

SB

869

## AN ACT

1 Amending the act of February 19, 1980 (P.L.15, No.9), entitled  
2 "An act establishing the State Real Estate Commission and  
3 providing for the licensing of real estate brokers and  
4 salesmen," further providing for the definition of  
5 "comparative market analysis," for continuing education, for  
6 qualifications for license and for comparative market  
7 analysis disclosure.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. The definition of "comparative market analysis"  
11 in section 201 of the act of February 19, 1980 (P.L.15, No.9),  
12 known as the Real Estate Licensing and Registration Act, added  
13 November 25, 1998 (P.L.908, No.112), is amended to read:

14 Section 201. Definitions.

15 The following words and phrases when used in this act shall  
16 have, unless the context clearly indicates otherwise, the  
17 meanings given to them in this section:

18 \* \* \*

19 "Comparative market analysis." [A written analysis, opinion  
20 or conclusion by a contracted buyer's agent, transactional

1 licensee or an actual or potential seller's agent relating to  
2 the probable sale price of a specified piece of real estate in  
3 an identified real estate market at a specified time, offered  
4 either for the purpose of determining the asking/offering price  
5 for the property by a specific actual or potential consumer or  
6 for the purpose of securing a listing agreement with a seller.]  
7 A written analysis, opinion or conclusion, which may be referred  
8 to as a comparative market analysis or a broker price opinion,  
9 by a broker, associate broker or salesperson relating to the  
10 probable sale or rental price of a specified parcel of real  
11 estate in an identified real estate market at a specified time,  
12 prepared for one of the following:

13 (1) An existing or potential seller, buyer, lessor or  
14 lessee of a parcel of real property.

15 (2) A person making decisions or performing due  
16 diligence related to the potential listing, offering, sale,  
17 option, lease or acquisition price of a parcel of real  
18 property.

19 (3) An existing or potential lienholder or other person  
20 for a purpose other than as a basis to determine the value of  
21 a parcel of real property for a mortgage loan origination,  
22 including a first or junior mortgage, refinancing or equity  
23 line of credit.

24 \* \* \*

25 Section 2. Section 404.1(b) of the act, added July 9, 1990  
26 (P.L.338, No.77), is amended to read:

27 Section 404.1. Continuing education.

28 \* \* \*

29 (b) Beginning with the license period designated by  
30 regulation, each person licensed pursuant to this act shall be

1 required to obtain [14] 18 hours of mandatory continuing  
2 education during each two-year license period. A licensed broker  
3 or salesperson who wishes to activate a license which has been  
4 placed on inactive status shall be required to document [14] 18  
5 hours of continuing education.

6 \* \* \*

7 Section 3. Section 511 of the act, amended March 29, 1984  
8 (P.L.162, No.32), is amended to read:

9 Section 511. Qualifications for license.

10 The applicant for a broker's license, shall as a condition  
11 precedent to obtaining a license, take the broker's license  
12 examination and score a passing grade. Prior to taking the  
13 examination:

14 (1) The applicant shall be at least 21 years of age.

15 (2) The applicant shall be a high school graduate or  
16 shall produce proof satisfactory to the commission of an  
17 education equivalent thereto.

18 (3) (i) The applicant shall have completed 240 hours in  
19 real estate instruction in areas of study prescribed by  
20 the rules of the commission, which rules shall require  
21 instruction in the areas of fair housing and professional  
22 ethics.

23 (ii) An applicant who has not completed any of the  
24 required hours of instruction under subparagraph (i)  
25 before the effective date of this subparagraph must  
26 complete all of the required hours of instruction not  
27 earlier than five years before taking the examination.

28 (4) The applicant shall have been engaged as a licensed  
29 real estate salesperson for at least three years or possess  
30 educational or experience qualifications which the commission

1. deems to be the equivalent thereof.

2 Section 4. Section 521(2) of the act, amended March 29, 1984  
3 (P.L.162, No.32), is amended and the section is amended by  
4 adding a subsection to read:

5 Section 521. Qualifications for license.

6 Each applicant shall as a condition precedent to obtaining a  
7 license, take the salesperson license examination and score a  
8 passing grade. Prior to taking the examination:

9 (1) The applicant shall be at least 18 years of age.

10 (2) The following shall apply:

11 (i) The applicant shall have completed [60] 90 hours  
12 in real estate instruction in areas of study prescribed  
13 by the rules of the commission, which rules shall require  
14 instruction in the areas of fair housing and professional  
15 ethics.

16 (ii) Notwithstanding subparagraph (i), an applicant  
17 shall be required to complete 60 hours of instruction if  
18 the applicant has completed any part of the hours before  
19 the effective date of this subparagraph. An applicant who  
20 has not completed any of the required hours of  
21 instruction before the effective date of this  
22 subparagraph must complete all of the required hours of  
23 instruction not earlier than three years before taking  
24 the examination.

25 (3) The applicant shall be a high school graduate or  
26 shall produce proof satisfactory to the commission of an  
27 education equivalent to high school graduation.

28 Section 5. Section 608.3 of the act, added November 25, 1998  
29 (P.L.908, No.112), is amended to read:

30 Section 608.3. Comparative market analysis disclosure.

1 (a) A comparative market analysis must contain the following  
2 statement printed conspicuously and without change on the first  
3 page:

4 This analysis has not been performed in accordance with  
5 the Uniform Standards of Professional Appraisal Practice  
6 which require valuers to act as unbiased, disinterested  
7 third parties with impartiality, objectivity and  
8 independence and without accommodation of personal  
9 interest. It is not to be construed as an appraisal and  
10 may not be used as such for any purpose.

11 (b) A comparative market analysis prepared in accordance  
12 with this act shall not be deemed to be an appraisal within the  
13 scope of the act of July 10, 1990 (P.L.404, No.98), known as the  
14 "Real Estate Appraisers Certification Act." A comparative market  
15 analysis may be used in conjunction with or in addition to an  
16 appraisal.

17 Section 6. Repeals are as follows:

18 (1) The General Assembly declares that the repeal under  
19 paragraph (2) is necessary to effectuate this act.

20 (2) The act of July 10, 1990 (P.L.404, No.98), known as  
21 the Real Estate Appraisers Certification Act, is repealed  
22 insofar as it is inconsistent with this act.

23 Section 7. This act shall take effect in 60 days.



CSM # 2799

Draft # D04134

## Co-Sponsorship Report

Posted: March 15, 2013 11:06 AM  
To: All Senate Members  
From: Senator Robert Tomlinson  
Subject: **amendments to the real estate licensing law**

- |                               |                      |
|-------------------------------|----------------------|
| 1. Senator Bob Mensch         | added by gsarfert    |
| 2. Senator Lisa Boscola       | added by jbrinjac    |
| 3. Senator David Argall       | added by sbentzel    |
| 4. Senator Joseph Scarnati    | added by clong       |
| 5. Senator Wayne Fontana      | added by bartkus     |
| 6. Senator Rob Teplitz        | added by yrosadobane |
| 7. Senator Timothy Solobay    | added by hlwalsh     |
| 8. Senator Charles McIlhinney | added by greinard    |
| 9. Senator John Rafferty      | added by cboyer      |
| 10. Senator Richard Alloway   | added by kthomas     |
| 11. Senator Stewart Greenleaf | added by psnively    |
| 12. Senator Gene Yaw          | added by rzielonis   |
| 13. Senator Lisa Baker        | added by mgiannelli  |
| 14. Senator Kim Ward          | added by kkenyon     |
| 15. Senator Jake Corman       | added by ssikorski   |