



19 Community Drive • Augusta, Maine 04330 • (207) 622-7501 • Fax: (207) 623-3590

**Testimony in Opposition to LD 1306 (“An Act to Protect Homeowners from Unfair Agreements to Exclusively List Residential Real Estate for Sale”)**

**J. Andrew Cashman on behalf of the Maine Association of REALTORS®**

**April 11, 2023**

Senator Curry, Representative Roberts and members of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business, my name is Andy Cashman. I am the Founder of Resolve Government Relations. We represent the Maine Association of REALTORS®, a professional trade association established in 1936 with over 6,500 members statewide. REALTORS® grow Maine's economy and build Maine communities. Our members represent buyers and sellers involved in both residential and commercial real estate transactions. Our membership also includes industry affiliates, such as lenders, closing agents, title agents, appraisers, building inspectors, surveyors, etc. The Maine Association is chartered by the National Association of REALTORS® (NAR), the largest trade association in the country.

The Maine Association of REALTORS® strongly opposes LD 1306 in its current form. However, we have had constructive conversations with proponents of the bill and respectfully request time to work with the proponents on language to balance their intent with our concerns.

We understand the proponents are seeking to prohibit a practice that has developed in other states, often referred to as non-title recorded agreements for personal services. The concern, as seen in other states, is when a service provider or real estate company attaches an overly broad and restrictive listing service agreement on a property for an unreasonable extended amount of time into the future. That practice does hinder the financing and transfer of property, it is anti-consumer, and it should be restricted.

However, our concern with LD 1306, in its current form, is that it is excessively restrictive and prohibits legal and valid exclusive listing agreements for real estate transactions. Exclusive listing agreements are essential and have their place in the market: they allow a licensed real estate broker to protect their investment of time and money to prepare for a listing and they allow the seller to secure the brokerage representation they feel best represents them in their real estate transaction. For these reasons, exclusive listing agreements should not be prohibited. Rather, the service agreements that the bill intends to restrict should be carefully defined and distinguished from exclusive listing agreements. In turn, we welcome the opportunity to continue conversations with the proponents of this bill to work on language for an amendment to strike the appropriate balance.



REALTOR® - is a registered mark which identifies a professional in real estate who subscribes to a strict Code of Ethics as a member of the NATIONAL ASSOCIATION OF REALTORS®



Page 2

For these reasons, we oppose LD 1306 in its current form and respectfully ask for time to work with the proponents to see if a compromise amendment could be drafted. Thank you for your time and consideration.