

HOUSE BILL 83

C2

(0lr0080)

ENROLLED BILL

— *Economic Matters/ Education, Health, and Environmental Affairs* —

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

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

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

4 FOR the purpose of altering ~~certain continuing education requirements for a licensee~~
5 ~~of the State Real Estate Commission who possesses a certain graduate degree~~
6 *the circumstances under which certain licensees of the State Real Estate*
7 *Commission are required to complete a certain number of clock hours of*
8 *continuing education; requiring certain licensees to complete certain*
9 *requirements in certain licensing periods;* clarifying the continuing education
10 requirements for a licensee holding a license from another state; altering the
11 criteria for the Commission to use in selecting subject matter for continuing
12 education courses; ~~authorizing~~ requiring the Commission to ~~set certain fees for~~
13 require certain providers of continuing education courses to pay a certain fee of
14 a certain amount; repealing certain obsolete provisions; requiring certain

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.

Italics indicate opposite chamber/conference committee amendments.



1 licenses to take certain courses as a condition of licensure renewal on or after a
 2 certain date; and generally relating to continuing education for licensees of the
 3 State Real Estate Commission.

4 BY repealing and reenacting, with amendments,
 5 Article – Business Occupations and Professions
 6 Section 17–315
 7 Annotated Code of Maryland
 8 (2004 Replacement Volume and 2009 Supplement)

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

11 **Article – Business Occupations and Professions**

12 17–315.

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

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

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

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

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

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

29 [(ii) (2) NOTWITHSTANDING PARAGRAPH (1) OF THIS
 30 SUBSECTION, a licensee shall complete at least ~~7.5~~ ~~10.5~~ clock hours of continuing
 31 education instruction as provided for in subsection (b) of this section if the licensee:

32 [1.] (i) 1. possesses a graduate degree in law from an
 33 accredited law school; or

1 [2.] ~~(H)~~ **2.** possesses a graduate degree in real estate from
2 an accredited college or university; AND

3 **(II) IS NOT A BROKER, AN ASSOCIATE BROKER, OR A**
4 **SALESPERSON DESIGNATED AS A BRANCH OFFICE MANAGER OR TEAM LEADER.**

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

10 **(4) A LICENSEE WHO IS REQUIRED TO COMPLETE CONTINUING**
11 **EDUCATION INSTRUCTION UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL**
12 **COMPLETE THE REQUIREMENTS OF SUBSECTION (B)(2)(II) AND (V) OF THIS**
13 **SECTION IN ALTERNATE LICENSING PERIODS.**

14 ~~(4)~~ **(5)** A licensee holding a license from another state must
15 complete at least [15 clock hours] **THE NUMBER OF CLOCK HOURS** of continuing
16 education instruction **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION**
17 during each 2–year license term and may substitute clock hours of continuing
18 education instruction earned in another state, if those clock hours:

19 (i) are approved as real estate continuing education in that
20 state; and

21 (ii) meet the distribution requirements of subsection (b)(2) of
22 this section.

23 ~~(5)~~ **(6)** The Commission shall grant the substitution of clock hours
24 in paragraph ~~(4)~~ **(5)** of this subsection only if the other state permits the substitution
25 of clock hours of continuing education instruction approved by the Commission for a
26 licensee of this State.

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

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

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

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

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 ethics course
8 that includes the Maryland Code of Ethics and a discussion of the practices of flipping
9 and predatory lending;

10 (v) **EVERY 4 YEARS, INCLUDE AT LEAST ONE 3 CLOCK HOUR**
11 **COURSE THAT INCLUDES THE PRINCIPLES OF AGENCY AND AGENCY**
12 **DISCLOSURE; AND**

13 (vi) **EVERY 4 YEARS FOR THE RENEWAL OF A REAL ESTATE**
14 **BROKER LICENSE AND THE RENEWAL OF THE LICENSE OF AN INDIVIDUAL**
15 **DESIGNATED AS A BRANCH OFFICE MANAGER OR A TEAM LEADER, INCLUDE AT**
16 **LEAST ONE 3 CLOCK HOUR COURSE THAT INCLUDES THE REQUIREMENTS OF**
17 **BROKER SUPERVISION.**

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

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

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

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

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

26 (iii) any similar professional association; or

27 (iv) an educational institution approved 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) On or before January 1, 2003, the Commission shall adopt
31 regulations that provide for the conduct of continuing education instruction courses by:

32 (i) remote access satellite;

- 1 (ii) closed-circuit video;
- 2 (iii) computer, including transmission over the Internet and the
3 World Wide Web;
- 4 (iv) home study; and
- 5 (v) any other delivery system approved by the Commission.

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

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

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

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

16 **(G) THE COMMISSION ~~MAY SET A~~ SHALL REQUIRE EACH COURSE**
17 **PROVIDER TO PAY A CONTINUING EDUCATION COURSE APPLICATION FEE ~~TO BE~~**
18 **~~PAID BY THE COURSE PROVIDER OF \$25.~~**

19 SECTION 2. AND BE IT FURTHER ENACTED, That, as a condition of the
20 next licensure renewal that occurs on or after January 1, ~~2011~~ 2012, each licensee of
21 the State Real Estate Commission shall take at least one 3 clock hour course that
22 includes the principles of agency and agency disclosure.

23 SECTION 3. AND BE IT FURTHER ENACTED, That, as a condition of the
24 next licensure renewal that occurs on or after January 1, ~~2011~~ 2012, each individual
25 designated as a branch office manager or a team leader and real estate broker
26 licensees of the State Real Estate Commission shall take at least one 3 clock hour
27 course that includes the requirements of broker supervision.

28 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2010.