

# REDLINE

DEPARTMENT OF REGULATORY AGENCIES  
DIVISION OF REAL ESTATE  
REAL ESTATE COMMISSION  
4 CCR 725-1

NOTICE OF PROPOSED PERMANENT RULEMAKING HEARING  
August 5, 2019

## RULE B. CONTINUING EDUCATION

Pursuant to and in compliance with Title 12, Article 61 and Title 24, Article 4, C.R.S. as amended, notice of proposed rulemaking is hereby given, including notice to the Attorney General of the State of Colorado and to all persons who have requested to be advised of the intention of the Colorado Real Estate Commission (the "Commission") to promulgate rules, or to amend, repeal, or repeal and re-enact the present rules of the Commission.

### STATEMENT OF BASIS

The statutory basis for the rules titled Rules of the Colorado Real Estate Commission is Part 1 of Title 12, Article 61, Colorado Revised Statutes, as amended.

### STATEMENT OF PURPOSE

The purpose of this rule is to effectuate the legislative directive pursuant to section 24-4-103.3., C.R.S. (SB14-063) and to promulgate necessary and appropriate rules in conformity with the state statutes of the real estate practice act.

### SPECIFIC PURPOSE OF RULEMAKING

The specific purpose of this rulemaking is to repeal existing rules with respect to continuing education requirements for real estate brokers. The Division of Real Estate conducted a review of all of its rules relating to the real estate practice act to assess the continuing need for and the appropriateness and cost-effectiveness of its rules to determine if they should be continued in their current form, modified, or repealed. After consultation with stakeholders, the proposed rules have been re-organized, re-indexed, and correctly categorized. As a result, the current rules are being repealed and re-established in a chapter format.

### PROPOSED NEW, AMENDED AND REPEALED RULES

Deleted material shown ~~struck through~~; new material is indicated by underline. Rules, or portions of rules, which are unaffected are reproduced. Readers are advised to obtain a copy of the complete rules of the Commission at [www.dora.colorado.gov/dre](http://www.dora.colorado.gov/dre).

#### ~~B. Continuing Education~~

##### ~~B-1. When continuing education is required.~~

~~Licensees must satisfy the continuing education requirements for a licensing cycle prior to applying to renew an active license, to activate an inactive license or to reinstate an expired license to active status. The licensing cycle includes: anniversary year; calendar year; and transition period.~~

~~(a) Anniversary year cycle: This is the three-year period commencing on the licensee's initial date of license issuance (anniversary date) and expiring~~

three years later on the same date. (The anniversary date may be any day of the calendar year.)

- (b) ~~Calendar year cycle: This is the three-year period commencing on January 1 of year one and expiring on December 31 of year three. All licensees will eventually be on a calendar year cycle for their license renewal.~~
- (c) ~~Transition period: This is the two-year period plus a partial year commencing on the anniversary date when a licensee's license expires in the years of 2018, 2019 or 2020 and expiring two years plus the remaining days in the third year to reach December 31. (The length of the transition period is dependent on the anniversary date and could be as long as three years or as short as two years and one day.)~~

~~B-2. Methods of completing continuing education.~~

~~Licensees may satisfy the entire continuing education requirement for a license cycle through one of the following options:~~

- (a) ~~Complete the twelve hours required by section 12-61-110.5(1)(c), C.R.S., and required by this rule in annual 4-hour increments developed by the Commission, otherwise referred to as the "Annual Commission Update Course." Licensees who choose this option must complete an additional 12 hours of elective credit hours to meet the 24-hour total continuing education requirement during the license cycle in subject areas listed in section 12-61-110.5(3), C.R.S. Please note that a licensee may not take the same version of the Annual Commission Update Course more than once. If a licensee takes more than 12 hours of the Annual Commission Update course during a license cycle, the licensee will receive elective credit hours for any additional hours.~~
- (a.1) ~~To accommodate licensees during the transition period, licensees may complete two different versions of the Annual Commission Update Course to satisfy the eight (8) hours of mandated education pursuant to section 12-61-110.5(1)(d), C.R.S. Licensees who choose this option must complete an additional 16 hours of elective credit hours to meet the 24-hour total continuing education requirement during the transition period in subject areas listed in section 12-61-110.5(3), C.R.S.~~
- (b) ~~Complete the Commission approved 24-hour "Broker Reactivation Course." This option is available to licensees under one of the following conditions:~~
  - (1) ~~Licensee is currently active and did not use the Broker Reactivation Course to satisfy the Rule B-2(a) or (a.1) requirements in the previous license cycle.~~
  - (2) ~~Licensee is (A) inactive and/or expired for up to thirty-six months prior to activating an inactive license or reinstating an expired license to active status and (B) unable to comply with the education requirements listed in Rule B-2(a) or (a.1).~~
- (c) ~~Pass the Colorado state portion of the licensing exam.~~
- (d) ~~Complete 72 total hours of pre-licensure education concerning the understanding and preparation of Colorado real estate contracts (48 hours)~~

and real estate closings (24 hours). The courses and course providers are required to comply with the requirements as described at section 12-61-103(4)(a), C.R.S. Any inactive or expired licensee who cannot meet the education requirements listed in section (a), (a.1), (b), or (c), must comply with the education requirements found in section (d) of this rule before activation or reinstatement of the license.

~~B-3. Annual Commission Update course standards.~~

- ~~(a) Pursuant to 12-61-110.5(2), C.R.S. and Rule B-2(a), the 4-hour “Annual Commission Update” course shall be developed and presented by the Division of Real Estate and furnished to approved providers. Said course shall be presented without additional development by the provider or instructor.~~
- ~~(b) Any provider specified in commission rule B-6(a) or B-7(a) may request and offer the “Annual Commission Update” course. All other providers must apply annually for approval to offer the course using the commission-approved form and procedures in commission rule B-12, except that the course outline (B-12(a)) and course exam (B-12(b)) will be furnished by the Commission.~~
- ~~(c) Each active licensed broker must complete the “Annual Commission Update” course by achieving a passing score of 70% on a written or on-line course examination developed by the Commission. The Commission shall provide multiple course examinations for successive use by licensed brokers failing the end-of-course examination.~~

~~B-4. All continuing education courses may be offered and completed by distance learning (i.e. courses outside the traditional classroom setting in which the instructor and learner are separated by distance and/or time).~~

~~B-5. The following types of courses will not qualify for continuing education credit:~~

- ~~(a) Sales or marketing meetings conducted in the general course of a real estate brokerage practice.~~
- ~~(b) Orientation, personal growth, self-improvement, self-promotion or marketing sessions.~~
- ~~(c) Motivational meetings or seminars.~~
- ~~(d) Examination preparation or exam technique courses.~~

~~B-6. The following courses, subject to all other provisions of Rule B, if within the topic areas listed in 12-61-110.5 (3) C.R.S., will be accepted for elective continuing education credit without Commission pre-approval.~~

- ~~a) Courses offered by accredited colleges, universities, community or junior colleges, public or parochial schools or government agencies.~~
- ~~b) Courses developed and offered by quasi-governmental agencies.~~
- ~~c) Courses approved by and taken in satisfaction of another occupational licensing authority’s education requirements.~~

~~d) Courses in real property law by a provider approved by the Colorado Board of Continuing Legal and Judicial Education.~~

~~e) Repealed.~~

~~f) Repealed.~~

~~B-7. The following continuing education courses must receive Commission approval prior to offering:~~

~~a) Courses offered by proprietary real estate schools approved by the Colorado Division of Private Occupational Schools.~~

~~b) Currently approved courses that are affected by any substantive changes.~~

~~c) Courses offered by any provider proposing to offer course(s) on subjects not listed in C.R.S. 12-61-110.5(3)~~

~~d) Courses offered by proprietary real estate schools approved as out of state providers by the Colorado Department of Private Occupational Schools, and are not approved pursuant to Rule B-6.~~

~~e) Courses offered by employing brokers to their employed brokers.~~

~~f) Courses offered by providers exempt under the provisions of 12-59-104, C.R.S.~~

~~g) Courses offered by local, state or national REALTOR® Associations.~~

~~B-8. Administrative rules for continuing education courses.~~

~~The following course format and administrative requirements apply to all Colorado continuing real estate education for licensed brokers:~~

~~(a) Courses must be at least 1 hour in length, containing at least 50 instructional minutes.~~

~~(b) A maximum of 8 hours of credit may be earned per day.~~

~~(c) No course may be repeated for credit in the same calendar year.~~

~~(d) Instructors may receive credit for classroom teaching hours once per course taught per year.~~

- ~~(e) — Hours in excess of 24 may not be carried forward to satisfy a subsequent renewal requirement.~~
- ~~(f) — No school/provider may waive, excuse completion of, or award partial credit for the full number of course hours.~~
- ~~(g) — No challenge exam or equivalency may substitute for the full course outline.~~
- ~~(h) — No credit may be earned for remedial education stipulated to between a licensed broker and the Commission as part of a disciplinary action, or alternative to disciplinary action.~~
- ~~(i) — No course offering by a provider will be accepted unless the provider has either been granted a certificate of approval by the Colorado Department of Higher Education, Division of Private Occupational Schools, or is exempt from such requirement pursuant to 12-59-104, C.R.S.~~
- ~~(j) — Courses approved for continuing education must maintain and improve a broker's skill, knowledge, and competency in real estate practice.~~

~~B-9. — Course approval certification shall be for a period of three years, except that an annual or one-time seminar or conference offering may be approved for a specific date or dates.~~

~~B-10. — Each Colorado licensed broker is responsible for securing from the provider evidence of course completion in the form of an affidavit, certificate or official transcript of the course. Said documentation must be in sufficient detail to show the name of the licensee, course subject, content, duration, date(s) and contain the authentication of the provider. Licensees must retain proof of continuing education completion for 4 years, and provide said proof to the Commission upon request.~~

~~B-11. — Provider must retain records.~~

~~Each approved provider must retain copies of course outlines or syllabi and complete records of attendance for a period of four (4) years, and provide the records to the Commission upon request.~~

~~B-12. — Continuing education providers required to have Commission course approval must, in accordance with all of the provisions of this Rule B, submit an application form prescribed by the Commission, along with the following information at least 30 days prior to the proposed class dates:~~

- ~~(a) — Detailed course outline or syllabus, including the intended learning outcomes, the course objectives and the approximate time allocated for each topic.~~
- ~~(b) — A copy of the course exam(s) and instructor answer sheet if applicable. In the absence of an exam, the criteria used in evaluating a person's successful completion of the course objectives.~~
- ~~(c) — Copy of instructor teaching credential; if none, a resume showing education and experience which evidence mastery of the material to be presented.~~

~~(d) — A copy of advertising or promotional material used to announce the offering.~~

~~(e) — Upon Commission request, a copy of textbook, manual, audio or videotapes, or other instructional material.~~

~~(f) — Effective January 1, 2001, providers of continuing education offered through distance learning must submit evidence in a form prescribed by the real estate commission that the method of delivery and course structure is consistent with acceptable education standards assuring that the desired learning objectives are met. The Commission will approve methods of delivery certified by the Association of Real Estate License Law Officials (ARELLO), or by a substantially equivalent authority and method.~~

~~B-13. — By offering real estate continuing education in Colorado, each provider agrees to comply with relevant statutes and Commission rules and to permit Commission audit of said courses at any time and at no cost.~~

~~B-14. — The act of submitting an application for renewal, activation or reinstatement of a real estate license shall mean that the licensee attests to compliance with the continuing education requirements of C.R.S. 12-61-110.5~~

(Repealed and re-established in 4 CCR 725-1, Chapters 1-9 effective January 01, 2020)

**A hearing on the above subject matter will be held on Monday, August 5, 2019 at the Colorado Division of Real Estate, 1560 Broadway, Suite 110-D, Denver, Colorado 80202 beginning at 9:00 a.m.**

Any interested person may participate in the rule making through submission of written data, views and arguments to the Division of Real Estate. Persons are requested to submit data, views and arguments to the Division of Real Estate in writing no less than ten (10) days prior to the hearing date and time set forth above. However, all data, views and arguments submitted prior to or at the rulemaking hearing or prior to the closure of the rulemaking record (if different from the date and time of hearing), shall be considered.

Please be advised that the rule being considered is subject to further changes and modifications after public comment and formal hearing.