

## Chapter RL 17

## LICENSURE AND SUPERVISION OF EMPLOYEES

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**History:** Chapter REB 8 as it existed on April 30, 1972 was repealed and a new chapter REB 8 was created, Register, April, 1972, No. 196, effective May 1, 1972. Renumbered to be chapter RL 17, effective March 1, 1983. Chapter RL 17 as it existed on November 30, 1985 was repealed and a new chapter RL 17 was created effective December 1, 1985.

**RL 17.01 Authority.** The rules in this chapter are adopted pursuant to ss. 227.11 (2), 452.07, 452.10 (4), 452.12 (2) and (3), and 452.14 (3), Stats.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85; correction made under s. 13.93 (2m) (b) 7., Stats., Register, May, 1988, No. 389.

**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 employe 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 employe 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.

(2m) "Broker-employe" means a broker who is employed to provide services for another broker.

(3) "Broker-employer" means a sole proprietor or business entity that employs another broker or salesperson to provide services to the broker.

(3m) "Open house" means a showing of real estate open to the public for viewing without an individual appointment.

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

(5) "Unlicensed personal assistant" means a person not licensed under ch. 452, Stats., or licensed but not employed for the purpose of providing services for which a license is required under ch. 452, Stats., who on behalf and under the direction of a licensee, provides the licensee with administrative, clerical or personal services for which a license under ch. 452, Stats., is not required.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85; cr. (2m), (3m), and (5), am. (3), Register, January, 1998, No. 505, eff. 2-1-98.

**RL 17.025 Applicability.** For the purposes of this chapter, a business representative is not an employe of the business entity.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85; am. Register, July, 1998, No. 511, eff. 8-1-98.

**RL 17.03 Limitations on broker and salesperson employes.** (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 or salesperson who is employed by a broker-employer may personally employ licensed persons only as unlicensed personal assistants within the meaning of s. RL 17.02 (5), subject to the provisions in s. RL 17.12.

(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.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85; am. (2), Register, January, 1998, No. 505, eff. 2-1-98.

**RL 17.04 Notice of employment.** A broker or salesperson who wishes to engage in real estate practice as an employe 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.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**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.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**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.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**RL 17.07 Broker-employer's duty to check licensure of employes.** 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.

**History:** Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**RL 17.08 Supervision of employes.** (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.

History: Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**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.

History: Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**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.

History: Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**RL 17.11 Supervision outside of principal or branch office.** The broker-employer 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.

History: Cr. Register, November, 1985, No. 359, eff. 12-1-85.

**RL 17.12 Unlicensed personal assistants.** (1) A real estate salesperson or broker-employee, prior to employing an unlicensed personal assistant, shall enter into a written agreement with his or her broker-employer, setting forth the duties of the unlicensed personal assistant, the manner in which the personal assistant will be compensated for his or her services and the responsibilities between the salesperson or broker-employee and broker-employer for supervision of the personal assistant's activities.

(2) An unlicensed personal assistant may not assist a licensee at an open house for the sale of real estate or a business without the direct, on-premises supervision and presence of a real estate licensee, and may not provide any services at an open house for which a license under ch. 452, Stats., is required.

Note: This rule does not prevent an owner from showing or holding an open house regarding his or her own residence, for example, or from permitting a non-compensation person, such as a relative or neighbor, from showing or holding an open house on the owner's behalf.

History: Cr. Register, January, 1998, No. 505, eff. 2-1-98.