

HOUSE BILL 972

C3

5lr2531
CF SB 680

By: **Delegate A. Johnson**

Introduced and read first time: January 31, 2025

Assigned to: Economic Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 25, 2025

CHAPTER _____

1 AN ACT concerning

2 **Real Estate Commission – Continuing Education Requirements – Alterations**

3 FOR the purpose of altering certain requirements for continuing education required for the
4 renewal of a license for real estate brokers, associate real estate brokers, and real
5 estate salespersons, including the number of clock hours, course topics, course
6 instructors, and course application fees; and generally relating to the Real Estate
7 Commission and continuing education requirements.

8 BY repealing and reenacting, without amendments,
9 Article – Business Occupations and Professions
10 Section 17–101(a), (d), and (k)
11 Annotated Code of Maryland
12 (2018 Replacement Volume and 2024 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Business Occupations and Professions
15 Section 17–315
16 Annotated Code of Maryland
17 (2018 Replacement Volume and 2024 Supplement)

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

20 **Article – Business Occupations and Professions**

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 17–101.

2 (a) In this title the following words have the meanings indicated.

3 (d) “Commission” means the State Real Estate Commission.

4 (k) “Licensee” means a licensed real estate broker, a licensed associate real estate
5 broker, or a licensed real estate salesperson.

6 17–315.

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

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

14 (3) A licensee holding a license from another state must complete at least
15 the number of clock hours of continuing education instruction required under paragraph
16 (1) of this subsection during each 2–year license term and may substitute clock hours of
17 continuing education instruction earned in another state, if those clock hours:

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

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

22 (4) The Commission shall grant the substitution of clock hours in
23 paragraph (3) of this subsection only if the other state permits the substitution of clock
24 hours of continuing education instruction approved by the Commission for a licensee of this
25 State.

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

29 (2) For a licensee who has been issued a renewal certificate under § 17–314
30 of this subtitle, the subject matter approved by the Commission shall:

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

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

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

(iv) every 2 years, include at least one 3 clock hour ethics course that includes a discussion of:

1. the Maryland Code of Ethics;

2. [the practice of flipping;

3.] fraudulent real estate practices; and

[4.] 3. professionalism as it relates to the Maryland Code of Ethics, including a discussion relating to conflict resolution and a licensee's duty to respect the public, peers, and property;

(v) every 2 years, include at least one 3 clock hour course that includes the principles of real estate brokerage relationships and disclosures; and

(vi) every 2 years for the renewal of a real estate broker license and the renewal of the license of an individual designated as a branch office manager or a team leader, include at least one [3] 1.5 clock hour course that includes the requirements of broker supervision.

(3) For a licensee who was issued an initial **REAL ESTATE SALESPERSON** license under § 17–309 of this subtitle, the subject matter approved by the Commission shall include:

(i) at least one 3 clock hour course for each of the following topics:

1. outlining contract writing, standard contract provisions, key regional contract requirements, and standard addenda and contingencies;

2. the principles of real estate brokerage relationships and disclosures [and disclosure requirements for sellers];

3. the principles of real estate practice in relation to:

A. advertising requirements for licensees;

1 B. the handling and [disclosure] **DISBURSEMENT** of escrow
2 funds; and

3 C. common ownership communities; and

4 4. property management and landlord and tenant laws; and

5 (ii) at least one 1.5 clock hour course for each of the following topics:

6 1. professionalism as it relates to the Maryland Code of
7 Ethics, including a discussion relating to conflict resolution and a licensee's duty of respect
8 for the public, peers, and property; and

9 2. real estate financing.

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

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

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

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

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

18 (iii) any similar professional association; or

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

20 (2) Continuing education courses shall be taught by a qualified instructor
21 who is experienced in the real estate industry **AND SELECTED BY THE COURSE**
22 **PROVIDER.**

23 (3) The Commission shall adopt regulations that provide for the conduct of
24 continuing education instruction courses by virtual or remote means.

25 (4) To verify the identity of an individual enrolled in a continuing education
26 course, the entity that conducts the continuing education course shall require, as a
27 condition of participating in the course, that the individual provide:

28 (i) for an in-person course, a photo identification; and

(ii) for a virtual or other remote course, a signed affidavit attesting to the identity of the individual.

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

(e) Within 14 days after completion of a continuing education course, the entity that conducted the course may submit the course completion information directly to the Commission and the licensee by electronic means.

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

(g) The Commission shall require each course provider to pay a continuing education course application fee [of \$25] **SET BY THE COMMISSION**.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.