

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB510

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

2. Patron: Suetterlein

3. Committee: Passed Both Houses

4. Title: Department of Professional and Occupational Regulation; Real Estate Board; death or disability.

5. Summary: Requires a licensed real estate broker to designate, at the time of his application for broker licensure and at the time of his application for renewal of his license, another licensed broker to carry on the business for 180 days for the sole purpose of concluding the business of such designating broker in the event of the designating broker's death or disability. The bill also clarifies that in the event that the original designated licensed broker is unable or unwilling to perform the act of concluding a deceased or disabled broker's business, the Real Estate Board shall grant approval to conclude the affairs of the business to one of a list of individuals. Under current law, the Board must grant such approval to such individuals in a specific order of priority. Finally, the bill provides that in the event that no listed individual is available or suitable to conclude the business affairs of the deceased or disabled broker, the Board is required to appoint any other licensed broker, with such broker's written consent, within 30 days of receiving written notification of a broker's death or disability, to carry on the business of the deceased or disabled broker for the sole purpose of concluding the business within 180 days.

6. Budget Amendment Necessary: No.

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

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	\$46,014	-	09222

8. Fiscal Implications: This bill increases the administrative responsibilities of the Department of Professional and Occupational Regulation. DPOR states that this change would require hiring a contract employee for three months to complete the additional responsibilities. The contract employee will gather the designation information from brokers, enter the information into the licensing system, and assist with updating forms. The contract employee cost is expected to be \$38,754 in FY2023. Also, a one-time mailing to notify all licensed brokers about the new requirements is expected in FY2023 at a cost of \$7,260. It is anticipated that the agency can absorb the fiscal impact of this bill within existing resources.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.