

HOUSE BILL 83

C2

0lr0080

(PRE-FILED)

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

Requested: October 8, 2009

Introduced and read first time: January 13, 2010

Assigned to: Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: February 23, 2010

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 clarifying the continuing education requirements for a licensee holding a license
7 from another state; altering the criteria for the Commission to use in selecting
8 subject matter for continuing education courses; ~~authorizing~~ requiring the
9 Commission to ~~set certain fees for~~ require certain providers of continuing
10 education courses to pay a certain fee of a certain amount; repealing certain
11 obsolete provisions; requiring certain licensees to take certain courses as a
12 condition of licensure renewal on or after a certain date; and generally relating
13 to continuing education for licensees of the State Real Estate Commission.

14 BY repealing and reenacting, with amendments,
15 Article – Business Occupations and Professions
16 Section 17–315
17 Annotated Code of Maryland
18 (2004 Replacement Volume and 2009 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, 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 17–315.

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

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

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

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

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

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

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

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

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

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

31 (4) A licensee holding a license from another state must complete at
32 least [15 clock hours] **THE NUMBER OF CLOCK HOURS** of continuing education
33 instruction **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION** during each
34 2–year license term and may substitute clock hours of continuing education
35 instruction earned in another state, if those clock hours:

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

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

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

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

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

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

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

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
22 housing advertising; [and]

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

26 (v) EVERY 4 YEARS, INCLUDE AT LEAST ONE 3 CLOCK HOUR
27 COURSE THAT INCLUDES THE PRINCIPLES OF AGENCY AND AGENCY
28 DISCLOSURE; AND

29 (vi) EVERY 4 YEARS FOR THE RENEWAL OF A REAL ESTATE
30 BROKER LICENSE AND THE RENEWAL OF THE LICENSE OF AN INDIVIDUAL
31 DESIGNATED AS A BRANCH OFFICE MANAGER OR A TEAM LEADER, INCLUDE AT
32 LEAST ONE 3 CLOCK HOUR COURSE THAT INCLUDES THE REQUIREMENTS OF
33 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~~ SHALL REQUIRE EACH COURSE**
 2 **PROVIDER TO PAY A CONTINUING EDUCATION COURSE APPLICATION FEE ~~TO BE~~**
 3 **PAID BY THE COURSE PROVIDER OF \$25.**

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

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

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

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.