

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

A Bill

Act 1172 of 2001
HOUSE BILL 1566

5 By: Representatives McMellon, Verkamp
6 By: Senator Wilkinson
7

For An Act To Be Entitled

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9
10 AN ACT TO AMEND ARKANSAS CODE 17-42-107(a) AND 17-42-
11 301 TO PROTECT CONSUMERS IN THE EVENT OF THE DEATH OF
12 A PRINCIPAL BROKER OR THE CLOSING OF A REAL ESTATE
13 FIRM; AND FOR OTHER PURPOSES.
14

Subtitle

15
16 AN ACT TO AMEND ARKANSAS CODE 17-42-107
17 (a) AND 17-42-301 TO PROTECT CONSUMERS
18 IN THE EVENT OF THE DEATH OF A PRINCIPAL
19 BROKER OR THE CLOSING OF A REAL ESTATE
20 FIRM.
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23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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25 SECTION 1. Arkansas Code 17-42-107(a), concerning real estate agents
26 and brokers capacity to sue and be sued, is amended to read as follows:

27 (a) No action or suit shall be instituted, nor recovery be had, in any
28 court of this state by any person or other legal entity for compensation for
29 performance of any acts described in § 17-42-103(12) unless at the time of
30 offering to perform and performing any such person was duly licensed under
31 this chapter as a principal broker at the time of offering to perform any such
32 act or procuring any promise to contract for the payment of compensation for
33 any such contemplated act, the person holds an active license under this
34 chapter as a principal broker, or the person or other legal entity was the
35 owner of the real estate firm which contracted for or otherwise performed the
36 acts for the compensation which is the subject of the action or suit through

1 either a principal broker or a person approved by the commission under § 17-
2 42-301(f) while licensed or approved by the commission at the time of the
3 acts.

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5 SECTION 2. Arkansas Code 17-42-301, concerning real estate agent and
6 brokers licenses, is amended to add additional subsections to read as follows:

7 (e) Notwithstanding the provisions of this section, a person or other
8 legal entity not licensed by the commission may own a real estate firm,
9 provided the employees or agents employed by or associated with the firm who
10 perform real estate activities identified under § 17-42-103(12) hold an active
11 license under this chapter. The firm may enter into contracts or otherwise
12 perform activities identified under § 17-42-103(12) only through a principal
13 broker and any licensee employed by or associated with the principal broker
14 that holds an active license issued by the commission at the time of
15 performing the contract or activities.

16 (f) The commission may provide for the continuing temporary operation
17 of a real estate firm having all rights under § 17-42-107(a) upon the death,
18 resignation, termination, or incapacity of the principal broker, or the
19 closing of a real estate firm, under the direction of a person approved by the
20 commission, subject to time limitations and other conditions imposed by the
21 commission.

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24 APPROVED: 3/29/2001
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