

## FISCAL NOTE

May 31, 2018

<b>Bill No:</b>	SB 835	<b>Printer's No:</b>	1130	<b>Sponsor:</b>	Dinniman
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### COST / (SAVINGS)

Fund (s)	2017-18	2018-19
General Fund	\$0	\$0

**SUMMARY:** Senate Bill 835 PN 1130 amends the Real Estate Licensing and Registration Act (RELRA) by providing for land agent registration.

**ANALYSIS:** The bill requires individuals who deal with the leasing and sale of oil, gas or mineral rights, to be registered with the Real Estate Commission. If enacted, the Bureau of Professional and Occupational Affairs would be responsible for the additional costs.

The bill defines the term “land agent,” but the term “broker” does not include a land agent.

The bill establishes requirements for registration with the Commission as well as mandatory criminal background checks. Registrations must be renewed on a biennial basis.

The bill empowers the Commission to suspend or revoke a registration and impose fines if a land agent is found to have provided false representative, fraudulent acts or conduct or has been disciplined by another state or jurisdiction with a similar registration or licensing law.

The bill establishes penalties for land agents who conduct business without a registration certificate as follows:

- First violation: Summary offense with fines not to exceed \$500 and/or up to three months imprisonment; and
- Second or subsequent violations: Felony of the third degree with a fine between \$2,000 and \$5,000 and/or imprisonment between one and two years.

The act shall take effect in 60 days.

**FISCAL IMPACT:** The personnel and operating costs would be offset by funds generated each year by land agent fees. The Commission would set the fees by regulation. Current estimates are \$260 per initial applicant and \$520 for each two-year renewal.

Costs		Revenue	
Personnel Budget	\$226,110	Land agents	1,000
Operating Budget	\$33,678	Annual Revenue	\$260,000
<b>Total</b>	<b>\$259,788</b>	Biennial Revenue	\$520,000