

By: Representative Scott (80th)

To: Judiciary B

HOUSE BILL NO. 1191

1 AN ACT TO CODIFY SECTION 73-35-14.1, MISSISSIPPI CODE OF
2 1972, TO PROVIDE STANDARDS FOR REAL ESTATE SCHOOLS; TO CODIFY
3 SECTION 73-35-14.2, MISSISSIPPI CODE OF 1972, TO PROVIDE STANDARDS
4 FOR INSTRUCTORS; TO CODIFY SECTION 73-35-14.3, MISSISSIPPI CODE OF
5 1972, TO PROVIDE STANDARDS FOR COURSE CONTENT; TO CODIFY SECTION
6 73-35-14.4, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR DISTANCE
7 LEARNING COURSES; TO AMEND SECTION 73-35-18, MISSISSIPPI CODE OF
8 1972, TO CLARIFY CONTINUING EDUCATION REQUIREMENTS; AND FOR
9 RELATED PURPOSES.

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

11 **SECTION 1.** The following shall be codified as Section
12 73-35-14.1, Mississippi Code of 1972:

13 73-35-14.1. (1) Minimum standards for initial and
14 continuing accreditation as a real estate school or prelicense
15 education provider shall include:

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

20 (b) The school or prelicense education provider must
21 maintain an annual average pass rate of at least sixty-five
22 percent (65%) on each of the real estate broker's license
23 examination and the real estate salesperson's license examination.
24 The term "annual average pass rate" shall be as defined by the
25 commission. If a school or prelicense education provider does not
26 meet the minimum annual average pass rate, the commission shall
27 allow the school or prelicense education provider a minimum of a
28 three-month time period in which to attain the minimum annual
29 average pass rate.



30 (c) Schools and prelicense education providers must use
31 a method for instructor evaluation by students attending
32 prelicense education classes. The commission may establish
33 minimum standards for instructor evaluation. In the event the
34 provider does not meet those minimum standards, the commission may
35 revoke a provider's authority to offer prelicense education
36 courses. Schools and prelicense education providers must provide
37 the results of such instructor evaluations to the commission in
38 the manner the commission directs.

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

43 **SECTION 2.** The following shall be codified as Section
44 73-35-14.2, Mississippi Code of 1972:

45 73-35-14.2. (1) Minimum standards for instructors for
46 prelicense and post-license education courses required for
47 licensure as a real estate broker or a real estate salesperson
48 shall include:

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

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

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

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

60 **SECTION 3.** The following shall be codified as Section
61 73-35-14.3, Mississippi Code of 1972:



62 73-35-14.3. (1) Minimum standards for the content for
63 education courses required for licensure as a real estate broker
64 or a real estate salesperson shall include content on:

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

67 (b) Listing property;

68 (c) Property valuation/appraisal;

69 (d) Real estate arithmetic;

70 (e) Characteristics of real property;

71 (f) Agency and nonagency relationships;

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

73 (h) Leasing and property management;

74 (i) Transfer of title/ownership/deeds;

75 (j) Settlement procedures;

76 (k) Financing;

77 (l) Professional responsibilities and ethics;

78 (m) Fair housing;

79 (n) Federal laws affecting real estate.

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

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

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

93 (5) Courses covering the general content of subsection (1)
94 of this section that are acceptable for credit toward a degree at



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

107 **SECTION 4** The following shall be codified as Section
108 73-35-14.4, Mississippi Code of 1972:

109 73-35-14.4. (1) The term "distance learning courses(s)"
110 shall mean any course approved by the commission in which the
111 student is not physically present in a classroom with the
112 instructor, including, without limitation, correspondence courses,
113 video/DVD based courses and online electronic courses.

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

126 **SECTION 5.** Section 73-35-18, Mississippi Code of 1972, is
127 amended as follows:



128 73-35-18. (1) Each individual applicant for renewal of a
129 license issued by the Mississippi Real Estate Commission shall, on
130 or before the expiration date of his license, or at a time
131 directed by the commission, submit proof of completion of not less
132 than sixteen (16) clock hours of approved course work to the
133 commission, in addition to any other requirements for renewal.
134 The sixteen (16) clock hours' course work requirement shall apply
135 to each two-year license renewal, and hours in excess thereof
136 shall not be cumulated or credited for the purposes of subsequent
137 license renewals except as provided in this subsection (1). The
138 commission shall develop standards for approval of courses and
139 shall require certification of such course work of the applicant.
140 The commission may determine any required subject matter within
141 the mandated sixteen (16) hours; provided that the required
142 subjects shall not exceed eight (8) hours of the total sixteen
143 (16) hours. Approved continuing education hours earned in the
144 final three (3) months of a licensee's renewal period, if in
145 excess of the required minimum sixteen (16) hours, may be carried
146 over and credited to the next renewal period. However, no more
147 than six (6) hours may be carried over in this manner. Any member
148 of the Mississippi Legislature who has a real estate license shall
149 be credited with eight (8) hours of credit for the attendance of
150 each year of a legislative session. No person may receive
151 continuing education credit for prelicense education courses
152 taken, except as follows: a licensee whose license is on inactive
153 status and whose continuing education credits are at least thirty
154 (30) hours in arrears may, at the discretion of the commission,
155 receive continuing education credit for retaking prelicense
156 coursework, provided the entire prelicense course is retaken.

157 (2) This section shall apply to renewals of licenses which
158 expire on and after July 1, 1994; however, an applicant for first
159 renewal who has been licensed for not more than one (1) year shall
160 not be required to comply with this section for the first renewal



161 of the applicant's license. The provisions of this section shall
162 not apply to persons who have held a broker's or salesperson's
163 license in this state for at least twenty-five (25) years and who
164 are older than seventy (70) years of age. Inactive licensees are
165 not required to meet the real estate continuing education
166 requirements specified in this section; however, such inactive
167 licensees, before activating their license to active status, must
168 cumulatively meet requirements missed during the period their
169 license was inactive.

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

173 (4) Any person who has been licensed as a real estate broker
174 and allowed his license to expire for a period of less than five
175 (5) years shall be eligible for reinstatement upon completion of
176 the education requirements and payment of all penalties and
177 reinstatement fees as prescribed by the commission. This
178 subsection (4) of this section shall stand repealed from and after
179 December 31, 1994.

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

