

**MINA'BENTE NUEBI NA LIHESLATURAN GUÅHAN
(TWENTY-NINTH GUAM LEGISLATURE)
2007 (FIRST) REGULAR SESSION**

Bill No. 89(15)
Introduced by:

A. B. PALACIOS, SR. 

**AN ACT RELATIVE TO UPDATING REAL ESTATE
BROKER AND LICENSE PROVISIONS AND FEES TO
BETTER MEET THE NEEDS AND REQUIREMENTS FOR
PROVIDING SUCH SERVICES TO THE COMMUNITY;
AUTHORIZING FOR THE APPLICATION AND USE OF THE
ADDITIONAL REVENUES TO ENHANCE THE QUALITY OF
REAL ESTATE SERVICES PROVIDED BY THE
DEPARTMENT OF REVENUE AND TAXATION; THROUGH
AMENDING SPECIFIC SECTIONS IN CHAPTER 104,
ARTICLES 1 AND 4, OF TITLE 21, GUAM CODE
ANNOTATED, RELATIVE TO REAL PROPERTY
REGULATIONS AND SERVICES.**

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BE IT ENACTED BY THE PEOPLE OF GUAM:

1 Section 1. Legislative Findings and Intent.

2 *I Liheslaturan Guåhan* finds that the Department of Revenue and
3 Taxation over five (5) years ago had conducted a review of the provisions of
4 law that address real property activities and the type of services being
5 provided by the government of Guam. In this analysis, it was highlighted
6 that several changes should be made to existing mandates to meet the
7 requirements of the growing Guam community and to identify ways to
8 improve the services being administered to support the real estate sector of
9 the business community, and to adjust the applicable fees and penalties for
10 these services.

1 Therefore this provision would update existing mandates which guide
2 the level and type of services that the Department of Revenue and Taxation
3 provides the island community in the arena of real estate, and it would further
4 make adjustments in fees and penalties assessed to ensure that the
5 government is able to recover the costs for providing these services to the
6 people of Guam. The additional revenues that would be generated annually
7 would then be reinvested back into the Department of Revenue and Taxation
8 to support and enhance the provision of real estate broker services presently
9 administered by the agency.

10 **Section 2. Provisional Amendments to Various Sections Contained in**
11 **Chapter 104, Articles 1 and 4 of Title 11, Guam Code Annotated, all Relating**
12 **to Real Property Regulations.**

13 A.) A new Section §104121, relative to Penalties on Trust Accounts, is
14 hereby added to Chapter 104, Article 1, Title 21, Guam Code Annotated, to
15 read as follows:

16 **“§104121. Trust Accounts: Penalty.**

17 **Each broker, associate broker, or salesman that violates the provisions**
18 **of §104120 on trust accounts, or commingles funds received from customers**
19 **with the funds of real estate broker operating accounts, or fails to deposit in**
20 **a trust account all down payments, earnest money deposits, or other trust**
21 **funds received by him, shall pay a penalty of Five Hundred Dollars**
22 **(\$500.00) for each violation.”**

23 B.) Section §104410, relative to Real Estate Broker’s License Fees, of

1 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
2 read as follows:

3 **“§104410. License Fee.**

4 The original real estate broker’s license fee is ~~Twenty Dollars (\$20.00)~~
5 **Two Hundred Dollars (\$200.00) for a two (2) year period.**”

6 C.) Section §104411, relative to license fee, failure of examination, of
7 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
8 read as follows:

9 **“§104411 License Fee: When Payable: Failure of Examination:
10 Additional Examination Fee.**

11 The original real estate broker's license fee is payable at the time of the
12 filing of an application for an original real estate broker's license.

13 If the applicant fails to pass the required written examination, he may be
14 permitted to take another examination upon the payment of an additional fee
15 ~~of Ten Dollars (\$10).~~ **for the actual cost plus overhead to administer the**
16 **examination.** If an applicant fails to qualify for an original real estate broker's
17 license within three (3) years from the date of filing his application, said
18 application shall thereupon lapse and no further proceedings thereon shall be
19 taken.”

20 D.) Section §104412, relative to restricted broker’s license fee, of
21 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
22 read as follows:

23 **“§104412. Same: Restricted Broker's License Fee.**

1 The restricted broker's license fee is ~~Fifty Dollars (\$50)~~ **Four Hundred**
2 **Dollars (\$400.00)** for a four (4) year period."

3 E.) Section §104413, relative to Renewal of Broker's License, of Chapter
4 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to read as
5 follows:

6 **"§ 104413. Renewal Broker's License Fee.**

7 The renewal real estate broker's license fee is ~~Fifty Dollars (\$50)~~ **Four**
8 **Hundred Dollars (\$400.00)** for a four (4) year period."

9 F.) Section §104416, relative to Original Salesman's License, of Chapter
10 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to read as
11 follows:

12 **"§104416. Original Salesman's License Fee.**

13 The original real estate salesman's license fee is ~~Ten Dollars (\$10)~~ **One**
14 **Hundred Fifty Dollars (\$150.00) for a two (2) year period.**"

15 G.) Section §104417, relative to Failure of Examination, of Chapter 104,
16 Article 4, Title 21, Guam Code Annotated, is hereby amended to read as
17 follows:

18 **"§104417. Same: When Payable: Failure of Examination: Additional**
19 **Fee.**

20 An original real estate salesman's license fee is payable on filing an
21 application for an original real estate salesman's license. If the applicant fails
22 to pass the required written examination he may be permitted to take another
23 examination upon payment of an additional fee of ~~Five Dollars (\$5)~~ **the actual**

1 **cost plus overhead to administer the examination.** If an applicant fails to
2 qualify for an original real estate salesman's license within three (3) years from
3 the date of filing his application, said application shall thereupon lapse and no
4 further proceedings thereon shall be taken."

5 H.) Section §104418, relative to restricted salesman's license, of
6 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
7 read as follows:

8 **"§ 104418. Same: Restricted License Fee.**

9 The restricted salesman's license fee is ~~Thirty Dollars (\$30)~~ **Two**
10 **Hundred Dollars (\$200.00)** for a four (4) year period."

11 I.) Section §104419, relative to Renewal Salesman's License, of
12 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
13 read as follows:

14 **"§ 104419. Renewal Salesman's License Fee.**

15 The renewal real estate salesman's license fee is ~~Thirty Dollars (\$30)~~
16 **Three Hundred Dollars (\$300.00)** for a four (4) year period."

17 J.) Section §104420, relative to Limited Salesman's License Fee, of
18 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
19 read as follows:

20 **"§104420. Limited Salesman's License Fee.**

21 The limited real estate salesman's license fee is ~~Five Dollars (\$5)~~ **Fifty**
22 **Dollars (\$50.00).**"

23 K.) Section §104421, relative to Branch Office Broker's License, of

1 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
2 read as follows:

3 **"§ 104421. Branch Office Broker's License Fee.**

4 For a branch office broker's license the fee is ~~One Dollar (\$1)~~ **Fifty**
5 **Dollars (\$50.00).**"

6 L.) Section §104422, relative to Change of Name or Address, of
7 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
8 read as follows:

9 **"§ 104422. Change of Name or Address Fee.**

10 For change of name or of address of licensee on the records of the
11 department the fee is ~~One Dollar (\$1)~~ **Twenty Dollars (\$20.00).**"

12 M.) Section §104423, relative to Salesman's License Transfer, of
13 Chapter 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to
14 read as follows:

15 **"§ 104423. Salesman's License Transfer Fee.**

16 For transfer of a salesman's license on change of employer, the fee is ~~One~~
17 ~~Dollar (\$1)~~ **Twenty Dollars (\$20.00).**"

18 N.) Section §104424, relative to duplicate license, of Chapter 104,
19 Article 4, Title 21, Guam Code Annotated, is hereby amended to read as
20 follows:

21 **"§ 104424. Duplicate License Fee.**

22 For a duplicate license the fee is ~~One Dollar (\$1.00)~~ **Twenty Dollars**
23 **(\$20.00).**"

1 O.) Section §104425, relative to reinstatement of license, of Chapter
2 104, Article 4, Title 21, Guam Code Annotated, is hereby amended to read as
3 follows:

4 **“§ 104425. Reinstatement of License: Fee.**

5 For reinstatement of a license within a licensing period or at the time of
6 renewal the fee is ~~One Dollar (\$1)~~ **Twenty-Dollars (\$20.00)**.

7 As used in this section, *reinstatement of a license* means the reissuance of a
8 canceled or inactivated real estate broker's license, or the reissuance of a real
9 estate salesman's license which was canceled or inactivated during the period
10 for which it was issued upon the salesman's withdrawal from the employ of a
11 real estate broker.”

12 P.) Section §104426, relative to Fee for Examination, of Chapter 104,
13 Article 4, Title 21, Guam Code Annotated, is hereby repealed in its entirety,
14 which originally read as follows:

15 ~~“§ 104426. Fee for Examination Other Than Original Qualifying~~
16 ~~**Examination.**~~

17 ~~For any examination required, other than the original qualifying~~
18 ~~examination for a license, the fee is Five Dollars (\$5).”~~

19 **Section 3. Additional Revenues to Support Real Estate Broker License**
20 **Regulatory and Compliance Activities of the Department of Revenue and**
21 **Taxation.**

22 All additional funds generated as a result of the fees, fines or penalties
23 imposed herein shall be appropriated by I Liheslaturan Guahan and re-

1 directed to the Department of Revenue and Taxation for the express use by
2 the department and its assigned personnel for real estate broker compliance
3 and regulatory activities. The Director of the Department of Revenue and
4 Taxation, shall present in the Department's annual budgetary submission to I
5 Liheslaturan Guahan the additional revenues highlighted herein to be
6 generated from the fees, fines or penalties, with emphasis for the funds to be
7 directed for enforcement and other regulatory activities.

8 **Section 4. Community Public Notification Prior to Effective Date.**

9 The Department of Revenue and Taxation shall provide proper and
10 timely public notification to the real estate community, business community,
11 and the community at-large on the newly established fees, fines and penalties
12 associated with the real estate broker services provided by the department.
13 The public notification of information shall include, but may not be limited, to
14 the use of news media sources. Said public notification shall be administered
15 no later than within Forty-Five (45) days from the enactment of this Act.

16 **Section 5. Effective Date.**

17 The application of the provisions contained herein, to include the
18 imposition of fees, fines and penalties, shall be effective no later than Sixty
19 (60) days upon the enactment of this Act.

20 **Section 6. Severability Clause.**

21 If any of the provisions of this Act or the application thereof to any
22 person or circumstance is held invalid, such invalidity shall not affect any
23 other provision or application of this Act which can be given effect without

1 the invalid provision or application, and to this end the provisions of this Act
2 are severable.