



General Assembly

Amendment

January Session, 2023

LCO No. 8537



Offered by:

REP. RUTIGLIANO, 123rd Dist.

REP. D'AGOSTINO, 91st Dist.

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To: Subst. House Bill No. 6769

File No. 230

Cal. No. 169

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

1 Strike section 1 in its entirety and substitute the following in lieu
2 thereof:

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 Section 20-311 of the general statutes is repealed and the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

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

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

13 include any (i) stockholder communication, including, but not limited
14 to, any annual report, interim financial report, proxy material,
15 registration statement, securities prospectus or application for listing a
16 security on a stock exchange, (ii) prospectus, property report, offering
17 statement or other document that any federal agency or agency of
18 another state requires be delivered to a prospective purchaser, (iii)
19 communication addressed to, and relating to the account of, a person
20 who has executed a contract for the purchase of a subdivider's lands,
21 except if such communication concerns the sale of additional lands, or
22 (iv) press release or other communication delivered to a media outlet for
23 general information or public relations purposes, provided no charge is
24 imposed by such media outlet for publication or use of any part of such
25 communication;

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

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

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

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

40 [(2)] (6) "Commission" means the Connecticut Real Estate
41 Commission appointed under the provisions of section 20-311a;

42 (7) "Confidential information" means any fact concerning a person's
43 assets, expenses, income, liabilities, motivations to purchase, rent or sell

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

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

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

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

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

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

75 [(5) (13) "Designated seller agent" means a [broker or salesperson]
76 real estate licensee who is designated by the real estate broker by whom
77 such real estate licensee is employed, or with whom [the broker or
78 salesperson] such real estate licensee is affiliated, [or employed to]
79 solely to represent a named seller or landlord client of the real estate
80 broker during the term of a listing agreement or authorization;

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

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

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

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

105 (18) "Leasing agent" means any individual, other than a real estate
106 licensee, who (A) acts as an agent for a principal for a commission, fee

107 or other valuable consideration, and (B) engages in leasing or renting
108 activity, including, but not limited to, (i) collecting security deposits, (ii)
109 offering or attempting to negotiate a rental, or (iii) collecting, offering or
110 attempting to collect rent for the use of real estate;

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

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

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

124 [(7)] (22) "Person" means any individual [, partnership, association,
125 limited liability company or corporation] or business entity;

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

139 relation to the progress of the work, and (ii) for title insurance insuring
140 the priority of the security as against mechanic's liens or for the final
141 disbursement of at least ten per cent of the loan funds after the
142 expiration of the period for the filing of mechanic's liens;

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

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

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

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

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

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

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

192 (30) "School" means any person that offers prelicensing or continuing
193 education courses approved pursuant to this chapter and sections 3 and
194 4 of this act;

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

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

203 [(11)] (33) "Team name" means the name used to refer to a team in
204 team advertisements."

205 Strike section 5 in its entirety and substitute the following in lieu
206 thereof:

207 "Sec. 5. (NEW) (*Effective April 1, 2024*) (a) If a real estate licensee
208 engages in the real estate business and a buyer or renter of real estate
209 uses an interpreter, other than the real estate licensee or an employee of
210 the real estate licensee, in conducting a real estate transaction or
211 negotiations, the real estate licensee shall provide to the buyer or renter
212 and interpreter, and obtain the buyer's or renter's and interpreter's
213 signatures on, forms containing the following language:

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

219 (signature of buyer or renter)

220 (relationship of interpreter to buyer or renter)

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

225 (signature of interpreter)

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

227 (b) Except as provided in subsection (c) of this section, if a real estate
228 licensee engages in the real estate business and acts as an interpreter for
229 a buyer or renter in conducting a transaction or negotiations, the real
230 estate licensee shall provide to the buyer or renter, and obtain the
231 buyer's or renter's signature on, a form containing the following

232 language written in the buyer's or renter's native language:

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

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

242 Strike section 7 in its entirety and substitute the following in lieu
243 thereof:

244 "Sec. 7. (NEW) (*Effective April 1, 2024*) No leasing agent shall engage
245 in the real estate business except for leasing or renting real property that
246 is exclusively used for residential occupancy. Leasing agents shall not
247 engage in any activity that requires a real estate broker's or real estate
248 salesperson's license, including, but not limited to, selling, offering,
249 listing, negotiating, referring or showing for sale, entering into lease-to-
250 own agreements or leasing commercial real estate. A leasing agent shall
251 be employed by a development owner. A leasing agent shall not offer
252 leasing services for any person that is not a development owner. No
253 leasing agent shall engage in the real estate business concerning any
254 property other than on behalf of the owner of record of a multiunit
255 development that employs such leasing agent. A leasing agent shall
256 obtain a written contract from the development owner to demonstrate
257 such employment prior to engaging in any leasing activity at such
258 development. Such contract shall be made available to the department,
259 and produced by the leasing agent in an electronic form, upon a request
260 by the department for such contract."

261 Strike section 11 in its entirety and substitute the following in lieu
262 thereof:

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

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

270 (b) Each application for a license or for a renewal thereof shall be
271 made in writing, on such forms and in such manner as is prescribed by
272 the [Department of Consumer Protection and accompanied by such
273 evidence in support of such application as is prescribed by the
274 commission. The commission may require such information with regard
275 to an applicant as the commission deems desirable, with due regard to
276 the paramount interests of the public, as to the honesty, truthfulness,
277 integrity and competency of the applicant and, where the applicant is a
278 corporation, association or partnership, as to the honesty, truthfulness,
279 integrity and competency of the officers of such corporation or the
280 members of such association or partnership] department.

281 (c) In order to determine the competency of any applicant for a real
282 estate [broker's license or a real estate salesperson's] licensee's license,
283 the commission or Commissioner of Consumer Protection shall, on
284 payment of an application fee of one hundred twenty dollars by an
285 applicant for a real estate broker's license or an application fee of eighty
286 dollars by an applicant for a real estate salesperson's license, subject
287 such applicant to personal written examination as to the applicant's
288 competency to act as a real estate broker or real estate salesperson, as
289 the case may be. [Such] Each examination shall be prepared by the
290 [Department of Consumer Protection] department or by a national
291 testing service designated by the [Commissioner of Consumer
292 Protection] commissioner and shall be administered to applicants by the
293 [Department of Consumer Protection] department or by such testing
294 service at such times and places as the commissioner may deem
295 necessary. The commission or [Commissioner of Consumer Protection]

296 commissioner may waive the uniform portion of the written
297 examination requirement in the case of an applicant who has taken the
298 national testing service examination in another state within two years
299 from the date of application and has received a score deemed
300 satisfactory by the commission or [Commissioner of Consumer
301 Protection] commissioner. The [Commissioner of Consumer Protection]
302 commissioner shall adopt regulations, in accordance with chapter 54,
303 establishing passing scores for examinations. In addition to such
304 application fee, applicants taking the examination administered by a
305 national testing service shall be required to pay directly to such testing
306 service an examination fee covering the cost of such examination. Each
307 payment of such application fee shall entitle the applicant to take such
308 examination within the one-year period from the date of payment.

309 [(d) (1) (A) Each applicant applying for a real estate broker's license
310 on or after July 1, 2016, but before January 1, 2022, shall, before being
311 admitted to such examination, prove to the satisfaction of the
312 commission or the Commissioner of Consumer Protection that the
313 applicant (i) (I) has been actively engaged for at least two years as a
314 licensed real estate salesperson under the supervision of a licensed real
315 estate broker in this state, (II) has successfully completed a course
316 approved by the commission or commissioner in real estate principles
317 and practices of at least sixty classroom hours of study, (III) has
318 successfully completed a course approved by the commission or
319 commissioner in real estate legal compliance consisting of at least fifteen
320 classroom hours of study, (IV) has successfully completed a course
321 approved by the commission or commissioner in real estate brokerage
322 principles and practices consisting of at least fifteen classroom hours,
323 and (V) has successfully completed two elective courses, each consisting
324 of fifteen classroom hours of study, as prescribed by the commission or
325 commissioner, or (ii) has equivalent experience or education as
326 determined by the commission or commissioner.]

327 [(B)] (d) (1) Each applicant [applying for a real estate broker's license
328 on or after January 1, 2022,] shall, before being admitted to such
329 examination, prove to the satisfaction of the commission or the

330 Commissioner of Consumer Protection that the applicant [(i) (I)] (A) (i)
331 has been actively engaged as a licensed real estate salesperson under the
332 supervision of [a licensed real estate broker in this state for] a
333 supervising licensee, who is licensed in this state, for a minimum period
334 of three years immediately preceding the date the applicant filed such
335 applicant's application, during which period such salesperson engaged
336 in the real estate business for at least one thousand five hundred hours
337 [during the three years immediately preceding the date on which such
338 applicant filed such applicant's application,] and such supervising
339 [licensed real estate broker] licensee, or such supervising [licensed real
340 estate broker's] licensee's authorized representative, has certified the
341 accuracy of a record of such applicant's active engagement on a form
342 provided by such applicant to such supervising [licensed real estate
343 broker] licensee or authorized representative, [(II)] (ii) has successfully
344 completed a course approved by the commission or commissioner in
345 real estate principles and practices of at least sixty classroom hours of
346 study, [(III)] (iii) has successfully completed a course approved by the
347 commission or commissioner in real estate legal compliance consisting
348 of at least fifteen classroom hours of study, [(IV)] (iv) has successfully
349 completed a course approved by the commission or commissioner in
350 real estate brokerage principles and practices consisting of at least
351 fifteen classroom hours, [(V)] (v) has successfully completed two
352 elective courses, each consisting of fifteen classroom hours of study, as
353 prescribed by the commission or commissioner, and [(VI)] (vi) has
354 represented a seller, buyer, lessor or lessee in at least four real estate
355 transactions that closed during the three years immediately preceding
356 the date on which such applicant filed such applicant's application, or
357 [(ii)] (B) has equivalent experience or education as determined by the
358 commission or commissioner. Each supervising [licensed real estate
359 broker] licensee, or authorized representative of such supervising
360 [licensed real estate broker] licensee, shall certify the accuracy or
361 inaccuracy of a record provided by an applicant to such supervising
362 [licensed real estate broker] licensee or authorized representative under
363 subparagraph [(B)(i)(I)] (A)(i) of this subdivision not later than ninety
364 days after such applicant provides such record to such supervising

365 [licensed real estate broker] licensee or authorized representative.

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

375 (3) Each applicant for a real estate salesperson's license shall, before
376 being admitted to such examination, prove to the satisfaction of the
377 commission or the [Commissioner of Consumer Protection]
378 commissioner that the applicant (A) has successfully completed a course
379 approved by the commission or commissioner in real estate principles
380 and practices consisting of at least sixty classroom hours of study, or (B)
381 has equivalent experience or education as determined by the
382 commission or commissioner.

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

386 (f) All licenses issued under the provisions of this chapter shall expire
387 [annually] biennially. At the time of application for a real estate broker's
388 license, there shall be paid to the [commission] department, for each
389 individual applicant and for each [proposed active member or officer of
390 a firm, partnership, association or corporation] business entity, the sum
391 of [five hundred sixty-five] one thousand one hundred thirty dollars,
392 and for the [annual] biennial renewal thereof, the sum of [three hundred
393 seventy-five] seven hundred fifty dollars, except that for licenses
394 expiring on March 31, 2022, a prorated renewal fee shall be charged to
395 reflect the fact that the March 2022, renewal shall expire on November
396 30, 2023. At the time of application for a real estate salesperson's license,

397 there shall be paid to the [commission two hundred eighty-five]
398 department five hundred seventy dollars and for the [annual] biennial
399 renewal thereof the sum of [two hundred eighty-five] five hundred
400 seventy dollars. [Three] Six dollars of each such [annual] biennial
401 renewal fee shall be payable to the Real Estate Guaranty Fund
402 established pursuant to section 20-324a, as amended by this act. A real
403 estate broker's license issued to any [partnership, association or
404 corporation] business entity shall entitle the [individual designated in
405 the application, as provided in section 20-312] designated broker, upon
406 compliance with the terms of this chapter, but without the payment of
407 any further fee, to perform all of the acts of a real estate broker under
408 this chapter on behalf of such [partnership, association or corporation]
409 business entity. Any license which expires and is not renewed [pursuant
410 to this subsection] on or before the ninetieth day following the
411 expiration date of such license may be reinstated by the commission [,
412 if, not later than two years after the date of expiration, the former
413 licensee pays to the commission for] or department, in the commission's
414 or department's discretion, provided such license has expired for less
415 than three years and the former licensee (1) attests that such former
416 licensee did not work in this state in the occupation or profession in
417 which such former licensee was licensed while such former licensee's
418 license was lapsed, (2) pays the renewal fee due for such license for the
419 year in which such license is reinstated, and (3) completes any
420 continuing education required for such license for the year preceding
421 such reinstatement. If an applicant for reinstatement worked in this state
422 in the occupation or profession in which such applicant was formerly
423 licensed while such license was lapsed, the applicant shall pay all license
424 and late fees due and owing for the lapse period and demonstrate that
425 such applicant has completed all continuing education required for such
426 license for the year preceding such reinstatement. Such late fees shall be
427 assessed for each real estate broker's license [the sum] in the amount of
428 three hundred seventy-five dollars and for each real estate salesperson's
429 license [the sum] in the amount of two hundred eighty-five dollars for
430 each year or fraction thereof from the date of expiration of the previous
431 license to the date of payment for reinstatement. [, except that any] If a

432 license has lapsed for at least three years, the former licensee is ineligible
433 for reinstatement under this subsection and may apply for a new license.
434 Notwithstanding any contrary provision of this subsection, a former
435 licensee whose license expired after such former licensee entered
436 military service shall be reinstated without payment of any fee if an
437 application for reinstatement is filed with the commission [within two
438 years after the date of expiration] or department before the third
439 anniversary of such expiration date, and the former licensee provides
440 evidence that is sufficient to demonstrate to the commission or
441 department that such former licensee completed at least six hours of
442 continuing education for such license, including, but not limited to, the
443 mandatory continuing education required for such license, during the
444 calendar year preceding the date on which such application for
445 reinstatement is filed. Any such reinstated broker's license shall expire
446 on the next succeeding November thirtieth. [, except that any broker's
447 license that is reinstated before March 31, 2022, shall expire on March
448 31, 2022.] Any such reinstated real estate salesperson's license shall
449 expire on the next succeeding May thirty-first.

450 (g) [Any person whose application has been filed as provided in this
451 section and who is refused a license shall be given notice and afforded
452 an opportunity for hearing as provided in the regulations adopted by
453 the Commissioner of Consumer Protection.] Following a denial of a
454 license or license renewal application filed under this section, the
455 department shall send a notice to the applicant who filed such
456 application disclosing such denial and that such applicant may request
457 a hearing by submitting to the Commissioner of Consumer Protection a
458 written hearing request not later than thirty days after the date such
459 denial notice was sent to such applicant. If the applicant requests a
460 hearing during such thirty-day period, the department shall send a
461 notice to such applicant disclosing the grounds for such denial and
462 conduct a hearing concerning such denial in accordance with the
463 provisions of chapter 54. If the commissioner's denial is sustained after
464 such hearing, the applicant may file a new application for such license
465 or license renewal not sooner than one year after the date on which such

466 denial was sustained."

467 Strike section 15 in its entirety and substitute the following in lieu
468 thereof:

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

471 (a) The commission shall authorize the [Department of Consumer
472 Protection] department to issue [an annual] a two-year renewal license
473 to any applicant who possesses the qualifications specified in, and
474 [otherwise] has otherwise complied with the provisions of, this chapter
475 and any regulation adopted [under] pursuant to this chapter. The
476 commission shall authorize [said] the department to issue [an annual] a
477 two-year renewal of a real estate broker's license to any business entity
478 licensed pursuant to subsection (b) of section 20-312, as amended by this
479 act, provided such business entity: (1) Was so licensed as of September
480 30, 2005, notwithstanding the fact such business entity does not meet the
481 requirements for publicly traded corporations required by subdivision
482 [(3)] (5) of subsection (b) of section 20-312, as amended by this act, or (2)
483 changes [its] such business entity's designated [real estate] broker
484 pursuant to subsection (c) of section 20-312, as amended by this act.

485 (b) There [is] are hereby established [an annual] two-year renewal
486 [license] licenses to be issued by the [Department of Consumer
487 Protection. Persons licensed in accordance with the provisions of this
488 chapter] department to real estate licensees. Each real estate licensee
489 who files an application with the department seeking a two-year
490 renewal license shall fulfill a continuing education requirement.
491 [Applicants] Each applicant for [an annual] a two-year renewal license
492 [for real estate brokers or real estate salespersons] shall, in addition to
493 the other requirements imposed by the provisions of this chapter, [in
494 any even-numbered year,] submit to the commission or department
495 proof [of] that such applicant is in compliance with the continuing
496 education requirements [of] established in this [subsection to the
497 commission. Each] section. Each real estate licensee shall pay [an annual

498 four-dollar] a biennial eight-dollar continuing education processing fee
499 to cover the administrative costs associated with [the review] reviewing
500 and auditing [of] continuing education submissions. The continuing
501 education requirement for real estate licensees may be satisfied by
502 successful completion of any of the following during the two-year
503 period preceding [such] a renewal: (1) A course or courses, approved by
504 the commission or department, of continuing education in current real
505 estate practices and licensing laws, including, but not limited to,
506 practices and laws concerning common interest communities,
507 consisting of not less than twelve hours of classroom study; or (2) a
508 written examination prepared and administered by either the
509 [Department of Consumer Protection] department, or by a national
510 testing service approved by the department, which demonstrates a
511 knowledge of current real estate practices and licensing laws; or (3)
512 equivalent continuing educational experience or study as determined
513 by regulations adopted pursuant to subsection (d) of this section. An
514 applicant for examination under subdivision (2) of this subsection shall
515 pay the required examination fee to the national testing service, if
516 administered by such testing service, or to the [Department of
517 Consumer Protection] department, if administered by the department.

518 (c) If the commission or department refuses to grant [an annual] a
519 two-year renewal license, the licensee or applicant, upon written notice
520 received as provided for in this chapter, may have recourse to any of the
521 remedies provided by sections 20-314, as amended by this act, and 20-
522 322.

523 (d) The Commissioner of Consumer Protection, in consultation with
524 the commission, shall adopt regulations, in accordance with chapter 54,
525 [concerning the approval of schools, institutions or organizations
526 offering courses in current real estate practices and licensing laws,
527 including, but not limited to, practices and laws concerning common
528 interest communities, and the content of such courses] to establish
529 continuing education requirements. Such regulations shall include, but
530 not be limited to: (1) Specifications for meeting equivalent continuing
531 educational experience or study; and (2) exceptions from continuous

532 education requirements for reasons of health or instances of individual
533 hardship. [No school, institution or organization that offers a course in
534 current real estate practices and licensing laws may be disapproved
535 solely because its courses are offered or taught by electronic means, and
536 no course may be disapproved solely because it is offered or taught by
537 electronic means.]

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

542 (1) Three hundred fifteen dollars if such licensee reports to the
543 department, in a form and manner prescribed by the department, that
544 such real estate licensee failed to satisfy such continuing education
545 requirements during such license period but completed such continuing
546 education requirements not later than two months after such license
547 period expired; or

548 (2) Six hundred twenty-five dollars if such licensee reports to the
549 department, in a form and manner prescribed by the department, that
550 such real estate licensee failed to satisfy such continuing education
551 requirements during such license period but completed such continuing
552 education requirements more than two months after such license period
553 expired but not later than four months after such license period
554 expired."

555 Strike section 16 in its entirety and substitute the following in lieu
556 thereof:

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

559 (a) [Any] Each licensed real estate salesperson or associate broker
560 who transfers [his employment from one broker to another or his] such
561 real estate salesperson's or associate broker's affiliation with a broker [as
562 an independent contractor] or property owner shall register such

563 transfer with, and pay a registration fee of twenty-five dollars to, the
564 [commission] department.

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

567 (c) A fee of twenty-five dollars shall be paid to the [Department of
568 Consumer Protection] department for any change made to, or transfer
569 of, a team's registration after the team files an initial registration with
570 the department pursuant to [subdivision (1) of] subsection (e) of section
571 20-312, as amended by this act.

572 (d) If a team transfers to a new supervising licensee, the new
573 supervising licensee shall electronically update the team's registration
574 information with the department not later than fourteen calendar days
575 after such transfer."

576 Strike section 28 in its entirety and substitute the following in lieu
577 thereof:

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

580 [(a) As used in this section "residential real property" means one to
581 four-family residential real estate located in this state.]

582 [(b)] (a) Notwithstanding any provision of the general statutes, [to the
583 contrary,] no real estate [broker or real estate salesperson] licensee, and
584 no person affiliated with such [broker or salesperson] real estate
585 licensee, who receives a fee, commission or other valuable consideration
586 for the sale of residential real property, may receive a fee, commission
587 or other valuable consideration for negotiating, soliciting, arranging,
588 placing or finding a first mortgage loan for the buyer in connection with
589 the same sale unless disclosure is made in accordance with the
590 provisions of subsection [(c)] (b) of this section. Any fee, commission or
591 other valuable consideration received by such [broker or salesperson]
592 real estate licensee for negotiating, soliciting, arranging, placing or

593 finding a first mortgage loan shall (1) be related to the services actually
594 performed, as determined by the Banking Commissioner by regulations
595 adopted pursuant to chapter 54, (2) not be imposed for the referral of
596 the buyer to the mortgage lender by such [broker or salesperson] real
597 estate licensee, and (3) be paid directly to [the broker or salesperson]
598 such real estate licensee by the buyer rather than from the mortgage loan
599 proceeds at the time of closing.

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

606 I UNDERSTAND THAT THE REAL ESTATE BROKER OR
607 SALESPERSON IN THIS TRANSACTION HAS OFFERED TO ASSIST
608 ME IN FINDING A MORTGAGE LOAN. ADDITIONALLY, I
609 UNDERSTAND THAT THIS REAL ESTATE BROKER OR
610 SALESPERSON DOES NOT REPRESENT ANY PARTICULAR
611 MORTGAGE LENDER AND WILL ATTEMPT TO OBTAIN THE BEST
612 TERMS AVAILABLE WITHIN THE MORTGAGE LOAN MARKET
613 FOR MY SPECIFIC HOME FINANCING NEEDS. IF THE REAL
614 ESTATE BROKER OR SALESPERSON DOES NOT FULFILL HIS
615 FIDUCIARY OBLIGATION I MAY FILE A COMPLAINT WITH THE
616 DEPARTMENT OF BANKING. I ALSO UNDERSTAND THAT I MAY
617 ATTEMPT TO FIND A MORTGAGE LOAN TO FINANCE THE
618 PURCHASE OF MY HOME WITHOUT THE ASSISTANCE OF THE
619 REAL ESTATE BROKER OR SALESPERSON IN WHICH CASE I WILL
620 NOT BE OBLIGATED TO PAY A FEE TO THE REAL ESTATE BROKER
621 OR SALESPERSON.

622 [(d)] (c) No mortgage lender may refuse to close a mortgage loan
623 secured by residential real property because the buyer has not paid a
624 fee, commission or other valuable consideration to a real estate [broker
625 or salesperson] licensee for negotiating, soliciting, arranging, placing or

626 finding the first mortgage loan."

627 Strike section 32 in its entirety and substitute the following in lieu
628 thereof:

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

631 [(a) As used in this section: (1) "Licensed broker" means a person
632 licensed under this chapter as a real estate broker, (2) "licensed
633 salesperson" means a person licensed under this chapter as a real estate
634 salesperson, (3) "out-of-state broker" means a person licensed in another
635 state as a real estate broker who is not licensed as a real estate broker
636 under this chapter, (4) "out-of-state salesperson" means a person
637 licensed in another state as a real estate salesperson who is not licensed
638 as a real estate salesperson under this chapter, (5) "person" means a
639 person, as defined in section 20-311, and (6) "advertising" means
640 advertising, as defined in section 20-329a.]

641 [(b)] (a) An out-of-state broker may perform acts with respect to a
642 commercial real estate transaction that require a license under this
643 chapter, provided the out-of-state broker: [complies with the laws of this
644 state with respect to the transaction and:]

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

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

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

654 (4) Deposits all escrow funds, security deposits, and other money
655 received pursuant to the commercial real estate transaction to be held as

656 provided in section 20-324k unless the agreement required in
657 subdivision (2) of this subsection specifies otherwise; [.]

658 (5) Complies with the laws of this state with respect to the transaction;
659 and

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

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

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

668 (2) Provides the licensed broker who is working in cooperation with
669 the out-of-state broker a copy of the out-of-state salesperson's license or
670 other proof of licensure from the [jurisdictions] states where the out-of-
671 state salesperson maintains a license as a real estate salesperson.

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

677 [(e)] (d) Each out-of-state broker or out-of-state salesperson that
678 advertises for sale commercial real estate pursuant to this section shall
679 include in any advertising material the name of the licensed broker with
680 whom the out-of-state broker has a written agreement pursuant to
681 subdivision (2) of subsection [(b)] (a) of this section. Nothing in this
682 section shall permit an out-of-state broker or out-of-state salesperson to
683 accompany a prospective buyer at the site of commercial real estate
684 pursuant to a real estate transaction in this state.

685 (e) An out-of-state real estate licensee may receive compensation for

686 referring to a real estate licensee in this state a prospective party to a real
687 estate transaction in this state."

688 Strike section 33 in its entirety and substitute the following in lieu
689 thereof:

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

692 (a) Any real estate broker licensed under the provisions of this
693 chapter who engages in the real estate business [, as defined in section
694 20-311,] shall retain the following records for a period of not less than
695 seven years after any real estate transaction closes, all funds held in
696 escrow for such transaction are disbursed or the listing agreement or
697 buyer or tenant representation agreement expires, whichever occurs
698 later: (1) All purchase contracts, leases, options, written offers or
699 counteroffers drafted by such broker or on behalf of such broker; (2) the
700 listing agreement or buyer or tenant representation agreement, any
701 extensions of or amendments to such agreements and any disclosures
702 or agreements required pursuant to sections 20-325a to 20-325l,
703 inclusive, as amended by this act; and (3) all canceled checks, unused
704 checks, checkbooks and bank statements for any escrow or trust account
705 maintained pursuant to section 20-324k. [Such]

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

709 (c) All records [may] required under subsection (a) or (b) of this
710 section shall be retained in [any format, electronic or otherwise,] an
711 electronic format that is capable of producing an accurate copy of the
712 original documents unless it is commercially impractical for a real estate
713 broker or leasing agent to retain such records in such format. If it is
714 commercially impractical for a real estate broker or leasing agent to
715 retain such records in an electronic format, the real estate broker or
716 leasing agent shall retain such records in a paper format that is capable
717 of producing an accurate copy [in paper format] of the original

718 [document] documents. Each real estate broker or leasing agent shall
719 make such records available to the department upon any request made
720 by the department for such records."

721 Strike section 39 in its entirety and substitute the following in lieu
722 thereof:

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

725 The provisions of this chapter concerning the licensure of real estate
726 [brokers and real estate salespersons] licensees shall not apply to: (1)
727 Any person who as owner or lessor performs any of the acts enumerated
728 in section 20-311, as amended by this act, with reference to property
729 owned, leased or sought to be acquired or leased by the person, or to the
730 person's regular employees who live at such property and are employed
731 as on-site residential superintendents, janitors or custodians, with
732 respect to the property so owned or leased or sought to be acquired or
733 leased when such acts are performed in the regular course of, or incident
734 to, the management of such property and the investment therein; (2) any
735 person acting as attorney-in-fact under a duly executed power of
736 attorney from the owner authorizing the final consummation by
737 performance of any contract for the sale, leasing or exchange of real
738 estate, or to service rendered by any attorney-at-law in the performance
739 of the attorney-at-law's duties as such attorney-at-law; (3) a receiver,
740 trustee in bankruptcy, administrator, executor or other fiduciary, while
741 acting as such, or any person selling real estate under order of any court,
742 or to a trustee acting under a trust agreement, deed of trust or will, or
743 the regular salaried employees thereof; (4) witnesses in court as to the
744 values of real estate; (5) persons in the employ of the federal or state
745 government or any political subdivision thereof while acting in the
746 course of such employment; (6) any employee of any nonprofit housing
747 corporation that (A) has been certified as a tax-exempt organization
748 under Section 501(c)(3) of the Internal Revenue Code of 1986, or any
749 subsequent corresponding internal revenue code of the United States,
750 as from time to time amended, and manages a housing project, or (B)

751 manages a housing project assisted in whole or in part by the federal
752 government pursuant to Section 8 of The United States Housing Act of
753 1937, as amended from time to time, while such employee is performing
754 duties in the regular course of, or incidental to, the management of such
755 housing project; (7) any person licensed to maintain or operate a mobile
756 manufactured home park under chapter 412 who performs any of the
757 acts enumerated in section 20-311, as amended by this act, with
758 reference to lots or mobile manufactured homes within the park or to
759 the person's employees with respect to lots or mobile manufactured
760 homes within such park when such acts are performed in the regular
761 course of, or incidental to, the management of such property and the
762 investment therein; (8) persons licensed as sellers of mobile
763 manufactured homes under section 21-67; [or] (9) any person or such
764 person's regular employee who, as owner, lessor, licensor, manager,
765 representative or agent manages, leases, or licenses space on or in a
766 tower, building or other structure for (A) "personal wireless services
767 facilities" or facilities for "private mobile service" as those terms are
768 defined in 47 USC 332, which facilities shall be unattended, and the
769 installation and maintenance of related devices authorized by the
770 Federal Communications Commission, and ancillary equipment used to
771 operate such devices and equipment shelters therefor, in an area not to
772 exceed three hundred sixty square feet for any one service established
773 by the Federal Communications Commission in 47 CFR, as amended
774 from time to time, by a provider of any such service, and (B) any right
775 appropriate to access such facilities and connect or use utilities in
776 connection with such facilities; (10) any leasing agent who is solely
777 engaged in leasing activities authorized under this chapter; and (11) any
778 person who is employed by a broker to perform clerical services, which
779 person shall not negotiate the terms of an agreement, list a property
780 unless on behalf of a real estate licensee, open or be listed as a signatory
781 on a broker's escrow or trust account or sell, buy or lease real property
782 for another person for compensation."