



General Assembly

Amendment

February Session, 2024

LCO No. 3889



Offered by:

SEN. MARONEY, 14th Dist.

REP. D'AGOSTINO, 91st Dist.

To: Subst. Senate Bill No. 201

File No. 156

Cal. No. 121

**"AN ACT CONCERNING THE ATTORNEY GENERAL'S
RECOMMENDATIONS REGARDING PRICE DISCLOSURE,
SERVICE AGREEMENTS, THE NEW HOME CONSTRUCTION
GUARANTY FUND AND THE CONNECTICUT UNFAIR TRADE
PRACTICES ACT."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective July 1, 2024*) For the purposes of this
4 section and sections 2 to 6, inclusive, of this act:

5 (1) "Person" has the same meaning as provided in section 1-79 of the
6 general statutes;

7 (2) "Record" means to present any instrument to a town clerk for
8 placement in the land records pursuant to section 7-24 of the general
9 statutes;

10 (3) "Rerecord" means to present any previously recorded instrument

11 to a town clerk for placement in the land records pursuant to section 7-
12 24 of the general statutes;

13 (4) "Residential real property" means one-family to four-family
14 residential real estate located in this state;

15 (5) "Real estate listing agreement" means any contract under which a
16 real estate listing provider agrees to provide any real estate listing to any
17 person in connection with any purchase or sale of residential real
18 property;

19 (6) "Real estate listing provider" means any person who (A) is a party
20 to a real estate listing agreement, and (B) provides, or agrees to provide,
21 any real estate listing under the real estate listing agreement; and

22 (7) "Unfair real estate listing agreement" means any real estate listing
23 agreement that (A) is entered into on or after July 1, 2024, (B) does not
24 require the real estate listing provider who is a party to such agreement
25 to perform any part of the real estate listing pursuant to such agreement
26 within the one-year period immediately following the date on which the
27 parties to such agreement entered into such agreement, and (C) (i)
28 purports to run with the land or bind future owners of interests in the
29 residential real property that is the subject of such agreement, (ii) allows
30 for any assignment of any right to provide the real estate listing under
31 such agreement without first providing notice to, and obtaining consent
32 from, the owner of the residential real property that is the subject of such
33 agreement, or (iii) purports to create any lien or encumbrance upon, or
34 other security interest in, the residential real property that is the subject
35 of such agreement.

36 Sec. 2. (NEW) (*Effective July 1, 2024*) (a) No real estate listing provider
37 shall enter into any unfair real estate listing agreement with any person
38 who holds any interest in residential real property.

39 (b) No unfair real estate listing agreement shall be enforceable.

40 (c) A violation of subsection (a) of this section shall be deemed an

41 unfair or deceptive trade practice under subsection (a) of section 42-110b
42 of the general statutes.

43 Sec. 3. (NEW) (*Effective July 1, 2024*) No person shall record, or cause
44 to be recorded, any unfair real estate listing agreement or any notice or
45 memorandum thereof. If any such agreement, notice or memorandum
46 is recorded, such agreement, notice or memorandum shall not be
47 deemed to provide actual or constructive notice to an otherwise bona
48 fide purchaser or creditor of the residential real property that is the
49 subject of such agreement. Notwithstanding the provisions of section 7-
50 24 of the general statutes, a town clerk may refuse to receive any unfair
51 real estate listing agreement, or any notice or memorandum thereof, for
52 recording.

53 Sec. 4. (NEW) (*Effective July 1, 2024*) (a) Not later than July 31, 2024,
54 each real estate listing provider who entered into a real estate listing
55 agreement on or before June 30, 2024, shall rerecord such agreement and
56 record notice of such agreement with the town clerk of the town in
57 which the residential real property that is the subject of such agreement
58 is located.

59 (b) Each notice recorded pursuant to subsection (a) of this section
60 shall include (1) the title "Notice of Real Estate Listing Agreement"
61 printed in not less than fourteen-point bold type, (2) a legal description
62 of the residential real property that is the subject of the real estate listing
63 agreement, (3) the amount of the fee specified in the real estate listing
64 agreement or the method by which such fee shall be calculated, (4) the
65 date or circumstances under which the obligation set forth in the real
66 estate listing agreement shall expire, (5) the name, address and
67 telephone number of the real estate listing provider, and (6) if the real
68 estate listing provider is (A) an individual, the notarized signature of
69 the individual, or (B) an entity, the notarized signature of an authorized
70 officer or employee of the entity.

71 (c) If a real estate listing provider fails to record the notice required
72 under subsections (a) and (b) of this section on or before July 31, 2024,

73 the real estate listing agreement shall be void and unenforceable and
74 any interest in the residential real property that is the subject of such
75 agreement may be conveyed free and clear of such agreement.

76 Sec. 5. (NEW) (*Effective July 1, 2024*) (a) If any unfair real estate listing
77 agreement or notice or memorandum thereof is recorded or rerecorded,
78 any person with an interest in the residential real property that is the
79 subject of such agreement or the Attorney General may apply to the
80 Superior Court for an order declaring such agreement to be
81 unenforceable. Upon presentment of such order to the town clerk of the
82 town in which such agreement, notice or memorandum is recorded or
83 rerecorded, the recording or rerecording of such agreement, notice or
84 memorandum shall be discharged.

85 (b) If any unfair real estate listing agreement or notice or
86 memorandum thereof is recorded or rerecorded, any person with an
87 interest in the residential real property that is the subject of such
88 agreement may recover such actual damages, costs and attorney's fees
89 as may be proven against the real estate listing provider who recorded
90 or rerecorded such agreement, notice or memorandum or caused such
91 agreement, notice or memorandum to be recorded or rerecorded.

92 Sec. 6. (NEW) (*Effective July 1, 2024*) Any real estate listing provider
93 who records or rerecords, or causes to be recorded or rerecorded, any
94 real estate listing agreement or any notice or memorandum thereof,
95 including, but not limited to, any such agreement, notice or
96 memorandum recorded before July 1, 2024, and assigns such real estate
97 listing provider's rights under such agreement shall, not later than thirty
98 days after the date of such assignment, provide notice of such
99 assignment to (1) any person who holds any interest in the residential
100 real property that is the subject of such agreement, (2) the town clerk of
101 the town in which the residential real property that is the subject of such
102 agreement is located, and (3) the Attorney General.

103 Sec. 7. Section 42-110j of the general statutes is repealed and the
104 following is substituted in lieu thereof (*Effective from passage*):

105 In the administration of this chapter, the commissioner may accept
106 an assurance of voluntary compliance with respect to any method, act
107 or practice deemed in violation of this chapter from any person alleged
108 to be engaged or to have been engaged in such method, act or practice.
109 Such assurance may include an amount as restitution to aggrieved
110 persons and for investigative costs. No such assurance of voluntary
111 compliance shall be considered an admission of violation for any
112 purpose. Matters thus closed may at any time be reopened by the
113 commissioner for further proceedings in the public interest. In the event
114 of any violation of the terms of an assurance of voluntary compliance
115 accepted under this section, the commissioner may proceed as provided
116 in sections 42-110d and 42-110e or may request that the Attorney
117 General apply in the name of the state to the Superior Court for relief
118 from such violation consistent with section 42-110m, as amended by this
119 act.

120 Sec. 8. Subsection (a) of section 42-110m of the general statutes is
121 repealed and the following is substituted in lieu thereof (*Effective from*
122 *passage*):

123 (a) Whenever the commissioner has reason to believe that any person
124 has been engaged or is engaged in an alleged violation of any provision
125 of this chapter said commissioner may proceed as provided in sections
126 42-110d and 42-110e or may request the Attorney General to apply in
127 the name of the state of Connecticut to the Superior Court for an order
128 temporarily or permanently restraining and enjoining the continuance
129 of such act or acts or for an order directing restitution and the
130 appointment of a receiver in appropriate instances, or both. Proof of
131 public interest or public injury shall not be required in any action
132 brought pursuant to section 42-110d, section 42-110e or this section.
133 Such action may include an application to enforce any term of an
134 assurance of voluntary compliance accepted under section 42-110j, as
135 amended by this act. The court may award the relief applied for or so
136 much as it may deem proper including reasonable attorney's fees,
137 accounting and such other relief as may be granted in equity. In such
138 action the commissioner shall be responsible for all necessary

139 investigative support.

140 Sec. 9. Subsection (b) of section 42-110o of the general statutes is
 141 repealed and the following is substituted in lieu thereof (*Effective from*
 142 *passage*):

143 (b) In any action brought under section 42-110m, as amended by this
 144 act, if the court finds that a person is wilfully using or has wilfully used
 145 a method, act or practice prohibited by section 42-110b, the Attorney
 146 General, upon petition to the court, may recover, on behalf of the state,
 147 a civil penalty of not more than five thousand dollars for each violation.
 148 For purposes of this subsection, a wilful violation occurs when: [the] (1)
 149 The party committing the violation knew or should have known that his
 150 conduct was a violation of section 42-110b; or (2) a person violates the
 151 terms of an assurance of voluntary compliance accepted under section
 152 42-110j, as amended by this act."

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2024</i>	New section
Sec. 2	<i>July 1, 2024</i>	New section
Sec. 3	<i>July 1, 2024</i>	New section
Sec. 4	<i>July 1, 2024</i>	New section
Sec. 5	<i>July 1, 2024</i>	New section
Sec. 6	<i>July 1, 2024</i>	New section
Sec. 7	<i>from passage</i>	42-110j
Sec. 8	<i>from passage</i>	42-110m(a)
Sec. 9	<i>from passage</i>	42-110o(b)