

---

---

## **OLR Bill Analysis**

**HB 7178**

### ***AN ACT CONCERNING DISCLOSURES BY REAL ESTATE BROKERS AND SALESPERSONS.***

#### **SUMMARY**

This bill delays when a licensed real estate broker or salesperson acting as an agent must disclose whom he or she represents, thus applying to residential real estate transactions the same representation disclosure requirement existing law applies to commercial transactions.

Under current law, a broker or salesperson acting as an agent in a residential real estate (i.e., one- to four-family residential real property located in the state) transaction must disclose in writing whom he or she represents at the beginning of the first personal meeting about a (a) purchaser's or lessee's specific needs or (b) seller's or lessor's real property. The bill instead requires this disclosure to be made before a prospective purchaser or lessee signs the purchase contract or lease, respectively.

By law, the disclosure (1) is not required if the other party to the transaction is represented by another real estate broker or salesperson and (2) must be attached to any offer or agreement and signed by the prospective purchaser or lessee.

The bill also allows, rather than requires, the consumer protection commissioner to adopt implementing regulations for residential and commercial representation disclosures.

EFFECTIVE DATE: January 1, 2020

#### **COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable

Yea 19 Nay 0 (03/14/2019)