

# VIRGINIA ACTS OF ASSEMBLY -- 1998 SESSION

## CHAPTER 265

*An Act to amend and reenact § 54.1-2106.1 of the Code of Virginia, relating to the Real Estate Board; license requirements.*

[H 1245]

Approved April 7, 1998

**Be it enacted by the General Assembly of Virginia:**

**1. That § 54.1-2106.1 of the Code of Virginia is amended and reenacted as follows:**

§ 54.1-2106.1. Licenses required.

A. No real estate broker shall act as a broker without a license from the Board. No business entity, including but not limited to a partnership, association or corporation, shall be granted a broker's license unless (i) every owner or officer, who actively participates in its brokerage business, holds a license as a broker and (ii) every employee and independent contractor who acts as a salesperson for such business entity holds a license as a real estate salesperson. A person who holds a license as a broker may act as a salesperson for another broker. No business entity, other than a sole proprietorship, shall act, offer to act, or advertise to act, as a real estate firm without a real estate firm license from the Board. Such firm may be granted a license in a fictitious name. No business entity shall be granted a firm license unless (i) every member or officer who actively participates in the firm brokerage business holds a license as a real estate broker and (ii) every employee or independent contractor who acts as a salesperson for such business entity holds a license as a real estate salesperson or broker. An individual holding a broker's license may operate a real estate brokerage firm which he owns as a sole proprietorship without any further licensure by the Board, although such individual shall not operate in a fictitious name. A non-broker-owned sole proprietorship shall obtain a license from the Board.

B. No real estate salesperson shall act as a salesperson without a license from the Board. No business entity shall be granted a salesperson's license unless every owner or officer, who actively participates in the real estate business, holds a license as a salesperson. No business entity shall be granted a license in a fictitious name. However, the Board shall establish standards in the regulations for the names of such business entities when more than one licensee is an owner or officer. If a business entity meets the requirements of this subsection, however, the Board shall issue a license to the said business entity. No individual shall act as a broker without a real estate broker's license from the Board. An individual who holds a broker's license may act as a salesperson for another broker. A broker acting as a salesperson may be an owner, member, or officer of a business entity salesperson as defined in subsection C.

C. No individual shall act as a salesperson without a salesperson's license from the Board. A business entity may act as a salesperson with a separate business entity salesperson's license from the Board. No business entity shall be granted a business entity salesperson's license unless every owner or officer who actively participates in the brokerage business of such entity holds a license as a salesperson or broker from the Board. No business entity salesperson of which a single licensee is an owner or officer shall be granted a license in a fictitious name. The Board shall establish standards in its regulations for the names of business entity salespersons when more than one licensee is an owner or officer.