

## LEGISLATIVE BILL 819

Approved by the Governor April 12, 2006

Introduced by Byars, 30

AN ACT relating to real estate; to amend sections 81-885.07, 81-885.17, and 81-885.20, Reissue Revised Statutes of Nebraska; to change the membership of the State Real Estate Commission to reflect the current congressional districts; to change procedures relating to licenses; to change provisions relating to the Nebraska Real Estate License Act; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 81-885.07, Reissue Revised Statutes of Nebraska, is amended to read:

81-885.07 (1) There is hereby created the State Real Estate Commission which shall consist of the Secretary of State, who shall be chairperson of the commission, and six members appointed by the Governor. ~~Four~~ Three of the members of the commission appointed by the Governor shall be active and licensed real estate brokers who have engaged in the real estate business as brokers or associate brokers for not less than five years, which members shall be appointed by the Governor, one from each of the ~~four~~ three congressional districts as the districts were constituted on January 1, ~~1961~~ 2006. The remaining members shall be appointed at large, one of whom shall be representative of the public, and one of whom shall be a licensed real estate salesperson who has engaged in the real estate business as a salesperson for not less than three years, and one of whom shall be an active and licensed real estate broker who has engaged in the real estate business as a broker or associate broker for not less than five years. The member representing the former congressional district 1 on the effective date of this act shall represent congressional district 1 for the balance of his or her term. The member representing the former congressional district 2 on the effective date of this act shall represent congressional district 2 for the balance of his or her term. The member representing the former congressional district 3 on the effective date of this act shall become an at-large member for the balance of his or her term. The member representing the former congressional district 4 on the effective date of this act shall represent congressional district 3 for the balance of his or her term.

(2) At the expiration of the term of any member of the commission, the Governor shall appoint a successor for a term of six years. Any appointed member shall be limited to one six-year term, in addition to any partial term served. In the event of a vacancy on the commission, the Governor shall fill such vacancy by appointing a member to serve during the unexpired term of the member whose office has become vacant. In the absence of the chairperson, the senior member of the commission in point of service present shall serve as presiding officer. Not less than four members of the commission must be present at any official meeting of the commission. The action of the majority of the members of the commission shall be deemed the action of the commission. No appointed person may act as a member of the commission while holding any other elective or appointive state or federal office.

(3) Each member of the commission shall receive as compensation for each day actually spent on official duties at scheduled meetings the sum of one hundred dollars and actual and necessary expenses incurred in the performance of his or her official duties.

(4) The commission shall employ a director who shall keep a record of all the proceedings, transactions, communications, and official acts of the commission, be custodian of all the records of the commission, and perform such other duties as the commission may require. The director shall call a meeting of the commission at his or her discretion or upon the direction of the chairperson or upon a written request of two or more members of the commission. The commission may employ such other employees as may be necessary to properly carry out the Nebraska Real Estate License Act, fix the salaries of such employees, and make such other expenditures as are necessary to properly carry out the act. The office of the commission shall be maintained in Lincoln and all files, records, and property of the commission shall remain in such office. Neither the director nor any employee of the commission may be an officer or paid employee of any real estate association or group of real estate dealers or brokers.

(5) The commission may adopt and promulgate rules and regulations relating to the administration of but not inconsistent with the act.

(6) The commission may conduct or assist in conducting real estate

institutes and seminars and incur and pay the necessary expenses in connection therewith, which institutes or seminars shall be open to all licensees.

(7) The commission may charge reasonable fees for services it renders, not to exceed the actual costs thereof, except as otherwise provided in the act. The fees established by the commission pursuant to the act shall be established at the level necessary to meet expenditures of the commission as approved by the Legislature and to provide a sufficient cash fund balance.

Sec. 2. Section 81-885.17, Reissue Revised Statutes of Nebraska, is amended to read:

81-885.17 (1) (a) A nonresident of this state who is actively engaged in the real estate business, who maintains a place of business in his or her resident regulatory jurisdiction, and who has been duly licensed in that regulatory jurisdiction to conduct such business in that regulatory jurisdiction may, in the discretion of the commission, be issued a nonresident broker's license.

(b) A nonresident salesperson employed by a broker holding a nonresident broker's license may, in the discretion of the commission, be issued a nonresident salesperson's license under such nonresident broker.

(c) A nonresident who becomes a resident of the State of Nebraska and who holds a broker's or salesperson's license in his or her prior resident regulatory jurisdiction shall be issued a resident broker's or salesperson's license upon filing an application, paying the applicable license fee, complying with the criminal history record information check under subsection (4) of this section, and filing the affidavit required by subsection (7) of this section.

(2) Obtaining a nonresident broker's license shall constitute sufficient contact with this state for the exercise of personal jurisdiction over the licensee in any action arising out of the licensee's activity in this state.

(3) Prior to the issuance of any license to any nonresident, he or she shall file with the commission a duly certified copy of the license issued to the applicant by the resident regulatory jurisdiction and pay to the commission the nonresident license fee as provided in section 81-885.14 for the obtaining of a broker's or salesperson's license.

(4) An applicant for an original nonresident broker's or salesperson's license shall be subject to fingerprinting and a check of his or her criminal history record information maintained by the Federal Bureau of Investigation through the Nebraska State Patrol. Each applicant shall furnish to the Nebraska State Patrol a full set of fingerprints to enable a criminal background investigation to be conducted. The applicant shall request that the Nebraska State Patrol submit the fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The applicant shall pay the actual cost, if any, of the fingerprinting and check of his or her criminal history record information. The applicant shall authorize release of the national criminal history record check to the commission. The criminal history record information check shall be completed within ninety days preceding the date the original application for a license is received in the commission's office, and if not, the application shall be returned to the applicant.

(5) Nothing in this section shall preclude the commission from entering into reciprocal agreements with other regulatory jurisdictions when such agreements are necessary to provide Nebraska residents authority to secure licenses in other regulatory jurisdictions.

(6) Nonresident licenses granted as provided in this section shall remain in force for only as long as the requirements of issuing and maintaining a license are met unless (a) suspended or revoked by the commission for just cause or (b) lapsed for failure to pay the annual renewal fee.

(7) Prior to the issuance of any license to a nonresident applicant, an affidavit shall be filed by the applicant with the commission certifying that the applicant has reviewed and is familiar with the Nebraska Real Estate License Act and the rules and regulations of the commission and agrees to be bound by the act, rules, and regulations. Within ninety days after the issuance of a license to a nonresident licensee, the licensee shall provide to the commission adequate proof of completion of a three-hour class approved by the commission specific to the Nebraska Real Estate License Act and the law of agency relationships enumerated in sections 76-2401 to 76-2430. If the licensee fails to provide adequate proof of completion of the approved class to the commission within the ninety-day period, the director of the commission or his or her designee shall place the license on inactive status and notify the licensee that he or she must show cause why the license should not be revoked.

Sec. 3. Section 81-885.20, Reissue Revised Statutes of Nebraska, is amended to read:

81-885.20 (1) Should the broker change his or her place of business, he or she shall forthwith notify the commission in writing of such change and thereupon a new pocket card shall be granted to the broker and to his or her associate brokers and salespersons.

(2) When a salesperson or associate broker leaves the employ of a broker, the employing broker shall immediately forward the license of such employee to the commission and shall furnish such information regarding the termination of employment as the commission may require, ~~and the employee shall immediately forward his or her pocket card to the commission.~~

(3) When a salesperson or associate broker transfers from one employing broker to another, when an associate broker changes his or her status from associate broker to that of broker, or when a broker changes his or her status to that of associate broker, a transfer fee to be established by the commission of not more than fifty dollars shall be paid to the commission.

Sec. 4. Original sections 81-885.07, 81-885.17, and 81-885.20, Reissue Revised Statutes of Nebraska, are repealed.