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CONNECTICUT ASSOCIATION OF
REALTORS[®] INC.

Statement on

S.B. 18 An Act Concerning Real Estate Brokers and Salespersons

OPPOSE

Submitted to the Insurance and Real Estate Committee
February 16, 2010

by
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The Connecticut Association of REALTORS[®] opposes Senate Bill No. 18 which is the latest attempt to remove select individuals from the real estate licensing law protecting the general public.

In this case, the special treatment is intended to benefit salaried employees of property management companies that are limited liability companies. In previous sessions, exceptions have been requested for people who get paid for referring buyers to time share developers, and to employees of new home construction contractors. We are pleased that legislators have wisely rejected all of these.

As you may know, the REALTOR[®] Association does not oppose the owner or lessor himself performing various functions, like negotiating the terms of a lease, showing units, accepting applications and security deposits, and other activities that normally call for a real estate broker's license. In fact, there already is an additional exemption for an owner or lessor's regular employees *who are employed as on-site residential superintendants or custodians*. But this bill goes way beyond that narrowly crafted exemption, deliberately worked out by lawmakers in the past.

Connecticut's real estate licensing law and regulations are designed to protect people who rent as well as purchase real estate. Whether it be the handling of deposit money or bans on racial steering and blockbusting, licensed real estate practitioners are held strictly accountable and are policed by an active Real Estate Commission housed in the Consumer Protection Department.

A few additional comments. How does one determine whether the manager's salaried employees limits themselves to the stated activities? Also, the bill says (at the end) that these people won't "negotiate" lease terms - - yet for those who now pay substantially for the privilege of a real estate license, a "showing" is the beginning of negotiating that triggers agency duties and obligations!

I would be happy to answer any questions. Thank you.

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