

## Department of Planning and Budget

### 2022 Fiscal Impact Statement

**1. Bill Number:** SB510

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Suetterlein

**3. Committee:** General Laws and Technology

**4. Title:** Department of Professional and Occupational Regulation; Real Estate Board; death or disability.

**5. Summary:** Requires a licensed real estate broker to designate, at the time of his application for broker licensure and at the time of his application for renewal of his license, another licensed broker to carry on the business for 180 days for the sole purpose of concluding the business of such designating broker in the event of the designating broker's death or disability. The bill also clarifies that in the event that the original designated licensed broker is unable or unwilling to perform the act of concluding a deceased or disabled broker's business, the Real Estate Board shall grant approval to conclude the affairs of the business to one of a list of individuals. Under current law, the Board must grant such approval to such individuals in a specific order of priority. Finally, the bill provides that in the event that no listed individual is available or suitable to conclude the business affairs of the deceased or disabled broker, the Board is required to appoint any other licensed broker, with such broker's written consent, within 30 days of receiving written notification of a broker's death or disability, to carry on the business of the deceased or disabled broker for the sole purpose of concluding the business within 180 days.

**6. Budget Amendment Necessary:** No

**7. Fiscal Impact Estimates:** Preliminary

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	\$170,024	-	09222
2024	\$152,826	-	09222
2025	\$152,826	-	09222
2026	\$152,826	-	09222
2027	\$152,826	-	09222
2028	\$152,826	-	09222
2029	\$152,826	-	09222

**8. Fiscal Implications:** This bill increases the administrative responsibilities of the Department of Professional and Occupational Regulation (DPOR) and the Real Estate Board (Board) by

requiring licensed real estate brokers to designate another licensed broker to carry on the business for 180 days in an event of a broker's death or disability. DPOR states that this change would result in staff needing to manually review each application and renewal form, resulting in the need to hire one additional full time employee and one additional part time employee. Currently, the renewal process is automated. Based on current pay scales within the Department, the staff cost is estimated at \$119,214 in FY 2023 and \$123,276 in each year thereafter. Additionally, the Department projects administrative and support one-time costs of \$14,260 and annual costs of \$29,550. It is anticipated that the agency has sufficient vacant positions and appropriation to support the additional staff.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation

**10. Technical Amendment Necessary:** No

**11. Other Comments:** None