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H.E. Corder II, Director
Kentucky Real Estate Authority

Kentucky Board of Home Inspectors
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VOTING MEMBERS
Welford "Bud" Wenk, Chair
Mitch Buchanan, Vice Chair
Steven Cunningham
Larry Joe Walden
Paul Ogden

STAFF
Nathan L. Burton, Board Administrator
Heather L. Becker, General Counsel

July 16, 2019
10:00

BOARD MEETING MINUTES

A regular meeting of the Board of Home Inspectors was held at 656 Chamberlin Avenue, Suite B in Frankfort, Kentucky on July 16, 2019.

MEMBERS PRESENT

Welford "Bud" Wenk, Chair,
Mitch Buchanan, Vice Chair
Larry Joe Walden
Paul Ogden
Steve Cunningham

KENTUCKY REAL ESTATE AUTHORITY

Heather L. Becker, General Counsel
Nathan L. Burton, Board Administrator

GUESTS

Jackie Cummins- Initial Applicant
James Bush- Initial Applicant
Steve Keeney- PLI Provider Representative

CALL TO ORDER AND GUEST WELCOME

Board Chair Wenk called a regular meeting of the Kentucky Board of Home Inspectors to order at 10:03 a.m. All members were present and a quorum was established. Introductions were made, and guests in attendance were welcomed.

Review and Approval of Meeting Minutes

Member Buchanan made a motion to approve the June 18, 2019 Board meeting minutes. The motion was seconded by member Cunningham. With all in favor, the motion carried.

Review Financial Report

Chair Wenk brought the attention of the Board once more to requesting the Board take on the financial obligation of convenience fees established in the licensing portal during transactions. Counsel Becker stated that while there were no legal or fiscal reasons why the Board cannot cover the fees themselves, the actual implementation would take some time for I.T. to implement a fee split option in our licensing database. In the interim, Counsel advised that those licensees who submit renewals through the online



system do so in their own discretion and at their own convenience. Chair Wenk agreed and asked Counsel and staff to provide updates on the status of the Board being able to assume the convenience charges.

Chair Wenk made a motion for the Board to cover the convenience fees for renewal once the license renewal and convenience fee are capable of being separately charged. Member Buchanan seconded. With all in favor, the motion carried.

Licensure Report

Board Administrator Nathan Burton gave the licensure report. As of July 16, 2019 there are 513 Active Licensees, four (4) active pending renewal. In addition, there are ten (10) inactive licensees, and nine (9) pending initial applications. Three (3) licensees are Inactive for Non-Renewal. The total licensure report being 539 licensees.

Applications Committee Report

Chair Wenk, of the Applications Committee, reported the following committee recommendations:

Eight (8) Initial License applications were reviewed. Seven (7) of the eight (8) were recommended for approval, with the other deferred for administrative approval after necessary documentation was supplied.

There were two (2) renewal applications reviewed. One (1) was recommended for approval, with the other deferred for administrative approval after necessary documentation was supplied.

Chair Wenk made a motion to accept the recommendations of the Applications Committee, and Member Cunningham seconded. All in favor, the motion carried.

Legal Report

- Docket Review- Counsel Becker made the Board aware that they currently just have one pending complaint that is awaiting a response.
- Legislation Draft- Counsel Becker presented the Board with draft legislation on the topic of Reciprocity which was discussed at the previous month's board meeting. She asked if there were any changes that the Board wanted to add to the proposal. Board administrator Burton suggested that in the draft the requirements for reciprocal licensee change from "*The licensee must have a license in good standing from the authority they are requesting recognition through*" to "*The licensee must have an **active** license in good standing.....*" With this addition, the board recommended no further revisions.
- Counsel Becker presented the Board once more with the distance education proposals for new education regulations. This will be discussed in the next month's (August) board meeting. Counsel Becker suggested that the Board mimic what the other boards in the Kentucky Real Estate Authority have done in regards to the education requirements. The Board would want to do this for two reasons 1) To keep things consistent in the Authority and 2) So that the providers could apply for cross credit and cross approvals with all the Authority Boards.



Chair Wenk raised the concern that the reason the Board wants to move forward with changing the education standards is so that an individual could not wait until the last minute to receive all the education hours, and possibly have someone else do it for them online. Counsel Becker advised that a simple solution to that would be to cap the amount of hours a licensee can take in a certain amount of time so that a licensee doesn't wait until the last minute and possibly have multiple programs open at the same time. This is in an effort to improve professionalism within the state. Along with this, Counsel recommended implementing or requiring a student identification method so that providers can ensure that the student personally and actually completed the course with the provider

Counsel Becker brought attention to the Board that Board Administrator Burton is currently working on creating an education provider portal, similar to the Real Estate Commission's education provider portal, for the providers with Home Inspectors. This is so education providers can submit items (such as class attendances) directly to the Board so that the burden is not on the licensee at renewal to try to get all of the certificates together. While this would be a more streamlined process, with some responsibility on the provider to submit proof of completions, it would still be the responsibility of the licensee to ensure the classes were being reported.

Board Administrator Report

Board Administrator Nathan Burton gave the Board Administrator report:

- Action Items List Docket- Burton presented the Board with all of his Action Items:
 - Revising newsletter language submitted by the Board for environmental hazards and “tips of the month” to be distributed to licensees
 - Working on a “How to” licensing handbook for Home Inspectors which would include information such as establishing online service accounts, tracking renewals/education, and other administrative inquiries that arise from licensees
 - Collecting and editing Newsletter items
 - Drafting Licensing Cards Information Bulletin
- Online Renewals- Currently there is one Online Renewal that is awaiting pending documents. Burton then raised the question of how long the Board wants licensees to wait in an “Active-Pending Renewal” status, as currently they could indefinitely be waiting for correct documentation. The Board then decided they are of the opinion that a licensee can only stay in this status for 60 days, the same period of time in which a licensee is in the first level of late renewal penalties. He (Burton) has also added the field into the online portals that a licensee can input the insurance information themselves, and the licensee would just have to upload the documentation to prove the information is correct.
- Newsletter- The Board has submitted the items for review on the Newsletter, however we are still needing a few items. Counsel Becker has reviewed these items and submitted her suggestions to changes of what was submitted. As to going forward, while the Board wants a newsletter it would be wise to have a “pool” of items to draw from so that the newsletter can be provided quarterly in a timely manner.
- There was a question from a licensee to the Board to define the education requirement that is in 831 KAR 2:040 which states for renewal there has to be three (3) hours of law and three (3) hours of report writing. The question was this- is this per licensure year, or is it over all. i.e Are 6 hours of each required for the 2 year renewal, or is it still the 3 of each? The Board agreed that it is 3 hours



of each for each renewal cycle, not specifically each year. Therefore, there will be, in a two-year renewal, 3 hours of law, 3 hours of report writing, and 22 hours of electives.

Real Estate Authority Executive Director Comments

KREA Executive Director Corder gave the update that the Authority is still pushing, to make processing issues as automated as possible. The Authority is continuing to build the bridges between the different licensures, and as such are trying to find common ground with all four boards. The Authority's goal is to raise professional standards for all the licensees under the Authority.

Director Corder then went on to state that, as the Boards are seeing numerous issues filed against licensees, one thing he sees in common with the Boards that he is grateful for is the transparency of the Boards. He wants to commend both the KREA staff and the board members themselves for having this standard established, as it is possible it was not always the same standard that was upheld.

Board Chair Comments

Chair Wenk offered the floor to Vice Chair Buchanan to discuss and share concerns that he has heard recently about Hazardous Environmental Issues and addressing them in the Report. Counsel Becker recommended that the Board study the administrative regulation and recommend proposed changes to better assist licensees in the field. Counsel's duty is to ensure the Board is being reasonable in the interpretation of the law they set forth.

Member Ogden raised the point that if a license does mention the environmental hazards in one report, they need to be consistent in how they mention them in all the reports. Consistency is relative to business practices that a licensee needs to establish.

New Business

Member Ogden inquired about the Real Estate Commission's matrix for complaint processing, and asked if it could be applied to the Board of Home Inspectors. Counsel Becker stated that while the complaint processing is similar for the Board, the Board's statutory authority differs slightly from the Commission's and therefore certain aspects of the matrix are inapplicable to the Board. At the Board's direction, the legal staff can create a similar review chart for the Board as well.

Open Forum- Public Comments

Mr. Keeney from the Professional Learning Institute raised the issue that he has concern as he has received calls that the Board no longer hands out the licensing cards.

As discussed in a previous meeting, Board Administrator Burton stated that as we are switching to an online platform, those cards will be moving to an online card that the licensee can then print themselves. The Board decided previously that the actual date of stopping the cards from being printed in office would be in December. As such, if the licensee wants their card, they will be the ones responsible for maintaining it.

Mr. Keeney then raised concern that the pictures of the licensees are not currently on the online card. Burton advised that as renewals only recently became available online, the only people he currently has pictures of are the new applicants and the renewals since he has taken office. Those are available on the Online Services account, as they have been scanned in. The reason the other cards have no pictures on them is because we do not have those pictures anymore, as the policy has been once the card is issued the



picture is destroyed. As such, a licensee will need to wait for their renewal to either upload or send the picture in, and it will then be added to their license file.

Executive Session Legal Matters and Case Deliberations

At 11:30 a.m., Chair Wenk moved for the Board to enter executive session, pursuant to KRS 61.878(1)(k) and (l) and to KRS 61.810, (1)(c), 1(j), and 1(k), to deliberate on individual adjudications, proposed or pending litigation, and to review records exempt from public disclosure regarding applicant Cummins. The motion was seconded by Vice Chair Buchanan

At 12:33 p.m. Member Ogden moved to come out of Executive session, and Member Cunningham seconded. The motion carried.

Once executive session was adjourned, Member Ogden made a motion to offer the Agreed Order that was discussed in Executive Session for Applicant Cummins for the issuance of a new license. The motion was seconded by member Walden. All in favor, the motion carried.

Travel and Per Diem

Board Administrator Burton advised that on the travel vouchers, the Board needs to start filling out the time departed/returned to the original point of starting the travel.

Member Ogden made a motion to accept the travel and the per diem of the board, and Member Buchanan seconded. The motion carried.

Meeting Adjournment

As there was no further business to discuss, Vice Chair Buchanan moved to adjourn at 12:43 p.m. The motion was seconded by Member Cunningham, and the motion carried.

