

HCS HB 2517 -- DISCLOSURES BY A REAL ESTATE WHOLESALER

SPONSOR: Brown

COMMITTEE ACTION: Voted "Do Pass with HCS by Consent" by the Standing Committee on Economic Development by a vote of 12 to 0. Voted "Do Pass-Not Consent" by the Standing Committee on Consent and Procedure by a vote of 6 to 0.

The following is a summary of the House Committee Substitute for HB 2517.

Under this bill, 14 days before entering into a contract that transfers an interest in residential real property, a wholesaler, as defined in the bill, acting as a grantee or a wholesaler's representative, must provide to the property owner a written disclosure statement. Requirements for the disclosure are described in the bill.

A wholesaler acting as a grantee must not enter into a binding contract that transfers an interest in residential property until both the wholesaler and the property owner sign and date the disclosure statement.

If the wholesaler acting as the grantee fails to make the disclosure before entering into the contract that transfers interest in the property, the owner of the property can cancel the contract before the close of the escrow without penalty and the escrow agent will disburse any earnest money paid by the wholesaler to the owner within 30 days after the cancellation. Provisions of the bill must not be modified or waived by any agreement. Any portion of an agreement executed, modified, or extended after the effective date of the bill that modifies or waives provisions of the bill will be null and void.

Any violation of the bill will be considered an unlawful practice under the Missouri Merchandising Practices Act. A party that enters into an agreement without receiving the disclosure under the bill may bring a private action against a wholesaler.

The Attorney General will have the authority to enforce the provisions of the bill and commence a civil action for any violations. If the court finds that a violation occurred, the court can grant relief as described in the bill.

This bill is similar to SB 973 (2026).

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 will deter bad actors out of the home buying process and protect homeowners. This bill will provide transparency and fairness. The bill will help eliminate poor real estate practices and provide a sense of security to homeowners. This bill will help homeowners, the community, and economy.

Testifying in person for the bill were Representative Brown; Arnie Dienoff; Missouri Association of Realtors; National Association for Housing Revitalization; Marck De Lautour, Best Offer KC; and Jimmy Vreeland, I Buy STL.

OPPOSERS: 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.