

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 841

Session of
1979

INTRODUCED BY MESSRS. ZORD, KNEPPER, BURD, POTT, D. M. FISHER,
BARBER, DUMAS, RHODES, GAMBLE, CESSAR, MRS. ARTY, MESSRS.
EARLEY, FREIND, WENGER AND McVERRY, MARCH 27, 1979

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
JUNE 12, 1979

AN ACT

1 Amending the act of May 1, 1929 (P.L.1216, No.427), entitled "An
2 act to define real estate brokers and real estate salesmen;
3 and providing for the licensing, regulation, and supervision
4 of resident and nonresident real estate brokers and real
5 estate salesmen and their business," FURTHER DEFINING "REAL <—
6 ESTATE BROKER;" further providing for the words appearing on
7 real estate signs AND FURTHER PROVIDING FOR SUSPENSION OR <—
8 REVOCATION OF LICENSES.

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

11 SECTION 1. SUBSECTION (A) OF SECTION 2, ACT OF MAY 1, 1929 <—
12 (P.L.1216, NO.427), KNOWN AS THE "REAL ESTATE BROKERS LICENSE
13 ACT OF ONE THOUSAND NINE HUNDRED AND TWENTY-NINE," AMENDED
14 JANUARY 18, 1952 (P.L.2117, NO.602), IS AMENDED TO READ:

15 SECTION 2. (A) THE TERM "REAL ESTATE BROKER" SHALL INCLUDE
16 ALL PERSONS, COPARTNERSHIPS, ASSOCIATIONS, AND CORPORATIONS,
17 FOREIGN AND DOMESTIC, WHO, FOR ANOTHER AND FOR A FEE,
18 COMMISSION, OR OTHER VALUABLE CONSIDERATION, SHALL SELL,
19 EXCHANGE, PURCHASE, OR RENT, OR SHALL NEGOTIATE THE SALE,
20 EXCHANGE, PURCHASE OR RENTAL, OR SHALL OFFER OR ATTEMPT TO

1 NEGOTIATE THE SALE, EXCHANGE, PURCHASE, OR RENTAL, OR SHALL HOLD
2 HIMSELF OR THEMSELVES OUT AS ENGAGED IN THE BUSINESS OF SELLING,
3 EXCHANGING, PURCHASING, OR RENTING OF ANY REAL ESTATE, INTEREST
4 IN REAL ESTATE, THE PROPERTY OF ANOTHER, WHETHER THE SAME SHALL
5 BE LOCATED WITHIN THE STATE OF PENNSYLVANIA, OR ELSEWHERE, OR
6 SHALL COLLECT OR OFFER OR ATTEMPT TO COLLECT RENTAL FOR THE USE
7 OF REAL ESTATE, THE PROPERTY OF ANOTHER, OR SHALL NEGOTIATE OR
8 OFFER OR ATTEMPT TO NEGOTIATE A LOAN, SECURED OR TO BE SECURED
9 BY MORTGAGE OR OTHER ENCUMBRANCE UPON OR TRANSFER OF ANY SUCH
10 REAL ESTATE. IT SHALL ALSO INCLUDE ANY PERSON, COPARTNERSHIP,
11 ASSOCIATION, OR CORPORATION EMPLOYED BY THE OWNER OR OWNERS OF
12 LOTS, OR OTHER PARCELS OF REAL ESTATE, INCLUDING CEMETERY LOTS,
13 AT A STATED SALARY, OR UPON A COMMISSION, OR UPON A SALARY AND
14 COMMISSION BASIS OR OTHERWISE, TO SELL SUCH REAL ESTATE, OR ANY
15 PARTS THEREOF, IN LOTS OR OTHER PARCELS, AND WHO SHALL SELL OR
16 EXCHANGE, OR OFFER OR ATTEMPT TO NEGOTIATE THE SALE OR EXCHANGE
17 OF ANY SUCH LOT OR PARCEL OF REAL ESTATE. ONE ACT IN
18 CONSIDERATION OF COMPENSATION, BY FEE, COMMISSION OR OTHERWISE,
19 OF BUYING, SELLING, RENTING OR EXCHANGING ANY SUCH REAL ESTATE
20 OF OR FOR ANOTHER, OR ATTEMPTING OR OFFERING SO TO DO, OR
21 NEGOTIATING A LOAN UPON OR LEASING OR RENTING OR PLACING FOR
22 RENT ANY SUCH REAL ESTATE, OR COLLECTION OF RENT THEREFROM,
23 SHALL CONSTITUTE PRIMA FACIE EVIDENCE THAT THE PERSON,
24 COPARTNERSHIP, ASSOCIATION, OR CORPORATION, SO ACTING OR
25 ATTEMPTING TO ACT, IS A REAL ESTATE BROKER WITHIN THE MEANING OF
26 THIS ACT. THE TERM "REAL ESTATE BROKER" SHALL ALSO INCLUDE REAL
27 ESTATE APPRAISERS, AS WELL AS ALL MANAGERS OF OFFICE BUILDINGS,
28 APARTMENT BUILDINGS, AND OTHER BUILDINGS, AND PERSONS EMPLOYED
29 BY THE OWNERS OF SUCH BUILDINGS, BANKING INSTITUTIONS AND TRUST
30 COMPANIES FOR THE FOREGOING PURPOSES. THE TERM "REAL ESTATE

1 BROKER" SHALL ALSO INCLUDE ANY PERSON, PARTNER, COPARTNER,
2 ASSOCIATION OR CORPORATION, FOREIGN OR DOMESTIC, WHO MAINTAIN A
3 FILE OR FILES, LISTING OR OTHER COMPILATION OF RESIDENTIAL UNITS
4 OR REAL PROPERTY AVAILABLE FOR RENTAL, AND WHO CHARGE A FEE TO
5 PERSONS SOLELY IN EXCHANGE FOR THE RIGHT OF SAID PERSONS TO
6 VIEW, HAVE ACCESS TO OR REFER TO SAID FILE, LISTING OR
7 COMPILATION. SUCH PERSONS SHALL, FOR THE PURPOSE OF THIS ACT, BE
8 KNOWN AS "RENTAL LISTING AGENCIES."

9 NO PERSON, PARTNER, COPARTNER, ASSOCIATION OR CORPORATION,
10 FOREIGN OR DOMESTIC, OTHER THAN A LICENSED REAL ESTATE BROKER,
11 SHALL PERFORM THE FUNCTIONS OF A "RENTAL LISTING AGENCY" UNDER
12 THIS ACT UNLESS LICENSED AS SAME UNDER RULES AND REGULATIONS
13 ESTABLISHED BY THE COMMISSION.

14 * * *

15 Section ± 2. Subsection (a) of section 9 ~~act of May 1, 1929~~ <—
16 ~~(P.L.1216, No.427), known as the "Real Estate Brokers License~~
17 ~~Act of one thousand nine hundred and twenty nine,"~~ of the act,
18 amended December 15, 1959 (P.L.1763, No.662), is amended to
19 read:

20 Section 9. (a) Every person, copartnership, association, or
21 corporation, licensed as a real estate broker under the
22 provisions of this act, shall be required to have and maintain a
23 definite place of business within the Commonwealth, which shall
24 be a room or rooms used exclusively for the transaction of real
25 estate business, or such business and any allied business, and
26 which shall serve as his, their, or its office for the
27 transaction of business under the authority of the said license,
28 and where the certificate of registration and the current
29 biennial renewal card shall be prominently displayed. The said
30 place of business shall be specified in the application for

1 license, and designated in the license, and no license issued
2 under the authority of this act shall authorize the licensee to
3 transact business from any office other than that designated in
4 the license, unless notice in writing shall be given within ten
5 days to the department of any change of business location,
6 designating the new location of such office, whereupon the
7 department shall forthwith issue a new license for the new
8 location for the unexpired period for a fee of two dollars and
9 fifty cents (\$2.50). The change of the specified business
10 location, without notification to the department, shall
11 automatically cancel the license theretofore issued. Every real
12 estate broker shall display on the outside of his place of
13 business a sign containing the words REAL ESTATE, REALTY,
14 REALTIST OR REALTOR, where either of such latter title is duly
15 authorized. The commission shall adopt reasonable rules and
16 regulations for the conduct of such places of business.

17 * * *

18 SECTION 3. SUBSECTION (A) OF SECTION 10 OF THE ACT, AMENDED <—
19 OCTOBER 11, 1967 (P.L.427, NO.192), IS AMENDED AND A CLAUSE IS
20 ADDED TO READ:

21 SECTION 10. (A) THE COMMISSION MAY, UPON ITS OWN MOTION, AND
22 SHALL, PROMPTLY, UPON THE VERIFIED COMPLAINT IN WRITING OF ANY
23 PERSON SETTING FORTH SPECIFICALLY THE WRONGFUL ACT OR ACTS
24 COMPLAINED OF, INVESTIGATE ANY ACTION OR BUSINESS TRANSACTION OF
25 ANY LICENSED REAL ESTATE BROKER, OR REAL ESTATE SALESMAN OR
26 RENTAL LISTING AGENCY; AND SHALL HAVE THE POWER TEMPORARILY TO
27 SUSPEND OR PERMANENTLY TO REVOKE LICENSES THERETOFORE ISSUED BY
28 THE DEPARTMENT, UNDER THE PROVISIONS OF THIS ACT, AT ANY TIME
29 WHEN, AFTER DUE PROCEEDINGS AS HEREINAFTER PROVIDED, IT SHALL
30 FIND THE HOLDER THEREOF TO HAVE BEEN GUILTY,

* * *

(17.1) IN THE CASE OF A RENTAL LISTING AGENCY OF ITS FAILURE TO MAINTAIN ON A WEEKLY BASIS AN UPDATE LISTING OR COMPILATION OF RESIDENTIAL UNITS OR REAL PROPERTY AVAILABLE FOR RENTAL; OR OF FAILING TO NOTIFY IN ADVANCE OF THE PAYMENT OF A FEE TO THE AGENCY BY ANY PERSON FOR WHOM THE AGENCY HAS NO RESIDENTIAL UNIT OR REAL PROPERTY AVAILABLE FOR RENTAL WHICH IS SUITABLE TO THE NEEDS OF THAT PERSON IN TERMS OF SPACE, THE AMOUNT OF RENT, OR AMENITIES. THE UPDATE OR COMPILATION REQUIRED BY THIS CLAUSE SHALL CONTAIN ONLY PROPERTY ACTUALLY AVAILABLE FOR RENT AT THE TIME THE UPDATE OR COMPILATION IS PREPARED. THE LISTING AGENCY SHALL MAINTAIN WRITTEN EVIDENCE FROM EACH OWNER INDICATING THAT THE PROPERTY IS AVAILABLE FOR RENT. THE COMMISSION SHALL ISSUE GUIDELINES ESTABLISHING WHAT FORMS OF PROOF AND EVIDENCE ARE SUFFICIENT TO MEET THE REQUIREMENTS OF THIS CLAUSE.

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Section 2 4. This act shall take effect immediately.

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