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HOUSE BILL NO. 1507

Offered January 22, 1996

A BILL to amend and reenact § 54.1-2105 of the Code of Virginia, relating to the Department of Professional and Occupational Regulation; Real Estate Board.

Patrons—Plum, Albo, Almand, Bryant, Callahan, Connally, Darner, Dillard, Drake, Dudley, Hall, Heilig, Hull, Ingram, Keating, Marshall, McEachin, Moran, Nixon, Purkey, Reid, Scott, Tata, Wagner and Watts; Senators: Couric, Edwards, Howell, Saslaw, Schrock and Stolle

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 54.1-2105 of the Code of Virginia is amended and reenacted as follows:

§ 54.1-2105. General powers of Real Estate Board; regulations; educational and experience requirements for licensure.

The Board may do all things necessary and convenient for carrying into effect the provisions of this chapter and may promulgate necessary regulations.

The Real Estate Board shall include in its regulations educational requirements as conditions for licensure to ensure the protection of the public interest. The Board is authorized to regulate any school which is established to offer real estate courses except such schools as are regulated by another state agency. Such authority shall include, but not be limited to, qualification of instructors, approval of course curricula and the requirement that such schools submit evidence of financial responsibility to ensure that these schools protect the public health, safety and welfare. The Board shall have the discretion to waive any requirement under the regulations relating to education or experience when the broker or salesperson is found to have education or experience equivalent to that required. No regulation imposing educational requirements for initial licensure beyond those specified by law shall apply to any person who was licensed prior to July 1, 1975, and who has been continuously licensed since that time, except that licensure as a salesperson prior to such time shall not exempt a salesperson who seeks to be licensed as a broker from the educational requirements established for brokers. Regulations promulgated by the Board shall include the following requirements:

1. a. Every applicant to the Real Estate Board for an initial license as a real estate salesperson shall have completed a course in the principles of real estate which carried an academic credit of at least three semester hours or six quarter hours (but not less than forty-five classroom or correspondence hours in either case). The course shall be one offered by an accredited university, college, community college, high school offering adult distributive education courses, or other school or educational institution offering an equivalent course.

b. However, on and after January 1, 1991, the academic credit required for the initial license as a real estate salesperson shall be at least four semester hours, but not less than sixty classroom or correspondence hours.

2. Every applicant to the Real Estate Board for an initial license as a real estate broker shall have completed not less than twelve classroom or correspondence semester hours in real estate courses offered by an accredited university, college, community college, or other school or educational institution offering equivalent courses.

The Board shall establish criteria, including appropriate testing procedures, for the purpose of correspondence courses upon a showing by the applicant that classroom courses are not available in a reasonable geographical proximity to the applicant's residence or business location in the Commonwealth.

Noncollegiate institutions shall not be authorized to grant collegiate semester hours for academic credit.

The specific content of the real estate courses shall be in real estate brokerage, real estate finance, real estate appraisal, real estate law, and such related subjects as are approved by the Board.

The Board shall include in its regulations educational requirements as a condition for relicensure of brokers and salespersons to whom active licenses have been issued by the Board beyond those now specified by law as conditions for licensure. Brokers and salespersons to whom active licenses have been issued by the Board shall be required to satisfactorily complete courses of not less than eight classroom or correspondence hours during each licensing term, no less than two hours of which shall include training in fair housing laws and recent developments in federal, state and local real estate law state real estate laws and regulations. If the real estate licensee submits an affidavit to the Board which certifies that such licensee does not practice residential real estate and will not do so during the

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60 *licensing term, fair housing training shall not be required, and such licensee shall instead receive*
61 *training in other applicable federal and state discrimination laws and regulations.* The remaining six
62 hours shall include real estate-related subjects as are approved by the Board. Such courses shall be those
63 offered by an accredited university, college, community college, high school offering adult distributive
64 education courses, other school or educational institution, or real estate professional association or
65 related entities.

66 3. *The Board shall establish criteria to ensure that prelicensure and continuing education courses for*
67 *relicensure meet the standards of quality deemed by the Board to be necessary to protect the public*
68 *welfare. Correspondence courses shall be approved by the Board upon a showing by the applicant or*
69 *licensee that (i) classroom courses are not available in a reasonable proximity to his residence or*
70 *business or (ii) he has a disability which requires reasonable accommodation in accordance with*
71 *applicable federal or state law.*

72 *For the purposes of this chapter, "correspondence courses" means those courses which meet the*
73 *criteria established by the Board and are delivered to the participant through unmonitored, independent*
74 *study and final examination. "Correspondence courses" shall not include independent study courses*
75 *where a monitored final examination is required or where educational instruction is delivered, without*
76 *classroom instruction, through computer-based technology, satellite, audio or video teleconference or*
77 *other medium.*

78 As of July 1, 1990, every applicant for relicensure as an active salesperson or broker shall complete
79 the continuing education requirements prior to each renewal or reinstatement of his license. The
80 continuing education requirement shall also apply to inactive licensees who make application for an
81 active license. Notwithstanding this requirement, military personnel called to active duty in the Armed
82 Forces of the United States may complete the required continuing education within six months of their
83 release from active duty.

84 The Board shall also include in its regulations remedial educational requirements for any salesperson
85 or broker who has been inactive for more than three years. The regulations shall require the applicant to
86 meet the educational requirements for a salesperson or broker in effect at the time either becomes active.

87 When the license has been inactive for more than three years the Board may waive the educational
88 requirements for reactivation of a license under the following conditions: (i) during the time the license
89 has been inactive the holder of such inactive license has been engaged in an occupation whereby the
90 knowledge of real estate would be retained; or (ii) the holder of such license is a member of or the
91 spouse of a member of the Armed Forces of the United States who has been permanently assigned
92 outside Virginia for a portion of the time the license has been inactive and the holder of the inactive
93 license remained current in the field of real estate and demonstrates this fact to the satisfaction of the
94 Board.

95 The Board shall develop a residential property disclaimer statement form and a residential property
96 disclosure statement form for use in accordance with the provisions of § 55-519.