FEB 9 1998

COMMERCE AND REGULATION

HOUSE FILE 2184

BY BRUNKHORST

Passed House, Date ____________ Passed Senate, Date ____________

Vote: Ayes _______ Nays _______ Vote: Ayes _______ Nays _________

Approved ______________________________

A BILL FOR

An Act prohibiting a real estate broker or salesperson from representing a buyer and a seller to a transaction.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 3047HH 77

mj/jw/5

HF 2184

S.F. _______ H.F. 2184

Section 1. Section 543B.56, subsection 2, paragraph a, Code 1997, is amended to read as follows:

a. Place the client's interests ahead of the interests of any other party, unless loyalty to a client violates the licensee's duties under ~~subsection-1,-section-543B.58,-or under~~ other applicable law.

Sec. 2. Section 543B.58, Code 1997, is amended to read as follows:

543B.58 LICENSEES REPRESENTING MORE THAN ONE CLIENT IN A TRANSACTION PROHIBITED.

~~1.~~ A licensee shall not be the agent for both a buyer and a seller to a transaction ~~without-obtaining-the-written consent-of-both-the-buyer-and-the-seller. The-written-consent shall-state-that-the-licensee-has-made-a-full-disclosure-of the-type-of-representation-the-licensee-will-provide.--The consent-to-multiple-representation-shall-contain-a-statement of-the-licensee's-duties-under-section-543B.56,-subsection-1, a-statement-of-the-licensee's-duties-to-the-client-under section-543B.56,-subsection-2,-paragraphs-"b"-and-"c",-and-a statement-that-the-clients-understand-the-licensee's-duties and-consent-to-the-licensee's-providing-brokerage-services-to more-than-one-client.~~

~~2.--A-consent-to-multiple-representation-may-contain additional-disclosures-by-the-licensee-or-additional agreements-between-the-licensee-and-the-clients-that-do-not violate-any-duty-of-a-licensee-under-this-chapter.~~

Sec. 3. Section 543B.59, subsection 2, Code 1997, is amended to read as follows:

2. DUAL AGENT. A real estate brokerage agency and a designated broker are not considered to be dual agents in violation of this subchapter solely because of an appointment under the provisions of this section. ~~However,-an-affiliated licensee-who-personally-represents-both-the-seller-and-the buyer-in-a-particular-transaction-is-considered-to-be-a disclosed-dual-agent-and-is-required-to-comply-with-the~~

~~provisions-of-this-subchapter-governing-disclosed-dual-agents.~~

Sec. 4. Section 543B.61, subsection 2, Code 1997, is amended to read as follows:

2. Failure of a licensee to act in accordance with the disclosures made pursuant to sections 543B.56 ~~through-543B.58~~ <u>and 543B.57</u> is prima facie evidence of a violation under section 543B.34, subsection 4.

EXPLANATION

This bill prohibits a licensed real estate broker or salesperson from representing a buyer and a seller to the same real estate transaction.

SENATE FILE 2184
FISCAL NOTE

A fiscal note for Senate File 2184 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2184 exempts solid waste disposal facilities that accept kiln dust from paying a tonnage fee to the Department of Natural Resources.

BACKGROUND

Currently, there is one facility that accepts cement kiln dust. It is estimated this facility receives 36,000 tons annually of kiln dust.

ASSUMPTIONS

This landfill pays a tonnage fee of $2.80 per ton for kiln dust. Exempting this facility would eliminate the tonnage fee payment.

FISCAL IMPACT

The Department of Natural Resources estimates the fiscal impact of Senate File 2184 is a loss of $100,800 in revenue for one year. Future annual revenue losses are estimated between $84,000 and $112,000.

SOURCE

Department of Natural Resources

(LSB 3768SV, DFK)

FILED FEBRUARY 18, 1998 BY DENNIS PROUTY, FISCAL DIRECTOR