



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2013 Senate Bill 457	Senate Amendment 1
<i>Memo published: February 11, 2014</i>	<i>Contact: Brian Larson, Staff Attorney (266-0680)</i>

Under **current law**, generally, no person may engage in real estate practice in the state without a license issued by the Real Estate Examining Board (board).

The **bill** authorizes limited real estate practice in the state by an out-of-state broker that enters into a cooperative agreement with a broker licensed by the board. Among other requirements, the out-of-state broker must be licensed in good standing outside the state. The bill prohibits a broker licensed by the board, who is a party to such a cooperative agreement, from acting on behalf of a broker who is not a party to the agreement. In addition, the bill provides that no person may pay an out-of-state broker for brokerage services unless the out-of-state broker is a party to such a cooperative agreement. Any person who violates the requirements created under the bill may be fined not more than \$5,000 for each violation.

Senate Amendment 1 provides that each cooperative agreement entered into in connection with a limited real estate practice authorized under the bill may cover only one listing agreement. In addition, the amendment changes the penalty for each violation to the greater of the following:

- \$5,000;
- For a sales transaction, 1% of the purchase prices of the property; and
- For a lease or rental transaction, 1% of the total lease or rental value of the property.

Bill History

On January 30, 2013, the Senate Committee on Insurance and Housing voted to recommend adoption of Senate Amendment 1 to 2013 Senate Bill 457, and passage of the bill, as amended, on votes of Ayes, 5; Noes, 0.

BL:ksm