



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4849 (Substitute H-1 as reported without amendment)
House Bill 4850 (Substitute H-1 as reported without amendment)
Sponsors: Representative Tonya Schuitmaker (H.B. 4849)
Representative Kevin Green (H.B. 4850)
House Committee: Regulatory Reform
Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

House Bill 4849 (H-1) would amend the Occupational Code to provide that a real estate broker acting pursuant to a service provision agreement creating an exclusive agency relationship would be required, at minimum, to provide the following services to his or her client:

- When the real estate broker was representing a seller or lessor, the marketing of the client's property in the manner agreed upon in the service provision agreement.
- Acceptance of delivery and presentation of offers and counteroffers to buy, sell, or lease the client's property or the property the client sought to purchase or lease.
- Assistance in developing, communicating, negotiating, and presenting offers, counteroffers, and related documents or notices until a purchase or lease agreement was executed by all parties and all contingencies were satisfied or waived.
- After execution of a purchase agreement by all parties, assistance as necessary to complete the transaction under the terms specified in the purchase agreement.
- Furnishing, or causing to be furnished, a complete and detailed closing statement, as required by R 339.22311 of the Michigan Administrative Code.

A failure to provide the minimum services would be a violation of the Code subject to the penalties set forth in Article 6 of the Code.

House Bill 4850 (H-1) would amend the Code to require the disclosure regarding real estate agency relationships to include a description of the duties an agent providing services under an exclusive service provision agreement would owe to a client.

The two bills are tie-barred to each other.

MCL 339.2512 et al. (H.B. 4849)
339.2517 (H.B. 4850)

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 6-2-06

Fiscal Analyst: Elizabeth Pratt/Maria Tysckiweicz

[floor\hb4849](#)

Analysis available @ <http://www.michiganlegislature.org>

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.