



## 1999 SENATE BILL 286

November 9, 1999 - Introduced by Senators CLAUSING, MOEN and RUDE, cosponsored by Representatives WIECKERT, MEYER, POCAN and JOHNSRUD. Referred to Committee on Economic Development, Housing and Government Operations.

1     **AN ACT to repeal** 452.12 (3) (b); **to renumber and amend** 452.12 (3) (a); **to**  
2             **amend** 452.139 (2) (c); and **to create** 452.07 (1m) of the statutes; **relating to:**  
3             employe supervision by real estate brokers and requiring the exercise of  
4             rule-making authority.

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### *Analysis by the Legislative Reference Bureau*

Under current law, an individual may not act as a real estate broker unless he or she is licensed as a broker by the department of regulation and licensing (DORL). A licensed broker is responsible for the acts of any other broker or real estate or time-share salesperson employed by him or her. In addition, if a licensed broker maintains any branch office in this state, each such branch office must be under the direct, full-time supervision of a licensed broker.

This bill eliminates the requirement regarding direct, full-time supervision of branch office employes and requires instead that a real estate broker must supervise any broker or real estate or real estate time-share salesperson employed by the broker. In addition, the bill requires DORL to promulgate rules that specify the supervisory duties of brokers regarding such employes.

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*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

5             **SECTION 1.** 452.07 (1m) of the statutes is created to read:

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1 452.07 **(1m)** The department shall promulgate rules that specify the  
2 supervisory duties of brokers under s. 452.12 (3).

3 **SECTION 2.** 452.12 (3) (a) of the statutes is renumbered 452.12 (3) and amended  
4 to read:

5 452.12 **(3)** **BROKER'S LIABILITY FOR ACTS OF EMPLOYEES.** Each broker shall  
6 supervise, and is responsible for the acts of, any broker, salesperson or time-share  
7 salesperson employed by the broker.

8 **SECTION 3.** 452.12 (3) (b) of the statutes is repealed.

9 **SECTION 4.** 452.139 (2) (c) of the statutes is amended to read:

10 452.139 **(2)** (c) Nothing in this subsection limits the liability of a broker under  
11 s. 452.12 (3) ~~(a)~~ for misrepresentations made by an employe who is a broker. Nothing  
12 in this subsection limits the liability of a client for a misrepresentation that the client  
13 makes in connection with brokerage services.

14 (END)