

SENATE BILL 145

C2

2lr0032

By: **Chair, Education, Health, and Environmental Affairs Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: January 18, 2012

Assigned to: Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 22, 2012

CHAPTER _____

1 AN ACT concerning

2 **State Real Estate Commission – Continuing Education – Documentation**

3 FOR the purpose of requiring that certain continuing education courses approved by
4 the State Real Estate Commission include relevant changes that have occurred
5 in certain court cases and industry trends; authorizing entities conducting
6 certain continuing education courses for real estate licensees, instead of
7 providing a certain certificate of completion to the licensee, to submit course
8 completion information to the State Real Estate Commission and the licensee by
9 electronic means; authorizing the Commission, on or after a certain date, to
10 require entities conducting certain continuing education courses to submit
11 course completion information to the Commission by electronic means;
12 requiring the Commission to submit certain recommendations to certain
13 committees of the General Assembly on or before a certain date; and generally
14 relating to continuing education requirements for real estate licensees and the
15 State Real Estate Commission.

16 BY repealing and reenacting, with amendments,
17 Article – Business Occupations and Professions
18 Section 17–315
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2011 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
22 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, a licensee shall
7 complete at least 7.5 clock hours of continuing education instruction as provided for in
8 subsection (b) of this section if the licensee:

9 (i) 1. possesses a graduate degree in law from an accredited
10 law school; or

11 2. possesses a graduate degree in real estate from an
12 accredited college or university; and

13 (ii) is not a broker, an associate broker, or a salesperson
14 designated as a branch office manager or team leader.

15 (3) For a licensee who provides real estate brokerage services solely in
16 connection with nonresidential real estate, of the clock hours required under
17 paragraph (1) of this subsection, 1.5 clock hours may be satisfied by a course regarding
18 fair housing laws and regulations or the federal Americans with Disabilities Act.

19 (4) A licensee who is required to complete continuing education
20 instruction under paragraph (2) of this subsection shall complete the requirements of
21 subsection (b)(2)(ii) and (v) of this section in alternate licensing periods.

22 (5) A licensee holding a license from another state must complete at
23 least the number of clock hours of continuing education instruction required under
24 paragraph (1) of this subsection during each 2–year license term and may substitute
25 clock hours of continuing education instruction earned in another state, if those clock
26 hours:

27 (i) are approved as real estate continuing education in that
28 state; and

29 (ii) meet the distribution requirements of subsection (b)(2) of
30 this section.

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

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

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

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

9 (ii) every 2 years, include at least one 3 clock hour course that
10 outlines relevant changes that have occurred in federal, State, or local laws and
11 regulations, **COURT CASES AND INDUSTRY TRENDS THAT HAVE AN IMPACT ON**
12 **THOSE LAWS AND REGULATIONS**, or any combination of those laws ~~and~~, regulations,
13 **COURT CASES, AND INDUSTRY TRENDS**;

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

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

20 (v) every 4 years, include at least one 3 clock hour course that
21 includes the principles of agency and agency disclosure; and

22 (vi) every 4 years for the renewal of a real estate broker license
23 and the renewal of the license of an individual designated as a branch office manager
24 or a team leader, include at least one 3 clock hour course that includes the
25 requirements of broker supervision.

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

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

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

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

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

1 (iii) any similar professional association; or

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

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

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

7 (i) remote access satellite;

8 (ii) closed-circuit video;

9 (iii) computer, including transmission over the Internet and the
10 World Wide Web;

11 (iv) home study; and

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

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

15 (e) (1) **[On] SUBJECT TO SUBSECTION (F) OF THIS SECTION, ON**
16 **completion of a continuing education course by a licensee, the entity that conducted**
17 **the course or the instructor shall issue to the licensee a certificate of completion that**
18 **states the number of clock hours of that course.**

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

22 **(F) (1) INSTEAD OF PROVIDING A CERTIFICATE OF COMPLETION TO**
23 **THE LICENSEE UNDER SUBSECTION (E) OF THIS SECTION, THE ENTITY THAT**
24 **CONDUCTED THE COURSE MAY SUBMIT THE COURSE COMPLETION**
25 **INFORMATION DIRECTLY TO THE COMMISSION AND THE LICENSEE BY**
26 **ELECTRONIC MEANS.**

27 **(2) ON OR AFTER JANUARY 1, 2013, THE COMMISSION MAY**
28 **REQUIRE ALL ENTITIES CONDUCTING CONTINUING EDUCATION COURSES TO**
29 **SUBMIT COURSE COMPLETION INFORMATION ONLY BY ELECTRONIC MEANS.**

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

1 **[(g)] (H)** The Commission shall require each course provider to pay a
2 continuing education course application fee of \$25.

3 SECTION 2. AND BE IT FURTHER ENACTED, That on or before December 1,
4 2012, the State Real Estate Commission shall submit recommendations to the Senate
5 Education, Health, and Environmental Affairs Committee and the House Economic
6 Matters Committee, in accordance with § 2-1246 of the State Government Article,
7 regarding:

8 (1) what electronically available information could be collected and
9 tied to the licensee profiles of individuals licensed by the Commission;

10 (2) whether various electronically available information collected
11 could be used as an indicator of the advisability of renewal of a license or to provide a
12 real estate marketplace where consumers have better access to information; and

13 (3) whether and to what extent electronically available information
14 should be made publicly available.

15 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
16 effect October 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.