

February 4, 2015

The Honorable Julia Lynn, Chairperson  
Senate Committee on Commerce  
Statehouse, Room 445-S  
Topeka, Kansas 66612

Dear Senator Lynn:

**SUBJECT:** Fiscal Note for SB 106 by Senate Committee on Commerce

In accordance with KSA 75-3715a, the following fiscal note concerning SB 106 is respectfully submitted to your committee.

SB 106 would amend the Kansas Real Estate Brokers' and Salespersons' Licenses Act to allow the Kansas Real Estate Commission to approve education providers that offer continuing education courses in real estate. The bill replaces references to "additional instruction" with the term "continuing education" and replaces "area vocational or vocational technical schools" with the term "technical college."

Current law allows the Commission to refuse to grant a new or renewal real estate license or place certain conditions on a real estate license under certain circumstances. The bill would provide clarifying language that this provision would also apply to applicants as well as licensees. The bill adds specified acts and omissions against the Commission to the list of prohibited conduct. The bill also updates requirements for either contacting or negotiating directly with a seller or landlord who is being assisted by a transaction broker and clarifies procedures for showing a property or submitting offers when a seller offers cooperation with other licensees.

The Kansas Real Estate Commission indicates that the administrative costs associated with SB 106 would be negligible and could be absorbed within existing resources. The Commission indicates that it is already responsible for approving courses provided by continuing education providers and can incorporate its review of these providers within its current operations. The Commission indicates that the Board of Regents previously approved education providers that offer continuing education courses in real estate; however, it has indicated that it will no longer provide this service. The Board of Regents charged providers an initial application fee and a yearly renewal fee to in-state and out-of-state education providers. Under the bill, the Commission would not have the authority to charge a fee to review and approve continuing education providers. The Commission estimates that based on the fees previously

The Honorable Julia Lynn, Chairperson

February 4, 2015

Page 2—SB 106

charged by the Board of Regents, the lost fee revenue would amount to approximately \$10,000 per fiscal year. Any fiscal effect associated with SB 106 is not reflected in *The FY 2016 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a long horizontal line extending to the right.

Shawn Sullivan,  
Director of the Budget

cc: Kelly White, Real Estate Commission  
Kelly Oliver, Board of Regents