



Oregon Real Estate Agency

New Continuing Education and Licensing Requirements

April 2010

Stacey Harrison, Education Manager

PURPOSE

The purpose of this presentation is to provide information on new continuing education and licensing requirements, including:

- Overview of major changes to continuing education and licensing
- Persons who are impacted by the new laws and rules
- New continuing education requirements for licensees, including record-keeping
- New requirements for license applicants
- Requirements for certification as a continuing education provider and provider responsibilities and instructor requirements
- Board responsibilities for education

What are the major changes to continuing education and licensing?

- The 2009 Oregon Legislature passed Senate Bill 640 (2009 Oregon Laws, Chapter 502), making the most significant changes to continuing education since 1995 and changed licensing requirements for all license applicants .
- New statutes affect licensee renewal requirements for continuing education and require persons who offer continuing education courses to be certified.
- New statutes change requirements for license applicants, especially principal real estate brokers.
- The changes to the law for license renewals and for license applicants will be effective January 1, 2011.
- Rules to implement SB 640 will be effective July 1, 2010 for certification of continuing education providers and courses. New rules are under OAR chapter 863, division 20 and 22. Amendments to licensing rules are in OAR chapter 863, division 14 and 24.

Changes beginning January 1, 2011

- Real estate licensees must complete 30 hours of continuing education courses that are within the eligible course topics during the two-year renewal period (OAR 863-020-0040).
- Real estate licensees to complete a 3-hour law and rule update continuing education course (OAR 863-020-0010).
- Real estate licensees to maintain their own records of continuing education (OAR 863-020-0015) and principal real estate brokers must maintain record created prior to January 1, 2011.
- Continuing education courses must be taken from a certified continuing education provider (OAR 863-020-0010).
- Providers of continuing education to be certified (OAR 863-020-0020) and comply with requirements.
- License applicants must meet new requirements (OAR 863, division 14 and 24).

Who is impacted by the new law and rules?

- Anyone who holds or applies for a real estate license:
 - Real estate brokers
 - Real estate principal brokers
 - Real estate property managers
- Anyone who provides or wishes to provide continuing education courses
- Any instructor who teaches continuing education courses
- Any provider or school that provides the advanced real estate practices course, the brokerage administration and sales supervision course or any continuing education course
- The Real Estate Board

I am applying for a real estate license. How do the new laws and rules impact me?

- Effective January 1, 2011, an applicant for a real estate broker, principal real estate broker or property manager license must have a high school diploma, GED or international equivalent.
- Effective January 1, 2011, an applicant for a principal real estate broker license must take and pass a new principal real estate broker examination.

I am a real estate licensee renewing on or after January 1, 2011. How do the new laws and rules affect me?

The rule is in OAR 863-020-0010.

A licensee must “self-certify” on the renewal form that they have:

- Completed at least 30 hours of real estate continuing education
- Completed a three-hour course on recent changes in real estate rule and law as part of the 30-hour requirement
- Courses eligible for credit include:
 - Courses taken from a certified continuing education provider
 - Courses approved for credit by a certifying licensee completed prior to January 1, 2011. A “certifying licensee” means a principal real estate broker who certifies that a licensee has completed the continuing education requirements.
 - Real estate Advanced Practices course
 - Brokerage Administration and Sales Supervision course

I am a licensee renewing on or before December 31, 2010. How do the new laws and rules affect me?

- The current continuing education laws and rules apply; follow existing continuing education requirements.
- Courses taken from continuing education providers are eligible for credit if approved by certifying licensee.
- All forms and fees received on or postmarked after January 1, 2011 must comply with the new laws and rules.

I am a licensee who needs to take a course from a certified continuing education provider. How do I find a certified provider? (OAR 863-020-0030)

- Beginning July 1, 2010, go to the Real Estate Agency website, www.rea.state.or.us.
- You will find a list of certified continuing education providers and the following information about the provider:
 - Name and address
 - Contact person
 - Website
 - Courses offered (continuing education, 3-hour law and rule, Advanced Practices, Brokerage Administration and Sales Supervision)
 - Format (classroom, internet, etc.)

Licensee Records

(OAR 863-020-0015)

- Effective January 1, 2011, all real estate licensees must maintain their own continuing education records for three years after the date the renewal form and fees are received by the Agency
- Principal brokers who supervise licensees:
 - Must maintain continuing education records for courses taken on or before December 31, 2010 for a period of six years;
 - Are not required to maintain continuing education records for other licensees for any courses taken on or after January 1, 2011
 - Must maintain their own continuing education records
- Real estate licensees must maintain all certificates of completion received from the continuing education providers and complete and maintain an Agency-approved form that contains information taken from the certificate of completion.
- Real estate licensees must produce a copy of the continuing education records upon the Agency's request.

Continuing Education Providers

What is a certified continuing education provider?

- A certified continuing education provider is certified by the Agency to offer real estate continuing education courses that are eligible for credit.
- Effective January 1, 2011, real estate licensees may only complete continuing education courses offered by a certified continuing education provider in order to receive credit
- Beginning July 1, 2010, a real estate licensee may take courses from a certified continuing education provider and these courses are eligible for credit

How do I become a certified continuing education provider?

- To qualify, an applicant for certification as a provider must be one of the following (OAR 863-020-0020):
 - A registered business name registered with the Agency under ORS 696.026 and OAR 863-014-0095 or OAR 863-024-0095
 - A licensed title or escrow company conducting business in this state
 - A real estate trade association or a trade association in a related field (but not the individual members of those associations)
 - A real estate multiple listing service
 - A private career school approved by the Agency
 - An accredited community college or an accredited state institution of higher education
 - A distance learning provider approved by the Agency
 - A person whose qualifications have been approved by the Board (see below)
- If a person does not meet one of the qualifications, they may seek the Board's approval as an applicant (OAR 863-020-0025); if the Board approves, then the person may apply for certification.

Provider certification process beginning July 1, 2010:

- Application forms and other provider forms will be available on the Agency website beginning July 1, 2010
- Rules in OAR chapter 863, division 20, 22, 14 and 24 will be effective
- A person wishing to be certified as a continuing education provider must submit an application form to the Agency (OAR 863-020-0030)
- No application fee is required
- Upon receiving a completed application, the Agency will assign a provider number and mail a confirmation of certification to the applicant
- The Agency will publish on its website a list of certified course providers
- All provider certifications will expire on December 31, 2013 and providers must renew at least 60 days prior to the expiration date

What responsibilities does a certified continuing education provider have?

Effective July 1, 2010, under OAR 863-020-0050 a provider must :

- Ensure that a course offered is within the scope of one or more of the course topics under OAR 863-020-0035
- Identify to the licensee which course topic the course covers
- Ensure that the course meets the minimum length requirements of one hour. The instructor may allow a break of no more than 10 minutes as part of each hour of instruction
- Assign each course a four-digit identifying course number (any assignment of four numbers is acceptable, each course must have its own number)
- Ensure that courses offered meet the learning objective requirements under OAR 863-020-0045 (the Agency does not approve learning objectives)
- Ensure that the instructor who teaches a continuing education course meets the requirements under OAR 863-020-0060 and completes and signs the instructor form (the Agency does not approve instructors)
- Give each licensee who completes a course a completed certificate containing specific information on the provider, instructor and course
- Keep detailed records of each course provided for three years

I am an instructor who teaches a course for a continuing education provider. What do I need to know or do?

- The Agency does not certify or approve instructors.
- A continuing education provider will select an instructor to teach the course.
- It is the responsibility of the provider to ensure that the instructor who teaches a continuing education course meets the qualifications under OAR 863-020-0060.
- The instructor must complete and sign an Agency-approved instructor qualifications form to be retained by the provider.

What are the qualifications for an instructor? (ORS 696.186 and OAR 863-020-0060)

Instructors must meet at least one of the following qualifications:

- A bachelor's degree and two years of experience working in a field related to the course topic;
- Six years of experience working in a field related to the topic of the course;
- A total of six years of any combination of college-level coursework and experience working in a field related to the topic of the course;
- A designation by a professional real estate organization, as defined in the rule, and two years of college-level coursework;
- A designation as a Distinguished Real Estate Instructor by the Real Estate Educators' Association;
- Successful completion of an instructor training course approved by the Board and two years of experience working in a field related to the topic of the course; or
- Certification or approval in good standing as a real estate instructor for the same or a similar course topic in any other state or jurisdiction.

What are the Real Estate Board's responsibilities for continuing education?

- The Board approves qualifications for persons who do not otherwise meet continuing education provider qualifications for certification. When approved, the person may apply for certification.
- The Board approves a three-hour continuing education course on recent changes in rule and law.
- The Board approves Advanced Practices courses

How does the Board approve qualifications for a person who wants to become a certified provider?

- Effective July 1, 2010, a person who does not otherwise qualify as a provider must petition the Board (OAR 863-020-0025).
- The petition must be submitted to the Agency at least 21 days before the next scheduled Board meeting.
- The Board may approve the petition if the person's qualifications are substantially similar to the qualifications for providers under OAR 863-020-0020.
- If the Board approves the petition, the Agency will mail an approval letter to the petitioner.
- The petitioner may then apply to the Agency for certification.

What is the process for the Board's approval of the three-hour rule and law change continuing education course?

- The Board, with assistance from the Agency, will develop the course content required for a course on recent changes in real estate rule and law.
- The Agency will make the course content available to the public on the Agency website on July 1, 2010.
- The Board-approved course must be provided by a certified continuing education provider.

What forms will be available on July 1, 2010?

- For continuing education providers:
 - Application form for certification of continuing education providers
 - Board petition for qualification of provider
 - Continuing education provider checklist of responsibilities
 - Instructor qualification form
 - Sample provider certificate of attendance (to give to attendees)
- For licensees:
 - Real estate license continuing education record-keeping form (required after January 1, 2011)

For more information visit the Agency website at www.rea.state.or.us

- To review and download copies of:
 - ORS chapter 696
 - OAR 863, division 20
 - Continuing education rules
 - OAR 863, division 22
 - License applicant course requirements and course approval rules
 - OAR 863, division 14
 - Real estate broker licensing rules
 - OAR 863, division 24
 - Property manager licensing rules
 - Proposed rules on the website until June 30, 2010
 - Permanent rules on the website July 1, 2010
- To download forms (available July 1, 2010)
- For updated information on continuing education