

2013 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-SB208)

Received: 11/8/2013 Received By: mgallagh
Wanted: As time permits Same as LRB:
For: Stephen Nass (608) 266-5715 By/Representing: Mike M.
May Contact: Drafter: mgallagh
Subject: Occupational Reg. - misc Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email: Rep.Nass@legis.wisconsin.gov
Carbon copy (CC) to: michael.gallagher@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Define experience requirements; limit rule-making

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	mgallagh 11/11/2013	scalvin 11/11/2013	jfrantze 11/11/2013	_____			
/1				_____	srose 11/11/2013	srose 11/11/2013	

FE Sent For:

<END>

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/?	mgallagh	1 sac 11/11/2013		11/11			

FE Sent For:

<END>

Gallagher, Michael

From: Mikalsen, Mike
Sent: Friday, November 08, 2013 2:16 PM
To: Gallagher, Michael
Subject: New Amendment request on AB 240 and SB 208
Attachments: Proposed_amendment2_AB240.docx

Michael,

Rep. Nass would like an Assembly Substitute Amendment drafted to each AB 240 and SB 208. I have attached a document that outlines the actual changes being requested.

If you have any questions, please don't hesitate to contact me.

Mike Mikalsen
Research Assistant and Policy Advisor
Office of Representative Steve Nass
33rd Wisconsin Assembly District

(888) 529-0033 Toll-Free (Wisconsin Only)
(608) 266-5715

PROPOSAL FOR AMENDMENT 2 TO AB240

SECTION 2. 452.09 (4) of the statutes is created to read:

452.09 (4) EXPERIENCE REQUIREMENTS FOR BROKER'S LICENSE APPLICANTS. (a)

An applicant for a broker's license who is an individual shall submit to the board evidence satisfactory to the board that the applicant has practiced as a salesperson under the direct supervision of a licensed broker for at least 2 years within the last 4 years preceding the date of the applicant's application for a broker's license, excluding any time the applicant spent in an apprenticeship under sub. (5).

1. Evidence satisfactory to the board for the purposes of this section means the applicant must have completed, the following required criteria for at least 2 years within the last 4 years preceding the date of the applicant's application for a broker's license:

Achieve 40 points by completed or closed transactions.

Residential - 5 points each

Residential (single family dwelling), residential (2-4 unit dwelling), improved and vacant lots zoned residential

Commercial (5 or more units) – 10 points each

Business opportunities, vacant land zoned commercial, hotel/motel, industrial or warehouse, office buildings, retail building, property used for commercial purposes

Property Management – each unit managed .5 point/month or each property management contract 1 point/month

Residential and commercial

Time Share - 1 point each

(e) The board may waive any requirement under par. (a), (b), (c), or (d) for any applicant based on standards established by the board by rule, and the board may promulgate other rules to implement (a)1, including rules that establish standards concerning an applicant's practice or experience related to real estate, including ancillary services used in transactions.

Gallagher, Michael

From: Mikalsen, Mike
Sent: Monday, November 11, 2013 10:27 AM
To: Gallagher, Michael
Cc: Lakin, Tim; Cori M. Lamont; Burri, Lance; Turke, Jon; Lovell, David
Subject: RE: Possible amendment to AB 240, the broker license bill
Attachments: Proposed_amendment2_AB240.docx

Mike,

Rep. Nass is fine with you talking to Lance Burri of Sen. Gudex's Office regarding the substitute amendment being developed on AB 240 and SB 208.

If I understand the situation correctly, the substitute amendment should incorporate:

- the original language of AB 240/SB 208 as amended by AA 1/SA 1,
- the changes submitted by Rep. Nass (document sent over on November 8th) also attached.
- the correction identified by the Mike Gallagher of LRB.

Rep. Nass is fine with all of these changes being incorporated into his substitute amendment. Please draft it to both AB 240 and SB 208.

Mike Mikalsen
Research Assistant and Policy Advisor
Office of Representative Steve Nass
33rd Wisconsin Assembly District

(888) 529-0033 Toll-Free (Wisconsin Only)
(608) 266-5715

From: Cori M. Lamont [<mailto:CoriL@wra.org>]
Sent: Monday, November 11, 2013 9:48 AM
To: Burri, Lance; Turke, Jon; Lovell, David
Cc: Lakin, Tim; Mikalsen, Mike; Gallagher, Michael
Subject: RE: Possible amendment to AB 240, the broker license bill

Lance,

This change appears to work.

Wis. Stat. 452.03 which is not part of this legislation requires the salesperson to be licensed so Mike's suggestion does not alter that in anyway. However, he may consider on page 2 adding the word licensed before salesperson on line 10 to make it clear.

His suggestion does modify changes made in Amendment 1 which was technical in nature. Amendment 1 re-inserted the examination requirements that were accidentally deleted in the original language. While his recommendation does make a slight tweak to Amendment 1 it does continue to keep the examination requirements so it still meets that amendment's objective.

Please let me know if you have any other questions.

Cori

Cori M. Lamont
Director of Regulatory Affairs
Wisconsin REALTORS® Association
4801 Forest Run Road
Madison, WI 53704
tel: 608-241-2047 | fax: 608-241-5168 | www.wra.org

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From: Burri, Lance [<mailto:Lance.Burri@legis.wisconsin.gov>]
Sent: Monday, November 11, 2013 9:00 AM
To: Turke, Jon; Cori M. Lamont; Lovell, David
Cc: Lakin, Tim; Mikalsen, Mike; Gallagher, Michael
Subject: Possible amendment to AB 240, the broker license bill

Got the email from Mike Gallagher (below) this morning. What Mike says is, unless we cross out the "who does not hold a salesperson's license" part, we'll be affecting only a small group of people who don't currently hold a salesperson's license.

So that paragraph (page 2, lines 2-6) would end up saying:

“Except as provided under s. 452.12 (2) or in a reciprocal agreement under s. 452.05 (3), the board may not grant a broker's license to an applicant ~~who does not hold a salesperson's license~~ unless the applicant passes the salesperson's examination and the broker's examination and meets ~~meet~~ the requirements under ~~this section~~ sub (4).”

If everybody agrees, we might as well wrap that in with the amendment we're already doing, which brings me to: who called that amendment in, and could you please give Mike Gallagher permission to talk with us about it?

Lance Burri
Office of Sen. Rick Gudex
608-266-5300



11/11 Today *Tranics*
State of Wisconsin
2013 - 2014 LEGISLATURE



LRB 1562/2
MPG:sac:fm
stay

ASA to SB 208

2013 ASSEMBLY BILL 240

Engel
D-Note

SO183/1
sub 2/1

June 6, 2013 - Introduced by Representatives STEINEKE, SPIROS, BEWLEY, OHNSTAD, KNUDSON, RIEMER, KRUG and GENRICH, cosponsored by Senators GUDEX, ERPENBACH, SCHULTZ, KEDZIE, COWLES, L. TAYLOR and SHILLING. Referred to Committee on Housing and Real Estate.

LPS: make change marked in Topic on request sheet OK

- 1 **AN ACT** *general* **to amend** 452.09 (3) (d); and **to create** 452.09 (4) of the statutes;
- 2 **relating to:** experience requirements for real estate brokers and granting
- 3 **rule-making authority.**

Analysis by the Legislative Reference Bureau

Under current law, the Real Estate Examining Board (board) issues licenses for real estate brokers and real estate salespersons. Generally, the board may not grant a broker's license to an applicant who does not already hold a salesperson's license or who has not passed the examination for licensure as a salesperson in addition to passing the broker's examination.

This bill establishes the requirement that an applicant for a broker's license must submit evidence satisfactory to the board that the applicant has practiced as a salesperson under the direct supervision of a licensed broker for at least two years within the last four years preceding the date of the applicant's application for the broker's license. Any time spent as an apprentice may not be applied to satisfy that requirement. If the applicant is an attorney licensed to practice law in Wisconsin, the applicant may satisfy that requirement by demonstrating to the board's satisfaction that the applicant has real estate-related experience. If the applicant is a building contractor that holds a current certificate of financial responsibility issued by the Department of Safety and Professional Services, the applicant may satisfy that requirement by demonstrating to the board's satisfaction that the applicant has experience related to real estate sales. If the applicant is a nonresident, the applicant may satisfy that requirement by demonstrating to the

ASSEMBLY BILL 240

~~board's satisfaction that the applicant has been licensed as a real estate broker under the laws of another state for at least two of the last four years preceding the person's application for a broker's license in Wisconsin.~~

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

SECTION 1. 452.09 (3) (d) of the statutes is amended to read:

452.09 (3) (d) Except as provided under s. 452.12 (2) or in a reciprocal agreement under s. 452.05 (3), the board may not grant a broker's license to an applicant ~~who does not hold a salesperson's license unless the applicant passes the salesperson's examination and the broker's examination~~ meet the requirements under this section and meets

Plain, No strike

Sub. (4)

SECTION 2. 452.09 (4) of the statutes is created to read:

452.09 (4) **EXPERIENCE REQUIREMENTS FOR BROKER'S LICENSE APPLICANTS.** (a) An applicant for a broker's license who is an individual shall submit to the board evidence satisfactory to the board that the applicant has practiced as a ^{licensed} salesperson under the direct supervision of a licensed broker for at least 2 years within the last 4 years preceding the date of the applicant's application for a broker's license, excluding any time the applicant spent in an apprenticeship under sub. (5).

(b) An applicant who is licensed to practice law in this state may satisfy the requirement under par. (a) by submitting to the board evidence satisfactory to the board that the applicant has experience related to real estate.

(c) An applicant who holds a current certificate of financial responsibility under s. 101.654 may satisfy the requirement under par. (a) by submitting to the board evidence satisfactory to the board that the applicant has experience related to real estate sales.

1-2 + 3-4-5-6-7

ASSEMBLY BILL 240

1 (d) Except as provided in a reciprocal agreement under s. 452.05 (3), an
2 applicant for a broker's license who is a nonresident may satisfy the requirement
3 under par. (a) by submitting to the board evidence satisfactory to the board that the
4 applicant has been a licensed broker under the laws of another state for at least 2
5 years within the last 4 years preceding the date of the applicant's application for a
6 broker's license.

7 (e) The board may waive any requirement under par. (a), (b), (c), or (d) for any
8 applicant based on standards established by the board by rule, and the board may
9 promulgate other rules, including rules that establish standards concerning an
10 applicant's practice or experience related to real estate, including ancillary services
11 used in transactions.

SECTION 3. Initial applicability.

12 (1) This act first applies to an application for a real estate broker's license
13 submitted to the real estate examining board on the effective date of this subsection.

SECTION 4. Effective date.

14 (1) This act takes effect on July 1, 2014.

15
16
17 (END)

**2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB 0182/Tins
MPG:.....

50183/Tins

1 INSERT 2-13

2 2. Except as provided under pars. (b) to (e), the board may not accept evidence
3 as satisfactory under subd. 1. unless the evidence demonstrates that the applicant's
4 experience as a licensed salesperson qualifies the applicant for a total of at least 40
5 points based on the following point system:

- 6 a. Each completed or closed residential transaction is worth 5 points.
- 7 b. Each completed or closed commercial transaction is worth 10 points.
- 8 c. Each property management contract is worth 0.5 points per month.
- 9 d. Each completed or closed time share is worth one point.

10 END INSERT 2-13

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

- date -

1380182/1dn

MPG:f:....

SAC

50183/1dn

Representative Nass:

This draft substitute amendment deletes the “including rules” phrase from the draft (see page three, line nine of AB 240 and SB 208), but I did not include the “to implement [par.] (a) 1.” language from the drafting instructions because the board already has the authority to promulgate rules implementing par. (a) 1., created in the draft, under its general rule-making authority under ch. 227. Please let me know if you still want to include that language.

Please do not hesitate to contact me with any questions.

Thank you.

Michael Gallagher
Legislative Attorney
Phone: (608) 267-7511
E-mail: michael.gallagher@legis.wisconsin.gov

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0183/1dn
MPG:sac:jf

November 11, 2013

Representative Nass:

This draft substitute amendment deletes the “including rules” phrase from the draft (see page three, line nine of AB 240 and SB 208), but I did not include the “to implement [par.] (a) 1.” language from the drafting instructions because the board already has the authority to promulgate rules implementing par. (a) 1., created in the draft, under its general rule-making authority under ch. 227. Please let me know if you still want to include that language.

Please do not hesitate to contact me with any questions.

Thank you.

Michael Gallagher
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