

SENATE BILL 560

Unofficial Copy  
C2

2002 Regular Session  
2lr2110  
CF 2lr2124

---

By: **Senators Collins and Hollinger**  
Introduced and read first time: February 1, 2002  
Assigned to: Education, Health, and Environmental Affairs

---

Committee Report: Favorable with amendments  
Senate action: Adopted with floor amendments  
Read second time: March 14, 2002

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Business Occupations and Professions - Real Estate Licenses - Continuing**  
3 **Education Requirements**

4 FOR the purpose of altering the circumstances under which a real estate licensee  
5 qualifies for renewal of a license; authorizing certain licensees holding a license  
6 from another state to substitute certain clock hours of continuing education  
7 instruction; expanding the subject matter for continuing education instruction  
8 that is approved by the State Real Estate Commission; adding a requirement for  
9 a certain course in continuing education instruction to be offered during certain  
10 years, including a discussion of certain practices; adding a provision through  
11 which a certain licensee may otherwise satisfy the continuing education  
12 instruction requirement; ~~changing a certain provision with regard to who may~~  
13 ~~conduct a continuing education course; requiring the Commission to approve~~  
14 ~~certain courses; requiring the Commission to submit a written basis for~~  
15 ~~disapproval of a certain course~~; and generally relating to the continuing  
16 education requirements for real estate licensees.

17 BY repealing and reenacting, with amendments,  
18 Article - Business Occupations and Professions  
19 Section 17-315  
20 Annotated Code of Maryland  
21 (2000 Replacement Volume and 2001 Supplement)

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

1 **Article - Business Occupations and Professions**

2 17-315.

3 (a) (1) To qualify for renewal of a license under this subtitle, a licensee shall  
4 [complete:

5 (i) in the license term that begins in 1992, at least 12 clock hours of  
6 continuing education instruction, as provided in this section, during each 2-year  
7 license term; and

8 (ii) in and after the license term that begins in 1996,] COMPLETE  
9 at least 15 clock hours of continuing education instruction IN AND AFTER THE  
10 LICENSE TERM THAT BEGINS IN 1996, as provided in this section, during the  
11 preceding 2-year term.

12 (2) Notwithstanding paragraph (1) of this subsection:

13 (i) a licensee who is granted a license during the second year of a  
14 license term may renew a license for the next full term without complying with the  
15 continuing education requirements of this section; and

16 [(ii) a licensee who has been licensed for 10 years or more may  
17 satisfy the continuing education requirements and renew a license for the next full  
18 term by completing 6 clock hours of continuing education instruction that outlines  
19 relevant changes that have occurred in federal, State, or local laws, or any  
20 combination of those laws.]

21 ~~(H) A LICENSEE WHO POSSESSES A GRADUATE DEGREE IN LAW,  
22 BUSINESS, OR REAL ESTATE FROM AN ACCREDITED COLLEGE OR UNIVERSITY, OR  
23 HAS BEEN LICENSED FOR 10 CONSECUTIVE YEARS AND HOLDS A REAL ESTATE  
24 DESIGNATION FROM A NATIONALLY RECOGNIZED REAL ESTATE TRADE  
25 ASSOCIATION INCLUDING THE NATIONAL ASSOCIATION OF REALTORS AND THE  
26 MARYLAND ASSOCIATION OF REALTORS MAY SATISFY THE CONTINUING EDUCATION  
27 REQUIREMENTS AND RENEW A LICENSE FOR THE NEXT FULL TERM BY COMPLETING  
28 7.5 CLOCK HOURS OF CONTINUING EDUCATION INSTRUCTION AS PROVIDED FOR IN  
29 SUBSECTION (B) OF THIS SECTION.~~

30 (II) A LICENSEE MAY SATISFY THE CONTINUING EDUCATION  
31 REQUIREMENTS AND RENEW A LICENSE FOR THE NEXT FULL TERM BY COMPLETING  
32 7.5 CLOCK HOURS OF CONTINUING EDUCATION INSTRUCTION AS PROVIDED FOR IN  
33 SUBSECTION (B) OF THIS SECTION IF THE LICENSEE:

34 1. POSSESSES A GRADUATE DEGREE IN LAW FROM AN  
35 ACCREDITED LAW SCHOOL;

36 2. POSSESSES A GRADUATE DEGREE IN REAL ESTATE FROM  
37 AN ACCREDITED COLLEGE OR UNIVERSITY; OR

1                                   3.     HAS BEEN LICENSED FOR 10 CONSECUTIVE YEARS AND  
2 HOLDS A REAL ESTATE DESIGNATION FROM:

3                                   A.     A NATIONALLY RECOGNIZED REAL ESTATE TRADE  
4 ASSOCIATION, INCLUDING THE NATIONAL ASSOCIATION OF REALTORS AND THE  
5 NATIONAL ASSOCIATION OF REAL ESTATE BROKERS, INC.;

6                                   B.     THE MARYLAND ASSOCIATION OF REALTORS; OR

7                                   C.     THE REAL ESTATE BROKERS OF BALTIMORE, INC.; OR

8                                   4.     IS LICENSED AS A REAL ESTATE APPRAISER UNDER TITLE  
9 16 OF THIS ARTICLE.

10                   (3)     ~~NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION:~~

11                               (4)     A LICENSEE HOLDING A LICENSE FROM ANOTHER STATE MUST  
12 COMPLETE AT LEAST 15 CLOCK HOURS OF CONTINUING EDUCATION INSTRUCTION  
13 DURING EACH 2-YEAR LICENSE TERM AND MAY SUBSTITUTE CLOCK HOURS OF  
14 CONTINUING EDUCATION INSTRUCTION EARNED IN ANOTHER STATE, IF THOSE  
15 CLOCK HOURS:

16                               (I)     ARE APPROVED AS REAL ESTATE CONTINUING EDUCATION IN  
17 THAT STATE; AND

18                               (II)    MEET THE DISTRIBUTION REQUIREMENTS OF SUBSECTION  
19 (B)(2) OF THIS SECTION.

20                               (4)     THE COMMISSION SHALL GRANT THE SUBSTITUTION OF CLOCK  
21 HOURS IN ~~SUBPARAGRAPH (1) OF THIS~~ PARAGRAPH (3) OF THIS SUBSECTION ONLY IF  
22 THE OTHER STATE PERMITS THE SUBSTITUTION OF CLOCK HOURS OF CONTINUING  
23 EDUCATION INSTRUCTION APPROVED BY THE COMMISSION FOR A LICENSEE OF THIS  
24 STATE.

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

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

29                               (i)     relate to real estate OR TO A SUBJECT MATTER INTENDED TO  
30 ASSIST A LICENSEE IN PROVIDING REAL ESTATE BROKERAGE SERVICES TO THE  
31 PUBLIC IN A MORE EFFICIENT AND EFFECTIVE MANNER INCLUDING  
32 ~~TECHNOLOGICAL AND COMPUTER APPLICATIONS, SALES AND MARKETING~~  
33 ~~TECHNIQUES, AND OTHER COURSES AS APPROVED BY THE COMMISSION INTENDED~~  
34 TO ASSIST A LICENSEE IN PROVIDING REAL ESTATE BROKERAGE SERVICES TO THE  
35 PUBLIC;

1 (ii) every 2 years, include at least one [3-hour] 3 CLOCK-HOUR  
 2 course that outlines relevant changes that have occurred in federal, State, or local  
 3 laws and regulations, or any combination of those laws and regulations; [and]

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

7 (IV) EVERY 2 YEARS, INCLUDE AT LEAST ONE 3 CLOCK-HOUR  
 8 ~~ETHICS COURSE THAT OUTLINES THE DUTIES OF LICENSEES UNDER THE CODE OF~~  
 9 ~~ETHICS AS ADOPTED BY THE COMMISSION, THE NATIONAL ASSOCIATION OF~~  
 10 ~~REALTORS, OR SUCH OTHER GOVERNMENTAL AGENCY OR TRADE ASSOCIATION AS~~  
 11 ~~APPROVED BY THE COMMISSION THAT INCLUDES THE MARYLAND CODE OF ETHICS~~  
 12 ~~AND INCLUDES A DISCUSSION OF THE PRACTICES OF FLIPPING AND PREDATORY~~  
 13 ~~LENDING.~~

14 (3) [The] EXCEPT FOR THE requirement of paragraph (2)(iii) of this  
 15 [subsection does not apply to] SUBSECTION, a licensee who provides real estate  
 16 brokerage services solely in connection with nonresidential real estate MAY SATISFY  
 17 CONTINUING EDUCATION REQUIREMENTS AND RENEW A LICENSE FOR THE NEXT  
 18 FULL TERM BY COMPLETING 15 CLOCK HOURS OF INSTRUCTION, UNLESS THE  
 19 LICENSEE MEETS THE REQUIREMENTS OF SUBSECTION (A)(2)(II) OF THIS SECTION.

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

22 (c) (1) Continuing education courses may be conducted by:

23 (i) the Maryland Association of Realtors or its member boards;

24 (ii) the Real Estate Brokers of Baltimore City, Inc.;

25 (iii) any similar professional association; or

26 (iv) an [educational institution] ~~EDUCATION PROVIDER~~ approved  
 27 by the Commission.

28 (2) Continuing education courses shall be taught by a qualified  
 29 instructor who is experienced in the real estate industry.

30 (3) ~~THE COMMISSION SHALL APPROVE ANY CONTINUING EDUCATION~~  
 31 ~~COURSE WHICH SATISFIES THE REQUIREMENTS OF SUBSECTIONS (B)(2)(I) AND (C) OF~~  
 32 ~~THIS SECTION WITHIN 14 DAYS OF THE SUBMISSION OF THE COURSE OUTLINE TO~~  
 33 ~~THE COMMISSION.~~

34 (4) ~~IF THE COMMISSION DOES NOT APPROVE A COURSE AS SUBMITTED,~~  
 35 ~~THE COMMISSION SHALL PROVIDE IN WRITING THE REASONS FOR THE~~  
 36 ~~DISAPPROVAL.~~

1           ~~(5)~~    (3)       On or before January 1, 2003, the Commission shall adopt  
2 regulations that provide for the conduct of continuing education instruction courses  
3 by:

- 4                   (i)       remote access satellite;
- 5                   (ii)       closed-circuit video;
- 6                   (iii)      computer, including transmission over the Internet and the  
7 World Wide Web;
- 8                   (iv)      home study; and
- 9                   (v)      any other delivery system approved by the Commission.

10       (d)       If feasible, continuing education courses shall be offered at reasonable  
11 intervals in each county and in each major geographic area of the larger counties.

12       (e)       On completion of a continuing education course by a licensee, the entity  
13 that conducted the course or the instructor shall issue to the licensee a certificate of  
14 completion that states the number of clock hours of that course.

15       (f)       The Commission may waive the requirements of this section for a licensee  
16 if the licensee shows good cause for being unable to meet the requirements.

17       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
18 October 1, 2002.