

## **REAL ESTATE COMMISSION [193E]**

### **Notice of Intended Action**

The Iowa Real Estate Commission hereby proposes to amend 193-Chapter 2 “Definitions”, Iowa Administrative Code.

#### *Legal Authority for Rulemaking*

This rulemaking is proposed under the authority provided in 543B .18.

#### *State or Federal Law Implemented*

This rulemaking implements, in whole or in part, 543B, and 17A.

#### *Purpose and Summary*

These proposed amendments update definitions relating to the practice of real estate. This rule is proposed to be amended to support law changes implemented by 2022 Iowa Acts, House File 2324, and 2024 Iowa Acts, House Files 2326, 2394, and 2291.

#### *Fiscal Impact*

This rulemaking has no fiscal impact to the state of Iowa.

#### *Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any, pursuant to IAC 481-Chapter 6.

#### *Public Comment*

Any interested person may submit comments concerning this proposed rulemaking. Written comments in response to this rulemaking must be received by the Commission no later than 4:30 p.m. on . Comments should be directed to:

### *Public Hearing*

A public hearing at which persons may present their views orally or in writing will be held as follows:

March 11, 2025  
1:30 p.m.

6200 Park Avenue, Suite 100  
Des Moines, Iowa  
Zoom:[https://www.google.com/url?q=https://meet.google.com/zqb-qnex-nyz?hs%3D224&sa=D&source=calendar&ust=1738508446896781&usg=AOvVaw33NjiJRldKLe\\_7BeDF9YXp](https://www.google.com/url?q=https://meet.google.com/zqb-qnex-nyz?hs%3D224&sa=D&source=calendar&ust=1738508446896781&usg=AOvVaw33NjiJRldKLe_7BeDF9YXp)

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rulemaking.

Any persons who intend to attend the hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Commission and advise of specific needs.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its regular monthly meeting or at a special

meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action proposed:

ITEM 1. Amend rule **193E—2.1(543B)**, definitions of “Customer” and “Ministerial acts,” as follows:

*“Customer”* ~~means a consumer of real estate services in connection with a real estate transaction who is not being represented by the licensee, but for whom the licensee may perform ministerial acts. A customer may be a client of another broker, may have yet to decide whether or not to be represented by any broker, or may have chosen not to be represented by any broker.~~ means the same as defined in Iowa Code section 543.5(10).

*“Ministerial acts”* means those acts that a licensee may perform for a consumer that are informative in nature and do not rise to the level of specific assistance on behalf of a consumer. For purposes of these rules, ministerial acts include, but are not limited to, the following:

1. Responding to general telephone inquiries by consumers as to the availability and pricing of brokerage services;
2. Responding to general telephone inquiries from a consumer concerning the price, facts and features, or location of property;
3. Attending an open house and responding to general questions from a consumer about the facts and features of the property;
4. Setting an appointment to view property;
5. Responding to general questions of consumers walking into a licensee's office concerning brokerage services offered or the facts and features of particular properties;

6. Accompanying an appraiser, inspector, contractor, or similar third party on a visit to a property;

7. Describing the facts and features of a property or the property's condition in response to a consumer's inquiry;

8. ~~Completing business or factual information for a consumer on an offer or contract to purchase on behalf of a client;~~

9. ~~Showing a client through a property being sold by an owner; or~~

10. ~~Referring a person to another broker or service provider.~~

8. Referring a person to another broker or service provider; or

9. Listing a broker providing physical or virtual access to a property to an unrepresented customer in which the listing broker has a brokerage agreement with a seller to the property.

ITEM 2. Adopt the following **new** definitions of "Agency disclosure," "Compensation," "Real estate team," "Representative," "Showing," "Wholesaler" and "Wholesaling" in rule **193E—2.1(543B)**:

*"Agency disclosure"* means the same as defined in Iowa Code section 543B.5(2).

*"Compensation"* means payment to a broker or licensee for real estate services performed.

*"Real estate team"* means two or more licensees assigned to the same broker, working together to provide real estate brokerage services and representing themselves to the public as a team.

*"Representative"* means a person or entity representing the interests of the client, on the client's behalf, but that is not the agent or broker of the client.

*"Showing"* means the act of a licensee providing a client physical or virtual access to a property that is being sold by a seller.

*“Wholesaler”* means a licensee, or a person represented by a licensee, who acquires an equitable interest, but not legal title, in a residential property for the purpose of selling the equitable interest to a buyer.

*“Wholesaling”* means the practice of a wholesaler entering into an assignable contract with an owner of residential property for the purpose of marketing and selling the equitable interest of the residential property to another person.

ITEM 3. Rescind the definition of “Subagent” in rule **193E—2.1(543B)**.