

Legislative History for Connecticut Act

PA15-98

HB6773

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Transcripts from the Joint Standing Committee Public
Hearing(s) and/or Senate and House of Representatives
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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2015**

**VOL.58
PART 9
2795 – 3145**

/pt
HOUSE OF REPRESENTATIVES

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machine will be locked and the Clerk will take a tally. And will the Clerk please indicate the Speaker's vote in the affirmative.

Will the Clerk please announce the tally.

CLERK:

Bill No. 6920 as amended by House "A."

Total Number Voting 146

Necessary for Passage 74

Those voting Yea 82

Those voting Nay 64

Absent and not voting 5

SPEAKER SHARKEY:

The bill as amended passes. [gavel] Will the Clerk please call Calendar 122.

CLERK:

On Page 5, House Calendar 122, Favorable Report of the Joint Standing Committee on Insurance and Real Estate, Substitute House Bill 6773, AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS.

SPEAKER SHARKEY:

Representative Megna.

REP. MEGNA (97th):

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Thank you, Mr. Speaker. Mr. Speaker, I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

SPEAKER SHARKEY:

The question is on acceptance of the Joint Committee's Favorable Report and passage of the bill. Will you remark?

REP. MEGNA (97th):

Thank you, Mr. Speaker. Mr. Speaker, the Clerk is in possession of LCO 6847. I'd ask that it be called and I be permitted to summarize.

SPEAKER SHARKEY:

Will the Clerk please call LCO 6847, which will be designated House Amendment "A."

CLERK:

House Amendment "A," LCO 6847 as introduced by Representative Sampson.

SPEAKER SHARKEY:

The gentleman has sought leave of the Chamber to summarize. Is there objection? Seeing none, you may proceed with summarization, sir.

REP. MEGNA (97th):

Thank you, Mr. Speaker. Mr. Speaker, this makes some changes to the requirements for real estate

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agents to obtain their broker's license. It was in agreement among a bunch of the real estate agents and their associations, and with that, I'd move, I'd ask for adoption of the amendment and passage of the bill. Thank you, Mr. Speaker.

SPEAKER SHARKEY:

Thank you, sir. The question before the Chamber is adoption of House "A." Will you remark?

Representative Sampson.

REP. SAMPSON (80th):

Thank you, Mr. Speaker, and thanks to the Chairman for bringing out this amendment. It's got my name on it so I ought to do the due diligence of describing what the amendment does.

I want to thank the Chairman and the rest of the Insurance Committee on both sides of the aisle as well as folks in the industry and the Connecticut Association of Realtors for investing time and effort in putting together what I think is a great bill that is going to bring the licensing requirements for becoming a real estate broker in Connecticut into the modern era.

We are, the changes are not tremendously significant but they do make a lot of sense.

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Previously what was required would be a minimum of two years' experience as a real estate sales person and 60 hours of education to become a real estate broker.

And part of that requirement was 30 hours in a course on appraisal one. This new proposal would change that, keep the 60 hours of education but bring it into the modern era by talking about things that actually might make a difference to someone opening a real estate brokerage having to do with principles and practices and that type of thing.

And there's also a provision in here, which I believe was the original intent of our broker law in Connecticut that would say that if you have some sort of actual experience as a real estate sales person, in this case, 20 transaction sides within the last five years, you would have some of your education requirement waived to become a real estate broker.

This has been done in other states and I think it's a great opportunity to get us up to date and functioning on the same level.

So I would urge my colleagues to support this amendment wholeheartedly. I'm very pleased to have the opportunity to speak in favor of something for a change and I would urge them to support the bill once

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the amendment hopefully passes. Thank you, Mr.
Speaker.

SPEAKER SHARKEY:

Thank you, sir. Would you care to remark further
on House "A?" Further on House "A?"

If not, let me try your minds. All those in
favor of House "A" please signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER SHARKEY:

Those opposed, nay.

REPRESENTATIVES:

No.

SPEAKER SHARKEY:

The ayes have it. The amendment is adopted.

[gavel] Would you care to remark on the bill as
amended? Would you care to remark further on the bill
as amended?

If not, staff and guests to the Well of the
House. Members take your seats. The machine will be
opened.

CLERK:

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The House of Representatives is voting by roll.

The House of Representatives is voting by roll. Will members please report to the Chamber immediately.

[pause]

SPEAKER SHARKEY:

Have all the members voted? Have all the members voted? Will the members please check the board to make sure your vote is properly cast.

If all the members have voted, the machine will be locked and the Clerk will take a tally. Will the Clerk please indicate the Speaker in the affirmative.

[pause]

SPEAKER SHARKEY:

Will the Clerk please announce the tally.

CLERK:

House Bill 7, excuse me, 6773 as amended by House

"A."

Total Number Voting 146

Necessary for Passage 74

Those voting Yea 143

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Those voting Nay 3
Those absent/not voting 5

SPEAKER SHARKEY:

The bill as amended passes. [gavel] Will the
Clerk please call Calendar 61.

CLERK:

House Calendar 61, Favorable Report of the Joint
Standing Committee on Public Health, on Page 48,
Substitute House Bill 6805, AN ACT CONCERNING BIRTH-
TO-THREE PROGRAM AND HEARING TESTS.

SPEAKER SHARKEY:

Representative Urban, you have the floor, madam.
REP. URBAN (43rd):

Thank you, Mr. Speaker. I move acceptance of the
Joint Committee's Favorable Report and passage of the
bill.

SPEAKER SHARKEY:

The question is on acceptance of the Joint
Committee's Favorable Report and passage of the bill.
Will you remark, madam?

REP. URBAN (43rd):

Yes, thank you, Mr. Speaker. This bill is
directed toward hearing tests in the Birth-to-Three

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GENERAL ASSEMBLY
SENATE**

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Thank you, Madam President. On Calendar Page 20, Calendar 544, House Bill 6773. I'd like to place that item on our Consent Calendar, please.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR DUFF:

Thank you, Madam President. And if we can have the Clerk go in this order, please, on the remaining go items. Calendar Page 4, Calendar 266, Senate Bill 1091 followed by Calendar Page 2, Calendar 120, Senate Bill 238 followed by Calendar Page 3, Calendar 235, Senate Bill 976 followed by Calendar Page 4, Calendar 261, Senate Bill 859 followed by Calendar Page 4, Calendar 267, Senate Bill 21 followed by Calendar Page 31, Calendar 274, Senate Bill 1085. Thank you, Madam President.

THE CHAIR:

Thank you, sir. Mr. Clerk.

CLERK:

State of Connecticut Senate Calendar for Saturday, May 30, 2015. On Page 4, Calendar 266, Senate Bill No. 1091, an ACT CONCERNING THE BOARD OF REGENTS FOR HIGHER EDUCATION FAVORABLE REPORT OF THE COMMITTEE ON HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT.

THE CHAIR:

Senator Bartolomeo.

SENATOR BARTOLOMEO:

Hi.

THE CHAIR:

Good morning, ma'am - or good afternoon, ma'am.

SENATOR BARTOLOMEO:

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Thank you, Madam President. Can the Chamber stand at ease for a second?

THE CHAIR:

Chamber will stand at ease.

SENATOR WITKOS:

Just waiting in line for a phone call.

(Chamber at ease.)

THE CHAIR:

Senator Duff.

SENATOR DUFF:

Call me too?

THE CHAIR:

Senator Duff.

SENATOR DUFF:

Thank you, Madam President. In an effort to please our members here in the Circle, we will stand at ease for a few minutes.

THE CHAIR:

Absolutely. Senate will stand at ease.

(Chamber at ease.)

THE CHAIR:

Senator - Senator Duff.

SENATOR DUFF:

Thank you. Thank you for that brief commercial interruption. If we can now call those two items on the Consent Calendar for a vote, please.

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THE CHAIR:

Mr. Clerk. We'll try it again, sir.

CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call on Consent Calendar No. 1 has been
ordered in the Senate.

[pause]

CLERK:

Immediate roll call has been ordered in the Senate.
Roll call on Consent Calendar No. 1 has been ordered
in the Senate.

[pause]

THE CHAIR:

If all members have voted, all members have voted.
The machine will be closed. Mr. Clerk, will you
please call a tally.

CLERK:

On Consent Calendar No. 1

Total Number Voting	32
Necessary for Adoption	17
Those voting Yea	32
Those voting Nay	0
Absent/not voting	4

THE CHAIR:

[gavel] Consent Calendar passed. Senator Duff.

SENATOR DUFF:

Thank you, Madam President. If those items could be -
that need to be acted on be immediately transmitted to
the House.

THE CHAIR:

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So ordered, sir.

SENATOR DUFF:

Thank you, Madam President. And if we can go back to Calendar Page 4, Calendar 266. Actually, if we can - let's go to Calendar Page - are we ready? Let's go back to Calendar Page 4, Calendar 266, Senate Bill 1091.

THE CHAIR:

Senator Bartolomeo.

SENATOR BARTOLOMEO:

Hi, Madam President. I move acceptance of the Joint Committee's Joint Favorable Report, and I urge passage of this bill, please.

THE CHAIR:

Motion's on acceptance and passage. Will you remark, sir - ma'am?

SENATOR BARTOLOMEO:

Yes. Thank you, Madam President. This is a strike-all amendment. So if the Clerk, who is - should be in possession of LCO No. 8458 - would please call that and I be given leave to summarize.

THE CHAIR:

Mr. Clerk.

CLERK:

LCO No. 8458, Senate A, offered by Senator -

THE CHAIR:

Can you stop for one second, sir? We had called an amendment on that bill previously. Are we still okay making it a Senate A though 'cause we already made the

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HEARINGS**

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REP. MEGNA: But not as strong as under ARISA. So am I hearing that you're okay with notice but you -- you -- not the way this particular notice is put forward?

ERIC GEORGE: I think I would -- we could have a conversation. I'm not going to sit here and say that I am okay with notice at this point.

REP. MEGNA: Okay. Thank you.

Are there any other questions? No?

Thank you very much, Eric.

ERIC GEORGE: Thank you.

REP. MEGNA: Moving on over to 6773. Deb Chamberlain.

DEB CHAMBERLAIN: Good afternoon. Thank you.

Good afternoon, Senator Crisco, Representative Megna, ranking member Sampson, Kelly and additional members of the committee, thank you for having us.

My name's Deb Chamberlain. I am a mystic realtor, I work for William Raves. I'm the assistant manager in that office and I am the immediate past president of the Connecticut Realtors.

Today I'm speaking on behalf of our 15,000 members here in Connecticut, our realtors members, and we're speaking in favor of H.B. 6773 which is AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS.

This is a proposal to change the requirements

for real estate broker licensure and require the commissioner of consumer protection to adopt and establish a qualification's point system as part of such licensure requirements.

There have been longstanding concerns here in Connecticut that the requirements to obtain a real estate broker's license are simply insufficient.

Connecticut realtors, CTR, believes professionalism in the industry can be improved with changes to the brokers education requirement to ensure topics covered are those most relevant to being a broker. And also that there be a point system to ensure some degree of experience prior to being able to be a broker.

We do feel that simply holding a license for a length of time is not adequate to become a broker.

To give some background on this issue, a licensing standard's work group was formed at CTR this past year to establish a series of recommendations it believed would improve the professionalism of the industry.

The recommendations were approved by the CTR board of directors. A few of these could be implemented immediately while others have been assigned to work groups for further deliberations.

The curriculum and transaction work group was formed to review the pre-license or curriculum in an effort to modernize, to be applicable to current practice be concerns in educational needs, along with reviewing the recommendations of that group.

The premises that we looked at in the group and that we challenged was first and foremost the notion that a broker is a broker is a broker.

The work group is concerned that not every existing broker performs the same functions or that every broker would always include the role of managing agents.

The rationale for becoming a broker is to run a company and manage people. That's one notion that we also took a look at and that the sole privileges that come with being a broker are the ability to collect a commission directly and the option to have autonomy.

An individual's rationale for becoming a broker encompass a variety of reasons that are unique to the individual and may have nothing to do with running a company or managing people.

And our concern is that there are existing brokers who were not fully executing the responsibilities that come with the license.

Simply, you know, having been in the business for a number of years does not, does not necessarily translate into you being a good manager.

In an effort to further improve the knowledge and professionalism of Connecticut brokers, we are asking the Department of Consumer Protection to implement this legislation which would require the broker applicant to complete a course on broker principles and practices, as well as a course on real estate legal compliance.

We also request that the Department of Consumer

Protection establish a qualification's point system that has a maximum score of 26 points and a minimum passing score of 12 points.

This system shall be used by the commissioner to consider an applicant's experience and education for real estate broker licensure purposes.

CTR has developed a guide of qualifications that may be useful to the agency in developing this system.

We would be more than willing to meet with the staff at any time to discuss how best implement these important changes.

And our goal really is to improve the quality of professionalism in brokers working here in Connecticut and we feel if we do that it will trickle down to a better served consumer and also -- I think the cost savings for the state because you're going to have fewer people who are -- have issues and complaints that need to be resolved.

So thank you very much. I'll be happy to answer any questions.

REP. MEGNA: Thank you. Thank you very much for your testimony.

Representative Sampson.

REP. SAMPSON: Thank you, Mr. Chairman and through you, good to see you.

DEB CHAMBERLAIN: Thank you, you too.

REP. SAMPSON: I -- I know we talked a little bit offline.

Curious. Do we know what this point system really looks like, just yet? Do we know, you know, what constitutes a point and that sort of thing?

DEB CHAMBERLAIN: We do. We actually would be happy to sit with you and show you some of the models that are used by other states like New York.

There are a number of things in the system that would translate to specific points. For instance, number of transactions. You may have one person who's done in the course of a two year period two transactions, whereas, you may have another agent who wants to be a broker who's done 50. And clearly there are differences in the qualifications of those two people.

So we would require transactions as one of the point basis.

In addition to that, years in the business. The kinds of business that you might have done, whether it's commercial or residential. Kinds of educational classes you've taken. Things that you may have done in other jobs that would translate whether well into a managerial role in this position.

So there are a whole category of them and we're certainly open to discussing those and sharing our research with you on that.

REP. SAMPSON: Just a -- a follow-up to that.

Is the education requirement a part of the point system or is it separate from the point system?

DEB CHAMBERLAIN: Yes it is.

Well it would, it would be a part of the point system.

REP. SAMPSON: I -- I guess what I'm asking is there a way to replace any of the educational requirements with experience in some other way?

DEB CHAMBERLAIN: Yes there could be. Yes there could be. Yup. Technical (inaudible).

REP. SAMPSON: Okay. Very good.

And is the -- if the education requirement is -- is changing, as we talked about, it's not increasing, it just might better suit the actual requirements that a broker might have versus a salesperson.

DEB CHAMBERLAIN: I think that's the way to look at. It's not so much that we're looking to say you need to sit at a desk for an extra ten hours.

What we're really saying is, are we looking -- are we changing our brokers with well of an information and so we're looking to revamp potentially the kinds of course that they would take and to make sure that they're really relevant to what we're doing here today.

REP. SAMPSON: Understood. Right. Thank you very much.

DEB CHAMBERLAIN: Yeah. Yeah. Thank you.

REP. SAMPSON: Thank you, Mr. Chairman.

REP. MEGNA: Thank you, sir.

Any further questions? No? Thank you.

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February 26, 2015

INSURANCE AND REAL ESTATE

1:00 P.M.

COMMITTEE

No that's fine. Nobody else has any questions.
You can -- that's okay.

Stacy King.

I feel like we're going through déjà vu here
today but there's no appraiser from the room
no.

STACY KING: There is one walking around here I saw
somewhere.

Good afternoon, Senator Crisco, Representative
Megna, ranking members Representative Sampson
and members -- other members of the committee.

I am Stacy King. I am a professional realtor
for 13 years and the immediate mid-state
Association of Realtors past president. I live
in Berlin and I'm here today speaking on behalf
of CTR and 15,000 members that we have.

I too am in favor of House Bill 6773 to create
a better curriculum for brokers.

This is more of a preventative management
system to enhance the education of those
salesperson's looking to become brokers.

We'd like to establish as Deb said that point
system that we think is really important.
Right now basically you could be a realtor,
salesperson for two years, take a couple of
courses and then your -- if you pass those
tests then you're able to be a broker.

We'd like to make it a little more challenging,
we'd like to -- CTR believes that the
professionalism in our industry can be improved
with these changes. We think experience is

really important.

I have the goal myself of becoming a broker and I've been doing this job for 13 years and what CTR has set forth I don't think it would be very difficult for me, seeing that I've had 13 years of experience and I am so politically inclined since I have been lately.

These new requirements would be beneficial not only to our salespersons, because they'll have better brokers, but it will also be beneficial for our entire profession but a higher level of experience and professionalism.

And that's really all the testimony I have but I'd love to answer any questions.

REP. MEGNA: Thank you very much.

Representative Sampson.

REP. SAMPSON: Thank you, Mr. Chairman and through you. Hi Stacy.

STACY KING: Hello.

REP. SAMPSON: You look so relaxed up there nowadays.

STACY KING: (inaudible) nowadays.

REP. SAMPSON: You've come, you've come a long way.

STACY KING: Thank you. Thank you.

REP. SAMPSON: Just curious and -- and again, this is directly to -- to something that is near and dear to both of us of being salespersons in the real estate industry for a number of years.

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Do you see any obstacles currently with a salesperson who might be experienced being able to become a broker?

STACY KING: Well I think, I think the hardest part is, that this mandatory course that they have is outdated and not easily available. So I -- I think that there needs to be some -- some changes to the policy and I like the, I like the fact that the point system could be education that we have already obtained.

You know having to do continuing education every two years I think could probably be equivalent to a point or two or ten or however we end up writing this. But I do think it's important to police our future business as the future.

REP. SAMPSON: Right. I share the goals that the legislation intends to, you know, reach out and -- and achieve which is to not necessarily make it more difficult to become a broker but to make it sure that you are qualified to become a broker.

But folks that are qualified they don't have to jump through so many hoops.

I know from my own experience, I described this to all of you guys earlier, a number of times in past years -- this is going back quite a ways now, but I had signed up for the class and every time I was about to begin I would find it out it was cancelled because of the lack of people that signed up.

But my expectation was it was not so much that there weren't a lot of other people that wanted to take the class it was just extremely inconvenient because it was offered on a very

limited basis and it was maybe one Wednesday a month forever, you know? And that kind of thing. And it's -- it's costly as well.

So I appreciate the testimony and hopefully we can come up with a solution that resolves the concerns that we have and improves the real estate industry in Connecticut.

STACY KING: Great. Thank you.

REP. SIMPSON: Thank you.

Thank you, Mr. Chairman.

REP. MEGNA: Thank you, sir.

Are there any other questions? No.

Thank you very much.

Michael Barbaro. From the wonderful city of New Haven, Connecticut.

MICHAEL BARBARO: Good afternoon, Senator Crisco, Representative Megna, ranking members Kelly and Sampson and the traditional members of the committee, my name is Michael Barbaro. I'm a realtor with a brokerage practice in New Haven. I'm currently the President of the New Haven Middlesex Association of Realtors and I'm here today speaking on behalf of our 2,700 members.

I've submitted testimony for the record but I'd like to address some of the things that got us here. Some -- some of the history of the work product.

As Deb mentioned we did have a specific task force formed in the last year just to address the particular point system but this effort

goes back probably about six years.

I initially sat on a committee six years ago which had to do with improving the professionalism in our industry and eventually ended up chairing it. And we actually, this committee actually went out and studied every state and -- and then some to additional places and saw what they had in place and how we differed, how Connecticut different from those states.

Many of them we realized had a transactional requirement. Some of them had additional levels of licensure. Some of them had extensive educational requirements. So if I could just step back.

What we did was we looked at this and we wanted to be, we wanted to be not eliminate people and preclude people from getting into the business so we made no recommendations to make it more difficult for someone to get into the business as a, as a licensed salesperson.

What we thought we would do and since a broker is responsible for the salesperson and if we went to make a better broker we thought that we had a trickle down effect and eventually this would be something that could impact the licensees and improve, and improve their practitioner -- their proficiency, I should say.

So we were careful. And one thing that we did take into account was this additional level of licensure, which would have been an associate broker, which would have allowed someone to become a broker but not have individuals work under them. We thought that added a fiscal note to the bill and we thought that was

something that the current state of the budget would not allow, so this seemed to be the best alternative to -- to the options that we had.

I personally spoke to the chairman or acting chairman at the time of the Real Estate Commission who thought it was a great idea as someone who is sitting there and hearing some of the complaints that came in she thought this was something that was doable, she thought it was something that DCP is already tracking.

And again, to address something that Representative Sampson said, we are also sensitive to the fact that we recognize there's people that bring related industry experience and they could get points toward their licensure requirements for that experience.

So I think it's a pretty well thought out program. Again, we'd be more than happy to sit down and -- and flush this out and put forth our entire proposal on how we came up with the point system.

And I'd be happy to answer any questions at this point.

REP. MEGNA: Thank you. Thank you for your testimony.

Are there any questions?

Representative Sampson.

REP. SAMPSON: Thank you, Mr. Chairman. Through you, Mike, good to see you.

I'm particularly chatty today. Forgive me.

MICHAEL BARBARO: Yes and I'm enjoying it.

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REP. SAMPSON: Yeah, I appreciate the -- the little bit of history on how we got to where we are. The only thing I would -- that concerns me about any of the stuff that we've talked about is, I would like to see us end up with a positive result. And I have some concerns about anything that is going to create a cost for the state of Connecticut.

And do you foresee that the point system itself could create a cost for the Department of Consumer Protection?

MICHAEL BARBARO: The way we've proposed it, I don't believe so. Currently the way someone qualifies for licensures, through PSI, which is, which is the -- the entity which actually administers the test.

So when we submit as a licensed salesperson or as a license broker, we're submitting our qualifications, not through the state, not to DCP, not to the Real Estate Commission, we're bypassing that. We're submitting it directly to PSI. They are therefore qualifying us to sit for the test, scheduling the test. If we pass the test then they upload our credentials into the DCP system.

So if there was even some small fee that was associated with, now instead of reviewing five documents that have to do with educational requirements and time in the business, but also some certification from your broker that you had a specific number of transactions certifying your points out, that will all not be done by the state but that would additionally be done by PSI.

REP. SAMPSON: Okay. No I appreciate that because I

-- I know how this place operates and I'm concerned that any additional costs might make our goals somewhat dead in the water.

MICHAEL BARBARO: No and we appreciated that. And again, that's why we opted to not propose an additional level of licensure.

REP. SAMPSON: Yeah. As I said in my own personal experience, the main optical is to be able to meet the education requirement just because of the limited availability of the course and in conflicting with the busy schedule of a full-time real estate agent, which is -- what we're trying to do is we're trying to make sure that brokers are people that are in the business full-time, that are actually doing the business of real estate and they're not merely satisfying some kind of length of licensing requirement.

So basically what I'm saying -- I guess the follow-up I would have is, is there anything in this legislation and again I'm not trying to say that there should be necessarily, but is there some way for us to work on guaranteeing that the classes that you satisfy any revised educational requirement are going to be available to salespersons who want to make the move to become a broker?

MICHAEL BARBARO: Sure. So the class that you're referring is an Appraisal 1 class. It's a 30 hour mandatory appraisal class that's currently part of the licensing requirements for a broker -- from salesperson to broker.

I had the same difficulties that you had when I got my broker's license. I searched for that class and -- and couldn't find it then when I finally found it I actually missed one-and-a-

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half hours of the initial class and -- and I had to wait until it was offered again with no guarantee. And it was, it was somewhere six or seven months later and make up that additional hour-and-a-half.

I think one of the things that we proposed and one of the things that we discussed in here was, to not -- and the electives are more readily available. So one of the things we're proposing here is instead of requiring one 30 hour elective, to maintain the same total hours of course structure, but to allow schools to break those courses down into 15 hour modules and make them all electives.

REP. SAMPSON: Does that do away with the requirement for Appraisal 1?

MICHAEL BARBARO: I -- (inaudible)? I don't think it does away with the actual requirement, but I think it minimizes -- I think it reduces the amount of hours -- from 30 to 15.

And one more thing I'll say. Many of our schools have started to address just that problem that happened with you and myself and where they were not doing it.

A lot of our educational entities are now offering the classes and actually running the classes and finding that just by running the class and saying that we are going to be running the class whether we have one person or not, has been beneficial to them because now people instead of saying well I'll sign up if the class goes, they're signing up and they're getting to qualify.

So I think we've addressed that problem and based on our conversations today we're going to

look into it further. So hopefully that will not be an issue.

REP. SAMPSON: Okay. One more thing and that is, you can get a college degree online today and I'm more curious to know if you see the availability of these courses being available online and something that might be accepted as proof of the educational requirement?

MICHAEL BARBARO: Currently we're allowed to do our continuing education online. We are not currently allowed to do any of our pre-licensing curriculum online but many states do do it.

From what I know the -- the course information that we use, the company that actually produces our books that we use, offers this, so I think it's only a matter of time and I think it's --

REP. SAMPSON: Yeah. It seems to me if you're -- if you've got to take a test anyway that's going to be monitored, I think where you get the education to pass the test I think is less of a concern.

Thank you very much. I appreciate it.

And thank you, Mr. Chairman.

REP. MEGNA: You're welcome. Thank you, Representative.

Are there any other questions?

Thank you very much, Mike.

MICHAEL BARBARO: Thank you.

REP. MEGNA: Is there anybody else that wants to



CONNECTICUT REALTORS®
111 Founders Plaza, Suite 1101 ▪ East Hartford, CT 06108
Tel: (860) 290-6601 ▪ ctrealtor.com

Statement on

H.B. 6773 (Raised): AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS

SUPPORT

Submitted to the Insurance and Real Estate Committee
February 26, 2015

By Deb Chamberlain
Connecticut REALTORS® Immediate Past President

Good afternoon Senator Crisco, Representative Megna, Ranking Members Sampson and Kelly and members of the committee. My name is Deb Chamberlain and I am a REALTOR® and the current past President of Connecticut REALTORS®.

I am speaking on behalf of over 15,000 members of Connecticut REALTORS® in favor of HB 6773, AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS. This is a proposal to change the requirements for real estate broker licensure and require the Commissioner of Consumer Protection to adopt regulations to establish a qualification points system as part of such licensure requirements.

There have been long-standing concerns that the requirements in Connecticut to obtain a real estate broker's license are insufficient. Connecticut Realtors® (CTR) believes professionalism in the industry can be improved with changes to the broker's education requirement to ensure topics covered are those most relevant to being a broker; and there be a point system to ensure some degree of experience prior to being able to be a broker. Simply holding a license for a length of time is not adequate.

To give some background on the issue, a Licensing Standards Work Group was created by CTR to establish a series of recommendations it believed would improve the professionalism of the industry. The recommendations were approved by the CTR Board of Directors. A few could be implemented immediately; others were assigned to Work Groups for further deliberations.

The Curriculum and Transaction Work Group was formed to review the pre-licensure curriculum to "modernize ^H to be applicable to current practice, concerns, and educational needs"; along with reviewing the recommendation of the group. *MAN*

Premises that were challenged by the group are as follows:



*Specifically
in the
law*

The notion that...

A broker is a broker is a broker: The Work Group is concerned that not every existing broker performs the same functions; or that every broker would always include the role of managing agents.

- The rationale for becoming a broker is to run a company and manage people: The sole privileges that come with being a broker are the ability to collect a commission directly and the option to have autonomy. An individual's rationale for becoming a broker encompass a variety of reasons that are unique to the individual and may have nothing to do with running a company or managing people. The concern is that there are existing brokers who are not fully executing the responsibilities that come with that license.

In our efforts to further improve the knowledge and professionalism of Connecticut brokers we are asking the Department of Consumer Protection to implement this legislation which would require the broker applicant to complete a course on broker principles and practices as well as a course on real estate legal compliance.

We also request that the Department of Consumer Protection establish a qualification points system that has a maximum score of twenty-six points and a minimum passing score of twelve points. This system shall be used by the Commission to consider an applicant's experience and education for real estate broker licensure purposes. CTR has developed a guide of qualifications that may be useful to the agency in developing the system. We would be more than willing to meet with the staff at any time to discuss how best to implement these important changes.

Our goal in this situation is to improve the quality of brokers working in Connecticut. We trust that a stronger reflection on professionalism will go far in serving the public.

Thank you for allowing me to testify before the committee today, I will do my best to answer any of the questions you may have.

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Statement on**H.B. 6773 (Raised): AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS****SUPPORT**

Submitted to the Insurance and Real Estate Committee
February 26, 2015

By Stacy King
Connecticut REALTORS®

Good afternoon Senator Crisco, Representative Megna, Ranking Members Kelly and Sampson and members of the committee. My name is Stacy King and I am a REALTOR® in Berlin and the past President of the Mid State Board of REALTORS®. I am speaking on behalf of over 15,000 members of Connecticut REALTORS® in favor of **HB 6773, AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS.**

This is a proposal to change the requirements for real estate broker licensure and requires the Commissioner of Consumer Protection to adopt regulations to establish a qualification points system as part of such licensure requirements.

There have been concerns that the requirements in Connecticut to obtain a real estate broker's license are insufficient. Connecticut Realtors® (CTR) believes professionalism in the industry can be improved with changes to the broker's education requirement to ensure topics covered are relevant to being a broker; and there be a point system to ensure some degree of experience prior to being able to be a broker.

To that end, CTR requests the Department of Consumer Protection implements this bill which would require the broker applicant to complete a course on broker principles and practices as well as a course on real estate legal compliance.

CTR also requests that the Department of Consumer Protection establish a qualification points system that has a maximum score of twenty-six points and a minimum passing score of twelve points. This system shall be used by the Commission to consider an applicant's experience and education for real estate broker licensure purposes. CTR has developed a guide of qualifications that may be useful to the agency in developing the system. We would be happy to meet with the department to discuss how to implement these important changes

As I said, I'm currently a REALTOR® in Connecticut and have been for 13 years. I have the goal of becoming a broker in the future. As a working REALTOR®, I believe these new requirements are a benefit to our industry. I would not have any issue with my background and experience completing said seminars.

In conclusion, CTR believes that a higher level of professionalism and experience will go far in serving the public.

Thank you for allowing me to testify before the committee today, I will do my best to answer any of the questions you may have.

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Submitted to the Insurance and Real Estate Committee
February 26, 2015

By Michael C. Barbaro
Connecticut REALTORS®

Good afternoon Senator Crisco, Representative Megna, Ranking Members Kelly and Sampson and members of the committee. My name is Michael Barbaro and I am a real estate broker based in New Haven.

I am a REALTOR® and the current President of the New Haven Middlesex Association of REALTORS® which represents over 2,700 real estate licensees in the Greater New Haven area.

I am also the Legislative Division Vice President of the Connecticut REALTORS® and I am speaking on behalf of our more than 15,000 members in favor of **HB 6773, AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS.**

This is a proposal to change the requirements for real estate broker licensure and to require the Commissioner of Consumer Protection to adopt regulations to establish a qualification points system as part of such licensure requirements.

The real estate industry and more specifically the real estate transaction has changed significantly over the past decades. Accordingly the curriculum and requirements for licensure need to evolve as well.

Our members feel that simply holding a real estate salespersons license for two (2) years without the benefit of transactional experience is no longer sufficient for broker practitioners to adequately perform their responsibilities independently. Consumers require broker practitioners with first-hand knowledge of the complexities of the modern day real estate transaction.

It is our further belief that modernizing the broker educational requirements will foster increased professionalism throughout the industry by ensuring the mandatory curriculum course structure addresses subject matters relevant to Connecticut's current real estate climate.

(i.e. Short Sales and/or Foreclosure Sales)

RECOMMENDATIONS INCLUDE:

Changing the statute to include thirty (30) hours of broker core curriculum that directly pertains to broker responsibility and performance comprised of two (2) fifteen (15) hour modules including a **COMPLIANCE MODULE** (Contract Law, Escrow, Fair Housing, Agency, Anti-Trust, Document Retention and RESPA); and a **BROKERAGE PRACTICE MODULE** (Valuation, Advertising, Marketing, Legal Entity Structure, People Management (staff, agents, clients), Conflict Resolution and Professional Ethics; AND

To change the thirty (30) hour minimum for approved elective courses to be thirty (30) hours of total elective coursework, with each approved course topic having a fifteen (15) hour minimum; AND

In addition to completing the currently required two (2) year period as a licensed real estate salesperson, implement a transactional experience point based system to ensure some degree of experience prior to being able to hold a real estate broker's license. This could include a range of experience qualifiers including but not limited to direct involvement with real estate transactions, industry related management/business experience and/or college degree; AND

That the Department of Consumer Protection (DCP) develop and implement a transactional experience point based qualification system requiring not more than twenty six (26) points and not less than twelve (12) points. We would welcome the opportunity to meet with DCP representatives at any time to discuss our suggestions and offer our assistance in the development process.

The intent of these changes is a proactive introspection on professionalism which we trust will ultimately serve the public interest.

Thank you for allowing me to testify before the committee today, I will do my best to answer any questions you may have.