

# **WEST VIRGINIA LEGISLATURE**

## **2026 REGULAR SESSION**

**Enrolled**

**Committee Substitute**

**for**

**Senate Bill 672**

BY SENATOR MORRIS

[Passed March 14, 2026; in effect 90 days from  
passage (June 12, 2026)]



1 AN ACT to amend and reenact §30-40-19 of the Code of West Virginia, 1931, as amended,  
2 relating to acts in which the West Virginia Real Estate Commission may refuse, suspend,  
3 or revoke a license.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 40. WEST VIRGINIA REAL ESTATE LICENSE ACT.**

**§30-40-19. Refusal, suspension, or revocation of a license.**

1 (a) The commission may refuse a license for reasonable cause or revoke, suspend, or  
2 impose any other sanction against a licensee if the licensee:

3 (1) Obtains, renews, or attempts to obtain or renew a license, for himself, herself, or  
4 another, through the submission of any application or other writing that contains false, fraudulent,  
5 or misleading information;

6 (2) Makes any substantial misrepresentation;

7 (3) Makes any false promises or representations of a character likely to influence,  
8 persuade, or induce a person involved in a real estate transaction;

9 (4) Pursues a course of misrepresentation or makes false promises or representations  
10 through agents or any medium of advertising or otherwise;

11 (5) Uses misleading or false advertising;

12 (6) Uses any trade name or insignia of membership in any organization in which the  
13 licensee is not a member;

14 (7) Acts for more than one party in a transaction without the knowledge and written consent  
15 of all parties for whom he or she acts;

16 (8) Fails, within a reasonable time, to account for or to remit moneys or other assets  
17 coming into his or her possession, which belong to others;

18 (9) Commingles moneys belonging to others with his or her own funds;

19           (10) Advertises or displays a "for sale", "for rent", or other such sign on any property  
20 without an agency relationship being established or without the owner's knowledge and written  
21 consent;

22           (11) Advertises any property on terms other than those authorized by the owner;

23           (12) Fails to disclose, on the notice of agency relationship form promulgated by the  
24 commission, whether the licensee represents the seller, buyer, or both;

25           (13) Fails to voluntarily furnish copies of the notice of agency relationship, listing contract,  
26 sale contract, lease contract, or any other contract to each party executing the same;

27           (14) Pays or receives any rebate, profit, compensation, commission, or other valuable  
28 consideration, resulting from a real estate transaction, to or from any person other than the  
29 licensee's principal: *Provided*, That this subsection may not be construed to prevent the sharing  
30 of compensation or other valuable consideration between licensed brokers: *Provided, however*,  
31 That when a licensee has given notice to the licensee's current broker about moving his or her  
32 license to a different broker and the licensee has pending contracts that may result in one or more  
33 commissions, the broker with whom the licensee was affiliated when such pending contracts were  
34 entered into may, after the licensee leaves the brokerage, remit to the licensee, upon receipt by  
35 the broker of the commission, any compensation due to the licensee under those contracts, and  
36 the licensee may receive such compensation notwithstanding the change of broker;

37           (15) Induces any person to a contract to break the contract for the purpose of substituting  
38 a new contract with a third party;

39           (16) Except as provided in §30-40-19(a)(14) of this code, accepts compensation as a  
40 salesperson or associate broker for any act specified in this article from any person other than his  
41 or her broker;

42           (17) Pays compensation to any person for acts or services performed either in violation of  
43 this article or the real estate licensure laws of any other jurisdiction;

44           (18) Pays compensation to any person knowing that they will pay a portion or all of that  
45 which is received, in a manner that would constitute a violation of this article if it were paid directly  
46 by a licensee of this state;

47           (19) Violates any provision of this article, any rule, or any order or final decision issued by  
48 the commission;

49           (20) Procures an attorney for any client or customer, or solicits legal business for any  
50 attorney-at-law;

51           (21) Engages in the unlawful or unauthorized practice of law as defined by the Supreme  
52 Court of Appeals of West Virginia;

53           (22) Commits or is a party to any material fraud, misrepresentation, concealment,  
54 conspiracy, collusion, trick, scheme, or other device whereby any other person relies upon the  
55 word, representation, or conduct of the licensee;

56           (23) Continues in the capacity of, or accepts the services of, any broker, associate broker,  
57 or salesperson who is not properly licensed;

58           (24) Fails to disclose any information within his or her knowledge or to produce any  
59 document, book, or record in his or her possession for inspection of and copying by the  
60 commission or its duly authorized representatives;

61           (25) Accepts payment other than cash or its equivalent as earnest money or other deposit  
62 unless this fact is disclosed in the contract to which the deposit relates;

63           (26) Accepts, takes, or charges any undisclosed compensation on expenditures made by  
64 or on behalf of the licensee's principal;

65           (27) Discriminates against any person involved in a real estate transaction which is in  
66 violation of any federal or state anti-discrimination law, including any fair housing law;

67           (28) Fails to preserve for five years following its consummation, records relating to any  
68 real estate transaction;

69           (29) Fails to maintain accurate records on the broker's trust fund account;

70 (30) If a broker, fails to supervise all associate brokers and salespersons affiliated with  
71 him or her;

72 (31) Breaches a fiduciary duty owed by a licensee to his or her principal in a real estate  
73 transaction;

74 (32) Directs any party to a real estate transaction in which the licensee is involved, to any  
75 lending institution for financing or to any affiliated business with the expectation of receiving a  
76 financial incentive, rebate, or other compensation, without first obtaining from his or her principal  
77 the signed acknowledgment of and consent to the receipt of the financial incentive, rebate, or  
78 other compensation: *Provided*, That this subsection may not be construed to prevent the sharing  
79 of compensation or other valuable consideration between licensed brokers;

80 (33) Represents to any lending institution, or other interested party either verbally or  
81 through the preparation of false documents, an amount in excess of the true and actual sale price  
82 of the real estate or terms differing from those actually agreed upon;

83 (34) Fails to disclose to an owner the licensee's true position if he or she directly or  
84 indirectly through a third party purchases for himself or herself or acquires or intends to acquire  
85 any interest in or any option to purchase the property;

86 (35) Lends a broker's license to any person, including a salesperson, or permits a  
87 salesperson to operate as a broker;

88 (36) Has been convicted in a court of competent jurisdiction in this or any other jurisdiction  
89 of forgery, embezzlement, obtaining money under false pretense, bribery, larceny, extortion,  
90 conspiracy to defraud, any other similar offense, a crime involving moral turpitude, or a felony;

91 (37) Engages in any act or conduct which constitutes or demonstrates bad faith,  
92 incompetency, untrustworthiness, or dishonest, fraudulent, or improper dealing;

93 (38) Induces any person to alter, modify, or change another licensee's fee or commission  
94 for brokerage services, without that licensee's prior written consent;

95 (39) Negotiates a real estate transaction directly with any person that is represented  
96 exclusively by another broker, unless the conduct is specifically authorized by the other broker;

97 (40) Obtains, negotiates, or attempts to obtain or negotiate, a contract whereby the broker  
98 is entitled to a commission only to the extent that the sales price exceeds a given amount,  
99 commonly referred to as a net listing;

100 (41) Fails or refuses, on demand, to furnish copies of a document to a person whose  
101 signature is affixed to the document;

102 (42) In the case of an associate broker or salesperson, represents or attempts to represent  
103 a broker other than his or her employing broker;

104 (43) Fails to reduce a bona fide offer to writing;

105 (44) Guarantees, or authorizes or permits another licensee to guarantee, future profits  
106 which may result from a real estate transaction;

107 (45) Is disciplined by another jurisdiction if at least one of the grounds for that discipline is  
108 the same as or equivalent to one of the grounds for discipline in this article;

109 (46) Engages in any other act or omission in violation of professional conduct  
110 requirements of licensees established by legislative rule of the commission; or

111 (47) Leads a "team" as defined in this chapter outside the direct supervision, authority,  
112 and responsibility of the supervising broker of record, or holds oneself out as exercising  
113 independent broker authority without possessing a broker or associate broker license.

114 (b) Nothing in this section shall be construed to prohibit a licensed salesperson or  
115 associate broker from participating in, coordinating, or leading a real estate team provided that:

116 (1) The team operates under a single supervising broker of record;

117 (2) The supervising broker retains full responsibility for supervision, compliance,  
118 advertising, trust accounts, and agency disclosures; and

119 (3) No team member represents or implies that he or she is acting as a broker unless duly  
120 licensed as such.

121 (c) Each real estate team must identify a team lead, who shall register with the commission  
122 upon their first renewal after acceptance of a team lead role. Thereafter, each team member and  
123 team lead shall register with the commission on an annual basis at the time of renewal.

124 (d) For identified team leads, additional hours of training shall be required for the next  
125 renewal from a team lead-centered education curriculum approved by the commission beginning  
126 July 1, 2027.

127 (e) The provisions of this section shall be liberally construed in order to carry out the  
128 objectives and purposes of this article.

129 (f) As used in this section:

130 (1) The words "convicted in a court of competent jurisdiction" mean a plea of guilty or nolo  
131 contendere entered by a person or a verdict of guilt returned against a person at the conclusion  
132 of a trial;

133 (2) A certified copy of a conviction order entered in a court is sufficient evidence to  
134 demonstrate a person has been convicted in a court of competent jurisdiction.

135 (g) Every person licensed by the commission has an affirmative duty to report, in a timely  
136 manner, any known or observed violation of this article or the rules, orders, or final decisions of  
137 the commission.

138 (h) The revocation of a broker's license shall automatically suspend the license of every  
139 associate broker and salesperson affiliated with the broker: *Provided*, That the commission shall  
140 issue a replacement license for any licensee so affected to a new broker, without charge, if a  
141 proper application is submitted to the commission during the same license term.

142 (i) Nothing in this section shall be construed to prohibit a licensee salesperson from  
143 participating in, coordinating, or leading a real estate team provided that:

144 (1) The team operates under a single supervising broker of record;

145 (2) The supervising broker retains full responsibility for supervision, compliance,  
146 advertising, trust accounts, and agency disclosures; and

147           (3) No team member represents or implies that he or she is acting as a broker unless duly  
148 licensed as such.

149           (j) Each real estate team must identify a team lead, who shall register with the commission  
150 upon acceptance of a team lead role. Thereafter, team leads shall register with the commission  
151 on an annual basis.

152           (k) For identified team leads, three additional hours of education shall be required on an  
153 annual basis from a team lead-centered education curriculum approved by the commission.



The Clerk of the Senate and the Clerk of the House of Delegates hereby certify that the foregoing bill is correctly enrolled.

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*Clerk of the Senate*

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*Clerk of the House of Delegates*

Originated in the Senate.

In effect 90 days from passage.

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*President of the Senate*

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*Speaker of the House of Delegates*

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The within is ..... this the.....  
Day of ....., 2026.

.....  
*Governor*