



Backgrounder on the Proposed Changes to the Administrative Penalty Regime under RESA

September 15, 2020

The Office of the Superintendent of Real Estate (OSRE) and Real Estate Council of British Columbia (RECBC) are requesting feedback on amendments to the administrative penalty regime under the Real Estate Services Act. These changes will make the regulatory discipline process more efficient for RECBC and licensees.

Administrative monetary penalties are a common tool used by regulators to deal efficiently and effectively with minor misconduct. The proposed rule changes are intended to speed up the outcomes of enforcement processes, making it less stressful for the complainants and licensees involved, and allowing RECBC's investigative and legal teams to increase their focus on more complex and serious cases.

Administrative penalties provide licensees with more predictable outcomes for certain types of infractions and fill the gap between letters of advisement and a full discipline process.

The proposed rule changes do not change any licensee obligations or requirements. They expand the current list of infractions that are eligible for an administrative penalty. The changes would create four separate categories of administrative penalties with increasing penalty amounts corresponding to the level of seriousness and public risk.

The proposed new Rules will:

- Encourage greater compliance, while eliminating the uncertainty and delay of a full discipline process and its potentially greater penalties (e.g. fines up to \$250,000 for individuals, suspensions, enforcement costs)
- Expedite relatively minor complaints and disciplinary matters, with the continuing protection of a subsequent review process if requested
- Maintain RECBC's discretion to refer matters to full discipline and hearing when warranted, and continue to protect the public interest by ensuring serious contraventions go through the full discipline process

See the FAQs and draft RECBC Administrative Penalty Guidelines for more information. These documents can be found on the [consultation website](#).