

AMENDED IN ASSEMBLY JUNE 9, 2016
AMENDED IN ASSEMBLY FEBRUARY 9, 2016
AMENDED IN ASSEMBLY JUNE 23, 2015
AMENDED IN SENATE MAY 28, 2015
AMENDED IN SENATE MAY 19, 2015
AMENDED IN SENATE MAY 12, 2015

SENATE BILL

No. 710

Introduced by Senator Galgiani
(Coauthors: ~~Senators Cannella and Huff~~)
(Coauthor: *Senator Cannella*)
(Coauthors: Assembly Members Chávez, Gomez, and Jones)

February 27, 2015

An act to amend Section 10159.7 of the Business and Professions Code, relating to real estate licensees, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 710, as amended, Galgiani. Real estate licensees: fictitious business names: team names.

The Real Estate Law provides for the licensure and regulation of real estate brokers and real estate salespersons by the Bureau of Real Estate headed by the Real Estate Commissioner. That law requires advertising and solicitation materials using a fictitious business name or that contain a team name to display the responsible broker's identity, as provided. Existing law defines "responsible broker's identity" to mean a name and the associated license identification number under which the

responsible broker is currently licensed and conducts business in general or is a substantial division of the real estate firm, as specified.

This bill would revise the definition of “responsible broker’s identity” to mean the ~~name, the associated license identification number,~~ *name* or both the name and associated license identification number.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

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

- 1 SECTION 1. Section 10159.7 of the Business and Professions
- 2 Code is amended to read:
- 3 10159.7. (a) For the purposes of this article, the following
- 4 definitions shall apply:
- 5 (1) “Responsible broker’s identity” means the ~~name, or the~~
- 6 ~~associated license identification number~~ *name* under which the
- 7 responsible broker is currently licensed by the bureau and conducts
- 8 business in general or is a substantial division of the real estate
- 9 firm, or both the name and the associated license identification
- 10 number. Responsible broker’s identity does not include a fictitious
- 11 business name obtained pursuant to paragraph (2) of subdivision
- 12 (a) of Section 10159.5 or the use of a team name pursuant to
- 13 Section 10159.6.
- 14 (2) “Fictitious business name” means a professional identity or
- 15 brand name under which activity requiring a real estate license is
- 16 conducted and the use of which is subject to approval by the bureau
- 17 pursuant to Section 10159.5.
- 18 (3) “Ownership of a fictitious business name” means the right
- 19 to use, renew, and control the use of a fictitious business name
- 20 obtained in accordance with Section 10159.5.
- 21 (4) “Responsible broker” means the broker responsible for the
- 22 exercise of control and supervision of salespersons under Section
- 23 10159.2, or a licensee subject to discipline under subdivision (h)
- 24 of Section 10177 for failure to supervise activity requiring a real
- 25 estate license. The supervision of a salesperson required under this
- 26 part or any other law is limited to regulatory compliance and
- 27 consumer protection.

1 (5) “Team name” means a professional identity or brand name
2 used by a salesperson, and one or more other real estate licensees,
3 for the provision of real estate licensed services. Notwithstanding
4 any other law, the use of a team name does not require that a
5 separate license be issued for that name pursuant to Section
6 10159.5. A team name does not constitute a fictitious business
7 name for purposes of this part or any other law or for purposes of
8 filing a fictitious business name statement with an application as
9 required by subdivision (a) of Section 10159.5 if all of the
10 following apply:

11 (A) The name is used by two or more real estate licensees who
12 work together to provide licensed real estate services, or who
13 represent themselves to the public as being a part of a team, group,
14 or association to provide those services.

15 (B) The name includes the surname of at least one of the licensee
16 members of the team, group, or association in conjunction with
17 the term “associates,” “group,” or “team.”

18 (C) The name does not include any term or terms, such as “real
19 estate broker,” “real estate brokerage,” “broker,” or “brokerage”
20 or any other term that would lead a member of the public to believe
21 that the team is offering real estate brokerage services, that imply
22 or suggest the existence of a real estate entity independent of a
23 responsible broker.

24 (b) Nothing in this section changes a real estate broker’s duties
25 under this division to supervise a salesperson.

26 SEC. 2. This act is an urgency statute necessary for the
27 immediate preservation of the public peace, health, or safety within
28 the meaning of Article IV of the Constitution and shall go into
29 immediate effect. The facts constituting the necessity are:

30 This act corrects an inadvertent drafting error in Senate Bill 146
31 of the 2015–16 Regular Session that requires the listing of a
32 company name and responsible broker’s license number on all
33 “team” advertising, when the intent of that legislation was to
34 require one or the other, but not both. In order to ensure that the
35 law regarding advertising is not overly burdensome, it is necessary
36 that this act take effect immediately.