

HB 596 -- BROKERAGE SERVICES

SPONSOR: Brown (16)

COMMITTEE ACTION: Voted "Do Pass by Consent" by the Standing Committee on Financial Institutions by a vote of 13 to 0. Voted "Do Pass" by the Standing Committee on Consent and Procedure by a vote of 9 to 0.

This bill requires a real estate broker acting as a single agent for a buyer or tenant to enter into a written agency agreement with the buyer or tenant before engaging in any acts enumerated in section 339.010, RSMo. Currently, a broker is allowed to enter into such a written agency agreement while already engaging in such acts.

PROPONENTS: Supporters say that this is a compliance bill. Last year the lawsuit in Burnett v. National Association for Realtors came to conclusion making structural and procedural changes relating to compensation for realtors. A change was made to the buyer's agency agreement in that before a house can be shown to a potential buyer, there must be a signed written contract. The bill provides consumer protections and insulates real estate professionals from potential litigation risks.

Testifying in person for the bill were Representative Brown; Missouri Association Of Realtors; and Missouri Independent Bankers Association.

OPPONENTS: There was no opposition voiced to the committee.

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