

STATE OF WISCONSIN  
Real Estate Examining Board

IN THE MATTER OF RULE-MAKING PROCEEDINGS BEFORE THE  
REAL ESTATE EXAMINING BOARD

PROPOSED ORDER OF THE REAL ESTATE EXAMINING BOARD  
ADOPTING RULES  
(CLEARINGHOUSE RULE )

PROPOSED ORDER

An order of the Real Estate Examining Board to repeal REEB 25.023 (4) (a) 3. and 25.028 (1) (g) 1., 2., 3.; to renumber and amend REEB 25.028 (1) (g) (intro.); and to amend REEB 16.03 (1), 25.033 (14) (b) and 25.038 (5) (b) relating to obsolete cross references in real estate broker education and update real estate terminology.

Analysis prepared by the Department of Safety and Professional Services.

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ANALYSIS

**Statutes interpreted:** ss. 452.09 (2), 452.132 and 452.40, Stats.

**Statutory authority:** ss. 15.08 (5) (b), 452.05 (1) (c) and 452.07 (1), Stats.

**Explanation of agency authority:**

Each examining board shall promulgate rules for its own guidance and for the guidance of the profession to which it pertains, and define and enforce professional conduct and unethical practices not inconsistent with the law relating to the particular trade or profession.

The board shall after consultation with the council on real estate curriculum and examinations, promulgate rules establishing criteria for the approval of educational programs and training sessions under s. 452.09 (2) and approve such programs and sessions in accordance with the established criteria.

The board shall promulgate rules for the guidance of the real estate profession and define professional conduct and unethical practice.

**Related statute or rule:** n/a

**Plain language analysis:**

This rule does not create new policy.

Section 1 corrects an inconsistency. In CR 16-042, s. REEB 16.03 (1) was amended to refer to forms for use for licensees, which would include both brokers and salespersons. This change created an

inconsistency by creating a section which allowed salespersons to utilize all forms and a section allowing salespersons to utilize specific forms. This rule changes “licensees” to “brokers” restoring the rule to the Board’s intent and the practice in place prior to CR 16-042.

Section 2 repeals the requirement that there be education on the policy manual required by REEB 17.08. REEB 17.08 was repealed by CR 16-042. This rule repeals the obsolete cross-reference.

Sections 3 and 4 makes revisions to remove the introductory paragraph language and repeals the subdivisions. The requirement requires education on licensure and supervision of employees under REEB 17. These changes are a result of obsolete cross-references due to CR 16-042.

Sections 5 and 6 update terminology from “broker” to “firm” consistent with 2015 Act 258.

**Summary of, and comparison with, existing or proposed federal regulation:** None

**Comparison with rules in adjacent states:**

**Illinois:** Illinois does not have administrative rules regarding use of approved forms and does not use terminology relating to firm.

**Iowa:** Iowa does not have administrative rules regarding use of approved forms and does not use terminology relating to firm.

**Michigan:** Michigan does not have administrative rules regarding use of approved forms and does not use terminology relating to firm.

**Minnesota:** Minnesota does not have administrative rules regarding use of approved forms and does not use terminology relating to firm.

**Summary of factual data and analytical methodologies:**

The Board received information from the Legislative Reference Bureau regarding obsolete cross-references and stakeholders regarding the terminology updates.

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis is attached.

**Effect on small business:**

These proposed rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department’s Regulatory Review Coordinator may be contacted by email at [Kirsten.Reader@wisconsin.gov](mailto:Kirsten.Reader@wisconsin.gov), or by calling (608) 267-2435.

**Agency contact person:**

Sharon Henes, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708; telephone 608-261-2377; email at DSPSAdminRules@wisconsin.gov.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to Sharon Henes, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8366, or by email to DSPSAdminRules@wisconsin.gov. Comments must be received at or before the public hearing to be held on February 1, 2018 to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. REEB 16.03 (1) is amended to read:

REEB 16.03 (1) In addition to forms prepared and approved by the board pursuant to s. 452.05 (1) (b), Stats., the board approves the following forms for use by ~~licensees~~ brokers:

SECTION 2. REEB 25.023 (4) (a) 3. is repealed.

SECTION 3. REEB 25.028 (1) (g) (intro.) is renumbered REEB 25.028 (1) (g) and is amended to read:

REEB (1) (g) Licensure and supervision of employees under ch. REEB 17, ~~including all of the following:~~

SECTION 4. REEB 25.028 (1) (g) 1., 2. and 3. are repealed.

SECTION 5. REEB 25.033 (14) (b) is amended to read:

REEB 25.033 (14) (b) Inquiry by listing ~~broker~~ firm under s. REEB 24.07 (1) (b).

SECTION 6. REEB 25.038 (5) (b) is amended to read:

REEB 25.038 (5) (b) Inquiry by listing ~~broker~~ firm under s. REEB 24.07 (1) (b).

SECTION 7. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF TEXT OF RULE)

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