



# NAVIGATING OTHER CHANGES UNDER HB 382

Alabama's real license law changes in HB 382 / Alabama Act 2025-380 take effect October 1, 2025. This is the final guide in our series and covers the remainder of the changes which are not covered by another guide.

## TRANSACTION BROKER

- The term "transaction broker" will be replaced with the term "transaction facilitator." The duties for a transaction facilitator will be the same as the previous duties for a transaction broker. The consumer and licensee will continue to have an implied transaction facilitator relationship unless an agency relationship has been established in writing. (Ala. Code § 34-27-81(15))
- The AAR Statewide Forms Library will be updated to reflect this change on 10/1/25.

## SUBAGENCY

- Subagency will be removed from Alabama real estate license law and will no longer be a recognized form of representation.

## UPDATED RECAD FORM

- AREC will update the RECAD Brokerage Services Disclosure Form to reflect the changes made to license law, including changing the term "transaction broker" to "transaction facilitator," removing subagency, defining designated single agency, removing "limited consensual dual agency" status, and defining "dual agency" status.
- AAR's Statewide Forms Library will include the updated RECAD Form as of 10/1/25.

## UPDATED AGENCY DISCLOSURE

- The RECAD Agency Disclosure that must be included in Alabama Purchase Agreements will be updated to reflect the changes made by HB 382.
- AAR's Purchase Agreements will be updated to include this change as of 10/1/25.

## ANY OFFICE LOCATION

- Licensees will be permitted to use any office location of the company under which (s)he is licensed (subject to any company restrictions). (Ala. Code § 34-27-32(k))

## BAD CHECKS/ E-PAYMENTS

- Submission of a bad check or e-payment to AREC will no longer be considered a license law violation. Instead, the licensee will have up to 30 days to submit a corrected payment. If the payment is not corrected within 30 days, the person's real estate license will be moved to inactive status pending payment. If the payment is not corrected within 6 months, the license will lapse. (Ala. Code § 34-27-36(f))

## MAXIMUM FINE AMOUNT

- The maximum fine amount per license law violation is increasing to \$5,000 (from \$2,500). (Ala. Code § 34-27-36(a)(2)(a))

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