

**AGENCY PROGRAM DESCRIPTIONS**

**Administration: Administration**

**Subprogram History**

The Kansas Real Estate Commission operates under the authority granted by K.S.A. 74-4201 et seq. K.S.A. 58-3034 et seq. prescribes licensing standards for real estate brokers and salespersons. K.S.A. 58-30,101 et seq. governs brokerage relationships between real estate salespersons, brokers, and their clients and customers. Since 1949, the Kansas Real Estate Commission administers a program of licensure, education, and compliance relating to the transacting of real estate by salespersons and brokers in Kansas. The commission is composed of five members appointed by the Governor for staggered four-year terms. One member is appointed from each congressional district and one member from the state at large. At least three members shall have been real estate brokers for at least five years and at least one member shall have never been a real estate broker.

**Consequences of Not Funding This Subprogram**

Real estate licensure imposes important fiduciary duties meant to minimize the danger of financial harm: The duty to fully disclose all material facts to the client; a duty to fully disclose all purchase offers to sellers; a duty to handle client information and affairs with loyalty and confidentiality; and the duty to act honestly and in good faith, and without self-dealing and conflicts of interest. Foreseeable harms attendant to real estate transactions are primarily financial, although when a property sale involves a residence, personal risks can also arise. Foreseeable financial harms include, but are not limited to, purchase of properties that are noncompliant with local laws, have latent defects or that will otherwise necessitate considerable unanticipated expenses due to failure to understand the requirements or operation of state and local law, or failure of a contract to properly specify terms and conditions. Real estate requires considerable specialized knowledge. Applicants for real estate licenses must demonstrate proficiency in the principles and practices of the profession; state real estate and license law; professional standards; state agency law; real estate financing; real estate settlement procedures; escrow responsibilities; state record-keeping requirements; government regulations applicable to real estate; and a familiarity with state contract law.

**Statutory Basis**

KSA 74-4202(b).

Mandatory/Discretionary	MOE/Match Requirement	Program Priority	Subprogram Priority
Mandatory	No	1	1

**Subprograms Without Narrative Data**

**AGENCY PERFORMANCE MEASURES**

			2022 Actuals	2023 Actuals	2024 Actuals	2025 Actuals	2026 Estimate	2027 Estimate
<b>Administration: Administration</b>								
Goal	Type	Measure						
Increasing licensees' knowledge of Kansas real estate law through education and outreach.		Number of salesperson prelicenses courses approved	56	44	44	38	38	38
Licensing only those individuals who have successfully completed all pre-licensing and continuing education requirements required by Kansas law.		Number of applications denied	21	24	18	12	10	10
		Number of persons taking licensing exam	3,486	3,111	2,873	2,579	2,650	2,700
	Outcome	Average regulatory cost per real estate license	\$66.47	\$81.02	\$80.43	\$85.60	\$91.26	\$92.13
		Percent of licenses renewed online	95.00%	95.00%	96.00%	95.00%	95.00%	96.00%
	Output	Number of Active Real Estate Licensees	18,389	17,304	17,358	16,830	17,000	17,200
		Percentage of licenses issued within one business day of completion	99.00%	99.00%	99.00%	100.00%	99.00%	99.00%
Regulating real estate licensed activities to require compliance with commission statutes and regulations.		Number of complaints logged	362	329	330	343	310	300
		Percentage of companies found with violations during compliance review	57.00%	56.00%	56.00%	52.00%	55.00%	55.00%
	Outcome	Average regulatory cost per real estate license	\$66.47	\$81.02	\$80.43	\$85.60	\$91.26	\$92.13
		Number of compliance reviews performed	260	300	336	345	375	400
<b>Footnotes</b>								