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HOUSE BILL NO. 2503

Offered January 21, 1999

A BILL to amend and reenact § 54.1-2106.1 of the Code of Virginia, relating to the Real Estate Board; license required.

Patrons—Williams, Abbitt, Barlow, Bryant, Cantor, Christian, Cox, Croshaw, Davis, Drake, Hamilton, Joannou, O'Brien and Reid; Senators: Forbes, Hanger, Maxwell, Norment, Ticer and Woods

Referred to Committee on General Laws

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 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 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.

INTRODUCED

HB2503