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## WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

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<b>2013 Assembly Bill 605</b>	<b>Assembly Amendment 1</b>
<i>Memo published: February 12, 2014</i>	<i>Contact: Mary Matthias, Principal Attorney (266-0932)</i>

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

The **bill** authorizes limited real estate practice in Wisconsin by an out-of-state broker who 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 in another 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.

**Assembly Amendment 1** provides that each cooperative agreement entered into between a broker licensed in Wisconsin and an out-of-state broker 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 February 6, 2014, the Assembly Committee on Housing and Real Estate voted to recommend adoption of Assembly Amendment 1, and passage of the bill, as amended, on votes of Ayes, 9; Noes, 0.

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