

Updated Rules for Discrimination as a Basis for Discipline

Section 7 of the California Constitution and the 14th Amendment of the United States Constitution both contain provisions commonly known as "equal protection" clauses. These clauses prohibit the government from engaging in unlawful discrimination.

The State of California has adopted statutes to address specific problems associated with discrimination in the private and public sectors. The concept of equality has become ingrained in our political system to further the pursuit of happiness for all Californians.

Effective October 1, 2022, Regulation 2780, Title 10, of the California Code of Regulations, was revised to expand the classifications that are provided additional protections against discrimination. Under the Regulation, everyone in California qualifies for protections in one way or another. The previous version of the Regulation identified six protected characteristics: sex, religion, ancestry, physical handicap, marital status and national origin as protected classes. The new version identifies 16 protected characteristics, including changing the terminology of two characteristics (i.e., physical handicap to disability and marital status to familial status) and adding ten new protected characteristics: gender, gender identity, gender expression, sexual orientation, familial status, disability, genetic information, source of income, veteran or military status, citizenship, primary language, or immigration status as protected classes.

This article is not intended to be an exhaustive list of every activity that could trigger a claim of discrimination, please refer to Regulation 2780 for additional information.

Discrimination is the unjust or prejudicial treatment of different categories of people. Discrimination can be overt and occur in a single instance or can be shown by a pattern of conduct.

In real estate, the activities that can trigger discipline for discrimination are broad. If a licensee discriminates against a prospective client, client, buyer, seller, renter, borrower, another agent, or another agent's client while soliciting or performing any licensed activity because of a person's protected class, grounds for discipline based on discrimination may exist. Advertising may also be considered discriminatory if the advertisement overtly intends to exclude a protected class or if there is a pattern of only including a specific ethnicity, gender, or other specified characteristic.

Examples of discriminatory conduct include, but are not limited to:

- Refusing to negotiate the sale, rental, or financing of real property because of a person's protected class;
- Refusing to show, provide information about, or steering a person away from real property due to a person's protected class;
- Referring prospects to other licensees or assigning real estate licensees on the basis of a prospect's protected class;
- Refusing to cooperate with or assist another real estate licensee because of their protected class or their client's protected class;
- Performing any act, making any notation, asking any questions or advertising in any way which when taken into context, expresses or implies a limitation or preference based upon a person's protected class;
- Entering into any agreement, explicit or implied, not to show, rent, sell, or finance real property from or to any person or group of persons because of that person's or group's protected class; or
- Quoting or charging a different price, rent, cleaning fee, application fee, credit check, commission, or security deposit, or any fee associated with licensed activity based on a person's protected class.