

SB 1513 A STAFF MEASURE SUMMARY

Carrier: Sen. Meek

Senate Committee On Commerce and General Government

Action Date: 02/11/26

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Drazan, Meek, Neron Misslin, Pham, Robinson

Fiscal: Has minimal fiscal impact

Revenue: No revenue impact

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Meeting Dates: 2/4, 2/11

WHAT THE MEASURE DOES:

The measure establishes July 1, 2027, as the operative date for the prohibition against a real estate team using the terms “realty” or “real estate” in its name or using a name that is identical to the registered business name.

ISSUES DISCUSSED:

- Updates to real estate statutes in House Bill 3137 (2025)
- Establishment of a regulatory framework for real estate teams
- Prohibition on the use of terms in the names of real estate teams to prevent consumer confusion
- Need to change the operative date to allow for time for real estate teams to adapt
- Regulation of real estate teams in other states

EFFECT OF AMENDMENT:

The amendment replaces the measure.

BACKGROUND:

In 2025, House Bill 3137 allowed associated real estate licensees in a main real estate office or in a branch office to form a real estate team with the approval of the managing principal broker. A real estate team is a subdivision of a registered business that performs professional real estate activities and is composed of one or more real estate licensees operating under a name other than the registered business name. A real estate team was prohibited from including the terms “realty” or “real estate” in its name and from using a name that was identical to the registered business name. The provision became effective on January 1, 2026.