

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
93rd General Assembly
Regular Session, 2021

A Bill

SENATE BILL 559

By: Senator Beckham

For An Act To Be Entitled

AN ACT TO AMEND THE REAL ESTATE LICENSE LAW; AND FOR
OTHER PURPOSES.

Subtitle

TO AMEND THE REAL ESTATE LICENSE LAW.

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

SECTION 1. Arkansas Code § 17-42-108 is amended to read as follows:
17-42-108. Disclosure requirement.

(a)(1) In every real estate transaction involving a licensee, the licensee shall clearly disclose to all parties or to their agents which party ~~or parties~~ he or she is representing.

(2) A licensee may ~~represent~~ act as an intermediary under § 17-42-320 to more than one (1) party to a real estate transaction pursuant to and subject to rules of the Arkansas Real Estate Commission.

(b) The timing, method, and other requirements of ~~such a~~ the disclosure required by subsection (a) of this section shall be established by the commission, and the commission shall also determine the consequences of failure to make disclosure in accordance with ~~such~~ the requirements.

SECTION 2. Arkansas Code § 17-42-311(a)(8), concerning prohibited acts, conduct, and practices by a licensee, is amended to read as follows:

(8) Acting for more than one (1) party in a transaction ~~without the knowledge of all parties for whom he or she acts~~ or accepting a commission or valuable consideration for the performance of any of the acts specified in this chapter from any person except the licensed principal



broker under whom he or she is licensed;

SECTION 3. Arkansas Code Title 17, Chapter 42, Subchapter 3, is amended to add an additional section to read as follows:

17-42-320. Licensee acting as intermediary – Duties.

(a) A licensee may act as an intermediary between more than one (1) party to a real estate transaction if the:

(1) Licensee obtains written consent from each party for the licensee to act as an intermediary in the real estate transaction; and

(2) Written consent of the parties states the source of any expected compensation to the licensee.

(b) A representation agreement that authorizes a licensee to act as an intermediary is sufficient to establish written consent required by subsection (a) of this section if the representation agreement specifies in conspicuous bold or underlined print that a licensee acting as an intermediary shall not:

(1) Disclose to the buyer that the seller will accept a price less than the asking price, unless instructed to do so in a separate writing by the seller;

(2) Disclose to the seller that the buyer will pay a price greater than the price submitted in a written offer to the seller, unless instructed to do so in a separate writing by the buyer;

(3) Disclose any confidential information or any information a party specifically instructs the licensee in writing not to disclose, unless the:

(A) Licensee is instructed to do so in a separate writing by the respective party;

(B) Licensee is required to disclose the information under this chapter or by court order; or

(C) Information materially relates to the condition of the property;

(4) Treat a party to a real estate transaction dishonestly; or

(5) Act in violation of this chapter.

(c) A licensee acting as an intermediary under subsection (a) of this section shall act fairly and impartially to all parties he or she represents in a real estate transaction.