

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 1136

Introduced by Dover, 19.

Read first time January 11, 2024

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to the Nebraska Real Estate License Act; to
2 amend sections 81-885.10 and 81-885.55, Reissue Revised Statutes of
3 Nebraska, and section 81-885.17, Revised Statutes Cumulative
4 Supplement, 2022; to change the maximum amount for a civil fine
5 under the Nebraska Real Estate License Act; to change provisions
6 relating to renewal fees and errors and omissions insurance; and to
7 repeal the original sections.
8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-885.10, Reissue Revised Statutes of Nebraska,
2 is amended to read:

3 81-885.10 (1) The commission shall have the full power to regulate
4 the issuance of licenses and the activities of licensees and may impose
5 sanctions pursuant to this section for the protection of the public
6 health, safety, or welfare. The commission may revoke or suspend licenses
7 issued under the Nebraska Real Estate License Act, censure licensees,
8 enter into consent decrees, and issue cease and desist orders to
9 violators of section 81-885.03. The commission may, alone or in
10 combination with such disciplinary actions, impose a civil fine on a
11 licensee for each violation alleged in a complaint for which the
12 commission has made a finding of guilt. The total civil fine for each
13 complaint , ~~except that the total fine for such violations shall not~~
14 ~~exceed the greater of five two thousand five hundred dollars or the total~~
15 ~~amount of commission earned by the licensee in each transaction that is~~
16 ~~subject to the complaint per complaint.~~ The commission may also impose a
17 civil fine on violators of section 81-885.03 subject to the limits in
18 such section.

19 (2) The commission shall retain its powers under this section with
20 respect to the actions of a licensee, whether or not he or she continues
21 to be licensed under the act.

22 Sec. 2. Section 81-885.17, Revised Statutes Cumulative Supplement,
23 2022, is amended to read:

24 81-885.17 (1)(a) A nonresident of this state who is actively engaged
25 in the real estate business, who maintains a place of business in his or
26 her resident regulatory jurisdiction, and who has been duly licensed in
27 that regulatory jurisdiction to conduct such business in that regulatory
28 jurisdiction may, in the discretion of the commission, be issued a
29 nonresident broker's license.

30 (b) A nonresident salesperson employed by a broker holding a
31 nonresident broker's license may, in the discretion of the commission, be

1 issued a nonresident salesperson's license under such nonresident broker.

2 (c) A nonresident who becomes a resident of the State of Nebraska
3 and who holds a broker's or salesperson's license in his or her prior
4 resident regulatory jurisdiction shall be issued a resident broker's or
5 salesperson's license upon filing an application, paying the applicable
6 license fee except as provided in subsection (2) of section 81-885.14,
7 complying with the criminal history record information check under
8 subsection (4) of this section, filing the affidavit required by
9 subsection (7) of this section, and providing to the commission adequate
10 proof of completion of a three-hour class approved by the commission
11 specific to the Nebraska Real Estate License Act and sections 76-2401 to
12 76-2430.

13 (2) Obtaining a nonresident broker's license shall constitute
14 sufficient contact with this state for the exercise of personal
15 jurisdiction over the licensee in any action arising out of the
16 licensee's activity in this state.

17 (3) Prior to the issuance of any license to a nonresident applicant,
18 he or she shall: (a) File with the commission a duly certified copy of
19 the license issued to the applicant by his or her resident regulatory
20 jurisdiction or provide verification of such licensure to the commission;
21 (b) pay to the commission a nonresident license fee equal to the fee for
22 obtaining a broker's or salesperson's license, whichever is applicable,
23 as provided in section 81-885.14; and (c) provide to the commission
24 adequate proof of completion of a three-hour class approved by the
25 commission specific to the Nebraska Real Estate License Act and sections
26 76-2401 to 76-2430.

27 (4) An applicant for an original nonresident broker's or
28 salesperson's license shall be subject to fingerprinting and a check of
29 his or her criminal history record information maintained by the Federal
30 Bureau of Investigation through the Nebraska State Patrol. After filing
31 application for a license, each applicant shall furnish directly to the

1 Nebraska State Patrol, or to a fingerprint processing service that may be
2 selected by the commission for this purpose, a full set of fingerprints
3 to enable a criminal background investigation to be conducted. The
4 applicant shall request that the Nebraska State Patrol submit the
5 fingerprints to the Federal Bureau of Investigation for a national
6 criminal history record check. The applicant shall pay the actual cost,
7 if any, of the fingerprinting and check of his or her criminal history
8 record information. The applicant shall authorize release of the national
9 criminal history record check to the commission.

10 (5) Nothing in this section shall preclude the commission from
11 entering into reciprocal agreements with other regulatory jurisdictions
12 when such agreements are necessary to provide Nebraska residents
13 authority to secure licenses in other regulatory jurisdictions.

14 (6) Nonresident licenses granted as provided in this section shall
15 remain in force for only as long as the requirements of issuing and
16 maintaining a license are met unless (a) suspended or revoked by the
17 commission for just cause or (b) lapsed for failure to pay the ~~annual~~
18 renewal fee.

19 (7) Prior to the issuance of any license to a nonresident applicant,
20 he or she shall file an affidavit with the commission certifying that the
21 applicant has reviewed and is familiar with the Nebraska Real Estate
22 License Act and the rules and regulations of the commission and agrees to
23 be bound by the act, rules, and regulations.

24 Sec. 3. Section 81-885.55, Reissue Revised Statutes of Nebraska, is
25 amended to read:

26 81-885.55 (1) Every licensee under the Nebraska Real Estate License
27 Act, except an inactive broker or salesperson, shall have errors and
28 omissions insurance to cover all activities contemplated under the act.
29 The commission shall make the errors and omissions insurance available to
30 all licensees by contracting with an insurer for a group errors and
31 omissions insurance policy after competitive bidding. Any group errors

1 and omissions insurance policy obtained by the commission shall be
2 available to all licensees with no right on the part of the insurer to
3 cancel any licensee. Licensees may obtain errors and omissions insurance
4 independently if the coverage complies with the minimum requirements
5 established by the commission.

6 (2) The commission shall establish the minimum required ~~determine~~
7 ~~the terms and conditions for errors and omissions insurance of coverage~~
8 ~~required under this section~~, including the minimum limits of coverage,
9 the permissible deductible, and permissible exemptions. Each licensee
10 shall be notified of such ~~the~~ required terms and conditions at least
11 thirty days prior to the ~~annual~~ license renewal date.

12 (3) A certificate of coverage showing compliance with the minimum
13 required terms and conditions shall be on file ~~filed~~ with the commission
14 for by the annual license renewal date ~~by~~ each licensee who does not
15 participate in the group errors and omissions insurance policy ~~program~~
16 administered by the commission. If such a licensee fails to have the
17 certificate described in this subsection on file with the commission, the
18 commission shall place the licensee's license on inactive status until
19 the commission receives such certificate. Transfer to active status
20 pursuant to this subsection shall be subject to the fee provided for in
21 section 81-885.14.

22 (4) ~~(3)~~ If the commission is unable to obtain errors and omissions
23 insurance coverage to insure all licensees who choose to participate in
24 the group errors and omissions insurance policy ~~program~~ at a reasonable
25 premium not to exceed five hundred dollars, the errors and omissions
26 insurance requirement of this section shall not apply during the year for
27 which coverage cannot be obtained.

28 Sec. 4. Original sections 81-885.10 and 81-885.55, Reissue Revised
29 Statutes of Nebraska, and section 81-885.17, Revised Statutes Cumulative
30 Supplement, 2022, are repealed.