



**House
Legislative
Analysis
Section**

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DISCLOSE REAL ESTATE AGENCY

**Senate Bill 480 with committee
amendments
First Analysis (8-17-93)**

**Sponsor: Sen. George Z. Hart
Senate Committee: State Affairs and
Military/Veteran Affairs
House Committee: State Affairs**

THE APPARENT PROBLEM:

The Occupational Code (Public Act 299 of 1980) regulates licensed real estate agents and provides certain penalties (license actions, civil fines, and mandatory restitution) for agents who do certain things. Public Act 93 of 1993 (enrolled House Bill 4269) amended the Occupational Code, in part, to require that licensed real estate agents explain to prospective buyers or sellers, in writing, the kinds of real estate agency relationships (e.g., buyer's agency, seller's agency, and dual agency relationships) and specify which relationship the agent and prospective buyer or seller were in (or were about to enter into).

added such a disclosure as a requirement for real estate agents.

POSITIONS:

The Bureau of Occupational and Professional Regulation, in the Department of Commerce, supports the bill. (8-13-93)

The Michigan Association of Realtors strongly supports the bill. (8-13-93)

THE CONTENT OF THE BILL:

The bill would amend the Occupational Code to add (after January 1, 1994) to the list of offenses for which licensed real estate agents could be penalized the failure to provide the statutorily required written agency disclosure to a prospective buyer or seller in a real estate transaction.

MCL 339.2512

FISCAL IMPLICATIONS:

The Senate Fiscal Agency noted that an earlier (essentially identical) version of the bill would have no fiscal impact on the state. (7-13-93)

ARGUMENTS:

For:

The bill would provide appropriate penalties for licensed real estate agents who failed to provide prospective buyers or sellers with the written agency disclosure required by Public Act 93 of 1993, which

Senate Bill 480 (8-17-93)