

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 1301:5-1-21
Rule Type: Amendment
Rule Title/Tagline: Team advertising.
Agency Name: Department of Commerce
Division: Division of Real Estate
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I. Rule Summary

1. **Is this a five year rule review?** Yes
 - A. **What is the rule's five year review date?** 11/26/2018
2. **Is this rule the result of recent legislation?** Yes
 - A. **If so, what is the bill number, General Assembly and Sponsor?** HB 532 - 131
- Representative Smith
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 4735.10
5. **What statute(s) does the rule implement or amplify?** 4735.10, 4735.16, 4735.18
6. **What are the reasons for proposing the rule?**

Five Year Rule Review.
7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

This rules addresses advertising by teams. The proposed changes clarify the definition of team; requires the teams to include group or team in the name and prohibits the use of realty or associates in a team name.

8. Does the rule incorporate material by reference? No
9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.

Not Applicable

10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.

There were no changes made in the re-filed rule. However, following the public hearing held on January 3, 2019, and as noted on the public hearing summary, comments were received by the Division concerning this rule. The JCARR hearing that was to be held on January 22, 2019 was canceled. After contacting JCARR, it was determined that re-filing this rule with JCARR was appropriate in order to permit interested parties to address comments at hearing.

II. Fiscal Analysis

11. As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.

This will have no impact on revenues or expenditures.

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There are no increases in fees as a result of the proposed change.

12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

If licensees chose to advertise as a team, then the advertisement must meet the minimum guidelines set forth in this rule.

13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No
14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No

III. Common Sense Initiative (CSI) Questions

15. Was this rule filed with the Common Sense Initiative Office? Yes

16. Does this rule have an adverse impact on business? Yes

A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No

This rule affects all real estate licensees advertising as a team.

B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? Yes

If the Division received a complaint concerning an allegation that the licensee failed to comply with the rule, that licensee may be subject to an investigation into his or her actions. If the licensee is found to be in violation of the rules the Ohio Real Estate Commission may impose disciplinary sanctions.

C. Does this rule require specific expenditures or the report of information as a condition of compliance? No