

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

**NOTICE OF PROPOSED PERMANENT RULEMAKING HEARING
October 3, 2017**

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 to promulgate necessary and appropriate rules in conformity with the state statutes of the real estate practice act.

SPECIFIC PURPOSE OF THIS RULEMAKING

The specific purpose of this rule is to amend or repeal existing rules with respect to continuing education requirements to implement calendar year license cycles as mandated by SB17-215.

PROPOSED NEW, AMENDED AND REPEALED RULES

[Deleted material is shown ~~struck through~~; new material is shown ALL CAPS.] 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.

Proposed New, Amended and Repealed Rules

Rule B. Continuing Education

B-1. When continuing education is required.

~~The Commission has determined that the license renewal process can be made more efficient by apportioning license renewals throughout the entire calendar year. Brokers must satisfy the continuing education requirements prior to applying to renew an active license, to activate an inactive license or to reinstate an expired license to active status. All license renewals shall be for a full three year period called the "anniversary date renewal period". This period shall commence on the broker's initial date of issuance, *i.e.* the anniversary date, and expire three years later on the broker's anniversary date.~~

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 BROKER'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 BROKERS 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 BROKER'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 CYCLE 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.*

Licensed brokers must satisfy the continuing education requirement before they apply to renew an active license, activate an inactive license, or reinstate an expired license to active status. Licensed brokers may satisfy the entire continuing education requirement 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 period 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 licensed broker takes more than 12 hours of the Annual Commission Update course during a license period, the licensee will receive elective credit hours for any additional hours.
- (a.1) TO ACCOMMODATE BROKERS DURING THE TRANSITION PERIOD, BROKERS MAY COMPLETE THE 4-HOUR "TRANSITION COURSE" ALONG WITH TWO DIFFERENT VERSIONS OF THE ANNUAL COMMISSION UPDATE COURSE TO SATISFY THE TWELVE HOURS OF MANDATED EDUCATION PURSUANT TO SECTION 12-61-110.5(1)(C), C.R.S. 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 PERIOD IN SUBJECT AREAS LISTED IN SECTION 12-61-110.5(3), C.R.S. A LICENSEE MAY TAKE THE TRANSITION COURSE AT ANY TIME DURING THE TRANSITION PERIOD INCLUDING IN THE SAME YEAR

THEY COMPLETE ONE OF THE TWO ANNUAL COMMISSION UPDATE COURSES.

- (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 ~~year~~ CYCLE.
 - (2) Licensee is 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 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 licensees who cannot meet the education requirements listed in Section 4(a), (A.1), (b), or (c), must comply with the education requirements found in Section 4(d) before activation or reinstatement of the license.

A hearing on the above subject matter will be held on Tuesday, October 3, 2017, at the Colorado Division of Real Estate, 1560 Broadway, Suite 1250C, 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.