

## Transaction & Regulatory Committee

### 3 Motion Options Presented:

1. CAR sponsors legislation which would mandate that a real estate licensee have a signed Buyer-Broker Agency Agreement with a potential Buyer.
2. CAR sponsors legislation which would mandate that a real estate licensee have a signed Buyer-Broker Agency Agreement with a potential Buyer with a delayed effective date of January 1, 2026, for the industry to prepare and educate licensees on the change in the law.
3. No action. (In which case the status quo of no mandatory Buyer-Broker Agency Agreement would remain).

Discussion was opened and heard on Options 1 & 2. Many questions were presented:

- When would it start for Option 1? If the legislations processes moved expeditiously, possibly as early as January 2025. If things stall or get dragged out, it might delay implementation of the new law (if so passed).
- When would the agreement need to be executed? This aspect is still TBD, but most likely there would be verbiage in there that is similar to the AD where it states along the lines that it should be in place “as soon as practicable prior to the execution of the buyer’s offer to purchase” or something to that effect.
- Concerns were expressed that the BRBC is too confusing and needs to either be simplified or a simpler alternative form needs to be created that can be used under certain circumstances. Many perceived issues were noted about the form, however, it seemed that upon a closer review of the form, each concern was already addressed. For example, many expressed issues with the cancellation aspect, but it was pointed out that there is already clearcut verbiage that covers this topic on most fronts and that if the Agent understands and explains the form, they will be able to construct it as needed.
- Option 1 was ultimately approved to send to the Board of Directors which eventually approved the motion after many comments and much debate.

SB 382 (Becker): a bill regarding Electrical Real Estate Disclosures. CAR Status is Watching.

- If I understand correctly, the original submission of this Bill provided that it would require a Seller to have a licensed electric contractor conduct an inspection when a home is being sold and it would require any needed safety repairs/code upgrades to be completed.
- Upon looking online at the latest amendment, it appears they have already changed the verbiage to lighten the burden of this general situation. Now it seems to be more geared towards advising there be an inspection of the electrical components and disclose issues that could make it difficult to obtain property insurance or support future electrical additions to the building(s).
- CAR is closely watching the progress of this draft bill.