

HOUSE BILL 1056

C2

5lr2560
CF SB 610

By: **Delegates Vaughn, Barkley, Lisanti, W. Miller, Waldstreicher, and C. Wilson**

Introduced and read first time: February 13, 2015

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: March 13, 2015

CHAPTER _____

1 AN ACT concerning

2 **Real Estate Brokers and Salespersons – Continuing Education – Requirements**

3 FOR the purpose of repealing a provision of law that requires certain licensed real estate
4 brokers, associate real estate brokers, and real estate salespersons to complete fewer
5 overall clock hours of continuing education instruction than the number generally
6 required during certain licensing periods; requiring that certain mandated subject
7 matter for continuing education courses be taken by a licensee each licensing period;
8 making conforming changes; and generally relating to continuing education
9 requirements for real estate brokers and salespersons.

10 BY repealing and reenacting, without amendments,
11 Article – Business Occupations and Professions
12 Section 17–301(a)
13 Annotated Code of Maryland
14 (2010 Replacement Volume and 2014 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Business Occupations and Professions
17 Section 17–315(a) and (b)
18 Annotated Code of Maryland
19 (2010 Replacement Volume and 2014 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
21 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 **Article – Business Occupations and Professions**

2 17–301.

3 (a) (1) Except as otherwise provided in this title, an individual shall be
4 licensed by the Commission as a real estate broker before the individual may provide real
5 estate brokerage services in the State.

6 (2) Except as otherwise provided in this title, an individual shall be
7 licensed by the Commission as an associate real estate broker or a real estate salesperson
8 before the individual, while acting on behalf of a real estate broker, may provide real estate
9 brokerage services in the State.

10 17–315.

11 (a) (1) To qualify for renewal of a license under this subtitle, a licensee shall
12 complete at least 15 clock hours of continuing education instruction, as provided in
13 subsection (b) of this section, during the preceding 2–year term.

14 (2) [Notwithstanding paragraph (1) of this subsection, a licensee shall
15 complete at least 7.5 clock hours of continuing education instruction as provided for in
16 subsection (b) of this section if the licensee:

17 (i) 1. possesses a graduate degree in law from an accredited law
18 school; or

19 2. possesses a graduate degree in real estate from an
20 accredited college or university; and

21 (ii) is not a broker, an associate broker, or a salesperson designated
22 as a branch office manager or team leader.

23 (3) For a licensee who provides real estate brokerage services solely in
24 connection with nonresidential real estate, of the clock hours required under paragraph (1)
25 of this subsection, 1.5 clock hours may be satisfied by a course regarding fair housing laws
26 and regulations or the federal Americans with Disabilities Act.

27 [(4) A licensee who is required to complete continuing education instruction
28 under paragraph (2) of this subsection shall complete the requirements of subsection
29 (b)(2)(ii) and (v) of this section in alternate licensing periods.

30 (5) (3) A licensee holding a license from another state must complete at
31 least the number of clock hours of continuing education instruction required under
32 paragraph (1) of this subsection during each 2–year license term and may substitute clock
33 hours of continuing education instruction earned in another state, if those clock hours:

1 (i) are approved as real estate continuing education in that state;
2 and

3 (ii) meet the distribution requirements of subsection (b)(2) of this
4 section.

5 ~~[(6)] (4)~~ The Commission shall grant the substitution of clock hours in
6 ~~[paragraph (5)]~~ **PARAGRAPH (3)** of this subsection only if the other state permits the
7 substitution of clock hours of continuing education instruction approved by the Commission
8 for a licensee of this State.

9 (b) (1) The Commission shall approve the form, substance, and, as provided
10 under paragraph (2) of this subsection, subject matter of all continuing education courses.

11 (2) The subject matter approved by the Commission shall:

12 (i) relate to real estate or to a subject matter intended to assist a
13 licensee in providing real estate brokerage services to the public in a more efficient and
14 effective manner, provided that the subject matter is related to helping the public buy or
15 sell real estate;

16 (ii) every 2 years, include at least one 3 clock hour course that
17 outlines relevant changes that have occurred in federal, State, or local laws and
18 regulations, court cases and industry trends that have an impact on those laws and
19 regulations, or any combination of those laws, regulations, court cases, and industry trends;

20 (iii) every 2 years, include at least one 1.5 clock hour course that
21 outlines federal, State, and local fair housing laws and regulations, including fair housing
22 advertising;

23 (iv) every 2 years, include at least one 3 clock hour ethics course that
24 includes the Maryland Code of Ethics and a discussion of the practices of flipping and
25 predatory lending;

26 (v) every ~~[4]~~ 2 years, include at least one 3 clock hour course that
27 includes the principles of agency and agency disclosure; and

28 (vi) every ~~[4]~~ 2 years for the renewal of a real estate broker license
29 and the renewal of the license of an individual designated as a branch office manager or a
30 team leader, include at least one 3 clock hour course that includes the requirements of
31 broker supervision.

32 (3) The requirement of paragraph (2)(iii) of this subsection does not apply
33 to a licensee who provides real estate brokerage services solely in connection with
34 nonresidential real estate.

1 (4) To be acceptable for credit as a continuing education course under this
2 section, the course shall cover 1 or more topics approved by the Commission.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2015.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.