HOUSE BILL NO. 1191

AN ACT TO CODIFY SECTION 73-35-14.1, MISSISSIPPI CODE OF 1972, TO PROVIDE STANDARDS FOR REAL ESTATE SCHOOLS; TO CODIFY SECTION 73-35-14.2, MISSISSIPPI CODE OF 1972, TO PROVIDE STANDARDS FOR INSTRUCTORS; TO CODIFY SECTION 73-35-14.3, MISSISSIPPI CODE OF 1972, TO PROVIDE STANDARDS FOR COURSE CONTENT; TO CODIFY SECTION 73-35-14.4, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR DISTANCE LEARNING COURSES; TO AMEND SECTION 73-35-18, MISSISSIPPI CODE OF 1972, TO CLARIFY CONTINUING EDUCATION REQUIREMENTS; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. The following shall be codified as Section 73-35-14.1, Mississippi Code of 1972:

73-35-14.1. (1) Minimum standards for initial and continuing accreditation as a real estate school or prelicense education provider shall include:

(a) Payment of any fees established by the commission. If the school or provider is accredited as a prelicense school or prelicense education provider, fees shall include a biennial fee of Two Thousand Five Hundred Dollars ($2,500.00).

(b) The school or prelicense education provider must maintain an annual average pass rate of at least sixty-five percent (65%) on each of the real estate broker's license examination and the real estate salesperson's license examination. The term "annual average pass rate" shall be as defined by the commission. If a school or prelicense education provider does not meet the minimum annual average pass rate, the commission shall allow the school or prelicense education provider a minimum of a three-month time period in which to attain the minimum annual average pass rate.
(c) Schools and prelicense education providers must use a method for instructor evaluation by students attending prelicense education classes. The commission may establish minimum standards for instructor evaluation. In the event the provider does not meet those minimum standards, the commission may revoke a provider's authority to offer prelicense education courses. Schools and prelicense education providers must provide the results of such instructor evaluations to the commission in the manner the commission directs.

(2) The commission may establish by rule such other standards for schools, prelicense education providers and post-license education providers as the commission may deem necessary.

SECTION 2. The following shall be codified as Section 73-35-14.2, Mississippi Code of 1972:

73-35-14.2. (1) Minimum standards for instructors for prelicense and post-license education courses required for licensure as a real estate broker or a real estate salesperson shall include:

(a) Licensure as a Mississippi real estate broker or real estate salesperson for the immediate past five (5) years prior to application; or

(b) Current certification as a Certified Public Accountant; or

(c) Attainment of a Juris Doctor (J.D.) or Bachelor of Laws (L.L.B.) degree from a law school whose accreditation is recognized by the Mississippi Supreme Court.

(2) The commission may establish by rule such other standards for instructors of prelicense education and post-license education as the commission may deem necessary.

SECTION 3. The following shall be codified as Section 73-35-14.3, Mississippi Code of 1972:
73-35-14.3. (1) Minimum standards for the content for education courses required for licensure as a real estate broker or a real estate salesperson shall include content on:

(a) The provisions of this chapter and any rules and regulations promulgated hereunder;

(b) Listing property;

(c) Property valuation/appraisal;

(d) Real estate arithmetic;

(e) Characteristics of real property;

(f) Agency and nonagency relationships;

(g) Real estate sale contracts/agreements of sale;

(h) Leasing and property management;

(i) Transfer of title/ownership/deeds;

(j) Settlement procedures;

(k) Financing;

(l) Professional responsibilities and ethics;

(m) Fair housing;

(n) Federal laws affecting real estate.

(2) A prelicense course must meet any standards that the Association of Real Estate Licensing Law Officials (ARELLO), or its successor(s), may have for prelicense courses, including, without limitation, standards for content, form, examination, facilities and instructors. If ARELLO or its successor(s) operate a certification program for prelicense courses, a prelicense course must be certified by ARELLO or its successor(s) before the commission may approve the course.

(3) The commission may establish by rule such other standards for prelicense education course content as the commission may deem necessary.

(4) No more than eight (8) prelicense hours may be earned in a single day.

(5) Courses covering the general content of subsection (1) of this section that are acceptable for credit toward a degree at
a college or university as approved by the Southern Association of
Colleges and Schools or the comparable regional accrediting
authority shall qualify for the minimum standards for prelicense
education by virtue of said accreditation. A semester-hour credit
shall be equal to fifteen (15) classroom hours and a quarter-hour
credit shall be equal to ten (10) classroom hours. Courses given
under this section by such accredited institutions are not
required to meet ARELLO standards or certifications. The
commission may establish by rule that specific areas of the
general content areas listed in subsection (1) of this section are
not required to be met by courses offered by the accredited
institutions under this subsection.

SECTION 4 The following shall be codified as Section
73-35-14.4, Mississippi Code of 1972:

73-35-14.4. (1) The term "distance learning courses(s)"
shall mean any course approved by the commission in which the
student is not physically present in a classroom with the
instructor, including, without limitation, correspondence courses,
video/DVD based courses and online electronic courses.

(2) The commission may approve distance learning courses for
prelicense education, post-license education and continuing
education courses. Any distance learning course must meet any
standards that the Association of Real Estate Licensing Law
Officials (ARELLO), or its successor(s), may have for such
courses, including, without limitation, standards for content,
form, examination, facilities and instructors. If no ARELLO
standards exist for a distance learning course, the commission
shall establish by rule such minimum standards. If ARELLO or its
successor(s) operate a certification program for distance learning
courses, a distance learning course must be certified by ARELLO or
its successor(s) before the commission may approve the course.

SECTION 5. Section 73-35-18, Mississippi Code of 1972, is
amended as follows:
73-35-18. (1) Each individual applicant for renewal of a license issued by the Mississippi Real Estate Commission shall, on or before the expiration date of his license, or at a time directed by the commission, submit proof of completion of not less than sixteen (16) clock hours of approved course work to the commission, in addition to any other requirements for renewal. The sixteen (16) clock hours' course work requirement shall apply to each two-year license renewal, and hours in excess thereof shall not be cumulated or credited for the purposes of subsequent license renewals except as provided in this subsection (1). The commission shall develop standards for approval of courses and shall require certification of such course work of the applicant. The commission may determine any required subject matter within the mandated sixteen (16) hours; provided that the required subjects shall not exceed eight (8) hours of the total sixteen (16) hours. Approved continuing education hours earned in the final three (3) months of a licensee's renewal period, if in excess of the required minimum sixteen (16) hours, may be carried over and credited to the next renewal period. However, no more than six (6) hours may be carried over in this manner. Any member of the Mississippi Legislature who has a real estate license shall be credited with eight (8) hours of credit for the attendance of each year of a legislative session. No person may receive continuing education credit for prelicense education courses taken, except as follows: a licensee whose license is on inactive status and whose continuing education credits are at least thirty (30) hours in arrears may, at the discretion of the commission, receive continuing education credit for retaking prelicense coursework, provided the entire prelicense course is retaken.

(2) This section shall apply to renewals of licenses which expire on and after July 1, 1994; however, an applicant for first renewal who has been licensed for not more than one (1) year shall not be required to comply with this section for the first renewal.
of the applicant's license. The provisions of this section shall
not apply to persons who have held a broker's or salesperson's
license in this state for at least twenty-five (25) years and who
are older than seventy (70) years of age. Inactive licensees are
not required to meet the real estate continuing education
requirements specified in this section; however, such inactive
licensees, before activating their license to active status, must
cumulatively meet requirements missed during the period their
license was inactive.

(3) The commission shall promulgate rules and regulations as
necessary to accomplish the purposes of this section in accordance
with the Mississippi Administrative Procedures Law.

(4) Any person who has been licensed as a real estate broker
and allowed his license to expire for a period of less than five
years shall be eligible for reinstatement upon completion of
the education requirements and payment of all penalties and
reinstatement fees as prescribed by the commission. This
subsection (4) of this section shall stand repealed from and after

SECTION 6. This act shall take effect and be in force from
and after July 1, 2002.