



Public Act 23-84 - DCP Real Estate Licensing Bill //CTR Summary

These New and Changed Laws become Effective April 1, 2024

The new law makes various changes to the provisions governing real estate business and the Department of Consumer Protection (DCP) commissioner's authority and oversight. Those include, but are not limited to:

The law now defines the term Associate Broker and clarifies an associate broker may work for another broker in a capacity that is like that of a real estate salesperson. There is a \$25 registration fee. There is also a clarifying definition for Supervising Broker.

For DCP-issued real estate licenses, the law makes the license valid for two years rather than one year; and allows for license reinstatement within three, rather than two, years of expiration.

Apartment complexes of 50 units or more that employ a leasing agent will not be required to have such employed leasing agent hold a real estate license.

Real estate schools must register every two years for \$100; and courses for continuing education will cost \$50 to submit and are granted approval for five years, versus two years. The statute provides for fines for failure to complete CE within 2 months of the renewal date (\$315) and within 2 to 4 months of the renewal date (\$625). [*note – the renewal date is 90 days prior to license expiration which is a statutory requirement passed in an earlier year for all licensed professions at DCP that include continuing education requirements.*] The statute details requirement options for instructors that had previously been in regulations, which includes only having expertise in the field in which the instructor teaches.

The legislation adds provisions applicable to all real estate licensees on their duty to keep confidential certain information, including information from a prospective client. It also creates a statutory process for transitioning or wrapping up a brokerage business in the event of a broker's death or incapacity.

The legislation confirms referral fees may be paid to out of state real estate licensees. Also, subagency is removed as an option.

The statutory cap that DCP/Real Estate Commission may fine for violations of unlicensed real estate practice or for violations of any statute/regulation increased to \$5,000 per violation.

New forms are authorized in the statute including a disclosure to provide to consumers at first personal contact with information about agency relationship options, confidentiality, and (for residential listings) fair housing, that may be delivered electronically, does not require a signature, and clearly states it is not a contract.

Another new form is specific consent language for interpreter services with non-English speaking customers and clients when the licensee (or their employee) acts as the interpreter, and when it's someone other than that licensee (or their employee). Must be signed by the buyer/renter and include the name/signature of the interpreter along with the relationship to the buyer/renter.

Companies must maintain client and transaction documents electronically unless not feasible to do so.

This law is the result of over two years of negotiations with the DCP to improve clarity to real estate licensed activity as well as offer additional protections to Connecticut consumers.

Real estate licensees must follow current laws until April 1, 2024, when these new laws or changes go into effect. This summary may be subject to change at any time should DCP provide later interpretation that differs from CTR.