

2015 Regular Session

HOUSE BILL NO. 611

BY REPRESENTATIVE PYLANT

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

REAL ESTATE: Provides relative to net listing agreements

1 AN ACT

2 To enact R.S. 37:1431(34) and 1448.3, relative to certain real estate contracts; to define a
3 net listing agreement; to prohibit net listing agreements between real estate brokers
4 and sellers with respect to sales of certain real property; and to provide for related
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 37:1431(34) and 1448.3 are hereby enacted to read as follows:

8 §1431. Definitions

9 * * *

10 (34) "Net listing agreement" means a "listing agreement" as defined in this
11 Section that authorizes a broker to take as his commission the difference between the
12 higher sale price at which the real estate property is sold and the stipulated net price
13 agreed upon to be received by the seller.

14 * * *

15 §1448.3. Net listing agreements

16 It is unlawful for any real estate broker to advise or encourage in relation to,
17 or to enter into, a net listing agreement as described in R.S. 37:1431(34), for the sale
18 of residential real estate property or any land as defined in R.S. 47:2302.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 611 Engrossed

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" defined in present law 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 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.