

HCS HB 695 -- REAL ESTATE LICENSEES

SPONSOR: Houx

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Emerging Issues by a vote of 13 to 0.

The following is a summary of the House Committee Substitute for HB 695.

Current law prohibits certain actions by a licensed real estate agent, broker, appraiser, or escrow agent. Using an advertisement or solicitation which is knowingly false, misleading, or deceptive is prohibited and can result in a complaint against the licensee being filed with the Administrative Hearing Commission.

This bill adds using an advertisement which includes a name or team name that uses the term "realty", "brokerage", "company", or any other term that could be construed as a real estate company separate from the associated broker's company. The bill states that context of the advertisement may be considered by the Commission when determining whether the licensee committed such a violation.

This bill specifies that real estate brokers may pay compensation directly to a business entity owned by a "licensee" as defined in the bill which is specifically formed for the purpose of receiving "licensee" compensation.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPOSERS: Supporters say that this bill provides transparency and accountability to customers. The bill also repeals a duplicative and unnecessary licensing requirement, and keeps Missouri in line with other states.

Testifying for the bill were Representative Houx; and Missouri Realtors Association.

OPPOSERS: Arnie C. Dienoff provided written oppositional testimony.

Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.