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## SENATE BILL NO. 1237

Offered January 10, 2001 Prefiled January 10, 2001

A BILL to amend the Code of Virginia by adding a section numbered 54.1-2101.2, relating to referral fees in residential real estate transactions.

Patron—Barry

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 54.1-2101.2 as follows:

§ 54.1-2101.2. Certain referral fees prohibited; damages.

A. No person shall (i) solicit or request a referral fee from a real estate licensee unless the party seeking the referral fee actually introduced the business to the real estate licensee from whom the referral fee is sought and there exists between such persons (a) an agency relationship, (b) a contractual referral fee relationship, or (c) a contractual cooperative brokerage relationship; or (ii) threaten to reduce or withhold employee relocation benefits or to take other action adverse to the interests of a client of the real estate licensee because of an agency relationship.

B. Any person who violates the provisions of this section shall be liable for damages in the amount of \$500, payable to the real estate licensee who was so solicited or requested in violation of this chapter. In addition, such licensee may recover reasonable attorneys' fees and costs. Actions under this section shall be brought in a court of competent jurisdiction for the city or county where such licensee has his principal place of business.

C. For the purposes of this section, "referral fee" means a commission or other type of compensation for the referral of a potential buyer, seller, lessor or lessee of real estate.