



General Assembly

**Substitute Bill No. 1254**

January Session, 2005

\* SB01254GL 042705 \*

**AN ACT CONCERNING THE OWNERSHIP OF REAL ESTATE  
BROKERAGE COMPANIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 20-312 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) No person shall act as a real estate broker or real estate  
4 salesperson without a license issued by the commission, unless exempt  
5 under this chapter. The Commissioner of Consumer Protection may  
6 enter into any contract for the purpose of administratively processing  
7 the renewal of licenses on behalf of the commission.

8 [(b) No partnership, association or corporation shall be granted a  
9 real estate broker's license, unless every member or officer of such  
10 partnership, association or corporation who actively participates in its  
11 real estate brokerage business holds a license as a real estate broker,  
12 and unless every employee who acts as salesperson for such  
13 partnership, association or corporation and every salesperson who is  
14 affiliated with such partnership, association or corporation as an  
15 independent contractor holds a license as a real estate salesperson. A  
16 partnership, association or corporation shall designate in its  
17 application the individual who is to serve as broker under the license.]

18 (b) The practice of or the offer to practice real estate brokerage

19 business in this state by individual licensed real estate brokers or real  
20 estate salespersons as a corporation, limited liability company or  
21 partnership, a material part of the business of which includes real  
22 estate brokerage, is permitted, provided (1) the personnel of such  
23 corporation, limited liability company or partnership who engage in  
24 the real estate brokerage business as real estate brokers or real estate  
25 salespersons are licensed or exempt from licensure under this chapter,  
26 and (2) the corporation, limited liability company or partnership has  
27 been issued a real estate broker license by the commission as provided  
28 in this section and has paid the license or renewal fee required for a  
29 real estate broker's license as set forth in section 20-314. No such  
30 corporation, limited liability company or partnership shall be relieved  
31 of responsibility for the conduct or acts of its agents, employees or  
32 officers by reason of its compliance with this section, nor shall any  
33 individual practicing real estate brokerage be relieved of responsibility  
34 for real estate services performed by reason of the individual's  
35 employment or relationship with such corporation, limited liability  
36 company or partnership. The Real Estate Commission may refuse to  
37 authorize the issuance or renewal of a license if any facts exist that  
38 would entitle the commission to suspend or revoke an existing license.

39 (c) A corporation, limited liability company or partnership desiring  
40 a real estate broker license shall file with the commission an  
41 application on such forms and in such manner as prescribed by the  
42 Department of Consumer Protection. Each such corporation, limited  
43 liability company or partnership shall file with the commission a  
44 designation of at least one individual licensed as a real estate broker in  
45 this state who shall be in charge of the real estate brokerage business of  
46 such corporation, limited liability company or partnership in this state.  
47 Such corporation, limited liability company or partnership shall notify  
48 the commission of any change in such designation not later than thirty  
49 days after such change becomes effective.

50 (d) The Real Estate Commission may impose a fine of not more than  
51 one thousand dollars on any corporation, limited liability company or  
52 partnership that engages in real estate business without a license

53 required by this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2005	20-312

**INS**      *Joint Favorable Subst.*

**GL**      *Joint Favorable*