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SENATE, No. 3401

STATE OF NEW JERSEY

INTRODUCED JUNE 16, 1983

By Senators BORNHEIMER and CARDINALE

Referred to Committee on Labor, Industry and Professions

AN ACT concerning the licensing of real estate brokers and salesmen
and amending R. S. 45:15-9 and P. L. 1966, c. 227.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. R. S. 45:15-9 is amended to read as follows:

2 45:15-9. All persons desiring to become real estate brokers or
3 real estate salesmen shall apply to the commission for a license
4 under the provisions of this article. Every applicant for a license
5 as a broker or salesman shall be of the age of 18 years or over
6 and a citizen of the United States, and in the case of an associa-
7 tion or a corporation the directors thereof shall be of the age of
8 18 years or over ***[and citizens of the United States]***. Application
9 for a license, whether as a real estate broker or a real estate
10 salesman, shall be made to the commission upon forms prescribed
11 by it and shall be accompanied by a fee of \$10.00 which fee shall
12 not be refundable. Every applicant for a license *whether as a real*
13 *estate broker or a real estate salesman* shall have the equivalent of
14 a high school education **[and every applicant for a license as a real**
15 **estate salesman shall have the equivalent of an eighth grade school**
16 **education]**. The issuance of a license to an applicant who is a non-
17 resident of this State shall be deemed to be his irrevocable consent
18 that service of process upon him as a licensee in any action or pro-
19 ceeding may be made upon him by service upon the secretary of the
20 commission or the person in charge of the office of the commission.
21 The applicant shall furnish evidence of good moral character, and
22 in the case of an association, partnership or corporation, the mem-

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill
is not enacted and is intended to be omitted in the law.**

Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows:

***—Senate committee amendments adopted June 30, 1983.**

23 bers, officers or directors thereof shall furnish evidence of good
24 moral character. The commission may make such investigation and
25 require such proof as it deems proper and in the public interest as
26 to the honesty, trustworthiness, character and integrity of an
27 applicant. Every such application shall be on file with the com-
28 mission at least 10 days prior to the granting of a license, except
29 in the case of record changes. Every applicant for a license as a
30 broker shall have first served an apprenticeship of two full years
31 as a duly licensed real estate salesman in this State immediately
32 preceding the date of application which requirement may be waived
33 by the commission where the applicant has been the holder of a
34 broker's license in another state **and actively engaged in the real*
35 *estate business** for at least two years immediately preceding the
36 date of his application, meets the educational requirements and
37 qualifies by examination. No license as broker shall be granted
37A to a partnership or corporation unless at least one of the
38 partners or officers of said partnership or corporation qualifies as
39 and holds a license as a broker to transact business in the name and
40 on behalf of said partnership or corporation as its authorized
41 broker and no such authorized broker shall act as a broker on his
42 own individual account unless he is also licensed as a broker in his
43 individual name; the license of said partnership or corporation
44 shall cease if at least one partner or officer does not hold a license
45 as its authorized broker at all times. A change in the status of the
46 license of an authorized broker to an individual capacity or vice
47 versa shall be effected by application to the commission accom-
48 panied by a fee of \$5.00.

49 In event that any person to whom a broker's license has been or
50 shall have been issued shall fail to renew such license or obtain a
51 new license for a period of ~~three~~ *two* consecutive years or more
52 after the expiration of the last license, the commission ~~may~~ *shall*
53 require such person to serve the same apprenticeship, to pass an
54 examination, *and to attend school* ~~or to comply with any number~~
55 ~~of the same conditions on application for a broker's license as if he~~
56 ~~had never had a broker's license issued to him or, in lieu thereof,~~
57 ~~the commission may grant the former licensee a salesman's license~~
58 ~~with or without examination~~. *This paragraph shall not apply to a*
59 *person reapplying for a broker's license who was a licensed broker*
60 *on or after January 1, 1982 and who allowed his license to expire*
61 *due to subsequent employment in a public agency in this State with*
62 *responsibility for dealing with matters relating to real estate if the*
63 *person reapplying does so within three months of termination of*
64 *that employment.*

65 In event that any person to whom a salesman's license has been
66 or shall have been issued shall fail to renew such license or obtain
67 a new license for a period of **[five]** *two* consecutive years or more
68 after the expiration of the last license, the commission **[may]**
69 *shall* require such person to attend **an approved** school and pass
70 ***[an]* *the State*** examination **[, or either thereof,]** prior to
71 issuance of a further license.

1 2. Section 1 of P. L. 1966, c. 227 (C. 45:15-10.1) is amended to
2 read as follows:

3 1. A. As a prerequisite to admission to an examination, every
4 individual applicant for license as a real estate salesman shall give
5 evidence of **[45]** *75* hours satisfactory completion in the aggregate
6 of such courses of education in real estate subjects at a school
7 approved by the commission as the commission shall by regulation
8 prescribe.

9 B. As a prerequisite to admission to an examination, every
10 individual applicant for license as a real estate broker shall give
11 evidence of 90 hours satisfactory completion in the aggregate of
12 such courses of education in real estate and related subjects at a
13 school approved by the commission as the commission shall by
14 regulation prescribe.

1 3. This act shall take effect on the first day of the fourth month
2 after its enactment.

67 a new license for a period of ~~five~~ two consecutive years or more
68 after the expiration of the last license, the commission ~~may~~
69 shall require such person to attend school and pass an examination,
70 or either thereof, prior to issuance of a further license.

1 2. Section 1 of P. L. 1966, c. 227 (C. 45:15-10.1) is amended to
2 read as follows:

3 1. A. As a prerequisite to admission to an examination, every
4 individual applicant for license as a real estate salesman shall give
5 evidence of ~~45~~ 75 hours satisfactory completion in the aggregate
6 of such courses of education in real estate subjects at a school
7 approved by the commission as the commission shall by regulation
8 prescribe.

9 B. As a prerequisite to admission to an examination, every
10 individual applicant for license as a real estate broker shall give
11 evidence of 90 hours satisfactory completion in the aggregate of
12 such courses of education in real estate and related subjects at a
13 school approved by the commission as the commission shall by
14 regulation prescribe.

1 3. This act shall take effect on the first day of the fourth month
2 after its enactment.

STATEMENT

This bill would upgrade licensing requirements for prospective real estate brokers and salesmen:

a. By increasing a salesman's educational requirements from an eighth grade education to a high school equivalency education, the same as is now required for brokers;

b. By decreasing the number of years a broker's or salesman's license may remain inactive from three and five years, respectively, to two years for both brokers and salesman; and

c. By increasing the required educational requirements for salesmen from 45 hours to 75 hours.

This bill would also eliminate the discretion of the New Jersey Real Estate Commission to waive the various requirements for license reapplication by those brokers and salesmen whose licenses have lapsed beyond the statutory limits. It would also preclude the commission from granting a formerly licensed broker a salesman's license in lieu of fulfilling the other requalifying conditions for a current broker's license. Furthermore, the bill would no longer require a licensed broker to requalify for a license if he allowed his license to lapse in order to become employed in a real

SENATE LABOR, INDUSTRY AND PROFESSIONS
COMMITTEE

STATEMENT TO

SENATE, No. 3401

with Senate committee amendment

STATE OF NEW JERSEY

DATED: JUNE 30, 1983

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a. By increasing a salesman's educational requirements from an eighth grade education to a high school equivalency education, the same as is now required for brokers ;

b. By decreasing the number of years a broker's or salesman's license may remain inactive from three and five years, respectively, to two years for both brokers and salesmen ; and

c. By increasing from 45 to 75 the number of hours of study in real estate courses required for salesmen.

This bill would also eliminate the discretion of the New Jersey Real Estate Commission to waive the various requirements for license re-application by those brokers and salesmen whose licenses have lapsed beyond the statutory limits. It would also preclude the commission from granting a lapsed broker a salesman's license in lieu of fulfilling the other requalifying conditions for a current broker's license. Furthermore, the bill would no longer require a licensed broker to requalify for a license if he allowed his license to lapse in order to become employed in a real estate capacity in a public agency in this State.

RELEASE: IMMEDIATE

CONTACT: CARL GOLDEN

TUESDAY, JANUARY 17, 1984

Governor Thomas H. Kean today signed legislation to provide a one-year drivers' license suspension or a one-year delay in obtaining a drivers' license for anyone convicted of purchasing alcoholic beverages while under the legal age.

The bill, A-3873, was sponsored by Assemblyman Joseph Patero, D-Somerset. An identical bill, S-1546, was sponsored by Senator C. Louis Bassano, R-Union, and merged with the Assembly bill.

"The growing incidence of teenagers purchasing alcohol illegally must be stopped," Kean said. "For many, a loss of driving privileges or a delay in obtaining a drivers' license is a punishment more severe than a fine."

The Governor said the legislation, effective immediately, "will provide law enforcement agencies with still another weapon in our continuing war to combat drunk driving in New Jersey."

Kean also signed the following bills:

S-1028, sponsored by Senator James Bornheimer, D-Middlesex, to require a mortgage loan banker to present a certified check for the proceeds of a loan to the purchaser or his attorney at the time of the mortgage closing.

S-3057, sponsored by Senator Francis McManimon, D-Mercer, to provide for the removal, storage, sale and junking of abandoned motor vehicles left at auto repair facilities.

S-3401, also sponsored by Senator Bornheimer, to upgrade the licensing requirements for prospective real estate brokers and sales personnel.