

Approved: Al Ramirez 2-24-93  
Date

## MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Chairperson Al Ramirez at 1:30 p.m. on February 17, 1993 in Room 531-N of the Capitol.

All members were present except: Senator Papay - Excused

Committee staff present: Julian Efird, Legislative Research Department

Fred Carman, Revisor of Statutes  
Jackie Breymeyer, Committee Secretary

Conferees appearing before the committee: Senator Phil Martin  
Jean Duncan - Kansas Real Estate Commission

Others attending: See attached list

Senator Ramirez called the meeting to order and called for action on the February 15 minutes.  
Senator Harris moved approval of the February 15 minutes. Senator Reynolds gave a second to the motion. The motion carried.

**SB 269** - state certified and licensed real property appraisers act

Senator Phil Martin stated that he was a licensed and certified appraiser. This bill would provide for the separation of the board from the commission. He stated that Tim Hagemann, head of the appraisal board, had just passed away. Senator Martin was sure that Mr. Hagemann would have been present today to testify in support of the bill.

Jean Duncan, Administrative Officer, Kansas Real Estate Commission, appeared next on the bill. She read from testimony of Mr. Gene Yocker, Kansas Real Estate Commission, as he was unable to appear to testify. (Attachment 1) The Real Estate Appraisal Board is attached to the commission for administrative purposes. The regulation of appraisers was mandated by federal law. There are approximately 800 appraisers in the State of Kansas. Fees charged to these appraisers will be enough to run the board. The expenditure for capital outlay in 1994 will be approximately \$7,972; office space for the 1994, 1995 and 1996 should run \$8,092; the salary estimate is based on the difference between and 30% and 100% position for the administrative officer. The salary would be an ongoing expense of \$23,000 to \$24,000.

The question was asked regarding the number of realtors in Kansas. The reply was about 15,000. This is down from approximately 20,000.

Discussion centered on page 4 of the bill and classified and unclassified civil service. Also other language in particular sections was discussed.

The committee turned its attention to **SB 270**-state certified and licensed real property appraisers act

Jean Duncan read from Mr. Yockers testimony (Attachment 2) and stated the bill has two major purposes; 1) to change from a one-year to a three-year renewal term, and 2) to provide that investigations and disciplinary actions apply to any appraisals performed by licensed a certified appraisers. Ms. Duncan went through a section-by-section review of the bill.

The Chairman thanked Ms. Duncan and seeing no other proponents or opponents, asked the committee to return to **SB 269**.

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION, Room 531-N  
Statehouse, at 1:30 p.m. on February 17, 1993.

Mr. Carman, Revisor, went through the language needed to be inserted into the bill.

Page 4, line 24, after the word employees, insert, ' and shall be in the classified service of the Kansas Civil Service Act.'

Senator Feleciano moved this amendment. Senator Reynolds gave a second to the amendment. On discussion it was decided that the rest of line 24 to the end of that sentence needed to be deleted. This was added to the motion to amend.

The motion carried.

Staff directed attention to page 6, lines 2 and 3, the question being who signs the vouchers for an agency. Typically it is the chairperson of the board or a person designated by the board rather than a state employee. If the chairperson wants to delegate that authority that is fine, but the legal authority usually is the head of the agency who is the chair. Staff stated that committee might want to consider on line 2 where it talks about 'approved by the director of the board', substituting 'chairperson of the board' or by a person or persons designated by the chairperson so he can designate the director to sign on the chairperson's behalf. It's a form of checks and balances.

The Chairman stated he would entertain a motion to amend lines 2 and 3 on page 6 as stated by staff.

Senator Feleciano moved the amendment. Senator Reynolds gave a second to the motion. Motion carried.

Senator Feleciano recommended SB 269 be passed favorably as amended. Senator Reynolds gave a second to the motion. The motion carried.

Senator Vidricksen will carry the bill.

The Chairman directed the committee's attention to **SB 270**. On page 2, line 18 after the word 'and' add the words, "examination council" was suggestion as needed for the bill. There were some other details that needed to be worked in by staff.

Senator Reynolds made a conceptual motion to add the language on page 2 plus language added by staff as needed. Senator Feleciano gave a second to the motion. The motion carried.

Senator Harris recommended SB 270 favorably for passage as amended. Senator Reynolds gave a second to the motion. The motion carried.

Senator Vidricksen will carry the bill.

The meeting was adjourned.

The next meeting is scheduled for February 18, 1993.

## GUEST LIST

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COMMITTEE: Senate  
Gov. Organization

DATE: Feb. 17, 1993

[illegible]

Senate Governmental Organization Committee  
February 17, 1993  
Senate Bill 269

Mr. Chairman and members of the committee:

My name is Gene Yockers, and I am the Director of the Kansas Real Estate Commission. The Real Estate Appraisal Board is attached to the commission for administrative purposes, and I am here on behalf of the board and the commission.

The regulation of appraisers was mandated by federal law, known as Title XI. When our state law was passed by the 1990 Legislature, no one had a very good estimate as to the number of appraisers who would become licensed or certified. The numbers exceed our expectations.

Now that we are in our third year of the program--the board having been appointed in July 1990--we believe that the program justifies and can support an independent agency.

Senate Bill 269 provides for the separation of the board from the commission effective October 1, 1993.

Members of the board and commission join me in urging you to recommend the bill for passage.

*G.O. Comm.  
Attachment 1  
2/17/93*

Senate Governmental Organization Committee  
February 17, 1993  
Senate Bill 270

Mr. Chairman and members of the committee:

My name is Gene Yockers, and I am the Director of the Kansas Real Estate Commission. As you know, the Real Estate Appraisal Board is attached to the commission for administrative purposes, and I am here on behalf of the board.

Senate Bill 270 has two major purposes: (1) to change from a one-year to a three-year renewal term, and (2) to provide that investigations and disciplinary actions apply to any appraisals performed by licensed and certified appraisers.

(1) CHANGE TO THREE-YEAR RENEWAL TERM

Section 1 is the fee section. There is no change in the maximum license and renewal fees. The language "based on an annual amount" has been added to address both the one-year and three-year terms.

A \$25 annual federal registry fee is collected from each appraiser and transmitted to The Appraisal Subcommittee. The amendment in subsection (f) addresses collection of the fee in the event it is increased during a three-year renewal term.

Section 3 provides for a three-year renewal term beginning July 1, 1994. There will be one more annual renewal for the period July 1, 1993 to June 30, 1994.

Section 4 amends the renewal date to coincide with the three-year term.

Section 5 provides that a licensee will not have to meet the continuing education requirement until the second license renewal if, for a one-year renewal, the license expires less than six months after issuance; and, for a three-year renewal, less than 18 months after issuance.

(2) INVESTIGATIONS AND DISCIPLINARY ACTIONS

Subsection (d) of Section 6 has been added to establish or clarify that investigations and disciplinary actions apply to any appraisals performed by licensed and certified appraisers whether or not the appraisal involves a federally related transaction. The Appraisal Subcommittee, which monitors state programs for compliance with federal law, wants this provision in state laws. Their position was stated in testimony before Congress on the implementation and effectiveness of Title XI (federal law).

*G.O. Comm.  
Attachment 2  
2/17/93*

Senate Governmental Organization Committee  
SB-270  
page two

(3) OTHER CHANGES

Section 1(a)(8). In order for an appraiser to obtain continuing education credit for a course, the course must be approved by the board. The sponsor submits the course for approval and pays a \$50 fee for review of a new course and \$15 for renewal of a course. The addition in paragraph (8) will allow an appraiser to submit a course for approval for a fee not to exceed \$10. This will be helpful to an appraiser who takes a course which the sponsor does not choose to submit for approval but which meets criteria for approval.

Section 2(f). The amendment is clean-up language.

We respectfully request that you recommend the bill for passage.