PA 26-23—sSB 340
Insurance and Real Estate Committee

AN ACT CONCERNING CONTINUING REAL ESTATE EDUCATION REQUIREMENTS, PUBLIC MARKETING OF CERTAIN REAL ESTATE LISTINGS AND REVISING THE TITLE OF A REAL ESTATE SALESPERSON TO A REAL ESTATE AGENT

SUMMARY: This act makes various changes to statutes related to real estate licensees (brokers and agents). Primarily the act:

1. establishes a two-hour minimum for each Department of Consumer Protection (DCP)-approved continuing education course for real estate licensees (§ 1);
2. replaces the term "real estate salesperson" with the term "real estate agent" throughout the statutes on licensure and other related statutes (§§ 2-31); and
3. establishes requirements for real estate brokers and agents representing sellers or landlords in transactions for residential properties of up to four units, including a requirement to make listings publicly available unless the seller or landlord opts out of public marketing, and subjects violators to license suspension or revocation, fines up to $5,000 per violation, or both (§ 32).

Lastly, it makes minor, technical, and conforming changes.

EFFECTIVE DATE: October 1, 2026, except the sections with the terminology change are effective January 1, 2027 (§§ 2-31).

REAL ESTATE LICENSEES CONTINUING EDUCATION

By law, real estate licensees must satisfy continuing education requirements by completing DCP-approved courses, a written examination, or an equivalent education experience or study.

Under the law, the DCP-approved courses must provide at least 12 hours of classroom study on current real estate practices and licensing laws, including those related to common interest communities. The act requires that each DCP-approved course used to satisfy the continuing education requirement be at least two hours long.

ONE- TO FOUR-UNIT RESIDENTIAL PROPERTY TRANSACTIONS

The act establishes requirements for real estate brokers or agents representing sellers or landlords in transactions involving one- to four-unit residential properties, including (1) a cooperative or condominium with up to four units total and (2) any individual unit in a multiunit development. It also subjects violators, after a hearing, to license suspension or revocation, fines up to $5,000 per violation, or both. (These are the same penalties in existing law for various real estate business-related violations.)

Requirements for Licensees Representing the Seller or Landlord

Under the act, the real estate broker or agent representing the seller or landlord in these transactions must do the following for prospective buyers or prospective tenants (or their brokers or agents if they have one) on an equal and nondiscriminatory basis:

1. disclose all property information authorized by the seller or landlord, and any other information or material facts they must disclose;
2. respond to inquiries on an equal and nondiscriminatory basis or designate a specific individual responsible for doing so; and
3. make the residential property available for in-person or virtual showings.

General Public Availability

The act generally requires a seller's or landlord's real estate broker or agent in these residential property transactions to make the property available to the general public on a fair, nondiscriminatory, and publicly accessible listing platform that is reasonably designed to generate broad public exposure to prospective buyers or tenants. The broker or agent must do this at the same time as, or before, the first public marketing (see below).

The broker or agent may do so through an active listing on (1) at least one multiple listing service operating in this state, (2) a publicly accessible Internet listing platform, or (3) any other electronic listing platform that provides unrestricted public access to listing information. However, the broker or agent cannot use a listing platform if access to it is limited or the platform (1) requires an invitation, password, or other credentials to access it or (2) is designed primarily for internal use by a single brokerage or affiliated group.

Under the act, a "multiple listing service" is any cooperative information exchange system, operated by, or on behalf of, licensed real estate brokers, that:

1. aggregates and disseminates information about real estate listings among participating real estate brokers on a broad and nondiscriminatory basis, and is not limited to (a) a single brokerage or affiliated group of brokerages or (b) an exclusionary group of participating real estate brokers;
2. is governed by standardized rules;
3. allows real estate listing information to be distributed to publicly accessible real estate marketplaces and websites at the same time as, and not later than, the real estate listing's first public marketing; and
4. is not established or operated to limit the visibility or distribution of real estate listings.

Interpretation of the Residential Property Transactions Provisions

The act specifies that its new provisions on real estate property transactions do not:

1. require a seller or landlord to publicly market the residential property or submit it for active listing on a multiple listing service operating in Connecticut;
2. prohibit using private listings, pocket listings, or office-exclusive listings, if the listing is not publicly marketed;
3. restrict a seller from directing a broker or agent to market the property privately or to a limited group of prospective buyers, as long as the direction complies with all state and federal laws;
4. restrict an individual agent at a brokerage from marketing to another agent at a different brokerage when marketing a private listing or pocket listing, if the private listing or pocket listing is not publicly marketed; or
5. restrict the broker or agent representing the seller or landlord from giving property information to other real estate brokers or real estate agents controlled and supervised by the same supervising licensee in the same office.

Public Marketing

Under the act, "public marketing" is any promotion or distribution of information through any medium that is reasonably accessible to prospective buyers or tenants, real estate licensees, and the general public that provides open and nondiscriminatory access to available residential real property for sale or lease, such as:

1. real estate listings on a publicly accessible website or digital platform;
2. promotions on a social media platform;
3. emails to more than one recipient at a time;
4. signs directing consumers to a real estate broker;
5. publication on a real estate broker's or brokerage website, application, or other digital platform, or inclusion on a private network of at least two real estate brokerage agencies or franchisees; or
6. digital ads for public distribution.

Public Marketing Opt-Out Form

Under the act, at the time the listing agreement is executed, if the seller or landlord of these properties asks to opt out of public marketing, their real estate broker or agent must execute a Seller/Landlord Opt-Out of Real Estate Public Marketing form. The act specifies the form's language and that it must be in 10-point type size. Among other things, the form requires the seller or landlord to acknowledge certain risks associated with foregoing public marketing, like a potential for reduced competition for the property.