

CR 85-36

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Revisor of Statutes
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CERTIFICATE

STATE OF WISCONSIN)
) SS
DEPARTMENT OF REGULATION AND LICENSING)

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, Barbara Nichols, Secretary of the Department of Regulation and Licensing, and custodian of the official records of the department, do hereby certify that the annexed rules, relating to licensure and supervision of employees, were duly approved and adopted by this department on September 18, 1985.

I further certify that this copy has been compared by me with the original on file in this department and that the same is a true copy thereof and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at 1400 East Washington Avenue, Madison, Wisconsin this 20th day of September, 1985.



Barbara Nichols, Secretary
Department of Regulation and Licensing

STATE OF WISCONSIN
BEFORE THE
DEPARTMENT OF REGULATION AND LICENSING

IN THE MATTER OF RULEMAKING : ORDER OF THE DEPARTMENT OF
PROCEEDINGS BEFORE THE DEPARTMENT : REGULATION AND LICENSING REPEALING,
OF REGULATION AND LICENSING : AMENDING OR ADOPTING RULES

ORDER

Pursuant to authority vested in the Department of Regulation and Licensing in ss. 227.014(2) and 452.07, Stats., the Department of Regulation and Licensing hereby repeals and repeals and recreates rules interpreting ss. 452.10(4), 452.12(2) and (3), and 452.14(3), Stats., as follows:

SECTION 1. RL 12.02(4)(a) is repealed.

SECTION 2. Chapter RL 17 is repealed and recreated to read:

Chapter RL 17

LICENSURE AND SUPERVISION OF EMPLOYEES

RL 17.01 AUTHORITY. The rules in this chapter are adopted pursuant to ss. 227.014(2), 452.07, 452.10(4), 452.12(2) and (3), and 452.14(3), Stats.

RL 17.02 DEFINITIONS. (1) "Branch office" means a location, in addition to a principal office, at which a broker or a broker's licensed employee conducts activities which require licensure and which is advertised or otherwise represented as a business location. "Branch office" does not include:

(a) An office established solely for the initial sale of subdivision lots or condominium units and located in the immediate proximity of the lots or units.

(b) The home of a licensed employee of a broker who uses a home telephone number in advertising and does not otherwise advertise or represent that the home is a business location.

(2) "Branch office manager" means a broker who supervises a branch office for a broker-employer.

(3) "Broker-employer" means a sole proprietor, a partnership or a corporation.

(4) "Principal office" means that office of a broker-employer located at the address on record at the department for the licensee.

RL 17.025 APPLICABILITY. For the purposes of this chapter, an officer

of a corporation or a partner in a partnership is not an employee of the corporation or partnership.

RL 17.03 LIMITATIONS ON BROKER AND SALESPERSON EMPLOYEES. (1) A broker who is employed by a broker-employer may also engage in real estate practice in his or her own name, if the broker obtains written approval from the broker-employer and avoids conflicts of interest with his or her employment by the broker-employer..

(2) A broker who is employed by a broker-employer may not personally employ licensed persons.

(3) A broker or salesperson may be employed by only one broker-employer at any time.

(4) A salesperson may engage in real estate practice only when employed by a broker.

RL 17.04 NOTICE OF EMPLOYMENT. A broker or salesperson who wishes to engage in real estate practice as an employee of a broker-employer shall notify the department of the name of the broker-employer on forms prescribed by the department. If this notice is provided at the time of application for original licensure, the department may not charge a fee in addition to the fee specified in s. 440.05(1), Stats. If the notice is provided other than at the time of application for original licensure, the licensee shall pay the fee specified in s. 440.05(7), Stats.

RL 17.05 TRANSFER OF EMPLOYMENT. (1) A broker or salesperson who wishes to transfer employment from one broker-employer to another shall submit to the department a transfer application accompanied by the fee specified in s. 440.05(7), Stats.

(2) A broker or salesperson who transfers employment to another broker-employer may not engage in real estate practice for the new employer until the broker or salesperson has delivered or mailed a completed transfer application and the required fee to the department.

RL 17.06 TERMINATION OF EMPLOYMENT. A broker or salesperson who terminates employment with a broker-employer shall send written notice to the department within 10 days after the termination.

RL 17.07 BROKER-EMPLOYER'S DUTY TO CHECK LICENSURE OF EMPLOYEES. A broker-employer shall, prior to employing a licensee and at the beginning of each biennial licensure period, determine that each licensee employed by the broker is properly licensed. A broker-employer may not employ an unlicensed person or a person who has failed to file the notice of employment required under s. RL 17.04 or the transfer application required by s. RL 17.05 to engage in real estate practice for the broker-employer.

RL 17.08 SUPERVISION OF EMPLOYEES. (1) A broker-employer shall supervise the activities of any broker or salesperson employed by the broker-employer. Supervision includes but is not limited to reviewing all

listing contracts, offers to purchase, trust account records and other documents related to transactions. A broker-employer may delegate this responsibility to other brokers. Broker-employers shall provide all licensed employees with a written statement of procedures under which the office and employees shall operate with respect to handling leases, listing contracts, offers to purchase and other documents relating to transactions.

(2) A broker-employer shall be responsible for the preparation, custody, safety and correctness of all entries on real estate forms, closing statements and other records even though another person may be assigned these duties by the broker-employer.

RL 17.09 SUPERVISION OF PRINCIPAL OFFICES. (1) A broker-employer shall either personally supervise licensed employees working in the principal office or delegate the supervisory responsibility in writing to any licensed broker.

(2) During an extended absence of the broker-employer from a principal office, the broker-employer shall delegate the supervisory responsibility to another broker in writing.

RL 17.10 SUPERVISION OF BRANCH OFFICES. (1) A branch office manager shall supervise licensees employed at a branch office.

(2) A broker-employer shall:

(a) Designate supervisory authority to a branch office manager in writing.

(b) Maintain a list of all licensed employees and the branch office location to which each licensed employee is assigned.

(c) Display on or about a branch office a conspicuous sign as required in s. 100.18(5), Stats.

(d) Delegate supervisory responsibility for the branch office in writing to any licensed broker during an extended temporary absence of a branch office manager.

(3) Only a broker-employer may execute a transfer application for licensees at a branch office.

RL 17.11 SUPERVISION OUTSIDE OF PRINCIPAL OR BRANCH OFFICE. The broker-employee or the manager of the branch office located nearest to an office established solely for the initial sale of subdivision lots or condominium units shall supervise licensees who engage in real estate activities at this office.

SECTION 3. Chapter RL 19 is repealed.

SECTION 4. RL 24.14(1) and (2) are repealed.

The rules repealed and repealed and recreated in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.026, Stats.

Dated this 20th day of September, 1985.

By Barbara Nichols
Barbara Nichols, Secretary
Department of Regulation and Licensing

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