Chapter 115

### (House Bill 1056)

# AN ACT concerning

# Real Estate Brokers and Salespersons - Continuing Education - Requirements

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

BY repealing and reenacting, without amendments,

Article – Business Occupations and Professions

Section 17–301(a)

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Occupations and Professions

Section 17-315(a) and (b)

Annotated Code of Maryland

(2010 Replacement Volume and 2014 Supplement)

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

### **Article – Business Occupations and Professions**

17-301.

- (a) (1) Except as otherwise provided in this title, an individual shall be licensed by the Commission as a real estate broker before the individual may provide real estate brokerage services in the State.
- (2) Except as otherwise provided in this title, an individual shall be licensed by the Commission as an associate real estate broker or a real estate salesperson before the individual, while acting on behalf of a real estate broker, may provide real estate brokerage services in the State.

17 - 315.

### 2015 LAWS OF MARYLAND

- (a) (1) To qualify for renewal of a license under this subtitle, a licensee shall complete at least 15 clock hours of continuing education instruction, as provided in subsection (b) of this section, during the preceding 2-year term.
- (2) [Notwithstanding paragraph (1) of this subsection, a licensee shall complete at least 7.5 clock hours of continuing education instruction as provided for in subsection (b) of this section if the licensee:
- (i) 1. possesses a graduate degree in law from an accredited law school; or
- 2. possesses a graduate degree in real estate from an accredited college or university; and
- (ii) is not a broker, an associate broker, or a salesperson designated as a branch office manager or team leader.
- (3)] For a licensee who provides real estate brokerage services solely in connection with nonresidential real estate, of the clock hours required under paragraph (1) of this subsection, 1.5 clock hours may be satisfied by a course regarding fair housing laws and regulations or the federal Americans with Disabilities Act.
- [(4) A licensee who is required to complete continuing education instruction under paragraph (2) of this subsection shall complete the requirements of subsection (b)(2)(ii) and (v) of this section in alternate licensing periods.
- (5)] (3) A licensee holding a license from another state must complete at least the number of clock hours of continuing education instruction required under paragraph (1) of this subsection during each 2—year license term and may substitute clock hours of continuing education instruction earned in another state, if those clock hours:
- (i) are approved as real estate continuing education in that state; and
- (ii) meet the distribution requirements of subsection (b)(2) of this section.
- [(6)] (4) The Commission shall grant the substitution of clock hours in [paragraph (5)] PARAGRAPH (3) of this subsection only if the other state permits the substitution of clock hours of continuing education instruction approved by the Commission for a licensee of this State.
- (b) (1) The Commission shall approve the form, substance, and, as provided under paragraph (2) of this subsection, subject matter of all continuing education courses.
  - (2) The subject matter approved by the Commission shall:

- (i) relate to real estate or to a subject matter intended to assist a licensee in providing real estate brokerage services to the public in a more efficient and effective manner, provided that the subject matter is related to helping the public buy or sell real estate;
- (ii) every 2 years, include at least one 3 clock hour course that outlines relevant changes that have occurred in federal, State, or local laws and regulations, court cases and industry trends that have an impact on those laws and regulations, or any combination of those laws, regulations, court cases, and industry trends;
- (iii) every 2 years, include at least one 1.5 clock hour course that outlines federal, State, and local fair housing laws and regulations, including fair housing advertising;
- (iv) every 2 years, include at least one 3 clock hour ethics course that includes the Maryland Code of Ethics and a discussion of the practices of flipping and predatory lending;
- (v) every [4] 2 years, include at least one 3 clock hour course that includes the principles of agency and agency disclosure; and
- (vi) every [4] 2 years for the renewal of a real estate broker license and the renewal of the license of an individual designated as a branch office manager or a team leader, include at least one 3 clock hour course that includes the requirements of broker supervision.
- (3) The requirement of paragraph (2)(iii) of this subsection does not apply to a licensee who provides real estate brokerage services solely in connection with nonresidential real estate.
- (4) To be acceptable for credit as a continuing education course under this section, the course shall cover 1 or more topics approved by the Commission.

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

Approved by the Governor, April 14, 2015.