

## **Insurance and Real Estate Committee JOINT FAVORABLE REPORT**

**Bill No.:** HB-7078

AN ACT CONCERNING THE REMOVAL OF UNAUTHORIZED PERSONS FROM REAL PROPERTY, CONTINUING EDUCATION REQUIREMENTS FOR REAL ESTATE LICENSEES, REQUIRING A STUDY OF RESIDENTIAL REAL PROPERTY WHOLESALING AND REVISING THE TITLE OF A REAL ESTATE

**Title:** SALESPERSON TO A REAL ESTATE AGENT.

**Vote Date:** 3/13/2025

**Vote Action:** Joint Favorable Substitute

**PH Date:** 3/4/2025

**File No.:** 466

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### **SPONSORS OF BILL:**

Insurance and Real Estate Committee  
Rep. Tom Delnicki, 14<sup>th</sup>. Dist.

### **REASONS FOR BILL:**

Substitute Bill HB 7078 is a multifaceted bill that aims to address various issues involving eviction processes, real estate license renewal processes, and the wholesaling industry.

Section 1 establishes a new process that allows a property owner or their agent to submit an affidavit to the police to remove an “unauthorized” person from the owner’s property. The legislature heard testimony from property owners regarding their issues with “unauthorized” residents and the eviction process. Property owners expressed their desire to have access to an expedited process.

Section 2 revises the statutes regarding license renewal education requirements for real estate licensees, requiring a 2-hour minimum for each DCP-approved course. Additionally, the revision granted the DCP-approved courses to be taken at a real estate broker or franchise’s office. This is an attempt by the legislature to help streamline the real estate license renewal process for licensees.

Section 3 requires the Commissioner of the Department of Consumer Protection to conduct a study on residential property wholesaling practices in the state of Connecticut, hold a hearing regarding the study, and report the findings to the Insurance and Real Estate Committee. Wholesaling is a substantial industry in the state of Connecticut, and the legislature hopes

this study will assist in further learning about the potential benefits and harms that may come along with the practice for both property owners and businesses.

Sections 4-29 consist of multiple minor language modifications to the original statutes to update specific occupation titles. It replaced “real estate salesperson” with “real estate agent” to provide clarification for both the legislature and those who must adhere to the statutes.

### **SUBSTITUTE LANGUAGE:**

Section 1 originally required state marshals to receive and serve removal affidavits. After extensive public opposition, including from the marshal’s union, the language was modified to require police officers to serve instead. Additionally, public opposition to section 1 resulted from the feeling that this statute granted property owners too much authority to dictate whether a resident was “unauthorized.” As a result, additional language was added to require an occupant to prove documentation of a rent payment as a condition to prevent removal.

Section 3 initially placed regulations on the wholesaling industry. After public opposition from both sellers and industry representatives, this section was transformed into a study to further research the wholesaling industry in the state of Connecticut.

Section 4 requiring The Commissioner of Housing to conduct a study on methods to advance equal access to housing and fairness in real estate transactions was cut from the substitute bill. The legislature decided not to conduct a study into the matter at this time.

### **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Expressed.

### **NATURE AND SOURCES OF SUPPORT:**

[Jim Heckman, General Counsel, CT Realtors](#) submitted testimony in staunch support of HB 7078. He first noted that CTR supports section 1, as allowing the marshals to conduct removals of unauthorized people would be best due to their experience with evictions. He continued, stating CTR supports section 2, as it would decrease the required credit hours needed for submission to DCP, and would allow real estate continuing education to be conducted in person at an office. CTR also supports section 3 with substitute language that ensures full disclosure to sellers, the specifics of which can be found in the testimony. Finally, CTR requests the complete removal of section 4, as they believe that the information in the study could be attained without a requirement or resources that would be provided for the study. They additionally recommend technical changes throughout the bill that can be found in the written testimony. CTR’s concern with section 4 was addressed in the substitute language.

[John Souza, President, Connecticut Coalition of Property Owners](#) submitted testimony in support of section 1 of HB 7078. CCOPO supports this section as a measure to help remove squatters or unauthorized property residents without having to go through the eviction process, which according to Souza, is extremely expensive and can take months. He believes that this section is necessary because under current law, police may hesitate to get

involved with matters involving unauthorized residents, as they may believe the matter is for the courts.

[Bob Lachance, Owner, Purchrock](#) submitted written testimony in support of the bill regarding section 1. He states that the unauthorized occupation of property by squatters and unauthorized individuals placed financial, emotional, and legal burdens on owners.

[Lauren Tagliatela, Franklin Communities](#) submitted similar testimony to John Souza, stating the necessity for section 1 as a measure to assist landlords with removing squatters or unauthorized residents.

[José Cusina, Investor](#) provided general support for the bill.

#### **NATURE AND SOURCES OF OPPOSITION:**

[Brian Mezick, CT State Marshal Association](#) submitted opposition on behalf of the CT State Marshal Association in opposition to HB 7078. The Association has concerns with section 1 regarding “practical application, due process implications, liability risks, and potential conflicts with existing laws.” They start by stating that the ability to remove individuals based solely on affidavits from the owner or agent may violate constitutional due process protections and could potentially prove to be too powerful. The Association continues, noting that the mechanisms surrounding removal from the property are too vague and can create procedural confusion and liability risks. Additionally, they state that the current language does not grant the state marshals statutory immunity for removals in this new process. Next, they note that the definition of “unauthorized person” does not account for legitimate occupants, further confusing the process. They then state that the bill allows immediate removals after transfer of property ownership, which is contradictory to the statute requiring 90-day notice to occupants of foreclosed homes. Additionally, the Association notes that the legislation would place marshals at the command of landlords rather than the judicial system. These concerns were addressed in the substitute language, as the marshals are no longer required to receive and serve affidavits.

[Raphael Podolsky, Attorney and Police Advocate, Connecticut Legal Services](#) submitted testimony in opposition section 1 of the bill. He believes that the bill would allow marshals to throw out tenants and other unauthorized individuals without any judicial process, and instead solely based on the unproven allegation that that individual’s occupancy is unauthorized. He continues, stating numerous issues that can arise regarding oral leases, roommates, unmarried partners, or even simply tenants who cannot locate their physical lease. Podolsky believes that section 1 would eliminate an occupant’s ability to defend themselves in court and eliminate their general protection as well. Some of these concerns were addressed in the substitute language.

[Adam Devine, Founder & Managing Broker, Dorrance Realty & PurchRock](#) submitted testimony in opposition to section 3 regarding wholesale real estate. He believes the bill is unnecessary because the bill’s items are already required of all real estate actions. Additionally, he believes the penalties that this bill would enforce are extreme and unjustified. These concerns were addressed in the substitute language.

[Darren Pruslow, Supervising Attorney, CT Veterans Legal Center](#) opposes section 1 of HB 7078. He states his belief that because the current processes are employed and used if landlords wish to remove unauthorized individuals, the section is unnecessary. He also states that the language allows authorized occupants to be removed without due process and without the ability to contest the allegation. Overall, he believes that section 1 undermines the current process and places disproportionately affected populations at increased risk for ejection from their homes. Some of these concerns were addressed in the substitute language.

[Bob Lachance, Owner, Purchrock](#) submitted additional testimony in his opposition to section 3 regarding wholesaling agreements. He believes the bill provides unnecessarily overburdening regulations on wholesalers that will negatively impact the industry. More specifically, he states that the criminal penalty for violations is unjustified and should remain a contractual and regulatory matter. These concerns were addressed in the substitute language.

[Brian Keane](#) submitted testimony in opposition to HB 7078, stating that the wholesaling industry are governed with the same regulations as the real estate industry, and finds section 3 of the bill unnecessary. These concerns were addressed in the substitute language.

[Ryan Lutrario, Attorney, Savage Law Partners](#) opposes section 3 of HB 7078. He believes the language is vague and too open to interpretation regarding violations, and that could lead to enforcement problems. Additionally, he states that the regulation could serve as a deterrent for sellers to enter business with a wholesaler, impacting both parties. Finally, he expresses his discontent with the rise of a violation to a Class A misdemeanor, as he believes it could halt wholesale transactions entirely. These concerns were addressed in the substitute language.

[Giovanna Shay, Litigation & Advocacy Director, Greater Hartford Legal Aid](#) testified in opposition to section 1 of the bill. She states that there is already a procedure in place for removing “unauthorized” persons, and section 1 would directly conflict with those statutes. Additionally, she believes the requirement to prove whether the person is “unauthorized” through presentation of written lease is alarming due to the typicality of oral leases between landlords and tenants. Some of these concerns were addressed in the substitute language.

[Johannes Wetzel, Staff Attorney, Greater Hartford Legal Aid](#) expressed opposition to section 1 on behalf of Greater Hartford Legal Aid. Through anecdote, their testimony illustrates how they believe the proposed legislation could harm tenants. They state that it should be left to the courts to determine whether the occupant has a right to reside at a property. Additionally, it should be up to the courts to control law enforcement’s role in the process.

[Sarah White, Attorney, Connecticut Fair Housing Center](#) submitted testimony on behalf of the Connecticut Fair Housing Center in strong opposition to section 1 of HB 7078. The organization believes that the current tenant removal process statutes were put in place to ensure fairness and prevent violence, injury, and abuse of the law. They state their belief that the section would allow landlords to bypass current procedures without judicial overview, potentially subjecting tenants to danger and harm.

[Shelley White, Litigation Advocacy Director, New Haven Legal Assistance](#) opposes section 1 of HB 7078. She believes the section directly conflicts with Connecticut's summary process law and undermines the efficiency and effectiveness of the process. She asks the committee to reject section 1.

[Joseph Fiorella, Small Business Owner](#) submitted testimony in opposition to section 3 of HB 7078. He believes that the bill would negatively impact on sellers and the wholesale industry. He also disagrees with giving wholesalers misdemeanors as a punishment for noncompliance. These concerns were addressed in the substitute language.

**Reported by: Michael Flynn**

**Date: 4/3/2025**