

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB206

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Engrossed
Second House	<input checked="" type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Miller, J.H.

3. Committee: General Laws and Technology

4. Title: Real Estate Board; duties of real estate brokers and salespersons.

5. Summary: This engrossed bill requires the Real Estate Board of the Department of Professional and Occupational Regulation to establish procedures for carrying over continuing education credits by real estate licensees. The bill also (i) authorizes the Board to regulate the permitted activities of unlicensed individuals employed by licensees or under the supervision of a broker; (ii) requires brokers or sole proprietors to certify that their brokerage firms have been audited for compliance with real estate law and Board regulations; (iii) sets out duties for supervising brokers at each branch location with regard to supervising/training associate brokers and salespersons; (iv) clarifies the term “independent contractor”; (v) provides that licensees are not required to disclose whether an attorney or nonattorney will be providing settlement services; and (vi) makes several changes to terminology related to dual and designated representation and agency relationships. The bill contains technical amendments.

The second amendment of the bill specifies that the provisions of the bill will become effective on July 1, 2012, except for the provisions of Section 54.1-2106.2 (Certification of audit on renewal of firm license) which will become effective on January 1, 2013.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: The Department of Professional and Occupational Regulation expects minimal, immaterial fiscal impact as a result of this legislation.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 02/06/12

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