SENATE No. 2566

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

SENATE, January 25, 2024.

The committee on Consumer Protection and Professional Licensure, to whom was referred the petitions (accompanied by bill, Senate, No. 180) of Adam Gomez, Joanne M. Comerford, James B. Eldridge, John F. Keenan and others for legislation to end housing discrimination in the Commonwealth; and (accompanied by bill, House, No. 359) of Adrian C. Madaro, Carlos González and Kevin G. Honan for legislation to further regulate real estate brokers and salespersons, report the accompanying bill (Senate, No. 2566).

For the committee, John J. Cronin

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act to end housing discrimination in the Commonwealth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 13 of the General Laws, as appearing in the 2022 Official Edition,

is hereby amended by striking out section 54 and inserting in place thereof the following

3 section:-

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4 Section 54. There shall be a board of registration of real estate brokers and salesmen, in

this section and in sections fifty-five to fifty-seven, inclusive, called the board, to be appointed

by the governor with the advice and consent of the council, consisting of seven members,

7 residents of the commonwealth, four of whom shall have been actively engaged in the real estate

8 business as a full-time occupation for at least seven years prior to their appointment and who

shall be licensed real estate brokers, one of whom shall either be an expert in fair housing and

civil rights or a tenant from a duly recognized tenants' organization in the commonwealth

receiving public assistance from a local, state or federal rental voucher program, and two of

whom shall be representatives of the public. The governor shall designate the chairman. As the

term of office of a member of the board expires, his successor shall be appointed by the

governor, with like advice and consent, to serve for five years. Each member shall be eligible for

reappointment and shall serve until the qualification of his successor. The governor may also,
with like advice and consent, fill any vacancy in the board for the unexpired portion of the term.

SECTION 2. Section 55 of said chapter 13, as so appearing, is hereby amended by inserting, at the end of the section, the following words:-

The board shall publish, not less than quarterly, an account of newly licensed members. The board shall also publish, not less than quarterly, a summary of complaints filed against licensed members, the actions taken by the board to investigate such complaints, disciplinary hearings, disciplinary actions or revocations of licenses, the reason for such actions by the board, including any findings, in which finding has become final, of discrimination against any classes protected by Chapter 151B or otherwise protected by any other general or special law or federal statute, and the name of the affected license holder.

SECTION 3. The third sentence of section 87AAA of chapter 112 of the General Laws, as appearing in the 2018 Official Edition, is hereby amended by adding, after the words "the Massachusetts commission against discrimination" the following words:-, or any other agency that administers fair housing laws and is certified by the federal Assistant Secretary for Fair Housing and Equal Opportunity pursuant to the federal Fair Housing Act, 42 U.S.C. 3601 through 42 U.S.C. 3619, inclusive.

SECTION 4. Said third sentence of said section 87AAA of said chapter 112 of the General Laws is hereby further amended by adding, after the words "that said commission" the following words:- or agency.

SECTION 5. Said third sentence of said section 87AAA of said chapter 112 of the General Laws is hereby further amended by adding, after the words "the said commission" the following words:- or agency.

SECTION 6. Said third sentence of said section 87AAA of said chapter 112 of the General Laws is hereby further amended by striking the word "ninety" and inserting in place thereof the following words:- one hundred and eighty.

SECTION 7. Said section 87AAA of said chapter 112 of the General Laws is hereby further amended by adding, after the third sentence, the following words:- The board shall, after notice by the Office of the Attorney General that a court in a matter brought by the Office of the Attorney General has made a finding, which finding has become final, that a licensed broker or salesman committed an unlawful practice in violation of chapter 151B arising out of or in the course of his occupation as a licensed broker or salesman, shall suspend forthwith the license of said broker or salesman for a period of sixty days, and, if the said Office determines that the violation by such licensed broker or salesman occurred within two years of the date of a prior finding by a court or agency of a violation of chapter 151B, which prior finding has become final, it shall so notify the board, and the board shall forthwith suspend the license of such broker or salesman for a period of one hundred and eighty days. The Board shall suspend the license of a broker or salesman for any violation of chapter 151B referred to it under this section. Agencies empowered to make referrals to the Board under this section shall make all referrals that qualify under this section and do not have discretion as to whether to make the referral.

SECTION 8. Said chapter 112 of the General Laws is hereby further amended by striking out section 87XX1/2 and inserting in place thereof the following section:-

Section 87XX1/2. Any person holding a license as a real estate broker or salesman shall, within their renewal period, satisfactorily complete courses or programs of instruction approved by the board; provided that attendance at such courses or programs of instruction shall be no less than ten hours but no more than sixteen hours as determined by the board. The curriculum contained in such courses or programs shall contain at least six hours of instruction concerning or related to compliance with laws and regulations selected from any of the following subjects: equal employment opportunity; accessibility for the disabled; agency law; environmental issues in real estate; zoning and building codes; real estate appraisal and financing; property tax assessments and valuation; and real estate board regulations. In addition, the curriculum shall contain at least three hours on alternative dispute resolution methods and at least four hours on fair housing law or diversity and inclusion in real estate. The board shall certify in advance the curriculum forming the basis of such courses or programs which satisfy the provisions of this section.

Every person who is subject to the requirements of this section shall furnish, in a form satisfactory to the board, written certification that the required courses or programs were successfully completed. Upon successful completion of approved courses or programs, the licensee shall be deemed to have met the continuing education requirements of this section for license renewal. Every person who fails to furnish, in a form satisfactory to the board, written certification that the required courses or programs were completed shall be granted inactive status by the board upon renewal of his license in accordance with section eighty-seven XX.

Any person failing to meet requirements imposed upon him by this section or who has submitted to the board a false or fraudulent certificate of compliance therewith, shall, after a hearing thereon, which hearing may be waived by such person, be subject to the suspension of

his license until such time as such person shall have demonstrated to the satisfaction of the board that he has complied with all the requirements of this section as well as with all other laws, rules and regulations applicable to such licensing.

The provisions of this section shall not apply to any person licensed by the board under the provisions of section eighty-seven SS who is not required to take an examination to be licensed; provided, however, that any out-of-state licensee who receives reciprocity from the board to practice in the commonwealth shall demonstrate to the board compliance with a continuing education program in such licensee's home state.

The provisions of this section shall not apply to any person licensed by the board who has been granted inactive status by the board. A person licensed by the board and whose license is inactive may not engage in the business of, or act as, a real estate broker or salesman, as defined in section eighty-seven PP, except that he may assist with or direct the procuring of prospects and may receive referral fees for such procurement activities. A person licensed by the board whose license is inactive shall be considered unlicensed for purposes of section eighty-seven RR. Engaging in the business of, or acting as, a real estate broker or salesman while a license is inactive, except as otherwise provided for in this section, may be grounds for revocation of such license. A person licensed by the board and whose license is inactive shall renew such license in accordance with section eighty-seven XX while such license is inactive. A person licensed by the board and whose license is inactive may apply to the board to reactivate such license, upon demonstration of the completion of the continuing education requirements for the renewal period immediately preceding the application for reactivation of such license and compliance with all then applicable requirements for licensure.

The board shall perform such duties and functions necessary to carry out the provisions of this section and shall promulgate rules and regulations pertaining to the development and administration of an inactive license designation. Such rules and regulations shall include, but not be limited to, developing procedures for the granting of inactive status, the reactivation of licenses, renewal fees and the notification of licensees of continuing education requirements prior to license reactivation.

SECTION 9. Section 87SS of chapter 112 of the General Laws, as so appearing, is hereby amended by striking out the second sentence and inserting in place thereof the following sentence:-

Every individual applicant for a license as a salesman who is required to take an examination therefor shall, as a prerequisite to taking such examination, submit proof satisfactory to the board that he has completed courses in real estate subjects approved by the board, such courses to total 40 classroom hours of instruction and must include at least four hours on fair housing law or diversity and inclusion in real estate; provided, however, that applicants having successfully completed a course in real property while enrolled in an accredited law school in the commonwealth may also take such examination.

SECTION 10. Chapter 6A of the General Laws, as so appearing, is hereby amended by inserting after section 16G, the following new section:-

Section 16G 1/2. (a) As used in this section, the following words shall have the following meanings unless the context clearly requires otherwise:

"Fair housing enforcement agency", an agency that administers fair housing laws and is certified by the Assistant Secretary for Fair Housing and Equal Opportunity pursuant to the Fair Housing Act, 42 U.S.C. 3601 et seq.

"Fair housing enforcement organization", an organization that receives funding from the U.S. Department of Housing and Urban Development to investigate complaints of housing discrimination by conducting testing and or enforcement activities pursuant to 42 U.S.C. 3616a.

- (b) There shall be a commission within the executive office of housing to review and make recommendations on policies and practices concerning housing discrimination prevention and fair housing enforcement. The focus of the commission's work shall include, but not be limited to: (i) timely review and response to possible instances of discrimination; (ii) development of an internal oversight system to monitor for instances and patterns of discrimination; (iii) identification of barriers to reporting instances of discrimination; (iv) identification of discriminatory behaviors; (v) partnership with fair housing enforcement agencies and organizations in oversight and accountability; (vi) reforms to disciplinary measures following referral for suspension after final findings involving allegations of discrimination; (vii) development of professional standards of practice for real estate brokers and salesmen to ensure compliance with anti-discrimination statutes; and (viii) incorporating fair housing law education and alternative dispute resolution programs in required curricula for new applicants and renewals. The commission shall determine necessary reforms to legislation, regulation, and licensure practices to prevent housing discrimination.
- (c) The commission shall consist of: the secretary of housing, or a designee, who shall serve as the chair; the house and senate chairs of the joint committee on consumer protection and

professional licensure; the house and senate chairs on of the joint committee on housing; one member of the house of representatives who shall be appointed by the minority leader and one member of the senate who shall be appointed by the minority leader; and 13 members appointed by the governor: 1 of whom shall be a member of the board of registration of real estate brokers and salesmen; 1 of whom shall be a member of the Massachusetts commission against discrimination; 1 of whom shall be a member of a fair housing enforcement agency; 1 of whom shall be a member of a fair housing enforcement organization; 2 persons holding a license as a real estate broker or salesman; 1 of whom shall be a member of a duly recognized tenants' organization who receives public assistance from a local, state, or federal rental voucher program; 1 experienced civil rights practitioner; and 5 members of the commission should reflect those with protected characteristics. The members of the commission shall represent diverse geographic areas of the commonwealth.

- (d) The commission may request information and assistance from state agencies as the commission requires.
- (e) The commission shall annually, not later than April 1, submit a report of its findings and recommendations to the joint committee on consumer protection and professional licensure, the joint committee on housing, the board of registration of real estate brokers and salesmen, and the clerks of the house of representatives and senate.