



# House of Representatives

**File No. 824**

General Assembly

January Session, 2023

**(Reprint of File No. 230)**

Substitute House Bill No. 6769  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 25, 2023

***AN ACT CONCERNING THE DEPARTMENT OF CONSUMER  
PROTECTION'S RECOMMENDATIONS REGARDING REAL ESTATE  
LICENSING AND ENFORCEMENT.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1 Section 1. Section 20-311 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective April 1, 2024*):

3 As used in this chapter and sections 2 to 7, inclusive, of this act, unless  
4 the context otherwise requires:

5 (1) "Advertising" (A) means disseminating, publishing or causing to  
6 be posted by way of any (i) print media, including, but not limited to,  
7 outdoor signage and periodicals, (ii) audio or video broadcast,  
8 streaming or other electronic dissemination, or (iii) written or  
9 photographic material disseminated or posted via online, telephonic  
10 notification, electronic mail or other electronic means, and (B) does not  
11 include any (i) stockholder communication, including, but not limited

12 to, any annual report, interim financial report, proxy material,  
13 registration statement, securities prospectus or application for listing a  
14 security on a stock exchange, (ii) prospectus, property report, offering  
15 statement or other document that any federal agency or agency of  
16 another state requires be delivered to a prospective purchaser, (iii)  
17 communication addressed to, and relating to the account of, a person  
18 who has executed a contract for the purchase of a subdivider's lands,  
19 except if such communication concerns the sale of additional lands, or  
20 (iv) press release or other communication delivered to a media outlet for  
21 general information or public relations purposes, provided no charge is  
22 imposed by such media outlet for publication or use of any part of such  
23 communication;

24 (2) "Affiliated" means having a working relationship with a real estate  
25 licensee by way of an (A) employer-employee relationship, or (B)  
26 independent contractor relationship;

27 (3) "Associate broker" means a real estate broker who (A) is affiliated  
28 with a supervising licensee as an independent contractor or employed  
29 by a supervising licensee, and (B) has the authority to engage in the real  
30 estate business on behalf of such supervising licensee;

31 (4) "Business entity" means any association, corporation, limited  
32 liability company, limited liability partnership or partnership;

33 [(1)] (5) "Commercial real estate transaction" means any transaction  
34 involving the sale, exchange, lease or sublease of real property other  
35 than (A) real property containing any building or structure occupied, or  
36 intended to be occupied, by not more than four families, or (B) a single  
37 building lot to be used for family or household purposes;

38 [(2)] (6) "Commission" means the Connecticut Real Estate  
39 Commission appointed under the provisions of section 20-311a;

40 (7) "Confidential information" means any fact concerning a person's  
41 assets, expenses, income, liabilities, motivations to purchase, rent or sell  
42 real property and previous offers received or made to purchase or lease

43 real property which (A) a client has not authorized for release, or (B) is  
44 not (i) a matter of general knowledge, (ii) part of a public record or file  
45 to which access is authorized pursuant to section 1-210, or (iii) otherwise  
46 subject to disclosure under any other provision of the general statutes  
47 or regulations of Connecticut state agencies;

48 (8) "Custodial broker" means any individual who is (A) licensed as a  
49 real estate broker, and (B) temporarily appointed solely to (i) conclude  
50 the real estate business matters of another broker who is deceased or  
51 incapacitated, (ii) transition such matters to a real estate broker who is  
52 alive and not incapacitated, or (iii) assist in transitioning the deceased  
53 or incapacitated broker's ownership interest in a business entity that is  
54 engaged in the real estate business for the purpose of satisfying the  
55 requirements established in section 20-312, as amended by this act;

56 (9) "Department" means the Department of Consumer Protection;

57 ~~[(3)]~~ (10) "Designated agency" means the appointment by a real estate  
58 broker of one or more brokers or salespersons affiliated with or  
59 employed by the real estate broker to solely represent a buyer or tenant  
60 as a designated buyer's agent and appoint another to represent a seller  
61 or landlord as a designated seller's agent in a transaction;

62 (11) "Designated broker" means the individual real estate broker  
63 whom a real estate broker business entity names as the individual  
64 broker responsible for the supervision and overall operation of such  
65 business entity's engagement in the real estate business in this state;

66 ~~[(4)]~~ (12) "Designated buyer agent" means a [broker or salesperson]  
67 real estate licensee who is designated by the real estate broker by whom  
68 such real estate licensee is employed, or with whom [the broker or  
69 salesperson] such real estate licensee is affiliated, [or employed to]  
70 solely to represent a named buyer or tenant client of the real estate  
71 broker during the term of a buyer representation agreement or  
72 authorization;

73 ~~[(5)]~~ (13) "Designated seller agent" means a [broker or salesperson]

74 real estate licensee who is designated by the real estate broker by whom  
75 such real estate licensee is employed, or with whom [the broker or  
76 salesperson] such real estate licensee is affiliated, [or employed to]  
77 solely to represent a named seller or landlord client of the real estate  
78 broker during the term of a listing agreement or authorization;

79 (14) "Development owner" means (A) the owner of record of a  
80 multiunit development that is offered for lease, or (B) the parent  
81 company of such owner of record if such parent company holds a one  
82 hundred per cent ownership interest in such owner of record;

83 [(6) "Engaging in the real estate business"] (15) "Engage in the real  
84 estate business" means to, while acting for another and for a fee,  
85 commission or other valuable consideration, [in the listing for sale,  
86 selling, exchanging, buying or renting, or offering or attempting to  
87 negotiate a sale, exchange, purchase or rental of] negotiate for or offer,  
88 or attempt to list for sale, sell, exchange, buy or rent, an estate or interest  
89 in real estate or [a resale of] to resell a mobile manufactured home, as  
90 defined in [subdivision (1) of section 21-64, or collecting upon a loan  
91 secured or to be secured by a mortgage or other encumbrance upon or  
92 transfer of real estate] section 21-64;

93 (16) "Incapacity" means any physical or mental incapacity which  
94 prevents an individual from substantially satisfying such individual's  
95 duties and responsibilities as a real estate licensee;

96 (17) "Influence residential real estate appraisals" includes, but is not  
97 limited to, refusing or intentional failing to refer a homebuyer, or  
98 encouraging other real estate licensees not to refer a homebuyer, to a  
99 mortgage broker or lender, as such terms are defined in section 36a-760,  
100 based solely on the fact that the mortgage broker or lender uses an  
101 appraiser who has provided an appraisal reflecting a fair market value  
102 estimate that was less than the sale contract price;

103 (18) "Leasing agent" means any individual, other than a real estate  
104 licensee, who (A) acts as an agent for a principal for a commission, fee  
105 or other valuable consideration, and (B) engages in leasing or renting

106 activity, including, but not limited to, (i) collecting security deposits, (ii)  
107 offering or attempting to negotiate a rental, or (iii) collecting, offering or  
108 attempting to collect rent for the use of real estate;

109 (19) "Multiunit development" means any residential complex with at  
110 least fifty units that are leased or available to be leased;

111 (20) "Negotiate" means acting, directly or indirectly, as an  
112 intermediary by facilitating, or participating in, communications  
113 between parties related to the parties' interests in a real estate or mobile  
114 manufactured home transaction;

115 (21) "Nonmaterial fact concerning real property" means any fact, set  
116 of facts or circumstances surrounding real property which includes, but  
117 is not limited to, the fact that (A) an occupant of real property is or has  
118 been infected with a disease on the list of reportable diseases, emergency  
119 illnesses and health conditions issued by the Commissioner of Public  
120 Health pursuant to section 19a-2a, or (B) the real property was at any  
121 time suspected to have been the site of a death or felony;

122 [(7)] (22) "Person" means any individual [, partnership, association,  
123 limited liability company or corporation] or business entity;

124 (23) "Promotional note" (A) means any promissory note that (i) is  
125 secured by a trust deed executed (I) on unimproved real property, (II)  
126 after construction of an improvement of real property but before the first  
127 sale of such property so improved, or (III) as a means of financing the  
128 first purchase of such property so improved, and (ii) is subordinate, or  
129 which by its terms may become subordinate, to any other trust deed on  
130 such property, and (B) does not include any note which was executed  
131 more than three years prior to being offered for sale or was secured by  
132 a first trust deed on real property in a subdivision, which evidences a  
133 bona fide loan made in connection with the financing of the usual costs  
134 of the development of one or more residential, commercial or industrial  
135 buildings on the property under a written agreement providing (i) for  
136 either the disbursement of the loan funds as costs are incurred or in  
137 relation to the progress of the work, and (ii) for title insurance insuring

138 the priority of the security as against mechanic's liens or for the final  
139 disbursement of at least ten per cent of the loan funds after the  
140 expiration of the period for the filing of mechanic's liens;

141 (24) "Prospective party" means any person that communicates with a  
142 real estate licensee in contemplation of potential representation by the  
143 real estate licensee in a real estate transaction;

144 [(8)] (25) "Real estate broker" or "broker" means (A) any person [,  
145 partnership, association, limited liability company or corporation which  
146 acts for another person or entity and for a fee, commission or other  
147 valuable consideration, lists for sale, sells, exchanges, buys or rents, or  
148 offers or attempts to negotiate a sale, exchange, purchase or rental of, an  
149 estate or interest in real estate, or a resale of a mobile manufactured  
150 home, as defined in subdivision (1) of section 21-64, or collects or offers  
151 or attempts to collect rent for the use of real estate] engaged in the real  
152 estate business, and (B) any person [, partnership, association, limited  
153 liability company or corporation] employed by or on behalf of the owner  
154 or owners of lots or other parcels of real estate, at a stated salary, upon  
155 commission, upon a salary and commission basis or otherwise to sell  
156 such real estate, or any parts thereof, in lots or other parcels, and who  
157 sells or exchanges, or offers, attempts or agrees to negotiate the sale or  
158 exchange of, any such lot or parcel of real estate;

159 (26) "Real estate licensee" means any real estate broker or real estate  
160 salesperson licensed pursuant to this chapter;

161 [(9)] (27) "Real estate salesperson" or "salesperson" means [a person]  
162 any individual who is affiliated with [any real estate broker as an  
163 independent contractor or employed by a real estate broker to list for  
164 sale, sell or offer for sale, to buy or offer to buy or to negotiate the  
165 purchase or sale or exchange of real estate, or to offer for resale, a mobile  
166 manufactured home, as defined in subdivision (1) of section 21-64, or to  
167 lease or rent or offer to lease, rent or place for rent any real estate, or to  
168 collect or offer or attempt to collect rent for the use of real estate] a  
169 supervising licensee to (A) engage in the real estate business for or on

170 behalf of such [real estate broker, or who offers, sells or attempts to sell  
171 the real estate or mobile manufactured homes of a licensed broker]  
172 supervising licensee, or (B) if such individual is acting for another  
173 person as a designated seller agent or designated buyer agent, [lists for  
174 sale, sells, exchanges, buys or rents, or offers or attempts to negotiate a  
175 sale, exchange, purchase or rental of, an estate or interest in real estate,  
176 or a resale of a mobile manufactured home, as defined in subsection (a)  
177 of section 21-64, or collects or offers or attempts to collect rent for the  
178 use of real estate, but does not include employees of any real estate  
179 broker whose principal occupation is clerical work in an office, or  
180 janitors or custodians engaged principally in that occupation] engage in  
181 the real estate business;

182 (28) "Real estate transaction" means any transaction in which (A) real  
183 property is legally transferred to another person, or (B) a lease  
184 agreement is executed between a landlord and a tenant;

185 (29) "Residential real property" means any one to four-family  
186 residential real estate located in this state, including, but not limited to,  
187 (A) a cooperative or condominium where the total number of units in  
188 such cooperative or condominium does not exceed four units, and (B)  
189 any individual unit within a multiunit development;

190 (30) "School" means any person that offers prelicensing or continuing  
191 education courses approved pursuant to this chapter and sections 3 and  
192 4 of this act;

193 (31) "Supervising licensee" means the real estate broker that is  
194 responsible for controlling and supervising another real estate licensee  
195 or a team;

196 [(10)] (32) "Team" means [a group] any combination of at least two  
197 licensed real estate brokers, designated brokers or real estate  
198 salespersons who are affiliated with the same [sponsoring real estate  
199 broker] supervising licensee and engage in advertising as a group using  
200 a team name; and

201 [(11)] (33) "Team name" means the name used to refer to a team in  
202 team advertisements.

203 Sec. 2. (NEW) (*Effective April 1, 2024*) (a) No associate broker shall  
204 engage in the real estate business unless the supervising licensee that is  
205 responsible for controlling and supervising the associate broker (1)  
206 knows that such associate broker is engaging in the real estate business,  
207 and (2) has consented to such associate broker engaging in the real estate  
208 business.

209 (b) Each supervising licensee shall be responsible for the actions of  
210 the associate brokers who are under such supervising licensee's control  
211 and supervision to the same extent that such supervising licensee would  
212 be responsible for such associate brokers if such associate brokers were  
213 real estate salespersons affiliated with such supervising licensee.

214 (c) If an associate broker's affiliation with a supervising licensee is  
215 terminated, the associate broker shall notify the department of such  
216 termination not later than fourteen calendar days after such termination  
217 or such associate broker's affiliation with another supervising licensee,  
218 whichever occurs first.

219 (d) Each associate broker shall comply with all advertising  
220 requirements and standards that apply to real estate brokers, and shall  
221 include the name of the supervising licensee who controls and  
222 supervises such associate broker at a prominent location in all of such  
223 associate broker's advertisements.

224 Sec. 3. (NEW) (*Effective April 1, 2024*) (a) (1) A school shall register  
225 with the department, in a form and manner prescribed by the  
226 Commissioner of Consumer Protection, prior to offering any  
227 prelicensing or continuing education course. Such form shall include an  
228 attestation by the school that:

229 (A) All courses offered by such school comply with the requirements  
230 established in section 4 of this act; and



231 (B) All instructors teaching courses at such school are qualified  
232 pursuant to subsection (c) of this section and section 4 of this act.

233 (2) No school shall offer any prelicensing or continuing education  
234 course in this state unless such school maintains an active registration  
235 with the department under this section.

236 (b) Each school registration issued pursuant to this section shall  
237 expire biennially, and the initial registration fee and renewal fee for each  
238 such school registration shall be one hundred dollars.

239 (c) No school shall permit an instructor to teach a course approved  
240 under chapter 392 of the general statutes unless such school has  
241 determined that the instructor has:

242 (1) At least five years of experience as a practicing real estate licensee;

243 (2) Expertise, or a professional designation from an institute or  
244 society, in the field in which such instructor proposes to teach; or

245 (3) Experience teaching a course in a formal education program or  
246 has attended an accredited college or university extension instructors'  
247 seminar. For collegiate level courses that are part of a degree program,  
248 the instructor shall have (A) teaching experience and a master's degree  
249 in an appropriate field, or (B) such other combination of qualifications  
250 as the commission may, in the commission's discretion, approve.

251 (d) No school shall offer any course that does not satisfy the  
252 requirements established in section 4 of this act.

253 Sec. 4. (NEW) (*Effective April 1, 2024*) (a) Each school that is registered  
254 with the department pursuant to section 3 of this act shall register with  
255 the department, in a form and manner prescribed by the Commissioner  
256 of Consumer Protection, each prelicensing or continuing education  
257 course that such school intends to offer in this state. The fee to register  
258 each course under this section shall be fifty dollars, and each course  
259 registration application submitted to the department pursuant to this  
260 section shall include:

261 (1) An outline of the course content detailing the total duration of  
262 such course and the amount of time spent on each subject covered as  
263 part of such course;

264 (2) The name of, and contact information for, each course instructor;

265 (3) A copy of the certificate issued to students upon completion of  
266 such course;

267 (4) The cancellation and refund policy available to students for such  
268 course;

269 (5) An attestation by the school that such course meets all the  
270 requirements established in this section, section 20-314a of the general  
271 statutes, as amended by this act, and all regulations adopted pursuant  
272 to chapter 392 of the general statutes; and

273 (6) If such course is provided on an in-person basis, the location at  
274 which such course is provided on an in-person basis.

275 (b) Notwithstanding subdivision (3) of subsection (a) of this section,  
276 a school that offers more than one course may submit to the department  
277 a template course completion certificate for the department's  
278 consideration. If the department approves a template course completion  
279 certificate, the school that submitted such certificate to the department  
280 may use such template to issue all course completion certificates and not  
281 be required to submit a copy of such certificates to the department  
282 pursuant to subdivision (3) of subsection (a) of this section.

283 (c) No prelicensing or continuing education course shall qualify  
284 towards the prelicensing or continuing education requirements  
285 established for a real estate license under chapter 392 of the general  
286 statutes unless such course has been approved by the department  
287 pursuant to this section.

288 (d) The department shall not approve any prelicensing course under  
289 this section unless such course is provided on an in-person basis or by  
290 way of electronic means that incorporates a live online format.

291 (e) (1) Subject to the provisions of subdivision (2) of this subsection,  
292 each school that offers a continuing education course under this section  
293 shall ensure that no student may complete such course in less time than  
294 the total course duration specified in the application that such school  
295 filed with the department for such course pursuant to subsection (a) of  
296 this section.

297 (2) If a school offers a course described in subdivision (1) of this  
298 subsection by electronic means, the school may satisfy the requirements  
299 established in subdivision (1) of this subsection by:

300 (A) Offering a live online course format using telecommunications  
301 technology that allows for real-time audio communication between the  
302 instructor and students; or

303 (B) Using technology that prohibits a student from completing the  
304 course in less time than the total course duration specified in the  
305 application that such school filed with the department for such course  
306 pursuant to subsection (a) of this section.

307 (f) If a school offers any prelicensing or continuing education course  
308 under this section by electronic means that do not allow for real-time  
309 audio communication between the instructor and students, such school  
310 shall include in such course periodic interactive assessments to confirm  
311 each student's level of comprehension of, and engagement with, such  
312 course.

313 (g) Each course registration issued pursuant to this section shall  
314 expire five years after such registration is issued.

315 Sec. 5. (NEW) (*Effective April 1, 2024*) (a) If a real estate licensee  
316 engages in the real estate business and a buyer or renter of real estate  
317 uses an interpreter, other than the real estate licensee or an employee of  
318 the real estate licensee, in conducting a real estate transaction or  
319 negotiations, the real estate licensee shall provide to the buyer or renter  
320 and interpreter, and obtain the buyer's or renter's and interpreter's  
321 signatures on, forms containing the following language:

322 "I, (name of buyer or renter), used (name of interpreter) to act as my  
323 interpreter during this real estate transaction or these negotiations. The  
324 obligations of this contract or other written agreement were explained  
325 to me in my native language by the interpreter. I understand the  
326 contract or other written agreement.

327 (signature of buyer or renter)

328 (relationship of interpreter to buyer or renter)

329 I, (name of interpreter), acted as interpreter during this real estate  
330 transaction or these negotiations. The obligations of the contract or other  
331 written agreement were explained to (name of buyer or renter) in their  
332 native language. I understand the contract or other written agreement.

333 (signature of interpreter)

334 (relationship of interpreter to buyer or renter)."

335 (b) Except as provided in subsection (c) of this section, if a real estate  
336 licensee engages in the real estate business and acts as an interpreter for  
337 a buyer or renter in conducting a transaction or negotiations, the real  
338 estate licensee shall provide to the buyer or renter, and obtain the  
339 buyer's or renter's signature on, a form containing the following  
340 language written in the buyer's or renter's native language:

341 "This real estate transaction or these negotiations were conducted in  
342 (buyer's or renter's native language), which is my native language. I  
343 voluntarily choose to have the Real Estate (Broker/Salesperson) act as  
344 my interpreter during the negotiations. The obligations of the contract  
345 or other written agreement were explained to me in my native language.  
346 I understand the contract or other written agreement."

347 (c) If a language that cannot be reduced to writing is used to conduct  
348 a real estate transaction or negotiations, the form required under  
349 subsection (b) of this section shall be in the English language.

350 Sec. 6. (NEW) (*Effective April 1, 2024*) (a) If a real estate broker dies or

351 is incapacitated, the executor of such broker's estate or any other person  
352 who is legally authorized to act on behalf of such broker in a financial  
353 transaction may apply to the department, in a form and manner  
354 prescribed by the department, for the appointment of a custodial broker.  
355 If the department approves an application for the appointment of a  
356 custodial broker, the department shall appoint a custodial broker for the  
357 deceased or incapacitated broker. Except as provided in subsection (b)  
358 of this section, each custodial broker who is appointed pursuant to this  
359 subsection shall serve for a term not to exceed one hundred eighty days.

360 (b) The department may, in the department's discretion, extend a  
361 custodial broker's term beyond one hundred eighty days if the  
362 department receives a hardship application that is submitted to the  
363 department in a form and manner prescribed by the department.

364 (c) Each custodial broker shall act to preserve the financial interests  
365 of the deceased or incapacitated real estate broker, or the estate of the  
366 deceased real estate broker, for whom such custodial broker is  
367 appointed.

368 (d) No real estate broker who is appointed as a custodial broker to  
369 conclude the business of a deceased or incapacitated individual real  
370 estate broker shall negotiate the purchase, sale or lease of any real estate  
371 on behalf of such deceased or incapacitated broker unless:

372 (1) The prospective purchaser, seller, lessor or lessee of such real  
373 estate entered into a preexisting buyer agreement, listing agreement or  
374 leasing agreement with such deceased or incapacitated broker; and

375 (2) The prospective purchaser or lessor of such real estate has  
376 executed a contract or paid a deposit to a seller or lessee to reserve a  
377 right to purchase or lease such real estate from such seller or lessee.

378 (e) No business entity shall engage in the real estate business while  
379 the designated broker for such business entity is deceased or  
380 incapacitated unless a custodial broker has been appointed for such  
381 business entity.

382 (f) If a custodial broker is appointed to serve as a designated broker  
383 for a business entity, the business entity may engage in the real estate  
384 business to the same extent that such business entity would engage in  
385 such business if such designated broker was not a custodial broker.

386 (g) No real estate salesperson or team member shall engage in the real  
387 estate business while the supervising licensee that is responsible for  
388 controlling and supervising such salesperson or team is deceased or  
389 incapacitated unless a custodial broker has been appointed for such  
390 supervising licensee.

391 Sec. 7. (NEW) (*Effective April 1, 2024*) No leasing agent shall engage in  
392 the real estate business except for leasing or renting real property that is  
393 exclusively used for residential occupancy. Leasing agents shall not  
394 engage in any activity that requires a real estate broker's or real estate  
395 salesperson's license, including, but not limited to, selling, offering,  
396 listing, negotiating, referring or showing for sale, entering into lease-to-  
397 own agreements or leasing commercial real estate. A leasing agent shall  
398 be employed by a development owner. A leasing agent shall not offer  
399 leasing services for any person that is not a development owner. No  
400 leasing agent shall engage in the real estate business concerning any  
401 property other than on behalf of the owner of record of a multiunit  
402 development that employs such leasing agent. A leasing agent shall  
403 obtain a written contract from the development owner to demonstrate  
404 such employment prior to engaging in any leasing activity at such  
405 development. Such contract shall be made available to the department,  
406 and produced by the leasing agent in an electronic form, upon a request  
407 by the department for such contract.

408 Sec. 8. Section 20-311b of the general statutes is repealed and the  
409 following is substituted in lieu thereof (*Effective April 1, 2024*):

410 (a) Within thirty days after the appointment of the members of the  
411 commission, the commission shall meet in the city of Hartford for the  
412 purpose of organizing by selecting such officers other than a  
413 chairperson as the commission may deem necessary and appropriate. A

414 majority of the members of the commission shall constitute a quorum  
415 for the exercise of the powers or authority conferred upon it.

416 (b) [(1)] The commission shall authorize the [Department of  
417 Consumer Protection] department to issue licenses to real estate  
418 [brokers and real estate salespersons] licensees.

419 [(2)] (c) The commission shall administer the provisions of this  
420 chapter as to licensure and issuance, renewal, suspension or revocation  
421 of licenses concerning the real estate business.

422 [(c)] (d) The commission shall be provided with the necessary office  
423 space in Hartford by the Commissioner of Administrative Services. The  
424 place of business of the commission and all files, records and property  
425 of the commission shall at all times be and remain at such office, except  
426 that inactive files shall be stored at a location designated by the  
427 commission.

428 [(d)] (e) The commission shall hold meetings and hearings in  
429 Hartford, in space provided by the Commissioner of Administrative  
430 Services, or at such places outside of Hartford as shall be determined by  
431 the chairman of the commission. The commission shall meet at least  
432 once in each three-month period and may meet more often at the call of  
433 its chairman. The chairman of the commission shall call a meeting of the  
434 commission whenever requested to do so by a majority of the members  
435 of the commission.

436 [(e)] (f) The commission shall vote on all matters requiring a decision  
437 and votes shall be recorded in the commission's minutes.

438 Sec. 9. Section 20-312 of the general statutes is repealed and the  
439 following is substituted in lieu thereof (*Effective April 1, 2024*):

440 (a) No person shall act as a real estate [broker or real estate  
441 salesperson] licensee without a license issued by the commission or the  
442 Commissioner of Consumer Protection, unless exempt under this  
443 chapter. The [Commissioner of Consumer Protection] commissioner

444 may enter into any contract for the purpose of administratively  
445 processing the renewal of licenses on behalf of the commission.

446 (b) The practice of engaging in the real estate business, or the offer to  
447 [practice real estate brokerage] engage in the real estate business in this  
448 state by [individual licensed real estate brokers or real estate  
449 salespersons as a corporation, limited liability company, partnership or  
450 limited liability partnership, a] real estate licensees, as a business entity  
451 is permitted, provided:

452 (1) A material part of the business entity's business [of which]  
453 includes engaging in the real estate [brokerage, is permitted, provided  
454 (1) the] business;

455 (2) The business entity's personnel [of such corporation, limited  
456 liability company, partnership or limited liability partnership] who  
457 engage in the real estate [brokerage] business [as real estate brokers or  
458 real estate salespersons, and the real estate brokers whose ownership,  
459 control, membership or partnership interest is credited toward the  
460 requirements of subdivision (3) of this subsection, are licensed or  
461 exempt from licensure under this chapter, (2) the corporation, limited  
462 liability company, partnership or limited liability partnership] are  
463 licensed, or exempt from licensure, under this chapter;

464 (3) The business entity has been issued a real estate broker license [by  
465 the commission as provided] as set forth in this section; [and]

466 (4) The business entity has paid the license or renewal fee required  
467 for a real estate broker's license as set forth in section 20-314, as amended  
468 by this act; [and (3) except for] and

469 (5) The business entity is a publicly traded corporation or, if the  
470 business entity is not a publicly traded corporation:

471 (A) [with respect to a corporation other than a nonstock corporation,]  
472 The business entity is a stock corporation and one or more real estate  
473 brokers, who are either licensed or exempt from licensure under this



474 chapter, own or control fifty-one per cent or more of the total issued  
475 shares of the corporation; [.]

476 (B) [with respect to] The business entity is a nonstock corporation [.]  
477 and one or more real estate brokers, who are licensed or exempt from  
478 licensure under this chapter, constitute at least fifty-one per cent of the  
479 members of the nonstock corporation; [.]

480 (C) [with respect to] The business entity is a limited liability company  
481 [.] and one or more real estate brokers, who are licensed or exempt from  
482 licensure under this chapter, own or control at least fifty-one per cent of  
483 the interest in the limited liability company, as defined in section 34-  
484 243a; [.] or

485 (D) [with respect to] The business entity is a partnership or limited  
486 liability partnership [, one or more real estate brokers'] and the  
487 partnership interest, as defined in section 34-301, of one or more real  
488 estate brokers, who are licensed or exempt from licensure under this  
489 chapter, constitutes at least fifty-one per cent of the total partnership  
490 interest. [No such corporation, limited liability company, partnership or  
491 limited liability partnership shall be relieved of responsibility for the  
492 conduct or acts of its agents, employees or officers by reason of its  
493 compliance with this section, nor shall any individual practicing real  
494 estate brokerage be relieved of responsibility for real estate services  
495 performed by reason of the individual's employment or relationship  
496 with such corporation, limited liability company, partnership or limited  
497 liability partnership. The Real Estate Commission may refuse to  
498 authorize the issuance or renewal of a license if any facts exist that  
499 would entitle the commission to suspend or revoke an existing license.]

500 (c) A [corporation, limited liability company, partnership or limited  
501 liability partnership] business entity desiring a real estate broker license  
502 shall file with the commission or the [commissioner] Commissioner of  
503 Consumer Protection an application on such forms and in such manner  
504 as prescribed by the [Department of Consumer Protection] department.  
505 Each such [corporation, limited liability company, partnership or

506 limited liability partnership] business entity shall file with the  
507 commission, [a designation of at least one individual licensed or  
508 qualified to be licensed as a real estate broker in this state who shall be  
509 in charge of the real estate brokerage business of such corporation,  
510 limited liability company, partnership or limited liability partnership in  
511 this state] in a form and manner prescribed by the department, the  
512 identity of, and contact information for, at least one designated broker.  
513 Such [corporation, limited liability company, partnership or limited  
514 liability partnership] business entity shall notify the commission of any  
515 change in [such designation] the identity of, or contact information for,  
516 such designated broker not later than thirty days after such change  
517 becomes effective.

518 (d) The Real Estate Commission may impose a fine of not more than  
519 [one] five thousand dollars per violation on any [corporation, limited  
520 liability company, partnership or limited liability partnership] person  
521 that engages in the real estate business, including, but not limited to,  
522 leasing or rental activity, without a license required by this section. Any  
523 such imposition of a fine by the commission shall be a proposed final  
524 decision and submitted to the [commissioner] Commissioner of  
525 Consumer Protection in accordance with the provisions of subsection  
526 (b) of section 21a-7.

527 (e) [(1) (A) Except as provided in subdivision (2) of this subsection,  
528 each] Each team shall register, on a form and in a manner prescribed by  
529 the [commissioner] Commissioner of Consumer Protection, with the  
530 [Department of Consumer Protection] department. Each initial  
531 registration shall be valid for a period of one year and be subject to  
532 renewal for additional one-year periods. Each team shall pay to the  
533 department an initial registration fee of five hundred sixty-five dollars  
534 when the team files its initial registration, and a registration renewal fee  
535 of three hundred seventy-five dollars when the team files each  
536 registration renewal, pursuant to this subparagraph. Each team shall  
537 include in each registration form that the team files with the department  
538 pursuant to this [subparagraph] subsection:

539 [(i) The] (1) Such team's team name, which shall:

540 [(I)] (A) Include the full name of at least one licensed real estate  
541 broker or real estate salesperson who is part of [the] such team or be  
542 immediately followed by "at/of [full name of the [sponsoring real estate  
543 broker] team's supervising licensee";

544 [(II)] (B) Not include the name of any individual who is not a licensed  
545 real estate broker or real estate salesperson; and

546 [(III)] (C) With the exception of "team", not include any abbreviation,  
547 term or phrase, including, but not limited to, "associates", "company",  
548 "corporation", "group", "LLC", "real estate" or "realty", that implies that  
549 [the] such team is a business entity;

550 [(ii)] (2) The name of, and contact information for, [the] such team's  
551 [sponsoring real estate broker] supervising licensee, who shall serve as  
552 [the] such team's primary contact, ensure that [the] such team complies  
553 with all applicable laws and regulations concerning team  
554 advertisements and ensure that [the] such team timely files accurate  
555 registration forms and registration updates with the department  
556 pursuant to this [subdivision] subsection; and

557 [(iii)] (3) The name and contact information for each real estate broker  
558 or real estate salesperson who is part of [the] such team.

559 [(B)] (f) A team shall send notice to the department disclosing any  
560 change to the information contained in the team's registration form. The  
561 team shall send such notice to the department, on a form and in a  
562 manner prescribed by the [commissioner] Commissioner of Consumer  
563 Protection, not later than twelve days after the date of such change. A  
564 team may transfer the team's registration from one supervising licensee  
565 to another supervising licensee, without applying for a new team  
566 registration, if (1) all members of such team transfer to such other  
567 supervising licensee, and (2) both supervising licensees agree to such  
568 transfer.

569 [(C)] (g) Each team shall comply with all advertising requirements  
570 and standards that apply to real estate brokers, and shall include the  
571 name of [the] such team's [sponsoring real estate broker] supervising  
572 licensee at a prominent location in all of [the] such team's  
573 advertisements.

574 [(2) The commissioner may, in the commissioner's discretion, engage  
575 the services of such third parties that the commissioner deems necessary  
576 to assist the commissioner in implementing the provisions of  
577 subdivision (1) of this subsection, provided no expenditure of state  
578 funds shall be made to cover the cost of hiring a consultant to make  
579 programmatic changes to the licensing system.]

580 Sec. 10. Section 20-312b of the general statutes is repealed and the  
581 following is substituted in lieu thereof (*Effective April 1, 2024*):

582 A [licensed] real estate [broker or real estate salesperson] licensee  
583 shall not be considered an employee under the provisions of section 31-  
584 275 if substantially all of the remuneration for the services performed by  
585 such [broker or salesperson] real estate licensee, whether paid in cash or  
586 otherwise, is directly related to sales or other output rather than to the  
587 number of hours worked, and such services are performed by the  
588 [broker or salesperson] real estate licensee pursuant to a written contract  
589 that contains the following provisions:

590 (1) The [broker or salesperson] real estate licensee, for purposes of  
591 workers' compensation, is engaged as an independent contractor  
592 associated with the person for whom services are performed;

593 (2) The [broker or salesperson] real estate licensee shall be paid a  
594 commission based on [his] such real estate licensee's gross sales or  
595 leases, if any, without deduction for taxes, which commission shall be  
596 directly related to sales, leases or other output;

597 (3) The [broker or salesperson] real estate licensee shall not receive  
598 any remuneration related to the number of hours worked and shall not  
599 be treated as an employee with respect to such services for purposes of

600 workers' compensation;

601 (4) The [broker or salesperson] real estate licensee shall be permitted  
602 to work any hours [he] such real estate licensee chooses;

603 (5) The [broker or salesperson] real estate licensee shall be permitted  
604 to work out of [his] such real estate licensee's own home or the office of  
605 the person for whom services are performed;

606 (6) The [broker or salesperson] real estate licensee shall be free to  
607 engage in outside employment;

608 (7) The person for whom the services are performed may provide  
609 office facilities and supplies for the use of the [broker or salesperson]  
610 real estate licensee, but [the broker or salesperson] such real estate  
611 licensee shall otherwise pay [his] such real estate licensee's own  
612 expenses, including, but not limited to, automobile, travel and  
613 entertainment expenses; and

614 (8) The contract may be terminated by either party to such contract at  
615 any time upon notice given to the other party to such contract.

616 Sec. 11. Section 20-314 of the general statutes is repealed and the  
617 following is substituted in lieu thereof (*Effective April 1, 2024*):

618 (a) Licenses shall be granted under this chapter only to persons who  
619 bear a good reputation for honesty, truthfulness and fair dealing and  
620 who are competent to transact the business of a real estate broker or real  
621 estate salesperson in such manner as to safeguard the interests of the  
622 public.

623 (b) Each application for a license or for a renewal thereof shall be  
624 made in writing, on such forms and in such manner as is prescribed by  
625 the [Department of Consumer Protection and accompanied by such  
626 evidence in support of such application as is prescribed by the  
627 commission. The commission may require such information with regard  
628 to an applicant as the commission deems desirable, with due regard to  
629 the paramount interests of the public, as to the honesty, truthfulness,

630 integrity and competency of the applicant and, where the applicant is a  
631 corporation, association or partnership, as to the honesty, truthfulness,  
632 integrity and competency of the officers of such corporation or the  
633 members of such association or partnership] department.

634 (c) In order to determine the competency of any applicant for a real  
635 estate [broker's license or a real estate salesperson's] licensee's license,  
636 the commission or Commissioner of Consumer Protection shall, on  
637 payment of an application fee of one hundred twenty dollars by an  
638 applicant for a real estate broker's license or an application fee of eighty  
639 dollars by an applicant for a real estate salesperson's license, subject  
640 such applicant to personal written examination as to the applicant's  
641 competency to act as a real estate broker or real estate salesperson, as  
642 the case may be. [Such] Each examination shall be prepared by the  
643 [Department of Consumer Protection] department or by a national  
644 testing service designated by the [Commissioner of Consumer  
645 Protection] commissioner and shall be administered to applicants by the  
646 [Department of Consumer Protection] department or by such testing  
647 service at such times and places as the commissioner may deem  
648 necessary. The commission or [Commissioner of Consumer Protection]  
649 commissioner may waive the uniform portion of the written  
650 examination requirement in the case of an applicant who has taken the  
651 national testing service examination in another state within two years  
652 from the date of application and has received a score deemed  
653 satisfactory by the commission or [Commissioner of Consumer  
654 Protection] commissioner. The [Commissioner of Consumer Protection]  
655 commissioner shall adopt regulations, in accordance with chapter 54,  
656 establishing passing scores for examinations. In addition to such  
657 application fee, applicants taking the examination administered by a  
658 national testing service shall be required to pay directly to such testing  
659 service an examination fee covering the cost of such examination. Each  
660 payment of such application fee shall entitle the applicant to take such  
661 examination within the one-year period from the date of payment.

662 [(d) (1) (A) Each applicant applying for a real estate broker's license  
663 on or after July 1, 2016, but before January 1, 2022, shall, before being

664 admitted to such examination, prove to the satisfaction of the  
665 commission or the Commissioner of Consumer Protection that the  
666 applicant (i) (I) has been actively engaged for at least two years as a  
667 licensed real estate salesperson under the supervision of a licensed real  
668 estate broker in this state, (II) has successfully completed a course  
669 approved by the commission or commissioner in real estate principles  
670 and practices of at least sixty classroom hours of study, (III) has  
671 successfully completed a course approved by the commission or  
672 commissioner in real estate legal compliance consisting of at least fifteen  
673 classroom hours of study, (IV) has successfully completed a course  
674 approved by the commission or commissioner in real estate brokerage  
675 principles and practices consisting of at least fifteen classroom hours,  
676 and (V) has successfully completed two elective courses, each consisting  
677 of fifteen classroom hours of study, as prescribed by the commission or  
678 commissioner, or (ii) has equivalent experience or education as  
679 determined by the commission or commissioner.]

680 [(B)] (d) (1) Each applicant [applying for a real estate broker's license  
681 on or after January 1, 2022,] shall, before being admitted to such  
682 examination, prove to the satisfaction of the commission or the  
683 Commissioner of Consumer Protection that the applicant [(i) (I)] (A) (i)  
684 has been actively engaged as a licensed real estate salesperson under the  
685 supervision of [a licensed real estate broker in this state for] a  
686 supervising licensee, who is licensed in this state, for a minimum period  
687 of three years immediately preceding the date the applicant filed such  
688 applicant's application, during which period such salesperson engaged  
689 in the real estate business for at least one thousand five hundred hours  
690 [during the three years immediately preceding the date on which such  
691 applicant filed such applicant's application,] and such supervising  
692 [licensed real estate broker] licensee, or such supervising [licensed real  
693 estate broker's] licensee's authorized representative, has certified the  
694 accuracy of a record of such applicant's active engagement on a form  
695 provided by such applicant to such supervising [licensed real estate  
696 broker] licensee or authorized representative, [(II)] (ii) has successfully  
697 completed a course approved by the commission or commissioner in

698 real estate principles and practices of at least sixty classroom hours of  
699 study, [(III)] (iii) has successfully completed a course approved by the  
700 commission or commissioner in real estate legal compliance consisting  
701 of at least fifteen classroom hours of study, [(IV)] (iv) has successfully  
702 completed a course approved by the commission or commissioner in  
703 real estate brokerage principles and practices consisting of at least  
704 fifteen classroom hours, [(V)] (v) has successfully completed two  
705 elective courses, each consisting of fifteen classroom hours of study, as  
706 prescribed by the commission or commissioner, and [(VI)] (vi) has  
707 represented a seller, buyer, lessor or lessee in at least four real estate  
708 transactions that closed during the three years immediately preceding  
709 the date on which such applicant filed such applicant's application, or  
710 [(ii)] (B) has equivalent experience or education as determined by the  
711 commission or commissioner. Each supervising [licensed real estate  
712 broker] licensee, or authorized representative of such supervising  
713 [licensed real estate broker] licensee, shall certify the accuracy or  
714 inaccuracy of a record provided by an applicant to such supervising  
715 [licensed real estate broker] licensee or authorized representative under  
716 subparagraph [(B)(i)(I)] (A)(i) of this subdivision not later than ninety  
717 days after such applicant provides such record to such supervising  
718 [licensed real estate broker] licensee or authorized representative.

719 (2) The commission or the [Commissioner of Consumer Protection]  
720 commissioner shall waive the elective courses under subparagraph  
721 [(A)(i)(V) or (B)(i)(V)] (A)(v) of subdivision (1) of this subsection if the  
722 applicant has successfully completed at least twenty real estate  
723 transactions within five years immediately preceding the date of  
724 application. [As used in this subdivision, "real estate transaction" means  
725 any transaction in which real property is legally transferred to another  
726 party or in which a lease agreement is executed between a landlord and  
727 a tenant.]

728 (3) Each applicant for a real estate salesperson's license shall, before  
729 being admitted to such examination, prove to the satisfaction of the  
730 commission or the [Commissioner of Consumer Protection]  
731 commissioner that the applicant (A) has successfully completed a course



732 approved by the commission or commissioner in real estate principles  
733 and practices consisting of at least sixty classroom hours of study, or (B)  
734 has equivalent experience or education as determined by the  
735 commission or commissioner.

736 (e) The provisions of subsections (c) and (d) of this section shall not  
737 apply to any renewal of a real estate broker's license, or a real estate  
738 salesperson's license issued prior to October 1, 1973.

739 (f) All licenses issued under the provisions of this chapter shall expire  
740 ~~[annually]~~ biennially. At the time of application for a real estate broker's  
741 license, there shall be paid to the ~~[commission]~~ department, for each  
742 individual applicant and for each ~~[proposed active member or officer of~~  
743 ~~a firm, partnership, association or corporation]~~ business entity, the sum  
744 of ~~[five hundred sixty-five]~~ one thousand one hundred thirty dollars,  
745 and for the ~~[annual]~~ biennial renewal thereof, the sum of ~~[three hundred~~  
746 ~~seventy-five]~~ seven hundred fifty dollars, except that for licenses  
747 expiring on March 31, 2022, a prorated renewal fee shall be charged to  
748 reflect the fact that the March 2022, renewal shall expire on November  
749 30, 2023. At the time of application for a real estate salesperson's license,  
750 there shall be paid to the ~~[commission two hundred eighty-five]~~  
751 department five hundred seventy dollars and for the ~~[annual]~~ biennial  
752 renewal thereof the sum of ~~[two hundred eighty-five]~~ five hundred  
753 seventy dollars. ~~[Three]~~ Six dollars of each such ~~[annual]~~ biennial  
754 renewal fee shall be payable to the Real Estate Guaranty Fund  
755 established pursuant to section 20-324a, as amended by this act. A real  
756 estate broker's license issued to any ~~[partnership, association or~~  
757 ~~corporation]~~ business entity shall entitle the ~~[individual designated in~~  
758 ~~the application, as provided in section 20-312]~~ designated broker, upon  
759 compliance with the terms of this chapter, but without the payment of  
760 any further fee, to perform all of the acts of a real estate broker under  
761 this chapter on behalf of such ~~[partnership, association or corporation]~~  
762 business entity. Any license which expires and is not renewed ~~[pursuant~~  
763 ~~to this subsection]~~ on or before the ninetieth day following the  
764 expiration date of such license may be reinstated by the commission [,  
765 if, not later than two years after the date of expiration, the former

766 licensee pays to the commission for] or department, in the commission's  
767 or department's discretion, provided such license has expired for less  
768 than three years and the former licensee (1) attests that such former  
769 licensee did not work in this state in the occupation or profession in  
770 which such former licensee was licensed while such former licensee's  
771 license was lapsed, (2) pays the renewal fee due for such license for the  
772 year in which such license is reinstated, and (3) completes any  
773 continuing education required for such license for the year preceding  
774 such reinstatement. If an applicant for reinstatement worked in this state  
775 in the occupation or profession in which such applicant was formerly  
776 licensed while such license was lapsed, the applicant shall pay all license  
777 and late fees due and owing for the lapse period and demonstrate that  
778 such applicant has completed all continuing education required for such  
779 license for the year preceding such reinstatement. Such late fees shall be  
780 assessed for each real estate broker's license [the sum] in the amount of  
781 three hundred seventy-five dollars and for each real estate salesperson's  
782 license [the sum] in the amount of two hundred eighty-five dollars for  
783 each year or fraction thereof from the date of expiration of the previous  
784 license to the date of payment for reinstatement. [, except that any] If a  
785 license has lapsed for at least three years, the former licensee is ineligible  
786 for reinstatement under this subsection and may apply for a new license.  
787 Notwithstanding any contrary provision of this subsection, a former  
788 licensee whose license expired after such former licensee entered  
789 military service shall be reinstated without payment of any fee if an  
790 application for reinstatement is filed with the commission [within two  
791 years after the date of expiration] or department before the third  
792 anniversary of such expiration date, and the former licensee provides  
793 evidence that is sufficient to demonstrate to the commission or  
794 department that such former licensee completed at least six hours of  
795 continuing education for such license, including, but not limited to, the  
796 mandatory continuing education required for such license, during the  
797 calendar year preceding the date on which such application for  
798 reinstatement is filed. Any such reinstated broker's license shall expire  
799 on the next succeeding November thirtieth. [, except that any broker's  
800 license that is reinstated before March 31, 2022, shall expire on March

801 31, 2022.] Any such reinstated real estate salesperson's license shall  
802 expire on the next succeeding May thirty-first.

803 (g) [Any person whose application has been filed as provided in this  
804 section and who is refused a license shall be given notice and afforded  
805 an opportunity for hearing as provided in the regulations adopted by  
806 the Commissioner of Consumer Protection.] Following a denial of a  
807 license or license renewal application filed under this section, the  
808 department shall send a notice to the applicant who filed such  
809 application disclosing such denial and that such applicant may request  
810 a hearing by submitting to the Commissioner of Consumer Protection a  
811 written hearing request not later than thirty days after the date such  
812 denial notice was sent to such applicant. If the applicant requests a  
813 hearing during such thirty-day period, the department shall send a  
814 notice to such applicant disclosing the grounds for such denial and  
815 conduct a hearing concerning such denial in accordance with the  
816 provisions of chapter 54. If the commissioner's denial is sustained after  
817 such hearing, the applicant may file a new application for such license  
818 or license renewal not sooner than one year after the date on which such  
819 denial was sustained.

820 Sec. 12. Section 20-314a of the general statutes is repealed and the  
821 following is substituted in lieu thereof (*Effective April 1, 2024*):

822 (a) The Commissioner of Consumer Protection, with the advice and  
823 assistance of the commission, may adopt regulations, in accordance  
824 with chapter 54, relating to the approval of schools offering prelicensing  
825 and continuing education courses, [in real estate principles and practice  
826 and related subjects,] the content of such courses and the advertising to  
827 the public of the services [of] offered by such schools. Such regulations  
828 shall not require [(1)] approval of instructors at such schools. [, or (2) a  
829 course to be conducted in a classroom location approved for such use  
830 by a local fire marshal provided the course is conducted in a hotel,  
831 restaurant or other public building or a place of public assembly, as  
832 defined in section 19-13-B105 of the regulations of Connecticut state  
833 agencies.] No school may be disapproved solely because the school's

834 courses are offered or taught by electronic means, and no course may be  
835 disapproved solely because the course is offered or taught by electronic  
836 means if such course satisfies the requirements established in section 4  
837 of this act.

838 (b) The commission or department may exempt any applicant for a  
839 real estate broker's license from the requirements concerning experience  
840 under the provisions of subsection (d) of section 20-314, as amended by  
841 this act, if the commission or department determines that such applicant  
842 is unable to meet such requirements solely because such applicant has  
843 been subjected to discrimination based on race, creed or color, which  
844 discrimination interfered with such applicant's ability to meet such  
845 requirements.

846 Sec. 13. Subsections (b) and (c) of section 20-316 of the general statutes  
847 are repealed and the following is substituted in lieu thereof (*Effective*  
848 *April 1, 2024*):

849 (b) No license under this chapter shall be issued by the [Department  
850 of Consumer Protection] department to any applicant (1) whose  
851 application for a license as a real estate [broker or real estate salesperson]  
852 licensee has, within one year prior to the date of [his] such applicant's  
853 application under this chapter, been rejected in this state, in any other  
854 state or in the District of Columbia, or (2) whose license as a real estate  
855 [broker or real estate salesperson] licensee has, within one year prior to  
856 the date of [his] such applicant's application under this chapter, been  
857 revoked in this state, in any other state or in the District of Columbia.

858 (c) No real estate license [as a real estate broker or real estate  
859 salesperson] shall be issued under this chapter to any person who [has  
860 not attained the age of] is younger than eighteen years of age.

861 Sec. 14. Section 20-317 of the general statutes is repealed and the  
862 following is substituted in lieu thereof (*Effective April 1, 2024*):

863 (a) A person licensed in another state [as a real estate broker or  
864 salesperson] to engage in the real estate business may become a real

865 estate [broker or real estate salesperson] licensee in this state by  
866 conforming to all of the provisions of this chapter. The commission or  
867 Commissioner of Consumer Protection shall recognize a current, valid  
868 license issued to a currently practicing, competent real estate [broker or  
869 real estate salesperson] professional engaging in the real estate business  
870 in, and recognized by, another state as satisfactorily qualifying [the  
871 broker or salesperson] such real estate professional for a license as a real  
872 estate [broker or real estate salesperson] licensee under this chapter,  
873 provided (1) the laws of the state in which [the broker or salesperson]  
874 such real estate professional is licensed require that applicants for  
875 licenses as real estate [brokers and real estate salespersons] licensees  
876 establish their competency by written examinations, [and allow licenses  
877 to be issued to residents of the state of Connecticut, licensed under this  
878 chapter, without examination,] (2) the licensure requirements of such  
879 state are substantially similar to or higher than those of this state, and  
880 (3) [the broker or salesperson] such real estate professional has no  
881 disciplinary proceeding or unresolved complaint pending against [the  
882 broker or salesperson] such real estate professional. If [the] an applicant  
883 real estate professional is licensed in a state that does not have such  
884 requirements, such applicant real estate professional shall be required  
885 to pass the Connecticut portion of the real estate examination.

886 (b) [Every applicant licensed in another state shall file an irrevocable  
887 consent that suits and actions may be commenced against such  
888 applicant in the proper court in any judicial district of the state in which  
889 a cause of action may arise or in which the plaintiff may reside, by the  
890 service of any process or pleading, authorized by the laws of this state,  
891 on the chairperson of the commission, such consent stipulating and  
892 agreeing that such service of such process or pleading shall be taken and  
893 held in all courts to be as valid and binding as if service had been made  
894 upon such applicant in the state of Connecticut. If any process or  
895 pleadings under this chapter are served upon the chairperson, it shall  
896 be by duplicate copies, one of which shall be filed in the office of the  
897 commission, and the other immediately forwarded by registered or  
898 certified mail, to the applicant against whom such process or pleadings

899 are directed, at the last-known address of such applicant as shown by  
900 the records of the department. No default in any such proceedings or  
901 action shall be taken unless it appears by affidavit of the chairperson of  
902 the commission that a copy of the process or pleading was mailed to the  
903 defendant as required by this subsection, and no judgment by default  
904 shall be taken in any such action or proceeding within twenty days after  
905 the date of mailing of such process or pleading to the out-of-state  
906 defendant.] A real estate professional who satisfies the requirements  
907 established in subsection (a) of this section may apply for licensure in  
908 this state as set forth in section 21a-11b.

909 Sec. 15. Section 20-319 of the general statutes is repealed and the  
910 following is substituted in lieu thereof (*Effective April 1, 2024*):

911 (a) The commission shall authorize the [Department of Consumer  
912 Protection] department to issue [an annual] a two-year renewal license  
913 to any applicant who possesses the qualifications specified in, and  
914 [otherwise] has otherwise complied with the provisions of, this chapter  
915 and any regulation adopted [under] pursuant to this chapter. The  
916 commission shall authorize [said] the department to issue [an annual] a  
917 two-year renewal of a real estate broker's license to any business entity  
918 licensed pursuant to subsection (b) of section 20-312, as amended by this  
919 act, provided such business entity: (1) Was so licensed as of September  
920 30, 2005, notwithstanding the fact such business entity does not meet the  
921 requirements for publicly traded corporations required by subdivision  
922 [(3)] (5) of subsection (b) of section 20-312, as amended by this act, or (2)  
923 changes [its] such business entity's designated [real estate] broker  
924 pursuant to subsection (c) of section 20-312, as amended by this act.

925 (b) There [is] are hereby established [an annual] two-year renewal  
926 [license] licenses to be issued by the [Department of Consumer  
927 Protection. Persons licensed in accordance with the provisions of this  
928 chapter] department to real estate licensees. Each real estate licensee  
929 who files an application with the department seeking a two-year  
930 renewal license shall fulfill a continuing education requirement.  
931 [Applicants] Each applicant for [an annual] a two-year renewal license

932 [for real estate brokers or real estate salespersons] shall, in addition to  
933 the other requirements imposed by the provisions of this chapter, [in  
934 any even-numbered year,] submit to the commission or department  
935 proof [of] that such applicant is in compliance with the continuing  
936 education requirements [of] established in this [subsection to the  
937 commission. Each] section. Each real estate licensee shall pay [an annual  
938 four-dollar] a biennial eight-dollar continuing education processing fee  
939 to cover the administrative costs associated with [the review] reviewing  
940 and auditing [of] continuing education submissions. The continuing  
941 education requirement for real estate licensees may be satisfied by  
942 successful completion of any of the following during the two-year  
943 period preceding [such] a renewal: (1) A course or courses, approved by  
944 the commission or department, of continuing education in current real  
945 estate practices and licensing laws, including, but not limited to,  
946 practices and laws concerning common interest communities,  
947 consisting of not less than twelve hours of classroom study; or (2) a  
948 written examination prepared and administered by either the  
949 [Department of Consumer Protection] department, or by a national  
950 testing service approved by the department, which demonstrates a  
951 knowledge of current real estate practices and licensing laws; or (3)  
952 equivalent continuing educational experience or study as determined  
953 by regulations adopted pursuant to subsection (d) of this section. An  
954 applicant for examination under subdivision (2) of this subsection shall  
955 pay the required examination fee to the national testing service, if  
956 administered by such testing service, or to the [Department of  
957 Consumer Protection] department, if administered by the department.

958 (c) If the commission or department refuses to grant [an annual] a  
959 two-year renewal license, the licensee or applicant, upon written notice  
960 received as provided for in this chapter, may have recourse to any of the  
961 remedies provided by sections 20-314, as amended by this act, and 20-  
962 322.

963 (d) The Commissioner of Consumer Protection, in consultation with  
964 the commission, shall adopt regulations, in accordance with chapter 54,  
965 [concerning the approval of schools, institutions or organizations

966 offering courses in current real estate practices and licensing laws,  
967 including, but not limited to, practices and laws concerning common  
968 interest communities, and the content of such courses] to establish  
969 continuing education requirements. Such regulations shall include, but  
970 not be limited to: (1) Specifications for meeting equivalent continuing  
971 educational experience or study; and (2) exceptions from continuous  
972 education requirements for reasons of health or instances of individual  
973 hardship. [No school, institution or organization that offers a course in  
974 current real estate practices and licensing laws may be disapproved  
975 solely because its courses are offered or taught by electronic means, and  
976 no course may be disapproved solely because it is offered or taught by  
977 electronic means.]

978 (e) If a real estate licensee fails to satisfy the continuing education  
979 requirements established pursuant to this section for any two-year  
980 license period, the real estate licensee shall pay to the department a fee  
981 in the amount of:

982 (1) Three hundred fifteen dollars if such licensee reports to the  
983 department, in a form and manner prescribed by the department, that  
984 such real estate licensee failed to satisfy such continuing education  
985 requirements during such license period but completed such continuing  
986 education requirements not later than two months after such license  
987 period expired; or

988 (2) Six hundred twenty-five dollars if such licensee reports to the  
989 department, in a form and manner prescribed by the department, that  
990 such real estate licensee failed to satisfy such continuing education  
991 requirements during such license period but completed such continuing  
992 education requirements more than two months after such license period  
993 expired but not later than four months after such license period expired.

994 Sec. 16. Section 20-319a of the general statutes is repealed and the  
995 following is substituted in lieu thereof (*Effective April 1, 2024*):

996 (a) [Any] Each licensed real estate salesperson or associate broker  
997 who transfers [his employment from one broker to another or his] such



998 real estate salesperson's or associate broker's affiliation with a broker [as  
999 an independent contractor] or property owner shall register such  
1000 transfer with, and pay a registration fee of twenty-five dollars to, the  
1001 [commission] department.

1002 (b) A fee of twenty-five dollars shall be paid to the [commission]  
1003 department for the issuance of a license certification.

1004 (c) A fee of twenty-five dollars shall be paid to the [Department of  
1005 Consumer Protection] department for any change made to, or transfer  
1006 of, a team's registration after the team files an initial registration with  
1007 the department pursuant to [subdivision (1) of] subsection (e) of section  
1008 20-312, as amended by this act.

1009 (d) If a team transfers to a new supervising licensee, the new  
1010 supervising licensee shall electronically update the team's registration  
1011 information with the department not later than fourteen calendar days  
1012 after such transfer.

1013 Sec. 17. Section 20-320 of the general statutes is repealed and the  
1014 following is substituted in lieu thereof (*Effective April 1, 2024*):

1015 (a) The [Department of Consumer Protection] department may [,  
1016 upon the request of the commission or upon the verified complaint in  
1017 writing of any person, if such complaint, or such complaint together  
1018 with evidence, documentary or otherwise, presented in connection with  
1019 such complaint, shall make out a prima facie case,] investigate the  
1020 actions of any [real estate broker or real estate salesperson or any person  
1021 who assumes to act in any of such capacities] person who engages in the  
1022 real estate business or offers real estate courses within this state. The  
1023 commission or department may temporarily suspend or permanently  
1024 revoke any license or registration issued under the provisions of this  
1025 chapter and, in addition to or in lieu of such suspension or revocation,  
1026 may, in [its] the commission's or department's discretion, impose a fine  
1027 of not more than [two] five thousand dollars per violation at any time  
1028 when, after proceedings as provided in section 20-321, the commission  
1029 or department finds that the real estate licensee has by false or

1030 fraudulent misrepresentation obtained a license or registration or that  
1031 the real estate licensee [is guilty of any of the following] has: (1)  
1032 [Making] Made any material misrepresentation; (2) [making] made any  
1033 false promise of a character likely to influence, persuade or induce; (3)  
1034 [acting] acted as an agent for more than one party in a transaction  
1035 without the knowledge of all parties for whom the real estate licensee  
1036 [acts] acted; (4) [representing or attempting] represented, or attempted  
1037 to represent, a real estate broker, other than the real estate licensee's  
1038 [employer or the broker with whom the licensee is affiliated] affiliated  
1039 or supervising licensee, without the express knowledge and consent of  
1040 [the] such real estate licensee's [employer or] affiliated [broker] or  
1041 supervising licensee; (5) [failing] failed, within a reasonable time, to  
1042 account for or remit any moneys [coming] which came into the real  
1043 estate licensee's possession and which belong to others; (6) [entering]  
1044 entered into an exclusive listing contract or buyer agency contract which  
1045 contains a fixed termination date if such contract also provides for an  
1046 automatic continuation of the period of such contract beyond such date;  
1047 (7) [failing] failed to deliver immediately a copy of any instrument to  
1048 any party or parties executing [the] such instrument, where such  
1049 instrument has been prepared by the real estate licensee or under [the]  
1050 such real estate licensee's supervision and where such instrument  
1051 relates to the employment of [the] such real estate licensee or to any  
1052 matters pertaining to the consummation of a lease, or the purchase, sale  
1053 or exchange of real property or any other type of real estate transaction  
1054 in which [the] such real estate licensee may participate as a [broker or a  
1055 salesperson] real estate licensee; (8) [conviction] been convicted, in a  
1056 court of competent jurisdiction, of forgery, embezzlement, obtaining  
1057 money under false pretenses, larceny, extortion, conspiracy to defraud  
1058 [or other like] or a similar offense, [or offenses,] provided suspension  
1059 or revocation under this subdivision shall be subject to the provisions of  
1060 section 46a-80; (9) [collecting] collected compensation or a commission  
1061 in advance of services to be performed and [failing] failed, upon  
1062 demand of the person [paying the] who paid such compensation or [the]  
1063 commission, to render an accounting of the use of such [money]  
1064 compensation or commission; (10) [commingling] commingled funds of

1065 others with the real estate licensee's own funds, or [failing] failed to keep  
1066 funds of others in an escrow or [trustee] trust account; (11) engaged in  
1067 any act or conduct which constitutes dishonest, fraudulent or improper  
1068 dealings; (12) [failing] failed to provide the disclosures required by  
1069 section 20-325c, [;] as amended by this act; or (13) [a violation of] violated  
1070 any provision of this chapter or any regulation adopted under this  
1071 chapter. [Any such suspension or revocation of a license or imposition  
1072 of a fine by the commission shall be a proposed final decision and  
1073 submitted to the commissioner in accordance with the provisions of  
1074 subsection (b) of section 21a-7.] Any fine collected pursuant to this  
1075 section shall be deposited in the Real Estate Guaranty Fund established  
1076 pursuant to section 20-324a, as amended by this act.

1077 (b) No person shall be relieved of responsibility for the conduct or  
1078 actions of such person's agents, employees or officers by reason of such  
1079 person's compliance with the provisions of this chapter. No person who  
1080 engages in the real estate business shall be relieved of responsibility for  
1081 such person's own conduct or actions by reason of such person's  
1082 employment by, or association with, any real estate licensee or  
1083 development owner.

1084 Sec. 18. Section 20-320a of the general statutes is repealed and the  
1085 following is substituted in lieu thereof (*Effective April 1, 2024*):

1086 [(a)] No real estate [broker or real estate salesperson] licensee, no  
1087 person affiliated with [such broker or salesperson] a real estate licensee,  
1088 and no person engaging in the real estate business may receive a fee,  
1089 commission or other form of referral fee for the referral of any buyer of  
1090 real property to (1) an attorney-at-law admitted to practice in this state  
1091 or any person affiliated with such attorney or (2) any mortgage broker,  
1092 any lender, as defined in subdivision (5) of section 49-31d, or any person  
1093 affiliated with such mortgage broker or lender.

1094 [(b) The Department of Consumer Protection may, upon the request  
1095 of the commission or upon the verified complaint in writing of any  
1096 person, if such complaint, or such complaint together with evidence,

1097 documentary or otherwise, presented in connection with such  
1098 complaint, shall make out a prima facie case, investigate the actions of  
1099 any real estate broker or real estate salesperson or any person who  
1100 assumes to act in any of such capacities within this state. The  
1101 commission may temporarily suspend or permanently revoke any  
1102 license issued under the provisions of this chapter, and, in addition to  
1103 or in lieu of such suspension or revocation, may, in its discretion, impose  
1104 a fine of not more than one thousand dollars for the first offense at any  
1105 time when, after proceedings as provided in section 20-321, the  
1106 commission finds that the licensee is guilty of violating any of the  
1107 provisions of subsection (a) of this section. Any such suspension or  
1108 revocation of a license or imposition of a fine by the commission shall  
1109 be a proposed final decision and submitted to the commissioner in  
1110 accordance with the provisions of subsection (b) of section 21a-7.]

1111 Sec. 19. Subsection (a) of section 20-320b of the general statutes is  
1112 repealed and the following is substituted in lieu thereof (*Effective April*  
1113 *1, 2024*):

1114 (a) A real estate [broker or real estate salesperson licensed under this  
1115 chapter] licensee shall not influence residential real estate appraisals.  
1116 [For the purposes of this section, "influence residential real estate  
1117 appraisals" includes, but is not limited to, refusal or intentional failure  
1118 to refer a homebuyer, or encouraging other real estate brokers or real  
1119 estate salespersons not to refer a homebuyer, to a mortgage broker, as  
1120 defined in section 36a-760, or a lender, as defined in section 36a-760,  
1121 based solely on the fact that the mortgage broker or lender uses an  
1122 appraiser who has provided an appraisal reflecting a fair market value  
1123 estimate that was less than the sale contract price.]

1124 Sec. 20. Section 20-323 of the general statutes is repealed and the  
1125 following is substituted in lieu thereof (*Effective April 1, 2024*):

1126 Any real estate licensee under this chapter who is convicted of a  
1127 violation of any of the offenses enumerated in subdivision (8) of  
1128 subsection (a) of section 20-320, as amended by this act, may incur a

1129 forfeiture of [his or her] such real estate licensee's license and all moneys  
1130 that may have been paid for such license. The clerk of any court in which  
1131 such conviction has been rendered shall forward to the commission  
1132 without charge a certified copy of such conviction. The [commissioner]  
1133 Commissioner of Consumer Protection may revoke such licensee's  
1134 license after proceedings as provided in section 20-321. Such notice shall  
1135 be conclusive of the revocation of such license. Application for  
1136 reinstatement of such license shall be subject to the provisions of section  
1137 46a-80.

1138 Sec. 21. Section 20-324a of the general statutes is repealed and the  
1139 following is substituted in lieu thereof (*Effective April 1, 2024*):

1140 The commission shall establish and maintain a Real Estate Guaranty  
1141 Fund from which, subject to the provisions of this section and sections  
1142 [20-324a] 20-324b to [20-324j] 20-324i, inclusive, as amended by this act,  
1143 any person aggrieved by any action of a real estate [broker or real estate  
1144 salesperson] licensee, duly licensed in this state under section 20-312, as  
1145 amended by this act, by reason of the embezzlement of money or  
1146 property, or money or property unlawfully obtained from any person  
1147 by false pretenses, artifice or forgery or by reason of any fraud,  
1148 misrepresentation or deceit by or on the part of any such real estate  
1149 [broker or real estate salesperson] licensee or the unlicensed employee  
1150 of any such real estate [broker] licensee, may recover, upon approval by  
1151 the commission of an application brought pursuant to the provisions of  
1152 section 20-324e, as amended by this act, compensation in an amount not  
1153 exceeding in the aggregate the sum of twenty-five thousand dollars in  
1154 connection with any one real estate transaction or claim, regardless of  
1155 the number of persons aggrieved or parcels of real estate involved in  
1156 such real estate transaction or claim.

1157 Sec. 22. Section 20-324b of the general statutes is repealed and the  
1158 following is substituted in lieu thereof (*Effective April 1, 2024*):

1159 [Any person who receives a real estate broker's or real estate  
1160 salesperson's license under this chapter for the first time shall] Each real

1161 estate licensee shall, upon application for a license under this chapter,  
1162 pay an additional one-time fee of twenty dollars in addition to all other  
1163 fees payable, which additional fee shall be credited to the Real Estate  
1164 Guaranty Fund. The Real Estate Guaranty Fund shall also be credited as  
1165 provided in sections 20-314, as amended by this act, and 20-320, as  
1166 amended by this act.

1167 Sec. 23. Section 20-324d of the general statutes is repealed and the  
1168 following is substituted in lieu thereof (*Effective April 1, 2024*):

1169 No application to recover compensation under sections 20-324a to  
1170 [20-324j] 20-324i, inclusive, as amended by this act, which might  
1171 subsequently result in an order for collection from the Real Estate  
1172 Guaranty Fund shall be brought later than two years from the final  
1173 determination of, or expiration of time for appeal in connection with,  
1174 any judgment.

1175 Sec. 24. Subsections (a) to (f), inclusive, of section 20-324e of the  
1176 general statutes are repealed and the following is substituted in lieu  
1177 thereof (*Effective April 1, 2024*):

1178 (a) When any aggrieved person commences any action for a  
1179 judgment which may result in collection from the Real Estate Guaranty  
1180 Fund, the aggrieved person shall notify the commission or department  
1181 in writing to this effect at the time of the commencement of such action.  
1182 Such written notice shall toll the time for making application to the  
1183 commission pursuant to section 20-324d, as amended by this act. The  
1184 commission or department shall have the right to enter an appearance,  
1185 intervene in or defend any such action and may waive the required  
1186 written notice for good cause shown.

1187 (b) When any aggrieved person recovers a valid judgment in the  
1188 Superior Court against any real estate [broker or real estate salesperson]  
1189 licensee or the unlicensed employee of any such real estate [broker]  
1190 licensee for loss or damages sustained by reason of the embezzlement  
1191 of money or property, or money or property unlawfully obtained from  
1192 any person by false pretenses, artifice or forgery or by reason of any

1193 fraud, misrepresentation or deceit by or on the part of such real estate  
1194 [broker or salesperson] licensee or the unlicensed employee of any such  
1195 real estate broker, such aggrieved person may upon the final  
1196 determination of, or expiration of time for appeal in connection with,  
1197 any judgment, apply to the commission for an order directing payment  
1198 out of the Real Estate Guaranty Fund of the amount unpaid upon the  
1199 judgment, subject to the limitations stated in section 20-324a, as  
1200 amended by this act, and the limitations specified in this section.

1201 (c) The commission shall proceed upon such application in a  
1202 summary manner, and, upon the hearing thereof, the aggrieved person  
1203 shall be required to show that: (1) [He] Such aggrieved person is not a  
1204 spouse of the debtor or the personal representative of such spouse; (2)  
1205 [he] such aggrieved person has complied with all the requirements of  
1206 this section; (3) [he] such aggrieved person has obtained a judgment as  
1207 provided in subsection (b) of this section, stating the amount thereof and  
1208 the amount owing thereon at the date of the application; (4) [he] such  
1209 aggrieved person has caused to be issued a writ of execution upon the  
1210 judgment and the officer executing the same has made a return showing  
1211 that no personal or real property of the judgment debtor liable to be  
1212 levied upon in satisfaction of the judgment could be found, or that the  
1213 amount realized on the sale of them or of such of them as were found,  
1214 under the execution, was insufficient to satisfy the judgment, stating the  
1215 amount so realized and the balance remaining due on the judgment  
1216 after application thereon of the amount realized; (5) [he] such aggrieved  
1217 person has made all reasonable searches and inquiries to ascertain  
1218 whether the judgment debtor possesses real or personal property or  
1219 other assets, liable to be sold or applied in satisfaction of the judgment;  
1220 and (6) that by such search [he] such aggrieved person has discovered  
1221 no personal or real property or other assets liable to be sold or applied,  
1222 or that [he] such aggrieved person has discovered certain of them,  
1223 describing them, owned by the judgment debtor and liable to be so  
1224 applied, and that [he] such aggrieved person has taken all necessary  
1225 action and proceedings for the realization thereof, and that the amount  
1226 thereby realized was insufficient to satisfy the judgment, stating the

1227 amount so realized and the balance remaining due on the judgment  
1228 after application of the amount realized.

1229 (d) Whenever the aggrieved person satisfies the commission that it is  
1230 not practicable to comply with one or more of the requirements  
1231 enumerated in subdivisions (4), (5) and (6) of subsection (c) of this  
1232 section and that [the] such aggrieved person has taken all reasonable  
1233 steps to collect the amount of the judgment or the unsatisfied part  
1234 thereof and has been unable to collect the same, the commission may in  
1235 its discretion waive such requirements.

1236 (e) The commission shall order payment from the Real Estate  
1237 Guaranty Fund of any sum it shall find to be payable upon the claim,  
1238 pursuant to the provisions of and in accordance with the limitations  
1239 contained in this section and section 20-324a, as amended by this act, if  
1240 the commission is satisfied, upon the hearing, of the truth of all matters  
1241 required to be shown by the aggrieved person by subsection (c) of this  
1242 section and that [the] such aggrieved person has fully pursued and  
1243 exhausted all remedies available to [him] such aggrieved person for  
1244 recovering the amount awarded by the judgment of the court.

1245 (f) If the commission pays from the Real Estate Guaranty Fund any  
1246 amount in settlement of a claim or toward satisfaction of a judgment  
1247 against a [licensed real estate broker or real estate salesperson] real  
1248 estate licensee pursuant to an order under subsection (e) of this section,  
1249 such [broker or salesperson] real estate licensee shall not be eligible to  
1250 receive a new license until [he] such real estate licensee has repaid in  
1251 full, plus interest at a rate to be determined by the commission and  
1252 which shall reflect current market rates, the amount paid from the fund  
1253 on [his] such real estate licensee's account. A discharge in bankruptcy  
1254 shall not relieve a person from the penalties and disabilities provided in  
1255 this subsection.

1256 Sec. 25. Section 20-324i of the general statutes is repealed and the  
1257 following is substituted in lieu thereof (*Effective April 1, 2024*):

1258 The Commissioner of Consumer Protection, with the advice and



1259 assistance of the commission, may adopt regulations, in accordance  
1260 with chapter 54, to carry out the provisions of sections 20-324a to [20-  
1261 324j] 20-324h, inclusive, as amended by this act.

1262 Sec. 26. Section 20-325 of the general statutes is repealed and the  
1263 following is substituted in lieu thereof (*Effective April 1, 2024*):

1264 Any person who engages in the real estate business [of a real estate  
1265 broker or real estate salesperson] without obtaining a license as  
1266 provided in this chapter shall be fined not more than one thousand  
1267 dollars per violation or imprisoned not more than six months or both,  
1268 and shall be ineligible to obtain a license for one year from the date of  
1269 conviction of such offense, except that the commission or Commissioner  
1270 of Consumer Protection may grant a license to such person within such  
1271 one-year period upon application and after a hearing on such  
1272 application.

1273 Sec. 27. Subsection (a) of section 20-325a of the general statutes is  
1274 repealed and the following is substituted in lieu thereof (*Effective April*  
1275 *1, 2024*):

1276 (a) [No] Except for an out-of-state real estate licensee who is an  
1277 individual and seeking to recover agreed compensation authorized  
1278 under subsection (e) of section 20-325l, as amended by this act, no  
1279 person who is not licensed under the provisions of this chapter, and who  
1280 was not so licensed at the time the person performed the acts or  
1281 rendered the services for which recovery is sought, shall commence or  
1282 bring any action in any court of this state, after October 1, 1971, to  
1283 recover any commission, compensation or other payment with respect  
1284 to any act done or service rendered by the person, the doing or  
1285 rendering of which is prohibited under the provisions of this chapter  
1286 except by persons duly licensed under this chapter.

1287 Sec. 28. Section 20-325c of the general statutes is repealed and the  
1288 following is substituted in lieu thereof (*Effective April 1, 2024*):

1289 [(a) As used in this section "residential real property" means one to

1290 four-family residential real estate located in this state.]

1291 [(b)] (a) Notwithstanding any provision of the general statutes, [to the  
1292 contrary,] no real estate [broker or real estate salesperson] licensee, and  
1293 no person affiliated with such [broker or salesperson] real estate  
1294 licensee, who receives a fee, commission or other valuable consideration  
1295 for the sale of residential real property, may receive a fee, commission  
1296 or other valuable consideration for negotiating, soliciting, arranging,  
1297 placing or finding a first mortgage loan for the buyer in connection with  
1298 the same sale unless disclosure is made in accordance with the  
1299 provisions of subsection [(c)] (b) of this section. Any fee, commission or  
1300 other valuable consideration received by such [broker or salesperson]  
1301 real estate licensee for negotiating, soliciting, arranging, placing or  
1302 finding a first mortgage loan shall (1) be related to the services actually  
1303 performed, as determined by the Banking Commissioner by regulations  
1304 adopted pursuant to chapter 54, (2) not be imposed for the referral of  
1305 the buyer to the mortgage lender by such [broker or salesperson] real  
1306 estate licensee, and (3) be paid directly to [the broker or salesperson]  
1307 such real estate licensee by the buyer rather than from the mortgage loan  
1308 proceeds at the time of closing.

1309 [(c)] (b) Any disclosure made pursuant to subsection [(b)] (a) of this  
1310 section shall be made to and acknowledged by the buyer prior to the  
1311 time the buyer signs a contract with the real estate [broker or  
1312 salesperson] licensee for mortgage brokering services. Such disclosure  
1313 shall include the following notice printed in at least ten-point boldface  
1314 capital letters:

1315 I UNDERSTAND THAT THE REAL ESTATE BROKER OR  
1316 SALESPERSON IN THIS TRANSACTION HAS OFFERED TO ASSIST  
1317 ME IN FINDING A MORTGAGE LOAN. ADDITIONALLY, I  
1318 UNDERSTAND THAT THIS REAL ESTATE BROKER OR  
1319 SALESPERSON DOES NOT REPRESENT ANY PARTICULAR  
1320 MORTGAGE LENDER AND WILL ATTEMPT TO OBTAIN THE BEST  
1321 TERMS AVAILABLE WITHIN THE MORTGAGE LOAN MARKET  
1322 FOR MY SPECIFIC HOME FINANCING NEEDS. IF THE REAL

1323 ESTATE BROKER OR SALESPERSON DOES NOT FULFILL HIS  
1324 FIDUCIARY OBLIGATION I MAY FILE A COMPLAINT WITH THE  
1325 DEPARTMENT OF BANKING. I ALSO UNDERSTAND THAT I MAY  
1326 ATTEMPT TO FIND A MORTGAGE LOAN TO FINANCE THE  
1327 PURCHASE OF MY HOME WITHOUT THE ASSISTANCE OF THE  
1328 REAL ESTATE BROKER OR SALESPERSON IN WHICH CASE I WILL  
1329 NOT BE OBLIGATED TO PAY A FEE TO THE REAL ESTATE BROKER  
1330 OR SALESPERSON.

1331 [(d)] (c) No mortgage lender may refuse to close a mortgage loan  
1332 secured by residential real property because the buyer has not paid a  
1333 fee, commission or other valuable consideration to a real estate [broker  
1334 or salesperson] licensee for negotiating, soliciting, arranging, placing or  
1335 finding the first mortgage loan.

1336 Sec. 29. Section 20-325d of the general statutes is repealed and the  
1337 following is substituted in lieu thereof (*Effective April 1, 2024*):

1338 (a) [On and after January 1, 2018, a real estate broker or real estate  
1339 salesperson licensed under this chapter] A real estate licensee who  
1340 represents a seller, lessor, prospective purchaser or lessee in a real estate  
1341 transaction shall, upon request, disclose [,] in writing [,] the identity of  
1342 [his or her] the real estate licensee's client to any party to the transaction  
1343 who is not represented by another real estate [broker or real estate  
1344 salesperson licensed under this chapter. The real estate broker or real  
1345 estate salesperson shall make the disclosure required under this section:  
1346 (1) If the transaction concerns residential real property, as defined in  
1347 section 20-325c, (A) at the beginning of the first personal meeting  
1348 concerning the prospective purchaser's or lessee's specific needs in the  
1349 transaction, or (B) at the beginning of the first personal meeting with the  
1350 seller or lessor concerning the seller's or lessor's real property; or (2) if  
1351 the transaction is a commercial real estate transaction, as defined in  
1352 section 20-311, before the prospective purchaser or lessee signs the  
1353 purchase contract or lease. Such disclosure shall be signed by a  
1354 prospective purchaser or lessee and attached to any offer or agreement  
1355 to purchase or lease signed by a prospective purchaser or lessee]

1356 licensee.

1357 (b) Not later than the first personal meeting, a real estate licensee  
1358 shall: (1) Disclose in writing to a prospective party (A) the types of  
1359 agency relationships available to the prospective party, and (B) that the  
1360 prospective party should not share confidential information with the  
1361 real estate licensee until such prospective party has entered into a  
1362 written representation agreement with such real estate licensee; and (2)  
1363 for residential real estate transactions, provide to a prospective party  
1364 information on fair housing discrimination, including a description of  
1365 federal and state fair housing laws, protected classes, where to obtain  
1366 additional information and available resources. The disclosures  
1367 required pursuant to this subsection may be delivered electronically to  
1368 the prospective party.

1369 (c) The Commissioner of Consumer Protection shall adopt such  
1370 regulations, in accordance with chapter 54, as the commissioner deems  
1371 necessary to carry out the provisions of this section.

1372 Sec. 30. Section 20-325f of the general statutes is repealed and the  
1373 following is substituted in lieu thereof (*Effective April 1, 2024*):

1374 No real estate broker shall make any unilateral offer of subagency or  
1375 agree to compensate, appoint, employ, cooperate with or otherwise  
1376 affiliate with a subagent for the sale or purchase of real property.  
1377 [without the informed written consent of the person whom the real  
1378 estate broker represents. Such written consent shall contain the name  
1379 and real estate license number of the real estate broker to be appointed  
1380 as the subagent and shall contain a statement notifying the person  
1381 whom the real estate broker represents that the law imposes vicarious  
1382 liability on the principal for the acts of the subagent.]

1383 Sec. 31. Section 20-325h of the general statutes is repealed and the  
1384 following is substituted in lieu thereof (*Effective April 1, 2024*):

1385 [(a)] No real estate licensee shall: (1) Reveal any confidential  
1386 information concerning a prospective party or a person whom the real

1387 estate licensee represented either as an agent, designated buyer agent or  
1388 [a] designated seller agent; (2) use any confidential information  
1389 concerning [that] such prospective party or person to [the] such  
1390 prospective party's or person's disadvantage; or (3) use any confidential  
1391 information concerning [that] such prospective party or person for [the]  
1392 such real estate [broker's or real estate salesperson's] licensee's  
1393 advantage or the advantage of a third party, except (A) as required by  
1394 legal process, (B) as necessary to defend [the] such real estate [broker or  
1395 real estate salesperson] licensee from allegations of wrongful or  
1396 negligent conduct, or (C) as necessary to prevent the commission of a  
1397 crime.

1398 [(b) As used in this section, "confidential information" means facts  
1399 concerning a person's assets, liabilities, income, expenses, motivations  
1400 to purchase, rent or sell real property and previous offers received or  
1401 made to purchase or lease real property which are not authorized by the  
1402 client, a matter of general knowledge, part of a public record or file to  
1403 which access is authorized pursuant to section 1-210 or otherwise  
1404 subject to disclosure under any other provision of the general statutes  
1405 or any regulation of Connecticut state agencies.]

1406 Sec. 32. Section 20-325l of the general statutes is repealed and the  
1407 following is substituted in lieu thereof (*Effective April 1, 2024*):

1408 [(a) As used in this section: (1) "Licensed broker" means a person  
1409 licensed under this chapter as a real estate broker, (2) "licensed  
1410 salesperson" means a person licensed under this chapter as a real estate  
1411 salesperson, (3) "out-of-state broker" means a person licensed in another  
1412 state as a real estate broker who is not licensed as a real estate broker  
1413 under this chapter, (4) "out-of-state salesperson" means a person  
1414 licensed in another state as a real estate salesperson who is not licensed  
1415 as a real estate salesperson under this chapter, (5) "person" means a  
1416 person, as defined in section 20-311, and (6) "advertising" means  
1417 advertising, as defined in section 20-329a.]

1418 [(b)] (a) An out-of-state broker may perform acts with respect to a

1419 commercial real estate transaction that require a license under this  
1420 chapter, provided the out-of-state broker: [complies with the laws of this  
1421 state with respect to the transaction and:]

1422 (1) Works in cooperation with a licensed broker, whether in a  
1423 cobrokerage, referral or other cooperative agreement or arrangement;

1424 (2) Enters into a written agreement with a licensed broker that  
1425 includes the terms of cooperation and any compensation to be paid by  
1426 the licensed broker and a statement that the out-of-state broker and the  
1427 out-of-state broker's agents will comply with the laws of this state;

1428 (3) Provides the licensed broker a copy of the out-of-state broker's  
1429 license or other proof of licensure from the [jurisdictions] states where  
1430 the out-of-state broker maintains a license as a real estate broker; [and]

1431 (4) Deposits all escrow funds, security deposits, and other money  
1432 received pursuant to the commercial real estate transaction to be held as  
1433 provided in section 20-324k unless the agreement required in  
1434 subdivision (2) of this subsection specifies otherwise; [.]

1435 (5) Complies with the laws of this state with respect to the transaction;  
1436 and

1437 (6) Is credentialled as a real estate broker in another state.

1438 [(c)] (b) An out-of-state salesperson may perform acts with respect to  
1439 a commercial real estate transaction that require a license as a real estate  
1440 salesperson under this chapter, provided the out-of-state salesperson  
1441 complies with the laws of this state with respect to the transaction and:

1442 (1) Works under the direct supervision of an out-of-state broker who  
1443 meets the requirements set forth in [subdivision (1)] subdivisions (1), (5)  
1444 and (6) of subsection [(b)] (a) of this section; and

1445 (2) Provides the licensed broker who is working in cooperation with  
1446 the out-of-state broker a copy of the out-of-state salesperson's license or  
1447 other proof of licensure from the [jurisdictions] states where the out-of-

1448 state salesperson maintains a license as a real estate salesperson.

1449 [(d)] (c) Any out-of-state broker or out-of-state salesperson licensed  
1450 in a state that has no distinction between a real estate broker license and  
1451 a real estate salesperson license shall be subject to the requirements of  
1452 subsection [(b)] (a) of this section with regard to any commercial real  
1453 estate transaction in this state.

1454 [(e)] (d) Each out-of-state broker or out-of-state salesperson that  
1455 advertises for sale commercial real estate pursuant to this section shall  
1456 include in any advertising material the name of the licensed broker with  
1457 whom the out-of-state broker has a written agreement pursuant to  
1458 subdivision (2) of subsection [(b)] (a) of this section. Nothing in this  
1459 section shall permit an out-of-state broker or out-of-state salesperson to  
1460 accompany a prospective buyer at the site of commercial real estate  
1461 pursuant to a real estate transaction in this state.

1462 (e) An out-of-state real estate licensee may receive compensation for  
1463 referring to a real estate licensee in this state a prospective party to a real  
1464 estate transaction in this state.

1465 Sec. 33. Section 20-325m of the general statutes is repealed and the  
1466 following is substituted in lieu thereof (*Effective April 1, 2024*):

1467 (a) Any real estate broker licensed under the provisions of this  
1468 chapter who engages in the real estate business [, as defined in section  
1469 20-311,] shall retain the following records for a period of not less than  
1470 seven years after any real estate transaction closes, all funds held in  
1471 escrow for such transaction are disbursed or the listing agreement or  
1472 buyer or tenant representation agreement expires, whichever occurs  
1473 later: (1) All purchase contracts, leases, options, written offers or  
1474 counteroffers drafted by such broker or on behalf of such broker; (2) the  
1475 listing agreement or buyer or tenant representation agreement, any  
1476 extensions of or amendments to such agreements and any disclosures  
1477 or agreements required pursuant to sections 20-325a to 20-325l,  
1478 inclusive, as amended by this act; and (3) all canceled checks, unused  
1479 checks, checkbooks and bank statements for any escrow or trust account

1480 maintained pursuant to section 20-324k. [Such]

1481 (b) Each leasing agent shall retain copies of such leasing agent's  
1482 employment agreement or contract with a development owner for a  
1483 period of not less than seven years.

1484 (c) All records [may] required under subsection (a) or (b) of this  
1485 section shall be retained in [any format, electronic or otherwise,] an  
1486 electronic format that is capable of producing an accurate copy of the  
1487 original documents unless it is commercially impractical for a real estate  
1488 broker or leasing agent to retain such records in such format. If it is  
1489 commercially impractical for a real estate broker or leasing agent to  
1490 retain such records in an electronic format, the real estate broker or  
1491 leasing agent shall retain such records in a paper format that is capable  
1492 of producing an accurate copy [in paper format] of the original  
1493 [document] documents. Each real estate broker or leasing agent shall  
1494 make such records available to the department upon any request made  
1495 by the department for such records.

1496 Sec. 34. Section 20-327c of the general statutes is repealed and the  
1497 following is substituted in lieu thereof (*Effective April 1, 2024*):

1498 (a) On or after January 1, 1996, every agreement to purchase  
1499 residential real estate, for which a written residential condition report  
1500 is, or written residential condition reports are, required pursuant to  
1501 section 20-327b, shall include a requirement that the seller credit the  
1502 purchaser with the sum of five hundred dollars at closing should the  
1503 seller fail to furnish the written residential condition report or reports as  
1504 required by sections 20-327b to 20-327e, inclusive.

1505 (b) [(1)] No seller who credits a purchaser pursuant to subsection (a)  
1506 of this section shall, by reason of such credit, be excused from disclosing  
1507 to the purchaser any defect in the residential real estate if such defect:

1508 [(A)] (1) Is subject to disclosure pursuant to section 20-327b;

1509 [(B)] (2) Is within the seller's actual knowledge of such residential real



1510 estate; and

1511 [(C)] (3) Significantly impairs [(i)] (A) the value of such residential  
1512 real estate, [(ii)] (B) the health or safety of future occupants of such  
1513 residential real estate, or [(iii)] (C) the useful life of such residential real  
1514 estate.

1515 [(2)] (c) A purchaser may, without limiting any other remedies  
1516 available to the purchaser, bring a civil action in the judicial district in  
1517 which the residential real estate is located to recover actual damages  
1518 from a seller who fails to disclose to such purchaser any defect described  
1519 in [subdivision (1) of this subsection to such purchaser] subsection (b)  
1520 of this section.

1521 Sec. 35. Subsections (a) and (b) of section 20-327f of the general  
1522 statutes are repealed and the following is substituted in lieu thereof  
1523 (*Effective April 1, 2024*):

1524 (a) With respect to a contract for the sale of [a one-to-four family]  
1525 residential real property, if the seller provides written notice to the  
1526 purchaser, prior to, or upon, entering into the contract, of the availability  
1527 of the lists of hazardous waste facilities pursuant to section 22a-134f, the  
1528 seller and any real estate licensee shall be deemed to have fully satisfied  
1529 any duty to disclose the presence of all hazardous waste facilities, as  
1530 defined in section 22a-134f even if: (1) The list required to be submitted  
1531 pursuant to section 22a-134f has not been submitted, (2) the list has not  
1532 been received or made available as required in section 22a-134f, or (3)  
1533 there is an error, omission or inaccuracy in the list.

1534 (b) With respect to a contract for the sale of [a one-to-four family]  
1535 residential real property, if the seller provides written notice to the  
1536 purchaser, prior to, or upon, entering into the contract, of the availability  
1537 of information concerning environmental matters from the United  
1538 States Environmental Protection Agency, the National Response Center,  
1539 the United States Department of Defense and third-party providers, the  
1540 seller and any real estate licensee shall be deemed to have fully satisfied  
1541 any duty to disclose environmental matters concerning properties other

1542 than the property that is the subject of the contract.

1543 Sec. 36. Subsection (a) of section 20-327g of the general statutes is  
1544 repealed and the following is substituted in lieu thereof (*Effective April*  
1545 *1, 2024*):

1546 (a) With respect to a contract for the sale of [a one-to-four family]  
1547 residential real property, if the seller provides written notice to the  
1548 purchaser, prior to, or upon, entering into the contract, that a list of local  
1549 properties upon which hunting or shooting sports regularly take place  
1550 may be available at the office of the town clerk, the seller and any real  
1551 estate licensee shall be deemed to have fully satisfied any duty to  
1552 disclose the presence of local properties upon which hunting or  
1553 shooting sports regularly take place, even if (1) the list is not available  
1554 at the office of the town clerk, or (2) there is an error, omission or  
1555 inaccuracy in the list.

1556 Sec. 37. Subsection (b) of section 20-327h of the general statutes is  
1557 repealed and the following is substituted in lieu thereof (*Effective April*  
1558 *1, 2024*):

1559 (b) Commencing sixty days after the date on which the Commission  
1560 on Human Rights and Opportunities makes a disclosure form available  
1561 pursuant to subsection (a) of this section, each person who offers a  
1562 residential real property [containing two or more units] in the state for  
1563 sale, exchange or for lease with option to buy shall attach a photocopy,  
1564 duplicate original, facsimile transmission or other exact reproduction or  
1565 duplicate of such disclosure form, signed by the prospective purchaser,  
1566 to any purchase agreement, option or lease containing a purchase  
1567 option, at the time of closing.

1568 Sec. 38. Section 20-328 of the general statutes is repealed and the  
1569 following is substituted in lieu thereof (*Effective April 1, 2024*):

1570 The Commissioner of Consumer Protection, with advice and  
1571 assistance from the commission, may adopt regulations, in accordance  
1572 with chapter 54, relating to the form and manner of filing applications

1573 for licenses under this chapter and the manner in which [licensed real  
1574 estate brokers and licensed real estate salespersons] real estate licensees  
1575 shall conduct the real estate business.

1576 Sec. 39. Section 20-329 of the general statutes is repealed and the  
1577 following is substituted in lieu thereof (*Effective April 1, 2024*):

1578 The provisions of this chapter concerning the licensure of real estate  
1579 [brokers and real estate salespersons] licensees shall not apply to: (1)  
1580 Any person who as owner or lessor performs any of the acts enumerated  
1581 in section 20-311, as amended by this act, with reference to property  
1582 owned, leased or sought to be acquired or leased by the person, or to the  
1583 person's regular employees who live at such property and are employed  
1584 as on-site residential superintendents, janitors or custodians, with  
1585 respect to the property so owned or leased or sought to be acquired or  
1586 leased when such acts are performed in the regular course of, or incident  
1587 to, the management of such property and the investment therein; (2) any  
1588 person acting as attorney-in-fact under a duly executed power of  
1589 attorney from the owner authorizing the final consummation by  
1590 performance of any contract for the sale, leasing or exchange of real  
1591 estate, or to service rendered by any attorney-at-law in the performance  
1592 of the attorney-at-law's duties as such attorney-at-law; (3) a receiver,  
1593 trustee in bankruptcy, administrator, executor or other fiduciary, while  
1594 acting as such, or any person selling real estate under order of any court,  
1595 or to a trustee acting under a trust agreement, deed of trust or will, or  
1596 the regular salaried employees thereof; (4) witnesses in court as to the  
1597 values of real estate; (5) persons in the employ of the federal or state  
1598 government or any political subdivision thereof while acting in the  
1599 course of such employment; (6) any employee of any nonprofit housing  
1600 corporation that (A) has been certified as a tax-exempt organization  
1601 under Section 501(c)(3) of the Internal Revenue Code of 1986, or any  
1602 subsequent corresponding internal revenue code of the United States,  
1603 as from time to time amended, and manages a housing project, or (B)  
1604 manages a housing project assisted in whole or in part by the federal  
1605 government pursuant to Section 8 of The United States Housing Act of  
1606 1937, as amended from time to time, while such employee is performing

1607 duties in the regular course of, or incidental to, the management of such  
1608 housing project; (7) any person licensed to maintain or operate a mobile  
1609 manufactured home park under chapter 412 who performs any of the  
1610 acts enumerated in section 20-311, as amended by this act, with  
1611 reference to lots or mobile manufactured homes within the park or to  
1612 the person's employees with respect to lots or mobile manufactured  
1613 homes within such park when such acts are performed in the regular  
1614 course of, or incidental to, the management of such property and the  
1615 investment therein; (8) persons licensed as sellers of mobile  
1616 manufactured homes under section 21-67; [or] (9) any person or such  
1617 person's regular employee who, as owner, lessor, licensor, manager,  
1618 representative or agent manages, leases, or licenses space on or in a  
1619 tower, building or other structure for (A) "personal wireless services  
1620 facilities" or facilities for "private mobile service" as those terms are  
1621 defined in 47 USC 332, which facilities shall be unattended, and the  
1622 installation and maintenance of related devices authorized by the  
1623 Federal Communications Commission, and ancillary equipment used to  
1624 operate such devices and equipment shelters therefor, in an area not to  
1625 exceed three hundred sixty square feet for any one service established  
1626 by the Federal Communications Commission in 47 CFR, as amended  
1627 from time to time, by a provider of any such service, and (B) any right  
1628 appropriate to access such facilities and connect or use utilities in  
1629 connection with such facilities; (10) any leasing agent who is solely  
1630 engaged in leasing activities authorized under this chapter; and (11) any  
1631 person who is employed by a broker to perform clerical services, which  
1632 person shall not negotiate the terms of an agreement, list a property  
1633 unless on behalf of a real estate licensee, open or be listed as a signatory  
1634 on a broker's escrow or trust account or sell, buy or lease real property  
1635 for another person for compensation.

1636 Sec. 40. Section 20-329a of the general statutes is repealed and the  
1637 following is substituted in lieu thereof (*Effective April 1, 2024*):

1638 As used in this section and sections [20-329a] 20-329b to 20-329n,  
1639 inclusive, as amended by this act:

1640 (1) "Disposition" or "dispose of" means any sale, exchange, lease,  
1641 assignment, award by lottery or other transaction designed to convey  
1642 an interest in a subdivision or parcel, lot, or unit in a subdivision when  
1643 undertaken for gain or profit;

1644 (2) "Offer" means every inducement, solicitation or attempt to bring  
1645 about a disposition;

1646 (3) "Person" means an individual, firm, company, association,  
1647 corporation, limited liability company, government or governmental  
1648 subdivision or agency, business trust, estate, trust, partnership,  
1649 unincorporated association or organization, two or more of any of the  
1650 foregoing having a joint or common interest, or any other legal or  
1651 commercial entity;

1652 (4) "Broker" means a resident real estate broker duly licensed under  
1653 this chapter;

1654 (5) "Salesperson" means any person duly licensed as a real estate  
1655 salesperson under this chapter;

1656 (6) "Purchaser" means a person who acquires an interest in any lot,  
1657 parcel or unit in a subdivision; and

1658 (7) "Subdivision" means any improved or unimproved land or tract  
1659 of land located outside this state which is divided or proposed to be  
1660 divided into five or more lots, parcels, units, or interests for the purpose  
1661 of disposition, at any time as part of a common promotional plan. Any  
1662 land which is under common ownership or which is controlled by a  
1663 single developer or a group of developers acting in concert, is  
1664 contiguous in area, and is designated or advertised as a common unit or  
1665 known by a common name, shall be presumed, without regard to the  
1666 number of lots, parcels, units or interests covered by each individual  
1667 offering, to be part of a common promotional plan. [~~;~~ and]

1668 [(8) "Advertising" means publishing or causing to be published: (A)  
1669 By means of any newspaper or periodical; (B) by means of any radio or

1670 television broadcast; (C) by means of any written or printed or  
1671 photographic matter produced by any duplicating process producing  
1672 ten copies or more, any information offering for sale or for the purpose  
1673 of causing or inducing any other person to purchase or to acquire an  
1674 interest in the title to subdivided lands, including the land sales contract  
1675 to be used and any photographs or drawings or artist's representations  
1676 of physical conditions or facilities on the property existing or to exist; or  
1677 (D) by means of any material used in connection with the disposition or  
1678 offer of subdivided lands by radio, television, telephone or any other  
1679 electronic means. "Advertising" does not include: Stockholder  
1680 communications such as annual reports and interim financial reports,  
1681 proxy materials, registration statements, securities prospectuses,  
1682 applications for listing securities on stock exchanges, and the like;  
1683 prospectuses, property reports, offering statements or other documents  
1684 required to be delivered to prospective purchasers by an agency of any  
1685 other state or the federal government; all communications addressed to  
1686 and relating to the account of any persons who have previously  
1687 executed a contract for the purchase of the subdivider's lands except  
1688 where directed to the sale of additional lands; or press releases or other  
1689 communications delivered to newspapers or other periodicals for  
1690 general information or public relations purposes, provided no charge is  
1691 made by such newspapers or other periodicals for the publication or use  
1692 of any part of such communications.]

1693 Sec. 41. Section 20-329n of the general statutes is repealed and the  
1694 following is substituted in lieu thereof (*Effective April 1, 2024*):

1695 All moneys paid or advanced by a purchaser or lessee or prospective  
1696 purchaser or prospective lessee for any lot, parcel, unit or interest in any  
1697 subdivision, the disposition of which is controlled by sections 20-329a,  
1698 as amended by this act, 20-329b, 20-329d, 20-329e, 20-329f [,] and 20-  
1699 329h, [and 20-329i,] or such portion of such moneys as the commission  
1700 may determine is sufficient for the protection of the interests of such  
1701 purchaser or lessee shall be deposited by the seller or lessor in an escrow  
1702 account, approved by the commission, in a bank doing business in this  
1703 state. Such money shall remain in such escrow account until (1) a proper

1704 and valid release is obtained for such money, (2) the owner or  
1705 subdivider or the purchaser or lessee has defaulted under their contract  
1706 for sale or lease and the commission or a court has made a determination  
1707 as to the disposition of such money, or (3) the owner or subdivider or  
1708 the seller or lessor orders the return of such money to such purchaser or  
1709 lessee.

1710 Sec. 42. Subsection (c) of section 47-90a of the general statutes is  
1711 repealed and the following is substituted in lieu thereof (*Effective April*  
1712 *1, 2024*):

1713 (c) Every person who directly or indirectly controls a declarant liable  
1714 under subsection (a) of this section, every general partner, officer or  
1715 director of a declarant and every person occupying a similar status or  
1716 performing a similar function, every employee of the declarant who  
1717 materially aids in the disposition, and every agent who materially aids  
1718 in the disposition is also liable jointly and severally with and to the same  
1719 extent as the declarant, provided the plaintiff sustains the burden of  
1720 proof that such person knew or, in the exercise of reasonable care  
1721 expected by such persons in the reasonable exercise of their duties,  
1722 should have known of the existence of the facts by reason of which the  
1723 liability is alleged to exist. There is a right to contribution in cases of  
1724 contract among persons so liable. No person shall be liable under this  
1725 section whose relationship to the declarant or other person consists  
1726 solely of rendering professional and other customary services,  
1727 including, but not limited to: (1) An attorney-at-law, architect, land  
1728 surveyor or engineer; (2) a lending institution which is not a declarant  
1729 whose relationship to the declarant consists solely of rendering  
1730 customary banking services and holding a mortgage on all or a portion  
1731 of the condominium which mortgage, or agreements or instruments  
1732 relating thereto, may contain mutual covenants and agreements  
1733 concerning the approval of the condominium instruments and  
1734 amendments thereto, and regulates the activity of the declarant under  
1735 the condominium instruments or an officer, director or employee of  
1736 such lending institution; (3) a real estate broker or salesman whose  
1737 relationship to the declarant consists solely of [rendering services

1738 described in subdivision (6) of] engaging in the real estate business, as  
 1739 defined in section 20-311, as amended by this act, and other customary  
 1740 services; or (4) a person whose sole involvement in the disposition of a  
 1741 condominium unit occurs subsequent to the date of the act or omission  
 1742 out of which any liability under subsection (a) of this section arises.

1743 Sec. 43. Subsection (a) of section 47-42f of the general statutes is  
 1744 repealed and the following is substituted in lieu thereof (*Effective April*  
 1745 *1, 2024*):

1746 (a) As used in this section: (1) "Residential real property" has the same  
 1747 meaning as provided in section [20-325c] 20-311, as amended by this act,  
 1748 but does not include property owned by the state or any political  
 1749 subdivision thereof; (2) "benefited property" or "property that benefits"  
 1750 includes residential real property burdened by an easement or right-of-  
 1751 way, the owner of which residential real property uses such easement  
 1752 or right-of-way; and (3) "easement" or "right-of-way" means a private  
 1753 appurtenant easement or right-of-way.

1754 Sec. 44. Sections 20-329i and 20-324j of the general statutes are  
 1755 repealed. (*Effective April 1, 2024*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>April 1, 2024</i>	20-311
Sec. 2	<i>April 1, 2024</i>	New section
Sec. 3	<i>April 1, 2024</i>	New section
Sec. 4	<i>April 1, 2024</i>	New section
Sec. 5	<i>April 1, 2024</i>	New section
Sec. 6	<i>April 1, 2024</i>	New section
Sec. 7	<i>April 1, 2024</i>	New section
Sec. 8	<i>April 1, 2024</i>	20-311b
Sec. 9	<i>April 1, 2024</i>	20-312
Sec. 10	<i>April 1, 2024</i>	20-312b
Sec. 11	<i>April 1, 2024</i>	20-314
Sec. 12	<i>April 1, 2024</i>	20-314a
Sec. 13	<i>April 1, 2024</i>	20-316(b) and (c)



Sec. 14	<i>April 1, 2024</i>	20-317
Sec. 15	<i>April 1, 2024</i>	20-319
Sec. 16	<i>April 1, 2024</i>	20-319a
Sec. 17	<i>April 1, 2024</i>	20-320
Sec. 18	<i>April 1, 2024</i>	20-320a
Sec. 19	<i>April 1, 2024</i>	20-320b(a)
Sec. 20	<i>April 1, 2024</i>	20-323
Sec. 21	<i>April 1, 2024</i>	20-324a
Sec. 22	<i>April 1, 2024</i>	20-324b
Sec. 23	<i>April 1, 2024</i>	20-324d
Sec. 24	<i>April 1, 2024</i>	20-324e(a) to (f)
Sec. 25	<i>April 1, 2024</i>	20-324i
Sec. 26	<i>April 1, 2024</i>	20-325
Sec. 27	<i>April 1, 2024</i>	20-325a(a)
Sec. 28	<i>April 1, 2024</i>	20-325c
Sec. 29	<i>April 1, 2024</i>	20-325d
Sec. 30	<i>April 1, 2024</i>	20-325f
Sec. 31	<i>April 1, 2024</i>	20-325h
Sec. 32	<i>April 1, 2024</i>	20-325l
Sec. 33	<i>April 1, 2024</i>	20-325m
Sec. 34	<i>April 1, 2024</i>	20-327c
Sec. 35	<i>April 1, 2024</i>	20-327f(a) and (b)
Sec. 36	<i>April 1, 2024</i>	20-327g(a)
Sec. 37	<i>April 1, 2024</i>	20-327h(b)
Sec. 38	<i>April 1, 2024</i>	20-328
Sec. 39	<i>April 1, 2024</i>	20-329
Sec. 40	<i>April 1, 2024</i>	20-329a
Sec. 41	<i>April 1, 2024</i>	20-329n
Sec. 42	<i>April 1, 2024</i>	47-90a(c)
Sec. 43	<i>April 1, 2024</i>	47-42f(a)
Sec. 44	<i>April 1, 2024</i>	Repealer section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:**

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Resources of the General Fund	GF - Potential Revenue Gain	See Below	See Below

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The bill makes various changes regarding real estate regulation resulting in the potential revenue gains described below.

**Section 3** requires real estate schools to register with the Department of Consumer Protection (DCP) resulting in a potential revenue gain to the extent these registrations are applied for. The registration has a biennial fee of \$100.

**Section 4** requires real estate schools to register each course with DCP resulting in a potential revenue gain to the extent these registrations are applied for. The fee to register a course is \$50 and the registration expires after five years.

**Section 9** increases the maximum fine the Real Estate Commission may impose from \$1,000 to \$5,000 resulting in a potential revenue gain to the state to the extent violations occur and the fine being levied is over \$1,000.

**Section 15** establishes fines for real estate licensees who fail to meet the continuing education requirements resulting in a potential revenue

gain to the state to the extent these fines are levied.

**Section 16** requires an associate broker or leasing agent who transfer their affiliation with a supervising licensee to pay a \$25 fee resulting in a potential revenue gain to the state to the extent this occurs.

**Section 17** raises the maximum fine from \$2,000 to \$5,000 for violations resulting in a potential revenue gain to the state to the extent violations occur and the fine being levied is over \$2,000.

The bill also makes various changes to real estate regulation resulting in no fiscal impact to the state or municipalities.

House "A" removes the licensing requirements for leasing agents which removes the potential revenue gain to the Real Estate Guaranty Fund and reduces the potential revenue gain to the General Fund.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of registrations applied for and the number of violations.

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**OLR Bill Analysis****sHB 6769 (as amended by House "A")\******AN ACT CONCERNING THE DEPARTMENT OF CONSUMER PROTECTION'S RECOMMENDATIONS REGARDING REAL ESTATE LICENSING AND ENFORCEMENT.***

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Outlines residential real estate activities a leasing agent is permitted to engage in and under whose affiliation

§§ 11 & 15 — LICENSE RENEWALS, REINSTATEMENT, AND APPEALS

Makes a real estate licensee's license renewable biennially rather than annually and adjusts fees accordingly; imposes fines for failure to complete continuing education requirements on time; modifies the deadlines and process for seeking reinstatement; clarifies the appeals process for license denials

§ 29 — DISCLOSURES TO OTHER PARTY AND PROSPECTIVE PARTIES

Simplifies requirements for licensees' disclosure of their clients' identity; requires additional disclosures to prospective parties (e.g., concerning agency relationship and fair housing)

§ 31 — PROSPECTIVE PARTIES' CONFIDENTIAL INFORMATION

Expands existing confidentiality law by prohibiting real estate licensees from misusing confidential information to include information on prospective parties

BACKGROUND

**SUMMARY**

This bill makes various changes to the laws governing real estate business, including the laws on credentialing and the Department of Consumer Protection (DCP) commissioner's authority and oversight.

With regard to real estate credentials, the bill (1) clarifies that an associate broker may work for another broker in a capacity that is similar to that of a real estate salesperson and (2) codifies a registration process for schools offering prelicensure and continuing education courses. For DCP-issued real estate licenses, the bill makes them biennial, rather than annual, licenses and allows for license reinstatement within three, rather than two, years of expiration. It adds provisions applicable to all real estate licensees (i.e., brokers and salespeople) on their duty to disclose, or keep confidential, certain information. It also creates a process for transitioning or wrapping up a brokerage business in the event of a broker's death or incapacity.

The bill also makes many minor and technical changes to the real estate licensing laws (i.e., chapter 392) to clarify existing requirements for real estate licensees or conform to current practice. Among other

minor changes, the bill:

1. updates the definition of “advertising” used in the laws on real estate (i.e., chapter 392) to reflect the trend away from print advertising to online and electronic advertising (§§ 1, 32 & 40);
2. clarifies that when the real estate licensing laws refer to a “one-to-four-family property” the reference includes (a) a cooperative or condominium with up to four units and (b) an individual unit in a multiunit development (§§ 1 & 35-36);
3. specifically permits a real estate team to transfer the team’s registration from one supervising licensee (broker) to another without applying for a new team registration (§ 9);
4. requires, when a team transfers to a new supervising licensee, the new supervising licensee to electronically update the team’s registration information with DCP within 14 days (§ 16);
5. eliminates a requirement in the real estate license reciprocity law granting reciprocity to out-of-state credentialed applicants only if the other state grants reciprocity to Connecticut licensees (§ 14);
6. eliminates a provision requiring applicants for a reciprocal license to consent to receiving service of process through the Connecticut Real Estate Commission (§ 14);
7. allows a Connecticut-licensed broker or salesperson to compensate an out-of-state broker or salesperson for referring a prospective party to a real estate transaction in Connecticut (§§ 27 & 32);
8. prohibits brokers from making unilateral offers of subagency or otherwise affiliating with a subagent, consistent with the current practice (§ 30);
9. unless it is commercially impractical, requires brokers to keep documents (e.g., purchase contracts, leases, options) in an

electronic format, rather than allowing them to use any format to comply with the law's records retention requirements (§ 33);

10. requires the provision of a one-page disclosure on housing discrimination and federal and state fair housing laws at the closing for any residential property, not just closings for properties with at least two units (§ 37);
11. clarifies the law stipulating who is exempt from real estate licensing laws, including specifying leasing agents and a broker's clerical staff are exempt (§ 39); and
12. repeals an obsolete conflict of interest provision (§ 44).

Regarding enforcement powers, the bill clarifies that DCP has broad authority to investigate real estate licensees and others engaged in the real estate business and allows DCP or the Real Estate Commission to impose fines of up to \$5,000 per violation. Under current law, the cap is \$2,000, except first violations of the law on illegal referral fees is currently capped at \$1,000 (§§ 17 & 18). The bill similarly raises the cap, from \$1,000 to \$5,000 on fines imposed by the Real Estate Commission on people engaging in real estate business without the required license (§ 9). And lastly, the bill sets fines for licensees who fail to complete required continuing education coursework on time (§ 15).

It also makes minor, technical, and conforming changes.

\*House Amendment "A" eliminates the provisions in the underlying bill that would have established a new credential for residential leasing agents and treated them as real estate licensees, however, it retains certain provisions outlining their scope of practice.

EFFECTIVE DATE: April 1, 2024

## **§§ 2 & 16 — SUPERVISING BROKERS' RELATIONSHIP WITH ASSOCIATE BROKERS**

*Clarifies that an associate broker may work for another broker ("supervising licensee") in a capacity that is similar to a real estate salesperson, which is consistent with current practice*

The bill clarifies the relationship between supervising brokers ("supervising licensees") and associate brokers. The bill prohibits associate brokers from practicing real estate unless the supervising licensee responsible for controlling and supervising the associate broker knows that the latter is engaging in real estate business and has consented to it.

Under the bill, a "supervising licensee" is the real estate broker who is responsible for controlling and supervising another real estate licensee (i.e., broker or salesperson) or a team of them (i.e., any combination of at least two of them that advertise using a team name and are affiliated with a single supervising licensee). An "associate broker" is a broker affiliated with a supervising licensee in an employee or independent contractor capacity with authority to engage in real estate business on the supervising licensee's behalf. The bill requires supervising licensees to bear responsibility for associate brokers' actions in the same way they would for affiliated salespeople.

When an associate broker's affiliation ends, he or she must notify DCP by the earlier of 14 days after the (1) termination or (2) start of an affiliation with another supervising licensee. As is the case for salespeople under existing law, the bill requires associate brokers who transfer their affiliation to a different broker to register the transfer with DCP, at a cost of \$25.

The bill specifies that associate brokers must comply with the same advertising standards required of other real estate brokers and specifically requires them to include the name of the supervising licensee in a prominent location in all their advertisements.

### **§§ 3-4, 12 & 17 — REAL ESTATE EDUCATION PROGRAMS**

*Generally replaces regulatory requirements on prelicensing and continuing education courses with similar statutory ones*

The bill creates a statutory scheme setting requirements for schools



that offer real estate prelicensing or continuing education courses, which are generally similar to current regulatory requirements related to (1) DCP registration, (2) course offering approvals, and (3) instructor qualifications.

It correspondingly eliminates a requirement that the DCP commissioner adopt regulations on approval of continuing education schools, but continues to allow the commissioner, in consultation with the Real Estate Commission, to adopt regulations on prelicensing or continuing education school approval, advertising, and course offerings.

### ***DCP Registration***

The bill requires all schools that offer prelicensing or continuing education courses to register with the department biennially, in a form and manner prescribed by the DCP commissioner. The registration fee is \$100 biennially. The form must include an attestation that (1) all courses it offers comply with the applicable requirements (including being individually registered, as the bill requires) and (2) the instructors teaching courses at the school meet the bill's prescribed qualifications.

The bill prohibits DCP from disapproving schools or courses just because courses are taught by electronic means.

The bill subjects real estate school registrants to DCP or the Real Estate Commission's authority under existing law to investigate registrants, temporarily suspend or permanently revoke a registration, and fine violators of real estate credentialing laws up to \$5,000 per violation.

### ***Instructors***

Under the bill, an instructor must have:

1. at least five years of experience as a practicing real estate licensee;
2. expertise, or a professional designation from an institute or society in the field in which the instructor teaches; or

3. (a) experience teaching a course in a formal education program or (b) attended an accredited college or university extension instructors' seminar.

If teaching a collegiate level course that is part of a degree program, the instructor must have (1) teaching experience and a master's degree in an appropriate field or (2) another combination of qualifications that the Real Estate Commission approves.

### ***Course Registration***

Under the bill, each prelicensing or continuing education course a school offers must be registered with DCP. Only registered and approved courses count toward licensing or continuing education requirements. The cost to register each course is \$50 and registrations are valid for five years. The school must submit to DCP an application, in a format the department specifies, that includes:

1. an outline of the course content detailing its duration and the amount of time spent on each subject covered;
2. the course instructor's name and contact information;
3. a copy of the certificate that will be issued to students upon completion or, if the school offers more than one course, the DCP-approved template course completion certificate;
4. the cancellation and refund policy;
5. an attestation that the course meets all legal requirements; and
6. if the course is in-person, the location.

For prelicensing courses, content must be delivered on an in-person basis or through electronic means incorporating a live online format. If a prelicensing or continuing education course is offered by electronic means that do not allow for real-time audio communication between the instructor and students, the school must include in the course periodic interactive assessments to confirm each student's level of

comprehension and engagement.

For continuing education courses, the content does not need to be delivered live, but the course must be delivered in a way that prevents students from finishing it in less time than the duration specified in the application. The following meet this requirement:

1. offering a live online course format using telecommunications technology that allows for real-time audio communication between the instructor and students, or
2. using technology that prohibits a student from completing the course in less time than the total course duration specified in the application the school filed with DCP.

## **§ 5 — ACKNOWLEDGEMENT OF INTERPRETER SERVICES**

*Requires parties to a real estate transaction or negotiation to sign a form that specifically acknowledges that a language interpreter's services were used*

### ***Form When Third Party Serves as Interpreter***

Under the bill, if a buyer or renter uses an interpreter (other than the real estate licensee or their employee) for a real estate transaction or negotiation, the real estate licensee must give the buyer or renter and the interpreter a form containing certain language, which they must sign. The language must read as follows:

"I, (name of buyer or renter), used (name of interpreter) to act as my interpreter during this real estate transaction or these negotiations. The obligations of this contract or other written agreement were explained to me in my native language by the interpreter. I understand the contract or other written agreement.

(signature of buyer or renter)

(relationship of interpreter to buyer or renter)

I, (name of interpreter), acted as interpreter during this real estate transaction or these negotiations. The obligations of the contract or other written agreement were explained to (name of

buyer or renter) in their native language. I understand the contract or other written agreement.

(signature of interpreter)

(relationship of interpreter to buyer or renter).”

### ***Form When Real Estate Licensee Acts as Interpreter***

If a real estate licensee acts as an interpreter for a buyer or renter while also engaging in a real estate transaction, the bill requires the real estate licensee to get the buyer or renter’s signature on a form the licensee must provide containing the following language written in the buyer or renter’s native language:

“This real estate transaction or these negotiations were conducted in (buyer’s or renter’s native language), which is my native language. I voluntarily choose to have the Real Estate (Broker/Salesperson) act as my interpreter during the negotiations. The obligations of the contract or other written agreement were explained to me in my native language. I understand the contract or other written agreement.

If the buyer’s or renter’s native language cannot be reduced to writing, the form must be in English.”

## **§ 6 — WRAPPING UP OR TRANSITIONING BROKERAGE BUSINESS**

*Establishes a process for a brokerage business to wrap up or transition under the oversight of a custodial broker in the event of a broker’s death or incapacitation*

Under the bill, if a broker dies or is mentally or physically incapacitated and unable to serve as a broker, the executor of his or her estate (or another legally authorized person) may apply to DCP requesting the appointment of a custodial broker. If DCP approves the application, it must appoint a custodial broker to serve a maximum 180-day term, unless DCP extends it after receiving a hardship application. Under the bill, a “custodial broker” is a licensed broker who is temporarily appointed just to:

1. conclude the deceased or incapacitated broker's real estate business matters or transition them to another broker; or
2. assist in transitioning the broker's ownership interest in a business entity engaged in real estate to comply with the law's requirements for broker businesses (e.g., ownership and control requirements).

Custodial brokers must preserve the financial interests of the deceased or incapacitated real estate broker or the estate of the deceased real estate broker. They cannot negotiate the purchase, sale, or lease of real estate on behalf of the deceased or incapacitated broker unless:

1. the prospective purchaser, seller, lessor, or lessee entered into a preexisting buyer agreement, listing agreement, or leasing agreement with the deceased or incapacitated broker; and
2. the prospective purchaser or lessor has executed a contract or paid a deposit to a seller or lessee to reserve a right to purchase or lease.

### ***Associates and Team Members***

The bill prohibits salespeople and team members from engaging in real estate business while the broker serving as their supervising licensee is deceased or incapacitated unless a custodial broker has been appointed.

### ***Serving as the Designated Broker***

If a business entity's designated broker (i.e., the person with the power to supervise and control a broker business entity) is deceased or incapacitated, the business entity cannot conduct real estate transactions unless a custodial broker has been appointed.

If a custodial broker is appointed to serve as the business entity's designated broker, the business entity may engage in real estate transactions to the same extent that it would if the designated broker was not a custodial broker.

## **§§ 7 & 33 — LEASING AGENTS' SCOPE OF WORK AND EMPLOYMENT**

*Outlines residential real estate activities a leasing agent is permitted to engage in and under whose affiliation*

Under the bill, a “leasing agent” is someone who acts as agent for a principal for a commission, fee, or other valuable consideration and engages in residential leasing or renting activity (e.g., collecting security deposits, offering or negotiating a rental, or collecting rent). The bill specifies that leasing agents cannot engage in any activity that requires a broker or real estate salesperson’s license, including (1) selling, offering, listing, negotiating, referring, or showing for sale; (2) entering into lease-to-own agreements; or (3) leasing commercial real estate.

Leasing agents must only work for and be employed by a development owner who, under the bill, is (1) the owner of record of a multiunit development in which units are offered for lease or (2) the parent company holding a 100% interest in the owner of record. “Multiunit developments” are residential complexes with at least 50 units that are rentals. Leasing agents must have a written contract before engaging in leasing activity for a development. Contracts must be maintained for at least seven years and provided in electronic form to DCP upon request.

## **§§ 11 & 15 — LICENSE RENEWALS, REINSTATEMENT, AND APPEALS**

*Makes a real estate licensee’s license renewable biennially rather than annually and adjusts fees accordingly; imposes fines for failure to complete continuing education requirements on time; modifies the deadlines and process for seeking reinstatement; clarifies the appeals process for license denials*

### ***Biennial Licenses***

The bill makes broker and salesperson licenses biennially, rather than annually, renewable. It correspondingly increases the:

1. initial license fee for brokers from \$565 to \$1,130;
2. renewal fee for brokers from \$375 annually to \$750 biennially;
3. initial license fee (and identical renewal fee) for salespeople from

- \$285 to \$570;
4. continuing education processing fee from \$4 annually to \$8 biennially; and
  5. amount of each real estate license renewal fee that goes to the Real Estate Guaranty Fund from \$3 to \$6.

### ***Late Renewal and Reinstatement***

Under the bill, if a renewal application is submitted within 90 days of the credential's expiration, the applicant does not have to apply for reinstatement. But the applicant may be subject to the statutory late fee (10% of the renewal fee, but not less than \$10 or more than \$100) (CGS § 21a-4(c)).

Under the bill, if more than 90 days elapse, but fewer than three years, an application for reinstatement is required. Under current law, reinstatement may be sought only within two years from the license's expiration. As under existing law, reinstatement is discretionary.

Under the bill, reinstatement requirements vary depending on whether the person worked in the field without a required license. The bill applies the same fee structure that already applies to reinstatements, but adds requirements for continuing education. So, under the bill:

1. if the applicant did not work, he or she must (a) pay the current year's renewal fee for reinstatement and (b) take any continuing education required for the year of, and the year before, the reinstatement; and
2. if the applicant worked, he or she must (a) pay all license and late fees due for the period the credential was lapsed and (b) demonstrate completion of any continuing education required for the year before reinstatement.

For each year or fraction of a year from the date of expiration, the late fee is \$375 for brokers and \$285 for salespeople.

***Military Reinstatements***

The bill similarly gives people in the military up to three years, instead of the current two years, to seek a no-fee reinstatement. But the bill additionally requires them to show that they completed at least six hours of continuing education, including the mandatory continuing education required for their license, during the calendar year before the date they file for reinstatement.

***Continuing Education Delinquency Fee***

Under the bill, if a real estate licensee fails to complete the required continuing education for any two-year license period, they must pay:

1. \$315 if the requirements were met within two months after the license period expired or
2. \$625 if the requirements were met more than two months, but less than four, after the license period expired.

The department must prescribe how a licensee can report this information to it.

***Appeals Following Denial***

The bill enhances current law's appeals process for applicants who are refused a real estate license. As under current law, applicants who are denied an initial or renewal license must be afforded an opportunity for a hearing.

The bill specifies that following a denial, DCP must send a notice to the applicant disclosing the denial and informing them that they may request a hearing by submitting a written hearing request within 30 days after the notice was sent. If the applicant requests a hearing, DCP must send him or her a notice disclosing the grounds for the license denial. DCP must hold the hearing and, if the denial is sustained, the applicant may file a new application for the same license or renewal one year after the denial date.



**§ 29 — DISCLOSURES TO OTHER PARTY AND PROSPECTIVE PARTIES**

*Simplifies requirements for licensees' disclosure of their clients' identity; requires additional disclosures to prospective parties (e.g., concerning agency relationship and fair housing)*

Under current law, real estate licensees who represent a seller, lessor, prospective purchaser, or lessee must disclose, in writing, the identity of their client to any party to the transaction who does not have a broker or salesperson representing them. Under current law, if it is a commercial transaction, the disclosure is required before the prospective purchaser or lessee signs the purchase contract or lease. For residential transactions, the disclosure is required at the beginning of the first personal meeting on (1) the prospective purchaser's or lessee's specific needs in the transaction or (2) the seller's or lessor's real property. The bill instead requires licensees to disclose their client's identity upon request.

The bill requires licensees to disclose to prospective parties in writing (including by electronic means) by the first personal meeting:

1. the types of agency relationships available to the prospective party and
2. that the prospective party should not share confidential information with the licensee until the prospective party has entered into a written representation agreement with the licensee.

If it is a residential real estate transaction, licensees must also give a prospective party information on fair housing discrimination, including a description of federal and state fair housing laws, protected classes, and where to get more information and available resources.

As under existing law, the DCP commissioner must adopt regulations to carry out these disclosure provisions as he deems necessary.

**§ 31 — PROSPECTIVE PARTIES' CONFIDENTIAL INFORMATION**

*Expands existing confidentiality law by prohibiting real estate licensees from misusing confidential information to include information on prospective parties*

Existing law, with limited exceptions, prohibits real estate licensees from (1) revealing confidential information about a person whom they represented as an agent, designated buyer agent, or a designated seller agent; (2) using confidential information about that person to the person’s disadvantage; or (3) using confidential information about that person for the licensee’s advantage or the advantage of a third party. The bill expands these prohibitions to include confidential information about prospective parties, which the bill defines as people that communicate with a licensee in contemplation of potential representation in a real estate transaction.

**BACKGROUND**

***Related Bills***

SB 135 (File 95), reported favorably by the General Law Committee, reduces various occupational registration, certification, and license fees, including those for brokers and salespeople (see § 7).

sHB 6767 (File 229), as amended by House Amendment “A” and passed by the House, (1) revises the process for renewing a DCP credential after the deadline for doing so has passed by setting a broadly applicable 90-day threshold for untimely renewals and (2) generally requires reinstatements to be requested within three years of a credential’s lapse (§§ 20 & 28-29).

**COMMITTEE ACTION**

General Law Committee

Joint Favorable Substitute  
Yea 23 Nay 0 (03/09/2023)

Insurance and Real Estate Committee

Joint Favorable  
Yea 7 Nay 4 (05/10/2023)