
DIGEST

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HB 611 Reengrossed

2015 Regular Session

Pylant

Abstract: Prohibits the use of net listing agreements in certain circumstances.

Proposed law defines a "net listing agreement" as a "listing agreement" that authorizes a broker to take as his commission the difference between the higher sale price at which the real estate property is sold and the stipulated net price agreed upon to be received by the seller.

Proposed law makes it unlawful for a real estate broker to advise or encourage a seller in relation to, or to enter into, a net listing agreement as defined in proposed law for the sale of residential real estate property, or for any property defined in present law (R.S. 47:2302).

(Adds R.S. 37:1431(34) and 1448.3)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Prohibit net listing agreements for the sale of residential real estate property, or for the sale of bona fide agricultural land, bona fide horticultural land, bona fide marsh land, and bona fide timberland as defined in present law.

The House Floor Amendments to the engrossed bill:

1. Clarify the term "real property" as "real estate property."
2. Clarify the provision that it is unlawful for a real estate broker to advise or encourage a seller in relation to a net listing agreement.
3. Make technical changes.