

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Commerce and Consumer Affairs, to which was referred Senate Bill No. 358, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

1 Page 2, delete lines 10 through 19, begin a new paragraph, and
2 insert:

3 "SECTION 6. IC 25-34.1-10-6 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 6. As used in this
5 chapter, "customer" means a person who is provided ~~brokerage~~ services
6 in the ordinary course of a ~~real estate transaction business~~ by a ~~real~~
7 ~~estate broker licensee~~ but who is not a client.

8 SECTION 7. IC 25-34.1-10-6.5 IS ADDED TO THE INDIANA
9 CODE AS A NEW SECTION TO READ AS FOLLOWS
10 [EFFECTIVE JULY 1, 1999]: **Sec. 6.5. As used in this chapter,**
11 **"in-house agency relationship" means an agency relationship**
12 **involving two (2) or more clients who are represented by different**
13 **licensees within the same real estate firm."**

14 Page 3, line 2, delete "assigned to" and insert "**affiliated with**".

15 Page 3, delete lines 8 through 13, begin a new paragraph and insert:

16 "SECTION 13. IC 25-34.1-10-9.5 IS ADDED TO THE INDIANA
17 CODE AS A NEW SECTION TO READ AS FOLLOWS
18 [EFFECTIVE JULY 1, 1999]: **Sec. 9.5. A licensee has an agency**

- 1 **relationship with, and is representing, the individual with whom**
 2 **the licensee is working unless:**
- 3 (1) **there is a written agreement to the contrary; or**
 4 (2) **the licensee is merely assisting the individual as a**
 5 **customer."**
- 6 Page 7, line 42, delete ", so" and insert ".".
- 7 Page 8, delete lines 1 through 2.
- 8 Page 8, line 9, after "licensee" insert: "**affiliated with a principal**
 9 **broker represents only the client with which the licensee is working**
 10 **in an in-house agency relationship. A client represented by an**
 11 **individual licensee affiliated with a principal broker is represented**
 12 **only by that licensee to the exclusion of all other licensees. A**
 13 **principal or managing broker does not represent any party in such**
 14 **transactions unless the principal or managing broker has an**
 15 **agency relationship to personally represent a client."**
- 16 Page 8, delete lines 10 through 15.
- 17 Page 8, line 33, delete "by operation of law".
- 18 Page 8, line 42, strike "When entering into".
- 19 Page 8, line 42, after "engagement" insert "**At the beginning of**".
- 20 Page 9, line 15, delete "agency".
- 21 Page 9, line 15, strike "relationships" and insert "**duties and**
 22 **obligations**".
- 23 Page 9, line 20, strike "performed" and insert "**fulfilled**".
- 24 Page 9, line 27, strike "performance of".
- 25 Page 10, line 1, strike "responsibilities" and insert "**obligations**".
- 26 Page 10, line 4, strike "responsibilities" and insert "**obligations**".
 (Reference is to SB 358 as introduced.)

and when so amended that said Bill do pass.

Committee Vote: Yeas 9, Nays 1.

Senator Mills, Chairperson