~(3) Failure to comply with the provisions of paragraph (2) shall automatically cancel the temporary license on its expiration date.~~

~~(4) A person whose temporary salesperson's license was canceled pursuant to paragraph (3) may apply for a salesperson's license if such application, the license fee prescribed by K.S.A. 58-3063, and amendments thereto, plus a late fee of \$50 and evidence of attendance of 30 hours of instruction received after issuance of the temporary license pursuant to subsection (f)(1) of K.S.A. 58-3046a, and amendments thereto, are received by the commission within three months after the expiration date of the temporary license. The commission shall issue a salesperson's license to a person who complies with the provisions of this paragraph. The expiration date of the license shall be determined in accordance with a schedule established by rules and regulations of the commission.~~

~~(j) Each applicant for an original salesperson's license who meets the requirements of this act on and after July 1, 2007, shall be issued a salesperson's license. The expiration date of the license shall be determined in accordance with a schedule established by rules and regulations of the commission.~~

Sec. 2. K.S.A. 2018 Supp. 58-3040 is hereby amended to read as follows: 58-3040. (a) A nonresident of this state may be granted a broker's license if:

(1) The nonresident is licensed as a broker in the nonresident's state of residence; and

(2) ~~such~~*the* nonresident meets all requirements imposed by this act on Kansas residents for licensure as a broker, except as provided by subsection (e).

(b) A nonresident broker may be granted a salesperson's license, if:

(1) The nonresident is licensed as a broker in the nonresident's state of residence;

(2) ~~such~~*the* nonresident meets all requirements imposed by this act on Kansas residents for licensure as a broker, except for the requirements of K.S.A. 58-3039(d)(~~t~~) or (e), and amendments thereto, and the nonresident does not qualify for a waiver pursuant to subsection (e); and

(3) the nonresident submits the certification described in K.S.A. 58-3039(h), and amendments thereto.

(c) A nonresident salesperson employed by or associated with a broker licensed pursuant to this act may be granted a salesperson's license under ~~such~~*the* broker, if:

(1) The salesperson is licensed as a salesperson in the salesperson's state of residence; and

(2) ~~such~~*the* salesperson meets all requirements imposed by this act on Kansas residents for licensure as a salesperson, except as provided by subsection (f).

(d) The commission may enter into agreements with other

jurisdictions as to the issuance of reciprocal licenses.

(e) The commission may waive the education provided by K.S.A. 58-3046a(b), and amendments thereto, the examination provided by K.S.A. 58-3039, and amendments thereto, and the experience provided by K.S.A. 58-3039(d)(~~h~~) or (e), and amendments thereto, and issue an original broker's license to a nonresident or to a Kansas resident who holds a broker's license issued by another jurisdiction if, in the judgment of the commission, the applicant received equivalent education, passed an equivalent examination and obtained equivalent experience. The applicant shall meet all other requirements imposed by this act.

(f) The commission may waive the education provided by K.S.A. 58-3046a(a), and amendments thereto, and the examination provided by K.S.A. 58-3039, and amendments thereto, and issue an original salesperson's license to a nonresident or to a Kansas resident who holds a license issued by another jurisdiction if, in the judgment of the commission, the applicant received equivalent education and passed an equivalent examination. The applicant shall meet all other requirements imposed by this act.

(g) Prior to the issuance of a license to a nonresident, the applicant must agree in writing to abide by all provisions of this act with respect to the applicant's real estate activities within the state and submit to the jurisdiction of the commission and the state in all matters relating thereto. ~~Such~~ The agreement shall be filed with the commission and shall remain in force for so long as the nonresident is licensed by this state and thereafter with respect to acts or omissions committed while licensed as a nonresident.

(h) A nonresident licensed under this section shall be entitled to the same rights and subject to the same obligations as are provided in this act for Kansas residents, except that revocation or suspension of a nonresident's license in the nonresident's state of residence shall automatically cause the same revocation or suspension of ~~such the~~ nonresident's license issued under this act. No hearing shall be granted to a nonresident licensee ~~where~~ whose license is subject to ~~such the~~ automatic revocation or suspension except for the purpose of establishing the fact of revocation or suspension of the nonresident's license by the nonresident's state of residence.

Sec. 3. K.S.A. 2018 Supp. 58-3045 is hereby amended to read as follows: 58-3045. (a) ~~Except for a temporary salesperson's license issued pursuant to subsection (i) of K.S.A. 58-3039, and amendments thereto,~~ Each license issued or renewed by the commission shall expire on a date determined in accordance with a schedule established by rules and regulations of the commission, which date shall be not more than two years from the date of issuance or renewal. Except as otherwise provided by this act, applicants for issuance or renewal of a license must satisfy all applicable requirements prior to issuance or renewal of the license.

(b) (1) ~~Except for a temporary salesperson's license issued pursuant to subsection (i) of K.S.A. 58-3039, and amendments thereto,~~ Each license shall be renewable upon the filing of a renewal application on or before the ~~renewal date, which is the last calendar day of the month preceding the license expiration date.~~ Such application shall be made on a form provided by the commission and accompanied by ~~(A) the renewal fee prescribed by K.S.A. 58-3063, and amendments thereto, and (B) evidence of compliance with the requirements of K.S.A. 58-3046a, and amendments thereto, or the licensee's license with the licensee's request that the license be deactivated on the renewal date pursuant to K.S.A. 58-3049, and amendments thereto.~~

(2) Failure to comply with paragraph (1) on or before the ~~renewal~~

~~expiration date will automatically cancel~~ *expire* the license on the license expiration date unless the license is *reinstated and* renewed pursuant to subsection (c) ~~prior to the expiration date.~~

(c) The commission may reinstate and renew the license of a licensee who has failed to comply with the requirements of subsection (b)(1) if within six months following the date of the expiration of the license, the licensee submits to the commission an application for late renewal. Such application shall be made on a form provided by the commission and shall be signed by the licensee. ~~Except for late renewal of a license on deactivated status pursuant to K.S.A. 58-3049, and amendments thereto, such application also shall be signed by the licensee's supervising broker or branch broker, if applicable.~~ Such application shall be accompanied by ~~(1) evidence of compliance with K.S.A. 58-3046a, and amendments thereto, or a written request that such license be renewed on deactivated status pursuant to K.S.A. 58-3049, and amendments thereto, and (2) payment of the renewal fee prescribed by K.S.A. 58-3063, and amendments thereto, plus a late fee of \$50~~ *\$100*.

(d) An application for renewal filed in compliance with the requirements of subsection (b) shall entitle the applicant to continue operating under the applicant's existing license after its specified expiration date, unless such license has been suspended or revoked and has not been reinstated or unless such license is restricted, until such time as the commission determines whether the application fulfills such requirements.

Sec. 4. K.S.A. 2018 Supp. 58-3046a is hereby amended to read as follows: 58-3046a. (a) Except as provided in K.S.A. 58-3040, and amendments thereto, any person who applies for an original license in this state as a salesperson shall submit evidence, satisfactory to the commission, of attendance of a principles of real estate course, of not less than 30 hours of instruction, approved by the commission and ~~received~~ *completed* within the 12 months immediately preceding the ~~filing~~ *receipt by the commission* of the application for salesperson's license. The commission may require the evidence to be furnished to the commission with the original application for license or it may require the applicant to furnish the evidence to the testing service designated by the commission as a prerequisite to taking the examination required by K.S.A. 58-3039, and amendments thereto. If the evidence is furnished to the testing service, the instruction shall have been ~~received~~ *completed* within 12 months immediately preceding the date of the examination.

(b) Except as provided in K.S.A. 58-3040, and amendments thereto, any person who applies for an original license in this state as a broker shall submit evidence, satisfactory to the commission, of attendance of ~~24~~ *a Kansas real estate fundamentals course, of not less than 30 and no more than 45* hours of instruction, approved by the commission and received within the 12 months immediately preceding the filing of application for broker's license. Such hours shall be in addition to any hours of instruction used to meet the requirements of subsection (c), (d), (e) or (f). The commission may require the evidence to be furnished to the commission with the original application for license, or it may require the applicant to furnish the evidence to the testing service designated by the commission as a prerequisite to taking the examination provided in K.S.A. 58-3039, and amendments thereto. If the evidence is furnished to the testing service, the instruction shall have been ~~received~~ *completed* within 12 months immediately preceding the date of the examination.

(c) Any person who applies for an original license in this state as a salesperson ~~on or after July 1, 2007,~~ shall submit evidence, satisfactory

to the commission, of attendance of a Kansas real estate practice course, of not less than 30 hours of instruction, approved by the commission and ~~received~~ *completed* within the six months immediately preceding the ~~filing receipt by the commission~~ of the application for licensure.

(d) *Any person who applies for an original license in this state as a broker on or after January 1, 2020, shall submit evidence, satisfactory to the commission, of attendance of a Kansas real estate management course, of not less than 30 and no more than 45 hours of instruction, approved by the commission and completed within the six months immediately preceding the receipt by the commission of the application for licensure. The hours shall be in addition to any hours of instruction used to meet the requirements of subsection (b), (c), (e) or (f).*

(e) Any person who applies for an original license in this state as a broker ~~on or after July 1, 2007~~, who is a nonresident of Kansas or who is a resident of Kansas applying for licensure pursuant to K.S.A. 58-3040(e), and amendments thereto, shall submit evidence, satisfactory to the commission, of attendance of a Kansas real estate course, of not less than four hours of instruction and ~~received~~ *completed* within the six months immediately preceding the filing of the application for licensure. Such course shall be approved by the commission and shall be specific to Kansas law with primary emphasis on issues that arise under the brokerage relationships in real estate transactions act, K.S.A. 58-30,101 et seq., and amendments thereto, and rules or regulations adopted thereunder.

~~(e)(f)~~ At or prior to each ~~renewal license expiration~~ date established by the commission, any person who is licensed in this state as a broker or as a salesperson shall submit evidence, satisfactory to the commission, of attendance of not less than 12 hours of continuing education approved by the commission and ~~received~~ *completed after issuance of the license and during the renewal period. This requirement shall not apply to a license on deactivated status pursuant to K.S.A. 58-3047, and amendments thereto.*

~~(f)~~ Any person who obtains a temporary license in this state as a salesperson prior to July 1, 2007, shall submit evidence, satisfactory to the commission, of attendance of courses of instruction approved by the commission as follows:

~~(1)~~ No later than ten days prior to the expiration date of the temporary license, 30 hours of instruction received after the date of licensure.

~~(2)~~ At or prior to the first renewal of a license issued pursuant to K.S.A. 58-3039, and amendments thereto, 12 hours of continuing education received during the renewal period. Such evidence shall not be required until the second license renewal if the license expires less than six months after issuance.

~~(3)~~ At or prior to each license renewal thereafter, 12 hours of continuing education received during the renewal period.

~~(g)~~ Any person who qualifies for original licensure as a salesperson pursuant to K.S.A. 58-3039, and amendments thereto, on or after July 1, 2007, shall not be required to comply with subsection ~~(e)~~ until the second license renewal period if the license expires less than six months after it is issued.

~~(h)~~(g) Except for courses reviewed pursuant to subsection ~~(k)~~ (j), courses of instruction required by this section shall be courses approved by the commission and offered by:

(1) An institution which is accredited by the north central association of colleges and secondary schools accrediting agency;

(2) a technical college as defined by K.S.A. 74-32,407, and

amendments thereto;

(3) a private or out-of-state postsecondary educational institution which has been issued a certificate of approval pursuant to the Kansas private and out-of-state postsecondary educational institution act;

(4) any agency of the state of Kansas;

(5) a similar institution, approved by the commission, in another state; or

(6) an entity, approved by the commission, to provide continuing education.

~~(g)~~(h) The commission shall adopt rules and regulations to: (1) Prescribe minimum curricula and standards for all courses offered to fulfill education requirements of this act; (2) designate a course of study to fulfill any specific requirement, which may include a testing requirement; (3) prescribe minimum qualifications for instructors of approved courses; and (4) establish standards and procedures for approval of courses and instructors, monitoring courses, advertising, registration and maintenance of records of courses, and withdrawal of approval of courses and instructors.

~~(h)~~(i) The commission may approve distance education courses consisting solely or primarily of instruction provided online or in other computer-assisted formats, or by correspondence, audiotape, videotape or other media. For the purposes of this section, attendance of one hour of instruction shall mean 50 minutes of classroom instruction or the equivalent thereof in distance education study as determined by the commission.

~~(i)~~(j) Courses of instruction required by this section shall be courses approved by the commission either before or after their completion. The commission may give credit toward the 12 hours of continuing education required by subsection ~~(e)~~ or (f) to any licensee who submits an application for course review obtained from the commission and pays the fee prescribed by K.S.A. 58-3063, and amendments thereto, if, in the judgment of the commission, the course meets the objectives of continuing education.

~~(j)~~(k) The commission shall publish ~~annually~~ a list of ~~educational institutions and entities and the courses offered by them in this state which are~~ approved by the commission.

~~(k)~~(l) No license shall be issued or renewed unless the applicable requirements set forth in this section are met within the time prescribed.

Sec. 5. K.S.A. 2018 Supp. 58-3047 is hereby amended to read as follows: 58-3047. (a) The commission shall issue a license as broker or salesperson to each applicant who is qualified under and complies with all provisions of this act and rules and regulations adopted hereunder. The form of license shall be prescribed by the commission.

(b) A salesperson's or associate broker's license shall be ~~delivered or mailed to the~~ *in the control of their* supervising broker or branch broker, if applicable, ~~and shall be kept in the custody and control of such broker until canceled or until the salesperson or associate broker leaves employment by or association with the broker until deactivated by the commission at the request of the salesperson or associate broker or the supervising broker or branch broker.~~

(c) ~~Immediately upon the termination of a salesperson or associate broker from employment by or association with a broker, the supervising broker or branch broker, if applicable, shall return such salesperson's or associate broker's license to the commission for cancellation—The supervising broker or branch broker shall immediately notify the commission of the termination of employment or association with a salesperson or associate broker and request deactivation of the salesperson's or associate broker's license. A license canceled~~ *deactivated* but not suspended or revoked may be reinstated at

any time during the period for which it was issued upon receipt of the fee for reinstatement prescribed by K.S.A. 58-3063, and amendments thereto, and an application therefor. Such application shall be made on a form provided by the commission and shall be signed by the licensee and the licensee's supervising broker or branch broker, if applicable.

~~(d) Upon a change in a supervising broker's name, business name or trade name for the primary office or a change in the location of a supervising broker's office, the supervising broker shall, within 10 days, return to the commission together with the reinstatement fee prescribed by K.S.A. 58-3063, and amendments thereto, for cancellation and reinstatement under the new name or location of the supervising broker: (1) The license of the supervising broker; (2) the license of any other broker who is associated with the supervising broker and whose license requires reinstatement under the new name or location; and (3) the licenses of all salespersons and associate brokers employed by or associated with the supervising broker.~~

~~(e) The supervising broker of the primary office shall be responsible for ensuring that the branch broker complies with subsections (f) and (l).~~

~~(f) Upon a change in a supervising broker's name, business name or trade name for the primary office or a change in the location of a branch broker's office, the branch broker shall, within 10 days, return to the commission, for cancellation and reinstatement under the new name for the primary office and branch office or location of the branch office, the license of the branch broker and the licenses of all salespersons and associate brokers assigned to the branch office, together with the reinstatement fee prescribed by K.S.A. 58-3063, and amendments thereto.~~

~~(g) (1) To change the broker designated as the branch broker or supervising broker of an office, the supervising broker shall, within 10 days, notify the commission on a form approved by the commission. Except as provided in paragraphs (2), (3) or (4), the supervising broker shall return to the commission, for cancellation and reinstatement, the licenses of the current broker and new broker, together with the reinstatement fee prescribed by K.S.A. 58-3063, and amendments thereto.~~

~~(2) The license of a broker is not required to be returned to the commission for cancellation and reinstatement if the broker is:~~

~~(A) An associate broker in the primary office and will function as the supervising broker; or~~

~~(B) an associate broker in the branch office and will function as the branch broker.~~

~~(3) The license of a supervising broker is not required to be returned to the commission for cancellation and reinstatement if the broker will continue to be associated or employed by the primary office as an associate broker.~~

~~(4) The license of a branch broker is not required to be returned to the commission for cancellation and reinstatement if the broker will continue to be associated or employed by the branch office as an associate broker.~~

~~(h)(d) If a salesperson's or associate broker's employment or association with a supervising broker is terminated by the supervising broker *supervising broker or branch broker requests a salesperson's or associate broker's license to be deactivated* for a violation of this act or rules and regulations adopted hereunder, or the brokerage relationships in real estate transactions act or rules and regulations adopted thereunder, the supervising broker *or branch broker* shall submit a written statement to the commission, within 10 days, setting forth the alleged facts that were involved. *The supervising broker of the primary*~~

office shall be responsible for ensuring that the branch broker complies with this subsection.

~~(i) If a salesperson's or associate broker's employment or association with a branch broker is terminated by the branch broker for violation of this act or rules and regulations adopted hereunder, or the brokerage relationships in real estate transactions act or rules and regulations adopted thereunder, the branch broker shall submit a written statement to the commission, within 10 days, setting forth the alleged facts that were involved.~~

~~(j) When a termination occurs pursuant to subsections (h) or (i) and a real estate transaction is involved, the duty to report shall apply whether the salesperson or associate broker acted as an agent, transaction broker or as a principal in the transaction.~~

~~(k) Upon closure of a primary office, the supervising broker shall, within 10 days, notify the commission of the closure of the office and return to the commission the supervising broker's license and the licenses of all salespersons or associate brokers employed by or associated with the primary office for the following:~~

~~(1) Cancellation and reinstatement if the supervising broker has paid the appropriate fee and filed the appropriate form with the commission for purposes of the supervising broker becoming employed by or associated with a new supervising broker or branch broker;~~

~~(2) cancellation and reinstatement if the salesperson or associate broker has paid the appropriate fee and filed the appropriate form with the commission for purposes of the salesperson or associate broker becoming employed by or associated with a new supervising broker or branch broker; or~~

~~(3) placement of each license on inactive status.~~

~~(l) Upon closure of a branch office, the branch broker shall, within 10 days, notify the commission of the closure of the office and return to the commission the branch broker's license and the licenses of all salespersons or associate brokers employed by or associated with the branch office for the following:~~

~~(1) Cancellation and reinstatement if the branch broker has paid the appropriate fee and filed the appropriate form with the commission for purposes of the branch broker becoming employed by or associated with a new supervising broker or branch broker;~~

~~(2) cancellation and reinstatement if the salesperson or associate broker has paid the appropriate fee and filed the appropriate form with the commission for purposes of the salesperson or associate broker becoming employed by or associated with a new supervising broker or branch broker; or~~

~~(3) placement of each license on inactive status~~

~~(e) A license deactivated for a period of not more than two years and that is not suspended or revoked shall be reinstated if the licensee complies with the requirements of K.S.A. 58-3046a, and amendments thereto, for the immediately preceding license period and pays the fee for reinstatement prescribed by K.S.A. 58-3063, and amendments thereto, and an application therefor. Such application shall be made on a form provided by the commission.~~

~~(f) A license deactivated for a continuous period of more than two years and not more than five years and that is not suspended or revoked shall be reinstated if the licensee submits evidence, satisfactory to the commission, of attendance at continuing education approved by the commission that totals six additional hours of instruction for each full year that the license has been on deactivated status, pays the fee for reinstatement prescribed by K.S.A. 58-3063, and amendments thereto, and an application therefor. Such application shall be made on a form provided by the commission.~~

(g) *A license deactivated for a continuous period of more than five years and that is not suspended or revoked shall be reinstated if the licensee meets the examination requirements for an original applicant, submits evidence, satisfactory to the commission, of attendance at courses of instruction approved by the commission that totals six additional hours of instruction for each full year that the license has been on deactivated status, pays the fee for reinstatement prescribed by K.S.A. 58-3063, and amendments thereto, and an application therefor. Such application shall be made on a form provided by the commission.*

(h) *A licensee whose license is deactivated shall not be entitled to act in any capacity for which a license is required, until the licensee's license has been reinstated.*

Sec. 6. K.S.A. 2018 Supp. 58-3060 is hereby amended to read as follows: 58-3060. (a) Each licensed resident broker shall have and maintain a ~~principal place of business~~ *primary office* in the state of Kansas, or in an adjoining state ~~with the written permission of the commission, which shall serve as such broker's primary office for the transaction of business.~~ Each licensed nonresident broker shall have and maintain a ~~principal place of business~~ *primary office* in the broker's state of residence or in the state of Kansas ~~which shall serve as such broker's primary office for the transaction of business.~~

(b) A supervising broker shall be designated to supervise the primary office and the activities of salespersons and associate brokers assigned to the primary office. Each additional office or place of business, other than the primary office, shall be designated a branch office and a branch broker shall be designated to supervise such office and the activities of salespersons and associate brokers assigned to such office.

(c) ~~A branch broker's license and those of salespersons and associate brokers assigned to the branch office shall be displayed in the branch office. All other licenses of brokers, salespersons and associate brokers shall be displayed in the broker's primary office.~~

(d) ~~A supervising broker shall give written notice to the director commission within five days of any change in location of any office of the broker, by returning licenses for cancellation and reinstatement under the new location as provided by K.S.A. 58-3047, and amendments thereto the:~~

- (1) *Supervising broker's name;*
- (2) *business name;*
- (3) *trade name;*
- (4) *location of any office of the broker; or*
- (5) *broker designated as the branch broker or supervising broker of an office.*

(d) *A supervising broker shall give written notice to the commission within five days of closure of a primary office or branch office. The commission shall place each license that is still affiliated with the closed office, at the time of closure, on inactive status unless that license is affiliated with another office.*

(e) The requirement of maintaining an office as provided by this section shall not apply to an associate broker, to a broker whose license is on deactivated status or to an officer, member, partner, shareholder or employee of an association, corporation, limited liability company, limited liability partnership, partnership or professional corporation who is not designated as the supervising broker of an office of the association, corporation, limited liability company, limited liability partnership, partnership or professional corporation.

(f) *A primary office may be in the supervising broker's residence. A branch office may be in the branch broker's residence.*

Sec. 7. K.S.A. 2018 Supp. 58-3063 is hereby amended to read as

follows: 58-3063. (a) The commission shall adopt rules and regulations fixing the amounts of the fees provided for by this act, subject to the following:

(1) For any examination required for licensure, a fee in an amount equal to the actual cost of the examination and the administration thereof.

(2) For any criminal history record check ~~required for licensure~~, a fee in the amount necessary to reimburse the commission for the cost of administering the criminal history record check.

(3) For submission of an application for an original salesperson's license, an amount not exceeding \$25.

(4) For submission of an application for an original broker's license, an amount not exceeding \$50.

(5) For an original salesperson's license, a ~~prorated~~ fee based on a two-year amount not exceeding \$150.

(6) For an original broker's license, a ~~prorated~~ fee based on a two-year amount not exceeding \$200.

(7) For renewal of a salesperson's license, a fee based on a two-year amount not exceeding \$150.

(8) For renewal of a broker's license, a fee based on a two-year amount not exceeding \$200.

(9) For reinstatement of a license which has been deactivated ~~or which has been canceled~~ pursuant to K.S.A. 58-3047(c), and amendments thereto, ~~or by reason of termination of a salesperson~~, an amount not exceeding \$15.

(10) ~~For reinstatement of all licenses canceled pursuant to K.S.A. 58-3047(d) or (f), and amendments thereto, an amount not exceeding \$7.50 for each license canceled.~~

~~(11) For issuance of a duplicate license, an amount not exceeding \$10.~~

~~(12) For certification of licensure to another jurisdiction, an amount not exceeding \$10.~~

~~(13) For approval of a course of instruction submitted by a course provider pursuant to K.S.A. 58-3046a, and amendments thereto, an amount not exceeding \$75.~~

~~(14) For renewal of an approved course of instruction pursuant to K.S.A. 58-3046a, and amendments thereto, an amount not exceeding \$15.~~

~~(15)(11) For approval of a course of instruction submitted by any licensee for credit toward the 12 hours of additional instruction required by K.S.A. 58-3046a, and amendments thereto, an amount not less than \$10 nor more than exceeding \$20, as determined by the commission.~~

~~(16) For a temporary salesperson's license, an amount not exceeding \$25.~~

~~(17)(12) For each branch office opened or established after July 1, 2006, an amount not exceeding \$100.~~

~~(18)(13) For each primary office of a company created or established by a supervising broker after July 1, 2006, an amount not exceeding \$100.~~

~~(19) For certification of a licensee's education history under K.S.A. 58-3046a, and amendments thereto, an amount not exceeding \$25.~~

~~(20) For certification of licensure of a professional corporation, an amount not exceeding \$25.~~

~~(21) For each additional primary or branch office at which a salesperson or an associate, supervising or branch broker is associated or employed, if such person is associated or employed by more than one primary or branch office, an amount not exceeding \$50, to be paid~~

~~by such salesperson or broker.~~

~~(b) For each prorated fee, the commission shall establish a monthly amount, rounded off to the nearest dollar, and shall compute the fee from the last calendar day of the month in which the license is issued to the expiration date of the license.~~

~~(e)(b)~~ Subject to the limitations of this section, the commission shall fix the fees provided for by this section in the amounts necessary to administer and enforce this act.

~~(d)(c)~~ The fees provided for by this section shall be applicable regardless of the type of license.

Sec. 8. K.S.A. 2018 Supp. 58-3080 is hereby amended to read as follows: 58-3080. ~~(a) Except as provided in subsection (e),~~ When the license of a supervising broker or branch broker expires or is deactivated, the licenses of all licensees associated with or employed by the supervising broker or branch broker shall automatically be placed on inactive status within five calendar days after written notice is issued by the commission to the associated or employed licensee unless notification is provided to the commission prior to the expiration date of the license or the date the license is deactivated that another broker will assume the role as the supervising broker or branch broker ~~or, the licensee transfers to another supervising broker or branch broker~~ *or the licensee is currently associated or employed with another broker. If deemed in the public interest until pending transactions are closed, the commission may authorize another broker to act as the supervising or branch broker during any period of deactivation.*

~~(b) If notification is not received by the commission prior to the expiration date or deactivation date of the supervising broker's or branch broker's license that another broker will act as supervising broker or branch broker, the supervising broker or branch broker whose license expires or is deactivated shall return to the commission the licenses of all licensees associated or employed by the supervising broker or branch broker before or immediately upon the expiration date or deactivation date of the supervising broker's or branch broker's license.~~

~~(c) If deactivation is a condition imposed upon the license of a supervising broker or a branch broker by order of the commission pursuant to K.S.A. 58-3050, and amendments thereto, the commission may authorize another broker to act as the supervising broker or branch broker during the period of deactivation. If another broker is not authorized to act as the supervising broker or branch broker during the period of deactivation, the supervising broker or branch broker shall return to the commission the licenses of all licensees associated with or employed by the supervising broker or branch broker within five calendar days of the effective date of the commission's order of deactivation.~~

~~(d)~~ The provisions of this section shall be a part of and supplemental to the Kansas real estate brokers' and salespersons' license act.

Sec. 9. K.S.A. 2018 Supp. 58-3081 is hereby amended to read as follows: 58-3081. (a) When the license of a supervising broker or branch broker is suspended or revoked, the licenses of all licensees associated with or employed by the supervising broker or branch broker shall automatically be placed on inactive status within five calendar days after written notice is issued by the commission to the associated or employed licensee for the duration of the suspension or revocation, unless the licensee transfers to another supervising broker or branch broker *or the licensee is currently associated or employed with another broker.* If deemed in the public interest until pending transactions are closed, the commission may authorize another broker to act as the

supervising or branch broker during any period of suspension or revocation.

~~(b) If another broker is not authorized by the commission to act as the supervising broker or branch broker during the period of suspension or revocation, the supervising broker or branch broker whose license is suspended or revoked shall return to the commission the licenses of all licensees associated or employed by the supervising broker or branch broker within five calendar days of the effective date of the order of suspension or revocation.~~

~~(e) The provisions of this section shall be a part of and supplemental to the Kansas real estate brokers' and salespersons' license act.~~

Sec. 10. K.S.A. 74-4202 is hereby amended to read as follows: 74-4202. ~~(a) Within 30 days after the appointment of the members to be regularly appointed within any year, the commission shall meet in the city of Topeka for the purpose of organizing by selecting from its membership a chairperson and such other officers as the commission may deem necessary and appropriate. At the first meeting of the commission after January 1 of each year, or as required thereafter, the members shall elect a chairperson and a vice-chairperson from its membership. The members elected shall serve for a term of one year or the remainder of the term, as the case may be. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.~~ A majority of the members of the commission shall constitute a quorum for the exercise of the powers or authority conferred upon it.

(b) The commission shall receive applications for, and issue licenses to, brokers and salespersons, as provided in the real estate brokers' and salespersons' license act and shall administer the provisions of this act and the brokerage relationships in real estate transactions act. The commission may do all things necessary and convenient for carrying into effect the provisions of the acts and may adopt rules and regulations ~~not inconsistent~~ *consistent* with the acts. For the purpose of the acts, the commission shall make all necessary investigations, and every licensee shall furnish to the commission such evidence as the licensee may have as to any violation the acts or any rules and regulations adopted under the acts. The commission may enforce any order by an action in the district court of the county where the alleged violator resides or where the violation allegedly occurred.

(c) Each member of the commission shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto.

(d) The commission shall hold meetings and hearings in the city of Topeka or at such places as it shall determine at such times as it may designate and on request of two or more of its members.

~~(e) The commission shall maintain an office in the city of Topeka; and all files, records and property of the commission shall at all times be and remain therein.~~

~~(f) The commission shall adopt a seal by which it shall attest its proceedings. Copies of all records and papers required by law or the commission to be filed in the office of the commission, when duly certified by the director, assistant director or chairperson of the commission and attested by the seal of the commission, shall be received in evidence in all courts of the state of Kansas equally and with like effect as the originals.~~

Sec. 11. K.S.A. 58-3049 and 74-4202 and K.S.A. 2018 Supp. 58-3039, 58-3040, 58-3045, 58-3046a, 58-3047, 58-3060, 58-3063, 58-3080 and 58-3081 are hereby repealed.

Sec. 12. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

President of the Senate.

Secretary of the Senate.

Passed the HOUSE _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.