

324.410 Purposes of fund.

The purposes of the real estate education, research, and recovery fund shall be as follows:

- (1) If a licensee, acting in the capacity of a licensee, has been duly found guilty of fraud in the violation of one (1) or more of the provisions of KRS 324.160, and upon the conclusion of a final order entered by the commission, or by the courts, if appealed, the commission may pay to the aggrieved person or persons an aggregate amount not to exceed twenty thousand dollars (\$20,000) per claimant with combined payments to all claimants against any one (1) licensee not to exceed fifty thousand dollars (\$50,000), if the licensee has refused to pay the claim within a period of twenty (20) days of entry of a final order and if the amount or amounts of money in question are certain and liquidated.
- (2) The commission shall maintain a minimum level of four hundred thousand dollars (\$400,000) for recovery and guaranty purposes. These funds may be invested and reinvested in the same manner as funds of the state employees' retirement system and the interest from the investments shall be deposited to the credit of the real estate education, research, and recovery fund. Sufficient liquidity shall be maintained so that there shall be money available to satisfy any and all claims which may be processed through the commission through the means of formal administrative hearing as outlined in this chapter.
- (3) The commission, in its discretion, may use any and all funds in excess of the four hundred thousand dollars (\$400,000) level, regardless of whether it is from the real estate education, research, and recovery fund fees or accrued interest thereon, for the following purposes:
 - (a) To carry out the advancement of education and research in the field of real estate for the benefit of those seeking a real estate license, and those licensed under the provisions of this chapter and the improvement and making more efficient the real estate industry;
 - (b) To underwrite educational seminars, caravans, and other forms of educational projects for the use and benefit generally of real estate licensees;
 - (c) To establish a real estate chair or courses at Kentucky state institutions of higher learning for the purpose of making the courses available to licensees and the general public who may seek them on a college or university level;
 - (d) To contract for a particular research project in the field of real estate for the Commonwealth of Kentucky;
 - (e) To sponsor, contract for, and to underwrite other educational and research projects of a similar nature having to do with the advancement of the real estate field in Kentucky;
 - (f) To receive recommendations and to cooperate and work with the Kentucky Association of Realtors and other real estate groups for the enlightenment and advancement of the real estate licensees of Kentucky; and
 - (g) To augment the trust and agency account for purposes of addressing

cash flow shortfalls, budget deficits, and for reimbursement of personnel, administrative, operational, and capital expenses incurred by the trust and agency account pursuant to the purposes of the education, research, and recovery fund as provided in this section, an amount not to exceed two hundred fifty thousand dollars (\$250,000) annually.

- (4) Within one hundred twenty (120) days after the end of each fiscal year, the commission shall make public, through its Web site or other public media, a statement of income and expenses of the real estate education, research, and recovery fund, the details of which are in accordance with state financial reporting requirements.

Effective: July 12, 2012

History: Amended 2012 Ky. Acts ch. 98, sec. 1, effective July 12, 2012. -- Amended 2010 Ky. Acts ch. 130, sec. 4, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 313, sec. 11, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 448, sec. 29, effective July 14, 1992. -- Amended 1982 Ky. Acts ch. 196, sec. 32, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 172, sec. 11, effective June 17, 1978. -- Created 1972 Ky. Acts ch. 51, sec. 2.