



**House
Legislative
Analysis
Section**

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TEMPORARY REAL ESTATE LICENSES

House Bill 4781 as introduced
First Analysis (10-28-87)

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Sponsor: Rep. Bill Martin
Committee: State Affairs

Mich. State Law Library

H.B. 4781 (10-28-87)

THE APPARENT PROBLEM:

Because of complications with the data processing system within the Department of Licensing and Regulation, it can sometimes take as long as 10 to 12 weeks for a qualified applicant to be issued a real estate salesperson's license. Last June the department instituted a process in which an applicant may be issued a temporary license within two weeks after the department receives all of the necessary documentation, including successful test scores. This can be done quickly using microprocessors, while the permanent license must be run through the mainframe computer system which is often tied up with the renewal cycles of the various occupational licenses issued by the department. Although the process is already in place, it has been proposed by the department and by realtors that it be put into the statute.

THE CONTENT OF THE BILL:

The bill would amend the Occupational Code to require the Department of Licensing and Regulation to issue a temporary real estate license, without charging an additional fee, to an applicant if the department was unable to issue a license and pocket card within two weeks after it determined that the applicant had met all the requirements for licensure.

MCL 339.2506

FISCAL IMPLICATIONS:

According to the Department of Licensing and Regulation, the bill would have no fiscal implications to the state because the department is already engaged in the process which the bill would require. (10-27-87)

ARGUMENTS:

For:

The bill would simply put into law a process that the Department of Licensing and Regulation has already put into operation. This process has been successful in greatly reducing the time it takes for applicants to receive a license and be able to go to work. A real estate salesperson cannot lawfully receive a commission on a sale until he or she is licensed, even if the department has in its possession all of the documentation needed to issue a license. Thus, the solution that is in place has solved an urgent problem for those affected by the delay. Proponents of the bill would like to see the process put into law to preserve it in the event that future policy changes or budgetary pressures should threaten to end it.

POSITIONS:

The Department of Licensing and Regulation supports the bill. (10-27-87)

The Michigan Association of Realtors supports the bill. (10-27-87)