



# Department of Justice

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## **JUSTICE DEPARTMENT REACHES SETTLEMENT WITH KENTUCKY REAL ESTATE COMMISSION**

*Settlement Allowing Real Estate Brokers to Offer Rebates and Inducements Will Benefit Consumers*

WASHINGTON, D.C. – The Department of Justice today announced that it has reached a settlement with the Kentucky Real Estate Commission under which real estate brokers in Kentucky will be able to offer rebates and inducements to consumers. The settlement, if approved by the court, would resolve the Department's competitive concerns and lawsuit against the Commission. A proposed final judgment was filed today in the U.S. District Court in Louisville.

On March 31, 2005, the Department's Antitrust Division filed a civil antitrust lawsuit challenging the Commission's regulations that prohibited Kentucky real estate brokers from offering rebates and other inducements to attract customers. The complaint alleges that the Commission's regulations restricted competition and caused consumers to pay higher prices for real estate services.

"Today's settlement resolves the anticompetitive concerns raised by the Kentucky Real Estate Commission's broker regulations," said Thomas O. Barnett, Acting Assistant Attorney General in charge of the Department's Antitrust Division. "Kentucky consumers will now be able to avail themselves of the benefits of increased competition through broker-offered rebates, discounts and other inducements."

Under the proposed final judgment, the Commission agreed to cease enforcement of its regulations prohibiting rebates or other inducements. The proposed final judgment also states that any disciplinary action initiated by the Commission against any broker for offering a rebate, discount, or other inducement is null and void, and the Commission must note that in its records.

As required by the Tunney Act, the proposed final judgment, along with the Department's competitive impact statement, will be published in the *Federal Register*. Any person may submit written comments concerning the proposed final judgment during a 60-day comment period to John Read, Chief, Litigation III Section, Antitrust Division, U.S. Department of Justice, 325 Seventh Street, N.W., Suite 300, Washington, D.C. 20530. At the conclusion of the 60-day comment period, the court may enter the final judgment upon a finding that it serves the public interest.

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