

 **11hr\_SC-LPSUA\_sb0535\_pt01**



(FORM UPDATED: 08/11/2010)

**WISCONSIN STATE LEGISLATURE ...  
PUBLIC HEARING - COMMITTEE RECORDS**

**2011-12**

(session year)

**Senate**

(Assembly, Senate or Joint)

**Committee on ... Labor, Public Safety, and Urban  
Affairs (SC-LPSUA)**

**COMMITTEE NOTICES ...**

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

**INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL**

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)  
(**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)  
(**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Mike Barman (LRB) (July/2012)

## Senate

### Record of Committee Proceedings

#### **Committee on Labor, Public Safety, and Urban Affairs**

##### **Senate Bill 535**

Relating to: experience requirements for real estate brokers and granting rule-making authority.

By Senators Schultz and Darling; cosponsored by Representatives Rivard, Ballweg, Doyle, Kerkman and Endsley.

February 29, 2012 Referred to Committee on Labor, Public Safety, and Urban Affairs.

March 8, 2012 **PUBLIC HEARING HELD**

Present: (5) Senators Wanggaard, Grothman, Lazich, Wirch and King.

Absent: (0) None.

Excused: (0) None.

##### Appearances For

- Sanchit Mulmuley — Senator Dale Schultz
- Cori Lamont, Madison — Wisconsin Realtors Association

##### Appearances Against

- None.

##### Appearances for Information Only

- None.

##### Registrations For

- None.

##### Registrations Against

- None.

##### Registrations for Information Only

- None.

March 9, 2012

**EXECUTIVE SESSION HELD**

Present: (5) Senators Wanggaard, Grothman, Lazich, Wirch and King.

Absent: (0) None.

Excused: (0) None.

Moved by Senator Wirch, seconded by Senator Lazich that **Senate Amendment 1** be recommended for adoption.

Ayes: (5) Senators Wanggaard, Grothman, Lazich,  
Wirch and King.

Noes: (0) None.

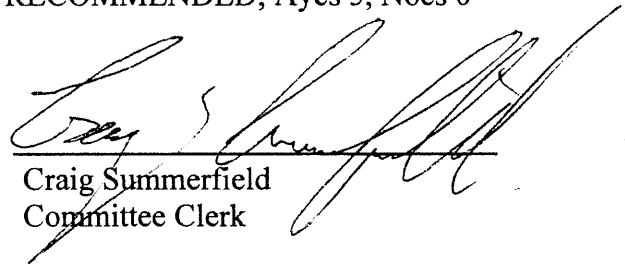
ADOPTION OF SENATE AMENDMENT 1 RECOMMENDED,  
Ayes 5, Noes 0

Moved by Senator Wirch, seconded by Senator Lazich that **Senate Bill 535** be recommended for passage as amended.

Ayes: (5) Senators Wanggaard, Grothman, Lazich,  
Wirch and King.

Noes: (0) None.

PASSAGE AS AMENDED RECOMMENDED, Ayes 5, Noes 0



Craig Summerfield  
Committee Clerk

## Vote Record

### Committee on Labor, Public Safety, and Urban Affairs

Date: 3/9/12

Moved by: WIRCH      Seconded by: LAZICH

AB \_\_\_\_\_ SB 535      Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_      Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_      Other \_\_\_\_\_

A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

- Be recommended for:
- Passage       Adoption       Confirmation       Concurrence       Indefinite Postponement
  - Introduction       Rejection       Tabling       Nonconcurrency

Committee Member	Aye	No	Absent	Not Voting
<b>Senator Van Wanggaard, Chair</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Glenn Grothman</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Mary Lazich</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Robert Wirch</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Jessica King</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 5-0      \_\_\_\_\_      \_\_\_\_\_

## Vote Record

### Committee on Labor, Public Safety, and Urban Affairs

Date: 3/9/12

Moved by: WIRCH      Seconded by: LAZICH

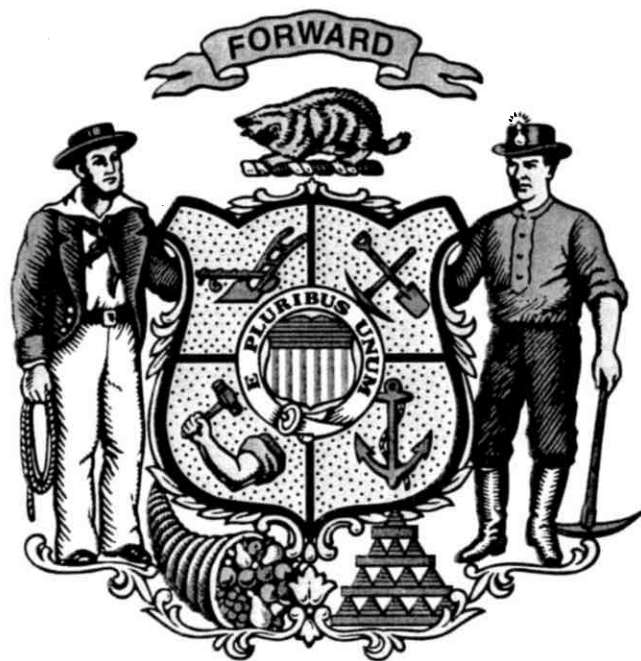
AB \_\_\_\_\_ SB 535      Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_      Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_      Other \_\_\_\_\_

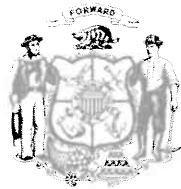
A/S Amdt 1  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

- Be recommended for:
- Passage       Adoption       Confirmation       Concurrence       Indefinite Postponement
  - Introduction       Rejection       Tabling       Nonconcurrence

Committee Member	Aye	No	Absent	Not Voting
<b>Senator Van Wanggaard, Chair</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Glenn Grothman</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Mary Lazich</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Robert Wirch</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Senator Jessica King</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 5-0      \_\_\_\_\_      \_\_\_\_\_





WISCONSIN STATE SENATE  
**DALE W. SCHULTZ**

Testimony before the Senate Committee on Labor, Public Safety, and Urban Affairs on  
SB 535

Thursday, March 8, 2012

Chairperson Wanggaard and Committee members,

Thank you for holding a hearing on SB 535, which changes the experience requirements for real estate brokers.

As a realtor myself, I understand the need for this bill. In an uncertain economy, where we see an increasing number of complex transactions that include foreclosures, short sales and bank owned properties, it is necessary for real estate brokers to have hands on experience. This not only helps to safeguard consumers, but also raises the legitimacy of brokers that operate in our state.

Again, I would like to thank Chairperson Wanggaard for the leadership and help in advancing SB 535. I would recommend its passage through the legislature.

If you have any question or concerns, please do not hesitate to contact my aide, Sanchit Mulmuley or my office.







# **Wisconsin Builders Association**

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**TO:** Members of the Senate Labor, Public Safety, and Urban Affairs Committee

**FROM:** Brad Boycks  
Director of Government and Political Affairs  
Wisconsin Builders Association®

**RE:** Senate Amendment 1 to Senate Bill 535

**DATE:** March 8, 2012

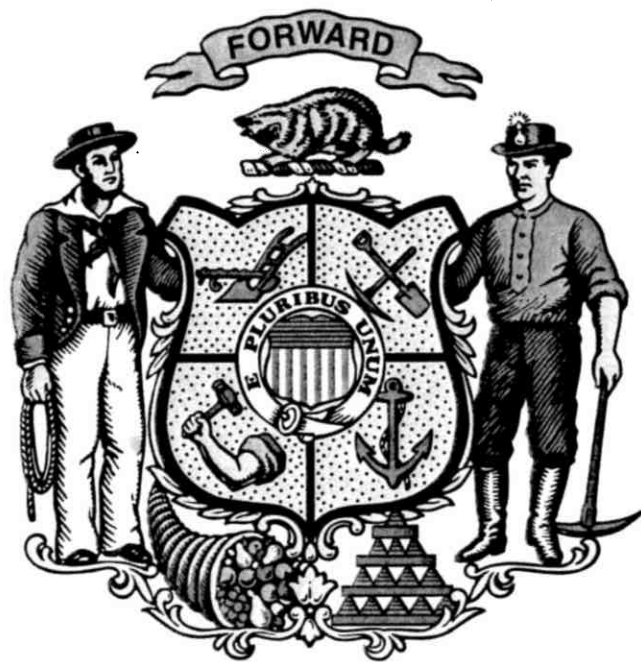
After reviewing Senate Bill 535 (SB 535) and conversations with the Wisconsin Realtors® Association, the Wisconsin Builders Association® (WBA) asked for one addition to the bill immediately following 452.09(4)(b) to clarify that those who meet the contractor certification and education requirements (101.654) are able to submit that information to the board to show "experience related to real estate sales."

Amendment 1 to SB 535 accomplishes the above goal and if passed WBA would not object to the bill moving forward in the legislative process.

An identical amendment was added to the assembly companion to SB 535 (AB 612) yesterday, passing by an 8-0 vote.

We would also like to thank the Senator Dale Schultz for offering Senate Amendment 1 to SB 535 to address our concerns.







**To:** All Legislators

**From:** Cori Lamont, Director of Brokerage Regulation and Licensing  
Tom Larson, Vice President of Legal and Public Affairs

**Date:** March 8, 2012

**RE:** Experience Requirements for Real Estate Brokers – AB 612/SB 535

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#### OBJECTIVE

Require 2 years of documented real estate experience as a real estate salesperson within the last 4 years preceding application as a Wisconsin real estate broker.

#### BACKGROUND

Currently, to obtain a Wisconsin Real Estate Broker license an applicant must: complete the Wisconsin salesperson license requirements (72 hours of pre-license education and passing score on the license exam) and the broker license requirements effective July 1, 2012 (72 hours of pre-license education and a passing score on the license exam). A broker is not required to hold a salesperson license for any amount of time prior to application.

#### CONCERN

With the increasing complexity of today's real estate transaction including foreclosures, short sales, bank-owned properties; hands-on experience is imperative for a real estate broker. Considering an individual could receive a broker's license open up a real estate office, and have agents work for them without ever participating in a real estate transaction raises concerns; e.g.:

- 1) Broker supervision of agents without previous involvement in a real estate transaction;
- 2) Consumer representation by agents without the supervision of an experienced licensee;
- 3) Broker representation of consumers without any experience in a real estate transaction;
- 4) Lack of experienced broker supervision may expose employees and agents to liability;
- 5) Incompetent consumer representation exposing the consumer to litigation.

#### PROPOSAL

The experience requirement will require a change to Wisconsin Statute § 452.09 (3) (d) and creation of § 452.09 (4). The Real Estate Examining Board (REEB) will be responsible for creating the parameters for proving the transactional experience and any administrative code changes required by the modification.

Under this proposal, any Wisconsin broker license applicant, including those in the affiliated businesses (e.g. builders, CPAs, mortgage loan officers, title, appraisal), will be able to make a request to the REEB to waive the experience requirement or to consider

related experience. In addition, applicants licensed to practice law in Wisconsin will be able to achieve the experience by providing evidence for real estate-related work. The two-year experience requirement may be satisfied by broker applicants that have held a broker license in another state for at least two years within the last four years preceding application.

The requirement for a Wisconsin broker applicant to show documented transaction experience as an active real estate salesperson within the last 4 years preceding application protects the broker, the employees and agents of the company and, most importantly, the public.

**To:** All Legislators

**From:** Cori Lamont, Director of Brokerage Regulation and Licensing  
Tom Larson, Vice President of Legal and Public Affairs

**Date:** March 8, 2012

**RE:** Experience Requirements for Real Estate Brokers – AB 612/SB 535

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**YEARS OF EXPERIENCE REQUIRED FOR A BROKER LICENSE IN ALL 50 STATES**

<b>Alabama</b> - 2 years	<b>Minnesota</b> – 3 years	<b>South Carolina</b> – 3 years
<b>Alaska</b> –24 months	<b>Mississippi</b> – 1 year active	<b>South Dakota</b> – 2 years
<b>Arizona</b> –3 years	<b>Missouri</b> – 2 years active	<b>Tennessee</b> – 3 years
<b>Arkansas</b> –2 years	<b>Montana</b> – 2 years	<b>Texas</b> – 4 years
<b>California</b> –2 years	<b>Nebraska</b> – two options: (1) 2 years full-time or (2) 180 hours education and 0 experience	<b>Utah</b> – 3 years
<b>Colorado</b> * – 0	<b>Nevada</b> – 2 years	<b>Vermont</b> – 2 years
<b>Connecticut</b> –2 years	<b>New Hampshire</b> – two options (1) 1 year full-time or 2000 hours part time within 5 years	<b>Virginia</b> – 3 out of 4 years
<b>Delaware</b> –5 years	<b>New Jersey</b> – 3 years	<b>Washington</b> – 2 years
<b>Florida</b> – 24 months	<b>New Mexico</b> – 2 years	<b>West Virginia</b> – 2 years
<b>Georgia</b> –3 years	<b>New York</b> – 1 year	<b>Wisconsin</b> – 0
<b>Hawaii</b> –3 years	<b>North Carolina</b> * – 0	<b>Wyoming</b> – 2 years
<b>Idaho</b> –2 years	<b>North Dakota</b> – 2 years	
<b>Illinois</b> * – 0	<b>Ohio</b> – 2 years	
<b>Indiana</b> – 2 years	<b>Oklahoma</b> – 2 years	
<b>Iowa</b> – 2 years	<b>Oregon</b> – 3 years	
<b>Kansas</b> – 2 years	<b>Pennsylvania</b> – 3 years	
<b>Kentucky</b> – 2 years	<b>Rhode Island</b> – 2 years	
<b>Louisiana</b> – 4 years		
<b>Maine</b> – 3 years		
<b>Maryland</b> – 3 years		
<b>Massachusetts</b> – 1 year		
<b>Michigan</b> – 3 years full time		

The majority of information was provided by the 2011 Association of Real Estate License Law Officials (ARELLO) Digest Report "Pre-license Education/Experience Requirements Part 1" from [www.arello.org](http://www.arello.org). Information may not be current if a state has modified its requirements since publication.

\* Colorado acknowledges only three levels of licenses: Associate Broker; Independent Broker; and Employing Broker. To upgrade a license to Independent Broker and Employing Broker requires 2 years of experience.

\* Illinois acknowledges only two levels of licenses: Broker and Managing Broker. Brokers must complete 90 hours of pre-license education and 30 hours of post-license education which include 15 hours of "situational" offerings; Managing Broker 45 hours of pre-license course work including 15 hours of "situational" offerings in addition to the 120 hours to become a Broker. A Managing Broker license must be obtained if the broker is managing an office.

\* North Carolina operates as "a broker only" real estate licensing system: Provisional Broker (cannot operate independently); Broker (may work independently but must complete post-license education to upgrade); Broker-in-Charge (2 years full time or part time experience within the previous 5 years); Firm; Limited Nonresident Commercial Broker.