
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1572 Session of
2019

INTRODUCED BY POLINCHOCK, BERNSTINE, BROWN, T. DAVIS, GOODMAN,
HELM, JAMES, KORTZ, MENTZER, SCHMITT AND STAATS, JUNE 4, 2019

REFERRED TO COMMITTEE ON PROFESSIONAL LICENSURE, JUNE 4, 2019

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 definitions; in powers and
5 duties of the State Real Estate Commission - general,
6 providing for temporary regulations; and, in duties of
7 licensees, further providing for prohibited acts and
8 providing for teams.

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

11 Section 1. Section 201 of the act of February 19, 1980
12 (P.L.15, No.9), known as the Real Estate Licensing and
13 Registration Act, is amended by adding definitions 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 "Team." Two or more licensees employed by the same broker
20 who:

21 (1) work together to provide real estate services for

1 the benefit of a consumer; and

2 (2) hold themselves out as being a team.

3 "Team administrator." An individual who:

4 (1) is an active member of the team and is:

5 (i) a broker;

6 (ii) an associate broker; or

7 (iii) a salesperson who has held an active license
8 for at least the preceding three years and has completed:

9 (A) the courses in real estate law and brokerage
10 and office management required by the commission for
11 licensure as a broker; or

12 (B) other equivalent education as the commission
13 shall prescribe by regulation; and

14 (2) is responsible for:

15 (i) being the principal point of contact between the
16 team and the broker, if the team administrator is an
17 associate broker or salesperson;

18 (ii) monitoring compliance with section 610;

19 (iii) reasonably adequate oversight of the
20 activities of the team; and

21 (iv) monitoring compliance by the members of the
22 team and the nonlicensed staff of the team with the
23 policies of the team and the broker.

24 * * *

25 Section 2. The act is amended by adding a section to read:

26 Section 404.2. Temporary regulations.

27 (a) In order to facilitate the prompt implementation of
28 section 610, the commission may promulgate temporary regulations
29 which shall expire no later than three years following the
30 effective date of this section. Temporary regulations

1 promulgated by the commission under this section shall not be
2 subject to:

3 (1) Sections 201, 202, 203, 204 and 205 of the act of
4 July 31, 1968 (P.L.769, No.240), referred to as the
5 Commonwealth Documents Law.

6 (2) Section 204(b) of the act of October 15, 1980
7 (P.L.950, No.164), known as the "Commonwealth Attorneys Act."

8 (3) The act of June 25, 1982 (P.L.633, No.181), known as
9 the "Regulatory Review Act."

10 (b) Temporary regulations promulgated by the commission
11 under this section must be published no later than 270 days
12 after the effective date of this section.

13 (c) The authority provided to the commission to adopt
14 temporary regulations under subsection (a) shall expire three
15 years from the effective date of this section. Regulations
16 adopted after that date shall be promulgated as provided by law.

17 Section 3. Section 604(a) of the act is amended by adding a
18 paragraph to read:

19 Section 604. Prohibited acts.

20 (a) The commission may upon its own motion, and shall
21 promptly upon the verified complaint in writing of any person
22 setting forth a complaint under this section, ascertain the
23 facts and, if warranted, hold a hearing for the suspension or
24 revocation of a license or registration certificate or for the
25 imposition of fines not exceeding \$1,000, or both. The
26 commission shall have power to refuse a license or registration
27 certificate for cause or to suspend or revoke a license or
28 registration certificate or to levy fines up to \$1,000, or both,
29 where the said license has been obtained by false
30 representation, or by fraudulent act or conduct, or where a

1 licensee or registrant, in performing or attempting to perform
2 any of the acts mentioned herein, is found guilty of:

3 * * *

4 (32) Violating section 610.

5 * * *

6 Section 4. The act is amended by adding a section to read:
7 Section 610. Teams.

8 (a) Two or more licensees shall not hold themselves out as a
9 team unless they comply with this section.

10 (b) A licensee may be part of a team and also provide real
11 estate services not as part of a team.

12 (c) A team may be established only with the permission of
13 the broker.

14 (d) A team must have a team administrator.

15 (e) An agreement between a broker and a consumer, written
16 memorandum or written disclosure statement required by section
17 606.1(b) that relates to real estate services to be provided by
18 a licensee who is a member of a team shall state:

19 (1) Whether or not the licensee is providing the
20 services as part of the team.

21 (2) The name of the team and the name of each licensee
22 who is a member of the team.

23 (f) The existence and operation of a team, and the
24 performance of the functions of the team administrator, do not
25 affect:

26 (1) The responsibilities of the broker to supervise the
27 broker's employees under this act.

28 (2) The application of this chapter to actions or
29 inactions of the team or any of its members.

30 Section 5. This act shall take effect as follows:

1 (1) The following provisions shall take effect
2 immediately:
3 (i) This section.
4 (ii) The addition of section 404.2 of the act.
5 (2) The remainder of this act shall take effect in one
6 year.