

OFFICE OF FISCAL ANALYSIS

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sHB-6769

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

As Amended by House "A" (LCO 8537)

House Calendar No.: 169

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

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Reviewer: RP

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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.