
OLR Bill Analysis

sSB 340

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 bill makes various changes to statutes related to real estate licensees.

Among other things, the bill:

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 pertaining to one- to four-unit residential properties, including a public marketing opt-out process, 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 taking DCP-approved courses, a written examination, or equivalent education or study.

Under existing law, the DCP-approved courses must be a total of at least 12 hours of classroom study in current real estate practices and licensing laws, including those related to common interest communities. The bill specifically requires that the DCP-approved courses used to satisfy the continuing education requirement be at least two hours per course.

Team Name

The law requires real estate teams to register with DCP and specifies the information they must include in the initial and subsequent renewal registrations, such as a “team name.”

Under current law, the team name must include the full name of at least one of its licensed real estate brokers or real estate salespersons (“agent” under the bill) or the full name of the team’s supervising licensee. The bill eliminates the option of including the supervising licensee’s name in the team name.

ONE- TO FOUR-UNIT RESIDENTIAL PROPERTY TRANSACTIONS

The bill (1) establishes specific requirements for real estate brokers or agents representing sellers and landlords in transactions involving one-to four-unit residential properties; (2) creates an exception if the seller or landlord specifically excludes someone in the listing agreement; and (3) subjects violators, after a hearing, to license suspension or revocation, fines up to \$5,000 per violation, or both. (These are the same penalties as under existing law for various real estate business-related violations.)

Requirements for Licensees Representing the Seller or Landlord

Under the bill, in any real estate transaction that involves a one- to four-unit residential property, the real estate broker or agent representing the seller or landlord must do the following:

1. disclose to the prospective buyer’s or tenant’s representative (real estate licensee) any property information the seller or landlord

- authorized;
2. give their contact information to the buyer's or tenant's representative for inquiries and respond to them;
 3. make the property available for showing in person or virtually to prospective buyers or tenants unless all visits to the property are contractually not authorized by the seller or landlord; and
 4. publicly advertise or market the seller's or landlord's property for sale or lease, unless the seller or landlord completes and signs the Seller/Landlord Opt-Out of Real Estate Public Marketing form (see below).

As discussed above, the bill allows the seller or landlord of these properties to identify in a real estate listing agreement any licensees or prospective buyers or tenants he or she does not wish to work with or allow to view the property, but the restriction must comply with state and federal law.

Public Marketing

Under the bill, "public marketing" includes publication that provides open and nondiscriminatory access to property information through any medium that is reasonably accessible to the public and real estate licensees. This includes a public-facing Internet web site, an Internet real estate portal, or a multiple listing service facilitating distribution of property information to public Internet web sites.

To promote transparency and ensure all prospective buyers or tenants have open and nondiscriminatory access to property information, the bill requires real estate brokers or agents marketing a property through private or limited-access channels to concurrently market the property publicly.

Public Marketing Opt-Out Form

Under the bill, if the seller or landlord of these properties requests it, their real estate broker or agent must execute a Seller/Landlord Opt-Out of Real Estate Public Marketing form, a one-page document with at

least 10-point type size in the following form:

“SELLER OPT-OUT OF REAL ESTATE PUBLIC MARKETING

By using internet platforms, websites, and multiple listing services, sellers can reach a broad audience of potential buyers for their property.

This form is intended to ensure informed consent by explaining how marketing restrictions may impact a property’s exposure, level of competition, and ultimately the final sale price in a residential real estate transaction.

As the Seller of the property located at ..., I acknowledge that I have read, understand, and consent to the following (initial each):

.... 1. Prospective buyers may not be aware that the Seller’s property is available for sale.

.... 2. Reducing the exposure of the property may limit the number of offers to purchase the property, may result in a lower sale price, and may negatively affect the Seller’s ability to sell the property with the most favorable terms to the Seller.

.... 3. The Seller acknowledges that excluding or limiting the ability for prospective buyers to tour the property may not be in the Seller’s best financial interest.

.... (Seller) Date

.... (Authorized Representative) Date

.... (Brokerage Name)

LANDLORD OPT-OUT OF REAL ESTATE PUBLIC MARKETING

By using internet platforms, websites, and multiple listing services, sellers or landlords can reach a broad audience of potential buyers or tenants for their property.

This form is intended to ensure informed consent by explaining how

marketing restrictions may impact a property's exposure, level of competition, and ultimately the final lease price in a residential real estate transaction.

As the Landlord of the property located at ..., I acknowledge that I have read, understand, and consent to the following (initial each):

... 1. Prospective tenants may not be aware that the Landlord's property is available for sale or lease.

... 2. Reducing the exposure of the property may limit the number of offers to lease the property, may result in a lower lease price, and may negatively affect the Landlord's ability to lease the property with the most favorable terms to the Landlord.

... 3. The Landlord acknowledges that excluding or limiting the ability for prospective tenants to tour the property may not be in the Landlord's best financial interest.

... (Landlord) ... Date

... (Authorized Representative) ... Date

... (Brokerage Name)"

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 13 Nay 0 (03/12/2026)