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CERTIFICATE

STATE OF WISCONSIN )  
 ) SS  
DEPARTMENT OF REGULATION AND LICENSING )

TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETINGS:

I, William L. Dusso, administrator of the Division of Administrative Services in the Department of Regulation and Licensing, and custodian of the official records of the Division, do hereby certify that the annexed rules, relating to conduct and ethical practices of real estate licensees, were duly approved and adopted by the secretary of the Department of Regulation and Licensing on December 1, 1986.

I further certify that the attached copy has been compared by me with the original on file in this department and that the same is a true copy thereof, and of the whole of the original.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the official seal of the department at 1400 East Washington Avenue, Madison, Wisconsin, this 1st day of December, A.D. 1986.



William L. Dusso, Director  
Administrative Services  
Department of Regulation & Licensing

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DEC 2 1986

STATE OF WISCONSIN  
BEFORE THE DEPARTMENT OF REGULATION & LICENSING

Revisor of Statutes  
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IN THE MATTER OF RULEMAKING : ORDER OF THE DEPARTMENT OF  
PROCEEDINGS BEFORE THE DEPARTMENT : REGULATION AND LICENSING REPEALING,  
OF REGULATION AND LICENSING : AMENDING OR ADOPTING RULES  
: (CLEARINGHOUSE RULE 85-34)  
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AN ORDER to repeal RL 24.01(5) (intro.) and RL 24.01(5)(d); to renumber RL 24.03(2) and RL 24.13(3); to renumber and amend RL 24.01(5)(a), (b) and (c), and RL 24.04(2); to amend RL 24.01 (title) and (1), RL 24.01(3), RL 24.03(1), RL 24.08, RL 24.13(4), RL 24.16 and 24.17; and to create RL 24.04(2)(b) and (c), RL 24.07(2) and RL 24.13(3)(b) relating to rules concerning conduct and ethical practices for real estate licensees.

ORDER

Pursuant to authority vested in the Department of Regulation and Licensing in ss. 227.11 and 452.07, Stats., the Department of Regulation and Licensing hereby repeals, renumbers, renumbers and amends, amends and creates rules interpreting s. 452.14, Stats., as follows:

SECTION 1. RL 24.01 (title) and (1) are amended to read:

RL 24.01 (title) AUTHORITY AND INTENT. (1) The rules in this chapter are adopted pursuant to ss. ~~45.08, 227.014~~, 227.11, 452.07 and ~~ch. 452~~ 452.14, Stats.

SECTION 2. RL 24.01(3) is amended to read:

RL 24.01(3) If a licensee violates rules in this chapter, the licensee has demonstrated ~~untrustworthiness or~~ incompetency to act as a broker, salesperson or cemetery salesperson in such manner as to safeguard the interests of the public ~~as these terms are used in~~ under s. 452.14(3)(i), Stats. However, the ~~terms "untrustworthiness" and term "incompetency" are~~ is not limited in their its meaning to violations of these rules this chapter.

SECTION 3. RL 24.01(5) (intro.) is repealed.

SECTION 4. RL 24.01(5)(a) is renumbered RL 24.025 and amended to read:

RL 24.025. RESPONSIBILITIES RELATING TO A PRINCIPAL AND OTHERS. Licensees ~~have the responsibility to~~ shall represent the interests of the principal as an agent. ~~However, the~~ The responsibility owed the principal does not exempt the licensee from the obligation to treat fairly all parties to a transaction.

SECTION 5. RL 24.01(5)(b) is renumbered RL 24.03(2)(b) and amended to read:

RL 24.03(2)(b). Licensees ~~must~~ shall act to protect the public against fraud, misrepresentation and unethical practices.

SECTION 6. RL 24.01(5)(c) is renumbered RL 24.03(2)(c) and amended to read:

RL 24.03(2)(c). Licensees ~~must~~ shall be knowledgeable regarding laws, public policies and current market conditions on real estate matters and assist, guide and advise the buying or selling public based upon these factors.

SECTION 7. RL 24.01(5)(d) is repealed.

SECTION 8. RL 24.03(1) is amended to read:

RL 24.03(1) DISCRIMINATION PROHIBITED. Licensees ~~shall~~ may not discriminate against, nor deny equal services to, nor be a party to any plan or agreement to discriminate against any person because of sex, race, color, handicap, as defined in s. 51.01(5), Stats., religion, national origin, sex or marital status of the person maintaining a household, lawful source of income, sexual orientation as defined in s. 111.32(13m), Stats., age or ancestry.

SECTION 9. RL 24.03(2) is renumbered RL 24.03(2)(a).

SECTION 10. RL 24.04(2) is renumbered RL 24.04(2)(a) and amended to read:

RL 24.04(2)(a). ~~All~~ A broker shall in all advertising shall be under the supervision of the broker and disclose the broker's name exactly as licensed with the department printed on the broker's license or disclose a trade name previously filed with the department, as required by s. RL 23.03, and in either case clearly indicate that the broker is a business concern and not a private party.

SECTION 11. RL 24.04(2)(b) and (c) are created to read:

RL 24.04(2)(b). A broker or salesperson employed by a broker shall advertise under the supervision of and in the name of the employing broker.

RL 24.04(2)(c). A licensee may advertise the occasional sale of real estate owned by the licensee without complying with par. (a) and (b), provided that the licensee includes one of the following terms in the advertisement: "broker-owner", or "licensee-owner".

SECTION 12. RL 24.07(2) is created to read:

RL 24.07(2) A real estate licensee, when listing a residence, shall conduct a visual inspection of the property and make oral inquiry of the seller as to the existence or nonexistence of urea-formaldehyde foam insulation in the premises.

(a) If the seller's response is that urea-formaldehyde foam insulation is existent in the premises, the licensee shall disclose this fact to the buyer and other interested parties.

(b) If the seller's response is that urea-formaldehyde foam insulation is nonexistent in the premises, or that the seller has no knowledge whether urea-formaldehyde foam insulation is existent in the premises, the licensee need not make further inquiry.

(c) In all cases, if personal observation of the premises by a licensee, or other information, yields a reasonable possibility that urea-formaldehyde foam insulation may exist, this fact, as well as the seller's representation, shall be disclosed by the licensee to the buyer and other interested parties.

SECTION 13. RL 24.08 is amended to read:

RL 24.08. AGREEMENTS TO BE IN WRITING. Licensees shall put in writing all listing contracts, guaranteed sale agreements, offers to purchase, property management agreements, option contracts, financial obligations and any other commitments regarding transactions, expressing the exact agreement of the parties.

SECTION 14. RL 24.13(3) is renumbered RL 24.13(3)(a).

SECTION 15. RL 24.13(3)(b) is created to read:

RL 24.13(3)(b). A listing broker or the broker's employee may not submit his or her own offer to purchase a property which the broker has listed until all pending offers have been rejected by the seller, except that a broker may arrange for a guaranteed sale at the time of listing.

SECTION 16. RL 24.13(4) is amended to read:

RL 24.13(4) NOTIFICATION OF ACTION TO BUYERS. Licensees shall promptly inform prospective buyers whether the seller has accepted, rejected or countered their written offer to purchase, and shall immediately provide a written statement concerning the date and time when an offer was rejected or that an offer had expired without acceptance when such a statement is requested by a prospective buyer, a buyer's agent or a selling broker.

SECTION 17. RL 24.16 is amended to read:

RL 24.16 AVAILABILITY OF RULES. Brokers shall ~~obtain~~ maintain a copy of ~~these rules~~ the rules of the department. ~~Current rules shall be~~ on file ~~and available~~ in all ~~the licensed~~ offices for the use of all licensees.

SECTION 18. RL 24.17(1) is amended to read:

RL 24.17(1) VIOLATIONS OF LAW. Licensees ~~shall~~ may not violate, or aid or abet the violation of, any law the circumstances of which substantially relate to the practices of a real estate broker or salesperson. A licensee who has been convicted of a crime, except motor vehicle offenses under

chs. 341 to 349, Stats., shall send to the department within 30 days after the judgment of conviction a copy of the complaint or other information which describes the nature of the crime and the judgment of conviction in order that the Department may determine whether the circumstances of the crime of which the licensee was convicted are substantially related to the practice of a real estate broker or salesperson, pursuant to s. 111.335(1)(c), Stats.

The rules repealed, renumbered, renumbered and amended, amended and created in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22, Stats.

Dated this 1<sup>ST</sup> day of December, 1986.

By Barbara Nichols  
Barbara Nichols, Secretary  
Department of Regulation and Licensing

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