

HOUSE BILL 1411

C2

9lr0150

By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: February 25, 2009

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Labor, Licensing, and Regulation – Maryland Real Estate**
3 **Commission – Continuing Education**

4 FOR the purpose of requiring additional continuing education course hours for the
5 renewal of certain real estate licenses; repealing certain exceptions for certain
6 real estate licensees who have been licensed a certain minimum number of
7 years; altering the criteria for the Maryland Real Estate Commission to use in
8 selecting subject matter for continuing education courses; granting the
9 Commission the authority to charge certain fees; and generally relating to
10 continuing education for real estate licensees.

11 BY repealing and reenacting, with amendments,
12 Article – Business Occupations and Professions
13 Section 17–315
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2008 Supplement)

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

18 **Article – Business Occupations and Professions**

19 17–315.

20 (a) (1) To qualify for renewal of a license under this subtitle, [a licensee]
21 **AN ASSOCIATE REAL ESTATE BROKER OR REAL ESTATE SALESPERSON** shall
22 complete at least 15 clock hours of continuing education instruction, as provided in
23 subsection (b) of this section, during the preceding 2–year term.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 [(2) Notwithstanding paragraph (1) of this subsection, to qualify for
2 renewal of a license under this subtitle:

3 (i) a licensee who has been licensed 10 years or more on the
4 date of renewal shall complete:

5 1. at least 6 clock hours of continuing education
6 instruction, as provided in subsection (b) of this section, if the licensee renews the
7 license on or before October 1, 2006;

8 2. at least 9 clock hours of continuing education
9 instruction, as provided in subsection (b) of this section, if the licensee renews the
10 license on or before October 1, 2008; or

11 3. at least 15 clock hours of continuing education
12 instruction, as provided in subsection (b) of this section, if the licensee renews the
13 license on or after October 2, 2008; or]

14 **(2) TO QUALIFY FOR RENEWAL OF A LICENSE UNDER THIS**
15 **SUBTITLE, A REAL ESTATE BROKER SHALL COMPLETE AT LEAST 18 CLOCK**
16 **HOURS OF CONTINUING EDUCATION INSTRUCTION, AS PROVIDED IN**
17 **SUBSECTION (B) OF THIS SECTION, DURING THE PRECEDING 2-YEAR TERM.**

18 **(3) NOTWITHSTANDING PARAGRAPHS (1) AND (2) OF THIS**
19 **SUBSECTION,**

20 [(ii)] a licensee shall complete at least [7.5] **10.5** clock hours of
21 continuing education instruction as provided for in subsection (b) of this section if the
22 licensee:

23 [1.] **(I)** possesses a graduate degree in law from an
24 accredited law school; or

25 [2.] **(II)** possesses a graduate degree in real estate from
26 an accredited college or university.

27 [(3)] **(4)** For a licensee who provides real estate brokerage services
28 solely in connection with nonresidential real estate, of the clock hours required under
29 paragraph [(2)(i)] **(1) OR (2)** of this subsection, 1.5 clock hours may be satisfied by a
30 course regarding fair housing laws and regulations or the federal Americans with
31 Disabilities Act.

32 [(4)] **(5)** A licensee holding a license from another state must
33 complete at least [15 clock hours] **THE NUMBER OF CLOCK HOURS** of continuing
34 education instruction **REQUIRED UNDER PARAGRAPHS (1) AND (2) OF THIS**

1 **SUBSECTION** during each 2-year license term and may substitute clock hours of
2 continuing education instruction earned in another state, if those clock hours:

3 (i) are approved as real estate continuing education in that
4 state; and

5 (ii) meet the distribution requirements of subsection (b)(2) of
6 this section.

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

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

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

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

19 (ii) every 2 years, include at least one 3 clock hour course that
20 outlines relevant changes that have occurred in federal, State, or local laws and
21 regulations, or any combination of those laws and regulations;

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

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

28 **(V) EVERY 2 YEARS, INCLUDE AT LEAST ONE 3 CLOCK HOUR**
29 **COURSE THAT INCLUDES THE PRINCIPLES OF AGENCY AND AGENCY**
30 **DISCLOSURE; AND**

31 **(VI) EVERY 2 YEARS FOR THE RENEWAL OF A REAL ESTATE**
32 **BROKER LICENSE AND THE RENEWAL OF THE LICENSE OF AN INDIVIDUAL**
33 **DESIGNATED AS A BRANCH OFFICE MANAGER, INCLUDE AT LEAST ONE 3 CLOCK**
34 **HOUR COURSE THAT INCLUDES THE REQUIREMENTS OF BROKER SUPERVISION.**

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

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

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

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

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

9 (iii) any similar professional association; or

10 (iv) an educational institution approved by the Commission.

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

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

15 (i) remote access satellite;

16 (ii) closed-circuit video;

17 (iii) computer, including transmission over the Internet and the
18 World Wide Web;

19 (iv) home study; and

20 (v) any other delivery system approved by the Commission.

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

23 (e) (1) On completion of a continuing education course by a licensee, the
24 entity that conducted the course or the instructor shall issue to the licensee a
25 certificate of completion that states the number of clock hours of that course.

26 (2) The Commission shall accept as evidence of completion of a
27 continuing education course the certificate of completion, a photocopy of the certificate,
28 an electronic mail certificate, or a photocopy of an electronic mail certificate.

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

1 **(G) THE COMMISSION MAY SET A CONTINUING EDUCATION COURSE**
2 **APPLICATION FEE TO BE PAID BY THE COURSE PROVIDER.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2009.