

Department of Planning and Budget 2014 Fiscal Impact Statement

1. Bill Number: SB438

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Barker

3. Committee: Passed Both Houses

4. Title: Real Estate Board; death or disability of a broker.

5. Summary: This bill requires the Real Estate Board to grant approval to certain persons in a specific order of priority as may be designated by a broker in the event of his disability or death to conclude the business of the broker. Under current law, the Board may grant approval to the estate or an adult family member or employee of the licensed broker. The bill also requires the Real Estate Board to inform licensed brokers, in a manner deemed appropriate by the Board, of the broker's ability to designate an agent in the event of the broker's death or disability.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See item 8.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2014	\$0	0.0	n/a
2015	\$11,000	0.0	Dedicated Special Revenue
2016	\$0	0.0	n/a
2017	\$0	0.0	n/a
2018	\$0	0.0	n/a
2019	\$0	0.0	n/a
2020	\$0	0.0	n/a

8. Fiscal Implications: This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by requiring the Real Estate Board to inform licensed brokers of the broker's ability to designate an agent in the event of the broker's disability or death. This will require a mailing to all licensed brokers at a onetime cost of approximately \$11,000, occurring in FY 2015. The Board currently regulates about 11,000 real estate brokers. The DPOR licensing system will require new programming and configuration to document the designated agents of the brokers. Additionally, a new designated agent form will need to be developed. It is expected that the programming and form development can be completed using current staff resources. No other additional costs are expected as a result of this legislation. The Board's current cash and revenue is sufficient to cover the increased costs associated with this legislation.

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

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to HB251.