



General Assembly

**Substitute Bill No. 6624**

January Session, 2021



**AN ACT CONCERNING LICENSING REQUIREMENTS FOR REAL ESTATE BROKERS.**

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 Section 20-311 of the general statutes is repealed and the  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 January 1, 2022*):

3 As used in this chapter, unless the context otherwise requires:

4 (1) "Commercial real estate transaction" means any transaction  
5 involving the sale, exchange, lease or sublease of real property other  
6 than real property containing any building or structure occupied or  
7 intended to be occupied by not more than four families or a single  
8 building lot to be used for family or household purposes;

9 (2) "Commission" means the Connecticut Real Estate Commission  
10 appointed under the provisions of section 20-311a;

11 (3) "Designated agency" means the appointment by a real estate  
12 broker of one or more brokers or salespersons affiliated with or  
13 employed by the real estate broker to solely represent a buyer or tenant  
14 as a designated buyer's agent and appoint another to represent a seller  
15 or landlord as a designated seller's agent in a transaction;

16 (4) "Designated buyer agent" means a broker or salesperson

17 designated by the real estate broker with whom the broker or  
18 salesperson is affiliated or employed to solely represent a named buyer  
19 or tenant client of the real estate broker during the term of a buyer  
20 representation agreement or authorization;

21 (5) "Designated seller agent" means a broker or salesperson  
22 designated by the real estate broker with whom the broker or  
23 salesperson is affiliated or employed to solely represent a named seller  
24 or landlord client of the real estate broker during the term of a listing  
25 agreement or authorization;

26 (6) "Engaging in the real estate business" means acting for another  
27 and for a fee, commission or other valuable consideration in the listing  
28 for sale, selling, exchanging, buying or renting, or offering or attempting  
29 to negotiate a sale, exchange, purchase or rental of, an estate or interest  
30 in real estate or a resale of a mobile manufactured home, as defined in  
31 subdivision (1) of section 21-64, or collecting upon a loan secured or to  
32 be secured by a mortgage or other encumbrance upon or transfer of real  
33 estate;

34 (7) "Person" means any individual, partnership, association, limited  
35 liability company or corporation;

36 [(1)] (8) "Real estate broker" or "broker" means (A) any person,  
37 partnership, association, limited liability company or corporation which  
38 acts for another person or entity and for a fee, commission or other  
39 valuable consideration, lists for sale, sells, exchanges, buys or rents, or  
40 offers or attempts to negotiate a sale, exchange, purchase or rental of, an  
41 estate or interest in real estate, or a resale of a mobile manufactured  
42 home, as defined in subdivision (1) of section 21-64, or collects or offers  
43 or attempts to collect rent for the use of real estate, and (B) any person,  
44 partnership, association, limited liability company or corporation  
45 employed by or on behalf of the owner or owners of lots or other parcels  
46 of real estate, at a stated salary, upon commission, upon a salary and  
47 commission basis or otherwise to sell such real estate, or any parts  
48 thereof, in lots or other parcels, and who sells or exchanges, or offers,

49 attempts or agrees to negotiate the sale or exchange of, any such lot or  
50 parcel of real estate;

51 [(2)] (9) "Real estate salesperson" or "salesperson" means a person  
52 affiliated with any real estate broker as an independent contractor or  
53 employed by a real estate broker to list for sale, sell or offer for sale, to  
54 buy or offer to buy or to negotiate the purchase or sale or exchange of  
55 real estate, or to offer for resale, a mobile manufactured home, as  
56 defined in subdivision (1) of section 21-64, or to lease or rent or offer to  
57 lease, rent or place for rent any real estate, or to collect or offer or attempt  
58 to collect rent for the use of real estate for or on behalf of such real estate  
59 broker, or who offers, sells or attempts to sell the real estate or mobile  
60 manufactured homes of a licensed broker, or acting for another as a  
61 designated seller agent or designated buyer agent, lists for sale, sells,  
62 exchanges, buys or rents, or offers or attempts to negotiate a sale,  
63 exchange, purchase or rental of, an estate or interest in real estate, or a  
64 resale of a mobile manufactured home, as defined in subsection (a) of  
65 section 21-64, or collects or offers or attempts to collect rent for the use  
66 of real estate, but does not include employees of any real estate broker  
67 whose principal occupation is clerical work in an office, or janitors or  
68 custodians engaged principally in that occupation;

69 [(3)] "Engaging in the real estate business" means acting for another  
70 and for a fee, commission or other valuable consideration in the listing  
71 for sale, selling, exchanging, buying or renting, or offering or attempting  
72 to negotiate a sale, exchange, purchase or rental of, an estate or interest  
73 in real estate or a resale of a mobile manufactured home, as defined in  
74 subdivision (1) of section 21-64, or collecting upon a loan secured or to  
75 be secured by a mortgage or other encumbrance upon or transfer of real  
76 estate;

77 (4) "Person" means any individual, partnership, association, limited  
78 liability company or corporation;

79 (5) "Commission" means the Connecticut Real Estate Commission  
80 appointed under the provisions of section 20-311a;

81 (6) "Designated agency" means the appointment by a real estate  
82 broker of one or more brokers or salespersons affiliated with or  
83 employed by the real estate broker to solely represent a buyer or tenant  
84 as a designated buyer's agent and appoint another to represent a seller  
85 or landlord as a designated seller's agent in a transaction;

86 (7) "Designated buyer agent" means a broker or salesperson  
87 designated by the real estate broker with whom the broker or  
88 salesperson is affiliated or employed to solely represent a named buyer  
89 or tenant client of the real estate broker during the term of a buyer  
90 representation agreement or authorization;

91 (8) "Designated seller agent" means a broker or salesperson  
92 designated by the real estate broker with whom the broker or  
93 salesperson is affiliated or employed to solely represent a named seller  
94 or landlord client of the real estate broker during the term of a listing  
95 agreement or authorization; and

96 (9) "Commercial real estate transaction" means any transaction  
97 involving the sale, exchange, lease or sublease of real property other  
98 than real property containing any building or structure occupied or  
99 intended to be occupied by no more than four families or a single  
100 building lot to be used for family or household purposes.]

101 (10) "Team" means a group of at least two licensed real estate brokers  
102 or real estate salespersons who are affiliated with the same sponsoring  
103 real estate broker and engage in advertising as a group using a team  
104 name; and

105 (11) "Team name" means the name used to refer to a team in team  
106 advertisements.

107 Sec. 2. Section 20-312 of the general statutes is repealed and the  
108 following is substituted in lieu thereof (*Effective January 1, 2022*):

109 (a) No person shall act as a real estate broker or real estate salesperson  
110 without a license issued by the commission or the Commissioner of

111 Consumer Protection, unless exempt under this chapter. The  
112 Commissioner of Consumer Protection may enter into any contract for  
113 the purpose of administratively processing the renewal of licenses on  
114 behalf of the commission.

115 (b) The practice of or the offer to practice real estate brokerage  
116 business in this state by individual licensed real estate brokers or real  
117 estate salespersons as a corporation, limited liability company,  
118 partnership or limited liability partnership, a material part of the  
119 business of which includes real estate brokerage, is permitted, provided  
120 (1) the personnel of such corporation, limited liability company,  
121 partnership or limited liability partnership who engage in the real estate  
122 brokerage business as real estate brokers or real estate salespersons, and  
123 the real estate brokers whose ownership, control, membership or  
124 partnership interest is credited toward the requirements of subdivision  
125 (3) of this subsection, are licensed or exempt from licensure under this  
126 chapter, (2) the corporation, limited liability company, partnership or  
127 limited liability partnership has been issued a real estate broker license  
128 by the commission as provided in this section and has paid the license  
129 or renewal fee required for a real estate broker's license as set forth in  
130 section 20-314, as amended by this act, and (3) except for a publicly  
131 traded corporation (A) with respect to a corporation other than a  
132 nonstock corporation, one or more real estate brokers own or control  
133 fifty-one per cent or more of the total issued shares of the corporation,  
134 (B) with respect to a nonstock corporation, one or more real estate  
135 brokers constitute at least fifty-one per cent of the members of the  
136 nonstock corporation, (C) with respect to a limited liability company,  
137 one or more real estate brokers own or control at least fifty-one per cent  
138 of the interest in the limited liability company, as defined in section 34-  
139 243a, or (D) with respect to a partnership or limited liability partnership,  
140 one or more real estate brokers' partnership interest, as defined in  
141 section 34-301, constitutes at least fifty-one per cent of the total  
142 partnership interest. No such corporation, limited liability company,  
143 partnership or limited liability partnership shall be relieved of  
144 responsibility for the conduct or acts of its agents, employees or officers

145 by reason of its compliance with this section, nor shall any individual  
146 practicing real estate brokerage be relieved of responsibility for real  
147 estate services performed by reason of the individual's employment or  
148 relationship with such corporation, limited liability company,  
149 partnership or limited liability partnership. The Real Estate Commission  
150 may refuse to authorize the issuance or renewal of a license if any facts  
151 exist that would entitle the commission to suspend or revoke an existing  
152 license.

153 (c) A corporation, limited liability company, partnership or limited  
154 liability partnership desiring a real estate broker license shall file with  
155 the commission or the commissioner an application on such forms and  
156 in such manner as prescribed by the Department of Consumer  
157 Protection. Each such corporation, limited liability company,  
158 partnership or limited liability partnership shall file with the  
159 commission a designation of at least one individual licensed or qualified  
160 to be licensed as a real estate broker in this state who shall be in charge  
161 of the real estate brokerage business of such corporation, limited liability  
162 company, partnership or limited liability partnership in this state. Such  
163 corporation, limited liability company, partnership or limited liability  
164 partnership shall notify the commission of any change in such  
165 designation not later than thirty days after such change becomes  
166 effective.

167 (d) The Real Estate Commission may impose a fine of not more than  
168 one thousand dollars on any corporation, limited liability company,  
169 partnership or limited liability partnership that engages in real estate  
170 business without a license required by this section. Any such imposition  
171 of a fine by the commission shall be a proposed final decision and  
172 submitted to the commissioner in accordance with the provisions of  
173 subsection (b) of section 21a-7.

174 (e) (1) Each team shall register, on a form and in a manner prescribed  
175 by the commissioner, with the Department of Consumer Protection.  
176 Each initial registration shall be valid for a period of one year and be  
177 subject to renewal for additional one-year periods. Each team shall pay

178 to the department an initial registration fee of five hundred sixty-five  
179 dollars when the team files its initial registration, and a registration  
180 renewal fee of three hundred seventy-five dollars when the team files  
181 each registration renewal, pursuant to this subdivision. Each team shall  
182 include in each registration form that the team files with the department  
183 pursuant to this subdivision:

184 (A) The team's team name, which shall:

185 (i) Include the full name of at least one licensed real estate broker or  
186 real estate salesperson who is part of the team or be immediately  
187 followed by "at/of [full name of the sponsoring real estate broker]";

188 (ii) Not include the name of any individual who is not a licensed real  
189 estate broker or real estate salesperson; and

190 (iii) With the exception of "team", not include any abbreviation, term  
191 or phrase, including, but not limited to, "associates", "company",  
192 "corporation", "group", "LLC", "real estate" or "realty", that implies that  
193 the team is a business entity;

194 (B) The name of, and contact information for, the team's sponsoring  
195 real estate broker, who shall serve as the team's primary contact, ensure  
196 that the team complies with all applicable laws and regulations  
197 concerning team advertisements and ensure that the team timely files  
198 accurate registration forms and registration updates with the  
199 department pursuant to this subsection; and

200 (C) The name and contact information for each real estate broker or  
201 real estate salesperson who is part of the team.

202 (2) A team shall send notice to the department disclosing any change  
203 to the information contained in the team's registration form. The team  
204 shall send such notice to the department, on a form and in a manner  
205 prescribed by the commissioner, not later than twelve days after the  
206 date of such change.

207 (3) Each team shall comply with all advertising requirements and  
208 standards that apply to real estate brokers, and shall include the name  
209 of the team's sponsoring real estate broker at a prominent location in all  
210 of the team's advertisements.

211 Sec. 3. Subsection (d) of section 20-314 of the general statutes is  
212 repealed and the following is substituted in lieu thereof (*Effective January*  
213 *1, 2022*):

214 (d) (1) ~~(A)~~ Each applicant applying for a real estate broker's license on  
215 or after July 1, 2016, but before January 1, 2022, shall, before being  
216 admitted to such examination, prove to the satisfaction of the  
217 commission or the Commissioner of Consumer Protection that the  
218 applicant ~~[(A)]~~ (i) ~~(I)~~ has been actively engaged for at least two years as  
219 a licensed real estate salesperson under the supervision of a licensed real  
220 estate broker in this state, ~~[(ii)]~~ ~~(II)~~ has successfully completed a course  
221 approved by the commission or commissioner in real estate principles  
222 and practices of at least sixty classroom hours of study, ~~[(iii)]~~ ~~(III)~~ has  
223 successfully completed a course approved by the commission or  
224 commissioner in real estate legal compliance consisting of at least fifteen  
225 classroom hours of study, ~~[(iv)]~~ ~~(IV)~~ has successfully completed a course  
226 approved by the commission or commissioner in real estate brokerage  
227 principles and practices consisting of at least fifteen classroom hours,  
228 and ~~[(v)]~~ ~~(V)~~ has successfully completed two elective courses, each  
229 consisting of fifteen classroom hours of study, as prescribed by the  
230 commission or commissioner, or ~~[(B)]~~ ~~(ii)~~ has equivalent experience or  
231 education as determined by the commission or commissioner.

232 (B) Each applicant applying for a real estate broker's license on or  
233 after January 1, 2022, shall, before being admitted to such examination,  
234 prove to the satisfaction of the commission or the Commissioner of  
235 Consumer Protection that the applicant (i) (I) has been actively engaged  
236 as a licensed real estate salesperson under the supervision of a licensed  
237 real estate broker in this state for at least one thousand five hundred  
238 hours during the three years immediately preceding the date on which  
239 such applicant filed such applicant's application, and such supervising



240 licensed real estate broker, or such supervising licensed real estate  
241 broker's authorized representative, has certified the accuracy of a record  
242 of such applicant's active engagement on a form provided by such  
243 applicant to such supervising licensed real estate broker or authorized  
244 representative, (II) has successfully completed a course approved by the  
245 commission or commissioner in real estate principles and practices of at  
246 least sixty classroom hours of study, (III) has successfully completed a  
247 course approved by the commission or commissioner in real estate legal  
248 compliance consisting of at least fifteen classroom hours of study, (IV)  
249 has successfully completed a course approved by the commission or  
250 commissioner in real estate brokerage principles and practices  
251 consisting of at least fifteen classroom hours, (V) has successfully  
252 completed two elective courses, each consisting of fifteen classroom  
253 hours of study, as prescribed by the commission or commissioner, and  
254 (VI) has represented a seller, buyer, lessor or lessee in at least four real  
255 estate transactions that closed during the three years immediately  
256 preceding the date on which such applicant filed such applicant's  
257 application, or (ii) has equivalent experience or education as determined  
258 by the commission or commissioner. Each supervising licensed real  
259 estate broker, or authorized representative of such supervising licensed  
260 real estate broker, shall certify the accuracy or inaccuracy of a record  
261 provided by an applicant to such supervising licensed real estate broker  
262 or authorized representative under subparagraph (B)(i)(I) of this  
263 subdivision not later than ninety days after such applicant provides  
264 such record to such supervising licensed real estate broker or authorized  
265 representative.

266 (2) The commission or the Commissioner of Consumer Protection  
267 shall waive the elective courses under subparagraph [(A)(v)] (A)(i)(V)  
268 or (B)(i)(V) of subdivision (1) of this subsection if the applicant has  
269 successfully completed at least twenty real estate transactions within  
270 five years immediately preceding the date of application. As used in this  
271 subdivision, "real estate transaction" means any transaction in which  
272 real property is legally transferred to another party or in which a lease  
273 agreement is executed between a landlord and a tenant.

274 (3) Each applicant for a real estate salesperson's license shall, before  
275 being admitted to such examination, prove to the satisfaction of the  
276 commission or the Commissioner of Consumer Protection that the  
277 applicant (A) has successfully completed a course approved by the  
278 commission or commissioner in real estate principles and practices  
279 consisting of at least sixty classroom hours of study, or (B) has  
280 equivalent experience or education as determined by the commission or  
281 commissioner.

282 Sec. 4. Section 20-319a of the general statutes is repealed and the  
283 following is substituted in lieu thereof (*Effective January 1, 2022*):

284 (a) Any licensed real estate salesperson who transfers his  
285 employment from one broker to another or his affiliation with a broker  
286 as an independent contractor shall register such transfer with, and pay  
287 a registration fee of twenty-five dollars to, the commission.

288 (b) A fee of twenty-five dollars shall be paid to the commission for  
289 the issuance of a license certification.

290 (c) A fee of twenty-five dollars shall be paid to the Department of  
291 Consumer Protection for any change made to, or transfer of, a team's  
292 registration after the team files an initial registration with the  
293 department pursuant to subdivision (1) of subsection (e) of section 20-  
294 312, as amended by this act.

295 Sec. 5. Subsection (c) of section 47-90a of the general statutes is  
296 repealed and the following is substituted in lieu thereof (*Effective January*  
297 *1, 2022*):

298 (c) Every person who directly or indirectly controls a declarant liable  
299 under subsection (a) of this section, every general partner, officer or  
300 director of a declarant and every person occupying a similar status or  
301 performing a similar function, every employee of the declarant who  
302 materially aids in the disposition, and every agent who materially aids  
303 in the disposition is also liable jointly and severally with and to the same  
304 extent as the declarant, provided the plaintiff sustains the burden of

305 proof that such person knew or, in the exercise of reasonable care  
306 expected by such persons in the reasonable exercise of their duties,  
307 should have known of the existence of the facts by reason of which the  
308 liability is alleged to exist. There is a right to contribution in cases of  
309 contract among persons so liable. No person shall be liable under this  
310 section whose relationship to the declarant or other person consists  
311 solely of rendering professional and other customary services,  
312 including, but not limited to: (1) An attorney-at-law, architect, land  
313 surveyor or engineer; (2) a lending institution which is not a declarant  
314 whose relationship to the declarant consists solely of rendering  
315 customary banking services and holding a mortgage on all or a portion  
316 of the condominium which mortgage, or agreements or instruments  
317 relating thereto, may contain mutual covenants and agreements  
318 concerning the approval of the condominium instruments and  
319 amendments thereto, and regulates the activity of the declarant under  
320 the condominium instruments or an officer, director or employee of  
321 such lending institution; (3) a real estate broker or salesman whose  
322 relationship to the declarant consists solely of rendering services  
323 described in subdivision [(3)] (6) of section 20-311, as amended by this  
324 act, and other customary services; or (4) a person whose sole  
325 involvement in the disposition of a condominium unit occurs  
326 subsequent to the date of the act or omission out of which any liability  
327 under subsection (a) of this section arises.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2022	20-311
Sec. 2	January 1, 2022	20-312
Sec. 3	January 1, 2022	20-314(d)
Sec. 4	January 1, 2022	20-319a
Sec. 5	January 1, 2022	47-90a(c)

**INS** Joint Favorable Subst.

**APP**      *Joint Favorable*