

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 22, 2008
POSITION: Support

BILL NUMBER: SB 1461
AUTHOR: G. Negrete McLeod

BILL SUMMARY: Real Estate Licensees

SB 1461 would require real estate licensees to place their license identification number on marketing and solicitation materials, as well as on purchase agreements. This bill would take effect July 1, 2009.

FISCAL SUMMARY

This bill would not result in any additional costs to the Department of Real Estate (DRE).

The bill has a delayed implementation date of July 1, 2009 to mitigate the cost to licensees of who must add their license identification number to advertising materials.

COMMENTS

Finance supports this bill because it will increase consumer protection. With the license number, consumers can easily check the licensing status of the real estate professional on DRE's website.

This bill is sponsored by DRE. DRE indicates that many licensees use nicknames in solicitation materials, making it difficult for consumers or other licensees to verify the license status.

Last year, a similar provision was included in SB 226 (Negrete), but SB 226 also proposed changing the minimum qualifications for a broker's license. While SB 226 was vetoed due to the licensing provisions, the veto message indicated: "I do support one aspect of the bill. I urge the Legislature to consider legislation next year that authorizes the Department of Real Estate Commissioner to require real estate brokers and salespersons to display his or her license number on consumer first contact materials."

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
		(Dollars in Thousands)							
	LA	CO	PROP						
	RV	98	FC	2007-2008	FC	2008-2009	FC	2009-2010	
2320/Real Estate	SO	No		-----	No/Minor	Fiscal Impact	-----		0317
<u>Fund Code</u>	<u>Title</u>								
0317	Real Estate Fund								

Analyst/Principal (0741) K. Amann	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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