

FIRST REGULAR SESSION

HOUSE BILL NO. 146

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE DAVIS.

0056L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 339.740, RSMo, and to enact in lieu thereof two new sections relating to real estate transactions involving registered sex offenders.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 339.740, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 339.740 and 589.401, to read as follows:

339.740. 1. A licensee representing a buyer or tenant as a buyer's or tenant's agent shall be a limited agent with the following duties and obligations:

- (1) To perform the terms of any written agreement made with the client;
- (2) To exercise reasonable skill and care for the client;
- (3) To promote the interests of the client with the utmost good faith, loyalty, and fidelity, including:
 - (a) Seeking a price and terms which are acceptable to the client, except that the licensee shall not be obligated to seek other properties while the client is a party to a contract to purchase property or to a lease or letter of intent to lease;
 - (b) Presenting all written offers to and from the client in a timely manner regardless of whether the client is already a party to a contract to purchase property or is already a party to a contract or a letter of intent to lease;
 - (c) Disclosing to the client adverse material facts actually known or that should have been known by the licensee; and
 - (d) Advising the client to obtain expert advice as to material matters about which the licensee knows but the specifics of which are beyond the expertise of the licensee;
- (4) To account in a timely manner for all money and property received;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 (5) To comply with all requirements of sections 339.710 to 339.860, subsection 2 of
19 section 339.100, and any rules and regulations promulgated pursuant to those sections; [and]

20 (6) To comply with any applicable federal, state, and local laws, rules, regulations, and
21 ordinances, including fair housing and civil rights statutes or regulations; **and**

22 **(7) To comply with the disclosure requirements of subsection 6 of this section, if**
23 **applicable.**

24 2. A licensee acting as a buyer's or tenant's agent shall not disclose any confidential
25 information about the client unless disclosure is required by statute, rule, or regulation or failure
26 to disclose the information would constitute a misrepresentation or unless disclosure is necessary
27 to defend the affiliated licensee against an action of wrongful conduct in an administrative or
28 judicial proceeding or before a professional committee. No cause of action for any person shall
29 arise against a licensee acting as a buyer's or tenant's agent for making any required or permitted
30 disclosure.

31 3. A licensee acting as a buyer's or tenant's agent owes no duty or obligation to a
32 customer, except that the licensee shall disclose to any customer all adverse material facts
33 actually known or that should have been known by the licensee. A buyer's or tenant's agent owes
34 no duty to conduct an independent investigation of the client's financial condition for the benefit
35 of the customer and owes no duty to independently verify the accuracy or completeness of
36 statements made by the client or any independent inspector.

37 4. A buyer's or tenant's agent may show properties in which the client is interested to
38 other prospective buyers or tenants without breaching any duty or obligation to the client. This
39 section shall not be construed to prohibit a buyer's or tenant's agent from showing competing
40 buyers or tenants the same property and from assisting competing buyers or tenants in attempting
41 to purchase or lease a particular property.

42 5. A client may agree in writing with a buyer's or tenant's agent that other designated
43 brokers may be retained and compensated as subagents. Any designated broker acting on the
44 buyer's or tenant's behalf as a subagent shall be a limited agent with the obligations and
45 responsibilities set forth in subsections 1 to 4 of this section.

46 **6. Notwithstanding any other provision of law, a licensee acting as a buyer's agent**
47 **shall disclose in writing to the seller or seller's agent a client's status as a registered sex**
48 **offender under section 589.400 prior to the sale of any property, provided the client has**
49 **disclosed such status to the buyer's agent as required under section 589.401. Within thirty**
50 **days after closing on a property purchased by a client registered under section 589.400, a**
51 **buyer's agent shall, in writing, notify all residents located within a one-half mile radius of**
52 **the property purchased that a registered sex offender is residing on the newly-purchased**

53 property, provided the buyer's agent has knowledge of the buyer's status as registered sex
54 offender.

2 **589.401. Notwithstanding any other provision of law, any person required to**
3 **register under section 589.400 who makes an offer to purchase any parcel of real property**
4 **shall disclose his or her status as a registered sex offender to any person acting as a buyer's**
5 **agent in such transaction.**

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