

Approved: 3/1/07
Date

MINUTES OF THE HOUSE COMMERCE AND LABOR COMMITTEE

The meeting was called to order by Chairman Steve Brunk at 9:00 A.M. on February 14, 2007 in Room 231-N of the Capitol.

All members were present.

Committee staff present:

Jerry Ann Donaldson, Kansas Legislative Research Department
Duston Slinkard, Office of Revisor of Statutes
Stephen Bainum, Committee Assistant

Conferees appearing before the committee:

Others attending:

See attached list.

The Chairman opened the meeting for action on **HB 2249 - Technical Changes to the use of real estate validation questionnaires.** He explained the changes in the bill.

Representative Pauls made a motion to move the bill, seconded by Representative Roth. Representative Pauls then made a motion to accept the amendment, seconded by Representative Gordon.

Representative Sharp asked for a clarification on the difference between a client and a customer. Luke Bell said that transaction brokers do not have clients. They have customers.

The Chairman called for a vote on the amendment and it passed.

Representative Goico moved that we pass HB 2249 as amended favorable for passage. Seconded by Representative Kiegerl. It was passed by unanimous vote.

The Chairmen then moved to **HB 2295 - Effect of criminal convictions on licensure of real estate brokers and salespersons.**

A balloon was passed out and Duston explained the balloon.

Representative Grange asked who does the fingerprinting. Dustin indicated it was done by law enforcement agencies as per page 1, lines 33-34.

Representative Roth asked if this had been reviewed by the Kansas Real Estate Commission and if they agreed with it. The Chairman indicated that he would give the commission an opportunity to address that question a little later.

Representative Huntington asked if page 1, line 36 would eliminated childhood pranks. Luke Bell said that the KBI takes that info out of the report. Duston said that if it is a juvenile matter it will not be disclosed but if it is on the registry then it is a 15 year ban.

Representative Sharp asked if on page 3 it referred to a felony or a misdemeanor. Duston said that the language gave the commission the ability to consider a misdemeanor but there were not mandatory consequences.

The motion to adopt the balloon was made by Representative Kiegerl and seconded by Representative Grange. The balloon was adopted and the committee was back on the bill. There were no questions from the committee and the Chairman gave the Commission an opportunity to speak about the bill. The commission said that they were concerned about how things were put in the discipline section versus their authority to consider licenses for renewal. Duston replied that by their understanding they were not taking away any discipline and 3043 was unchanged. The Commission asked if the felony charge conflicted with the language in 3050. Dustin said that the grandfather clause in subsection O would eliminate the mandatory revoking of a license but that the Commission would have the ability to consider the revocation. The Commission said that when

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talking to the Kansas Real Estate Association they made a distinction between sexual and violent offenders. Their real concern was the permanent bar. They felt that 10 years was a more appropriate place to put violent offenders and that 15 years was more appropriate for sexual offenders. Now they are in the same group of 15 years.

Representative Goico proposed a conceptual amendment to bring the Commission into agreement with the Kansas Real Estate Association. Chairman Brunk did not allow the conceptual amendment at this time because we are considering a technical question. Luke Bell explained that there was no conflict between 3050 and 3043. They are not losing any powers they currently have.

Representative Sharp commented that many of her constituents had no problem barring a violent offender for life.

Representative Pauls said that technical needs can be addressed on the house floor.

Representative Gordon made the motion report **HB 2295** as amended favorable for passage. Seconded by Representative Sharp. Passed by vote of the committee.

The Chairman turned the committees attention to **HB 2293 - Technical changes to the licensure, examination and registration of certified public accountants.**

Duston Slinkard explained the balloon. Representative Kiegerl made the motion to accept the balloon and it passed by voice vote.

Representative made a motion to pass the bill out favorably as amended, seconded by Representative Goico. The motion carried by voice vote.

The Chairman called the committees attention to **HB 2314 - Board of Accountancy approval of educational credit.** There was no balloon on the bill. The floor was opened to questions about the base bill.

Representative Landwehr asked a question about page 1, line 27, saying that the statement gave the board too much authority. The Board of Accountancy said that we have a high standard in the colleges in Kansas but that for colleges outside the State they have no control over what they teach. The Regulatory Board needs discretion to ensure that the credits from other states meet the level that Kansas accepts.

Representative Grange said that the reason we are hearing this bill is because the Board used discretion last year and was challenged. The conferee said that their intent was to make good decisions so we should let them do it and see how they do next year.

Representative Gordon commented that we also have private colleges here.

Representative Kiegerl said that he felt that the Board was very unreasonable last year in exercising discretion and that we should strike line 27 altogether. He made a motion to strike line 27 and it was seconded by Representative Humerickhouse.

Representative Huntington said there were different interpretations of what happened last year. The person in question did not take all the classes required at the college. Duston explained that colleges have residency requirements for degree credit.

Representative Goico said that deleting line 27 goes further than the committee has discussed.

Representative Kiegerl insisted on his interpretation of facts from last year and said that line 27 gives the Board too much discretion.

The Chairman said that there was a difference of opinion as to what constitutes a valid credit. Last year the bill passed the House and Senate and was vetoed by the Governor. He understood that

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the Board was going to examine their requirements. There is no pattern of abuse here, it was an isolated incident and the Board needs some discretion as to what credits they accept.

Representative Sharp asked if a degree in accounting was required. The Board of Accountancy requires a BA degree with 30 hours in accounting. The Board has put a lot of time and effort in meeting with Kansas colleges to establish the criteria.

The time being short because of being on the floor at 10:30 A.M. Representative Kiegerl withdrew his motion.

The Chairman adjourned the meeting at 10:22 A.M.