

**Department of Planning and Budget
2008 Fiscal Impact Statement**

1. Bill Number: HB1114

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

2. Patron: Hull

3. Committee: General Laws and Technology

4. Title: Real Estate Board; real estate firm licenses

5. Summary: This bill provides that no business entity shall be granted a firm license unless every managing member of a limited liability company or officer of a corporation who actively participates in the firm brokerage business holds a license as a real estate broker. Currently, the law does not specify the type of business entity. *This revised FIS includes comments in Item 11.*

6. No Fiscal Impact

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The Department of Professional and Occupational Regulation anticipates that this bill will not have a significant fiscal impact on their agency. Any fiscal impact of this bill can be absorbed with existing resources.

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

10. Technical Amendment Necessary: No.

11. Other Comments: This bill amends real estate firm licensure requirements to clarify that individuals with decision-making authority for real estate firms, who actively participate in the brokerage business, must hold a real estate broker's license. By adding the word "managing," the language specifies that an LLC can be issued a firm license if the managing member who actively participates in the brokerage is a licensed broker. The bill also makes clear that corporate officers must hold a broker's license if they actively participate in the brokerage business.

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cc: Secretary of Commerce and Trade
Secretary of Finance