

## **License Law**

Clarifies that “lead generation” is a licensed activity (similar to a referral)

Defines “regular employee”: 20 hours or more (W-2) and will now use the IRS definition

Much of the REALTOR® COE Article 12 is being added to the Act, such as:

No deceptive URL, no deceptive framing, no “stealing eyeballs” through metatags or keywords

Sharing information with other entities not allowed without client permission (also covered under FACT Act)

Companies must have a written policy manual with suggested topics indicated in the Act (see IAR)

Must give notice if writing offer for 2 buyers for same property and give them an opportunity to opt out (IAR has new form available)

Clarifies that designated agent’s name must be given upfront and in writing. Brokers need to keep a copy.

No agency disclosure exemption for leasing – must disclose if representing just the landlord. Form needed. Also increases maximum finder’s fee to a tenant to \$1,500.

Added “terms” (formerly just price) to dual agency form (IAR has new form available)

Can lose your license, or be subject to discipline from loss of reasonable judgment, illness, old age, motor skills, mental illness or disability. Also habitual of excessive use of alcohol, narcotics, stimulants or any other chemical or drug can cause discipline. DFPR can request mental or physical exam.

Cannot buy your own listing until it has expired or terminated. For a guaranteed sale, must negotiate price upfront

Allows for a private right of action for unlicensed practice

All salesperson licensure will end April 30, 2011. No salesperson renewal in 2011.

Must take 30 hours and pass an exam OR pass proficiency exam (1 try).

No CE (18 hours) first renewal if you take the 30 hours

Managing broker after April 30, 2012 will need 165 hours.

Existing managers must take 45 hours and pass an exam OR pass a proficiency exam (1 try).

No Broker Management (12 hours) first renewal if you take the 45 hours

Starting with the 2010-12 renewal, managing brokers will need 12 hours of Broker Management

The managing broker must be identified in their advertising (assuming names are in the ad)

Education now good for 4 years, instead of 3

4 tries to take an exam, instead of current 3 tries

Must be a broker 2 of last 3 years to manage an office

No CE credit for pre-license classes.

Can manage for up to 90 days without the manager's license.

Broker Management classes (12 hours) must be taken "live"

Must take a one day class to get a CE instructor's license

More clearly defines "proctor". Must be a licensed instructor or work for a school

Possibility for online testing in the future

No longer a requirement to display agent licenses on the wall

## **Other Law Changes**

Good Funds Act – over \$50,000 in a transaction will cause problems

Radon - new form – 3<sup>rd</sup> floor and above now exempt

Seller Disclosure – new form with 23 questions (meth production)

No texting while driving – no cell phone usage in construction or school zone

Order of Protection now an IL protected clas

IRS car allowance – down to .50 per mile for 2010

Interest rate on rental deposits - .095% (.95 for \$1,000)

New RESPA guidelines – New HUD 1 , HUD 1-A (refi) and Good Faith Estimate

NAR Benefits – Credit Union and Health Insurance – visit [www.Realtor.Org](http://www.Realtor.Org)

NAR new consumer site: [www.HouseLogic.com](http://www.HouseLogic.com)