

AMENDED IN ASSEMBLY APRIL 7, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2540

Introduced by Assembly Member Dababneh

February 21, 2014

An act to amend Sections 10150 ~~and~~, 10151, *and 10162* of the Business and Professions Code, relating to real estate ~~license applications~~.

LEGISLATIVE COUNSEL'S DIGEST

AB 2540, as amended, Dababneh. Real estate ~~license applications~~:
~~email address licenses~~.

~~Under~~

(1) *Under* the Real Estate Law, the California Bureau of Real Estate, which is headed by the Real Estate Commissioner, issues licenses to and regulates real estate brokers and real estate salespersons. Existing law authorizes the commissioner to prescribe the format and content of the written applications for the real estate broker examination, broker license, and salesperson examination.

This bill would authorize the commissioner to additionally prescribe the form and content of the application for both the real estate salesperson examination and license, and would require that each of those~~4~~ applications *for an examination or license, or both*, require the applicant to provide a valid email address at which the bureau may contact the applicant.

(2) *Existing law requires every licensed real estate broker to have and maintain a definite place of business in the state that serves as his or her office for the transaction of business, displays his or her license, and where he or she holds personal consultations with a client. Any*

person, including officers, directors, agents, or employees of corporations, who willfully violate or knowingly participate in the violation of these provisions is guilty of a misdemeanor punishable by a fine not exceeding \$10,000, or by imprisonment in the county jail not exceeding 6 months, or by both that fine and imprisonment.

This bill would require every licensee to provide the commissioner with his or her current office or mailing address, current telephone number, and current email address that he or she uses to perform any activity that requires a real estate license, and at which the bureau may contact the licensee, and to update that information no later than 30 days after making a change. Because a violation of these requirements would be a crime, the bill would impose a state-mandated local program.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 10150 of the Business and Professions
2 Code is amended to read:
3 10150. (a) Application for the real estate broker license
4 examination shall be made in writing to the commissioner. The
5 commissioner may prescribe the format and content of the broker
6 examination application. The application for the broker
7 examination shall *require an applicant to provide a valid email*
8 *address at which the bureau may contact the applicant and shall*
9 *be accompanied by the real estate broker license examination fee.*
10 (b) Persons who have been notified by the commissioner that
11 they passed the real estate broker license examination may apply
12 for a real estate broker license. A person applying for the broker
13 examination may also apply for a real estate broker license.
14 However, a license shall not be issued until the applicant passes
15 the real estate broker license examination. If there is any change
16 to the information contained in a real estate broker license

1 application after the application has been submitted and before the
2 license has been issued, the commissioner may require the applicant
3 to submit a supplement to the application listing the changed
4 information.

5 (c) Application for the real estate broker license shall be made
6 in writing to the commissioner. The commissioner may prescribe
7 the format and content of the broker license application. The
8 application for the real estate broker license shall require an
9 applicant to provide a valid email address at which the bureau may
10 contact the applicant and shall be accompanied by the appropriate
11 fee.

12 (d) Application for an endorsement to act as a mortgage loan
13 originator, as defined in Section 10166.01, shall be made either
14 electronically or in writing as directed by the commissioner. The
15 commissioner may prescribe the format and content of the
16 mortgage loan originator endorsement application, which shall
17 meet the minimum requirements for licensing of a mortgage loan
18 originator, pursuant to the Secure and Fair Enforcement for
19 Mortgage Licensing Act of 2008 (Public Law 110-289).

20 SEC. 2. Section 10151 of the Business and Professions Code
21 is amended to read:

22 10151. (a) Application for the real estate salesperson license
23 examination shall be made in writing to the commissioner. The
24 commissioner may prescribe the format and content of the
25 salesperson examination application. The application for the
26 salesperson examination shall require an applicant to provide a
27 valid email address at which the bureau may contact the applicant
28 and shall be accompanied by the real estate salesperson license
29 examination fee.

30 (b) Persons who have been notified by the commissioner that
31 they passed the real estate salesperson license examination may
32 apply for a real estate salesperson license. A person applying for
33 the salesperson examination may also apply for a real estate
34 salesperson license. However, a license shall not be issued until
35 the applicant passes the real estate salesperson license examination.
36 If there is any change to the information contained in a real estate
37 salesperson license application after the application has been
38 submitted and before the license has been issued, the commissioner
39 may require the applicant to submit a supplement to the application
40 listing the changed information.

1 (c) (1) The commissioner may prescribe the format and content
 2 of the application for both the examination and license. The
 3 application shall require the applicant to provide a valid email
 4 address at which the bureau may contact the applicant.

5 (2) An application for the real estate salesperson license
 6 examination or for both the examination and license that is received
 7 by the commissioner on or after October 1, 2007, shall include
 8 evidence or certification, satisfactory to the commissioner, of
 9 successful completion at an accredited institution of a
 10 three-semester unit course, or the quarter equivalent thereof, or
 11 successful completion of an equivalent course of study as defined
 12 in Section 10153.5, in real estate principles as well as the successful
 13 completion at an accredited institution of a course in real estate
 14 practice and one additional course set forth in Section 10153.2,
 15 other than real estate principles, real estate practice, advanced legal
 16 aspects of real estate, advanced real estate finance, or advanced
 17 real estate appraisal. The applicant shall provide this evidence or
 18 certification to the commissioner prior to taking the real estate
 19 salesperson license examination.

20 (d) The commissioner shall waive the requirements of this
 21 section for the following applicants:

22 (1) An applicant who is a member of the State Bar of California.

23 (2) An applicant who has qualified to take the examination for
 24 an original real estate broker license by satisfying the requirements
 25 of Section 10153.2.

26 (e) Application for endorsement to act as a mortgage loan
 27 originator, as defined in Section 10166.01, shall be made either
 28 electronically or in writing as directed by the commissioner. The
 29 commissioner may prescribe the format and the content of the
 30 mortgage loan originator endorsement application, which shall
 31 meet the minimum requirements for licensing of a mortgage loan
 32 originator, pursuant to the Secure and Fair Enforcement for
 33 Mortgage Licensing Act of 2008 (Public Law 110-289).

34 *SEC. 3. Section 10162 of the Business and Professions Code*
 35 *is amended to read:*

36 10162. (a) Every licensed real estate broker shall have and
 37 maintain a definite place of business in the State of California
 38 ~~which shall serve~~ *that serves* as his *or her* office for the transaction
 39 of business. This office shall be the place where his *or her* license
 40 is displayed and where personal consultations with clients are held.

1 ~~No~~

2 (b) A real estate license ~~authorizes~~ *does not authorize* the
3 licensee to do business except from the location stipulated in the
4 real estate license as issued or as altered pursuant to Section
5 10161.8.

6 (c) (1) *Every licensee shall provide to the commissioner his or*
7 *her current office or mailing address, a current telephone number,*
8 *and a current email address that he or she maintains or uses to*
9 *perform any activity that requires a real estate license, at which*
10 *the bureau may contact the licensee.*

11 (2) *Every licensee shall inform the commissioner of any change*
12 *to his or her office or mailing address, telephone number, or email*
13 *address no later than 30 days after making the change.*

14 *SEC. 4. No reimbursement is required by this act pursuant to*
15 *Section 6 of Article XIII B of the California Constitution because*
16 *the only costs that may be incurred by a local agency or school*
17 *district will be incurred because this act creates a new crime or*
18 *infraction, eliminates a crime or infraction, or changes the penalty*
19 *for a crime or infraction, within the meaning of Section 17556 of*
20 *the Government Code, or changes the definition of a crime within*
21 *the meaning of Section 6 of Article XIII B of the California*
22 *Constitution.*

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