MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 1924

H. P. 1677

Reported by Report "A" from Committee on Business Legislation and printed under Joint Rules No. 18.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-FIVE

AN ACT Establishing Educational Requirements for Licensing of Real Estate Brokers.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 32 MRSA § 4101-A, as enacted by PL 1973, c. 448, § 2, is repealed and the following enacted in place thereof:

§ 4101-A. Schools

The Department of Educational and Cultural Services, subject to the approval of the commission, is authorized to formulate rules and regulations relative to the establishment and operation of schools offering courses designed to prepare students for the examinations for licenses for real estate brokers and salesmen and relative to the courses of study, instruction, instructor qualifications, grades and grading systems and related matters. Nothing in this section shall be construed to grant the Department of Educational and Cultural Services or the commission any authority over any such courses conducted by the University of Maine or any other public higher education institution or any institution authorized by law to grant a degree.

- 1. Certificate of approval. Any such school shall first obtain a certificate of approval from the Department of Educational and Cultural Services, subject also to the approval of the commission, and shall thereafter abide by the rules and regulations which the Department of Educational and Cultural Services establishes subject to the approval of the commission.
- 2. —suspension or revocation. The Department of Educational and Cultural Services shall have authority to suspend or revoke, subject to the ap-

proval of the commission, the certificate of approval of any school for violation of this section or of the rules and regulations promulgated pursuant thereto.

- 3. Prohibitions. It shall be unlawful for any school to offer courses or to conduct classes of instruction in real estate subjects without first procuring a certificate of approval; or, having obtained a certificate of approval, to represent that its students are assured of passing examinations for licenses for real estate brokers and salesmen, or to represent that the issuance of a certificate of approval is a recommendation or endorsement of the school to which it is issued or of any course of instruction given by it.
- 4. Fees. The application of each school shall be accompanied by a fee of \$20 and, if issued, shall be annually renewable on payment of a fee of \$10.
- 5. Penalty. In the event that any person is found guilty of violating this section in the operation of a school, or any rule or regulation adopted pursuant thereto, or attempts to continue to operate a school after the revocation or during a period of suspension of a certificate of approval, he shall be deemed guilty of a misdemeanor.
 - Sec. 2. 32 MRSA § 4103, sub-§ I, ¶ E, last sentence, is amended to read:

The conditions of this paragraph shall not be applicable to persons who have held any license from the commission prior to December 31, 1963.

Sec. 3. 32 MRSA § 4103, sub-§ I, ¶ E, as last amended by PL 1965, c. 223, § 1, is further amended by adding at the end the following new paragraph:

On and after January 1, 1978, an applicant for examination as a licensed broker shall have satisfactorily completed a program of courses with a minimum of 12 credit hours of courses specializing in real estate and a minimum of 9 credit hours in business-related courses in an accredited university or college or in another educational institution approved by the Department of Educational and Cultural Services and by the commission. In lieu thereof, a person may qualify as an applicant for examination as a licensed broker by being actively engaged or employed as a real estate salesman in Maine for at least 3 years immediately prior to application or by having completed 2 courses in real estate which have been approved by the Department of Educational and Cultural Services and by the commission and having been actively engaged or employed as a real estate salesman in Maine for at least one year prior to application. The examination shall be given by or under the supervision of the Department of Educational and Cultural Services with the approval of the commission.

- Sec. 4. 32 MRSA § 4115-B is enacted to read:
- § 4115-B. Courses required for renewal of broker's license

The renewal of a broker's license shall be conditioned upon successful completion, within a period of 6 years prior to the renewal, of at least 6 semester hours of study pertaining to the real estate profession. The commission shall provide reasonable and timely notice to licensed brokers of the educational

requirement for license renewal. A nonactive broker as provided for in section 4118-A shall also be required to successfully complete 6 semester hours of study pertaining to the real estate profession in order to obtain his license or reinstate his license to active status. The Department of Educational and Cultural Services with the approval of the commission shall establish or approve educational courses in the field of real estate which satisfy the requirements of this chapter for renewal or reinstatement of a broker's license. All costs of any course so established and conducted shall be reimbursed to the commission by fees charged to brokers enrolled in that course.

Sec. 5. 32 MRSA § 4118-A, last ¶, first sentence, as last amended by PL 1965, c. 513, § 70-B, is further amended to read:

Anyone who has surrendered his license as described in this section and who applies for reinstatement of his license to active status shall be subject to all the provisions of this chapter applicable to an original applicant for a license, excepting written examination and fee; provided that a licensed broker shall be required to successfully complete 6 semester hours of study pertaining to the real estate profession.

Sec. 6. Transitional clause. Within 5 months after the effective date of this Act, the Department of Educational and Cultural Services shall prepare or approve courses of instruction pertaining to the real estate profession which satisfy the educational requirements for renewal or reinstatement to active status of a real estate broker's license under this Act.

A broker renewing his license within 6 years after the effective date of this Act shall be required, before his license is renewed, to have completed as many semester hours of study pertaining to the real estate profession as there are years elapsing since the effective date of this Act.

Sec. 7. Effective date. This Act shall take effect on July 1, 1976.

STATEMENT OF FACT

Section I establishes that the Department of Educational and Cultural Services with the approval of the real estate commission be authorized to formulate rules and regulations relative to the establishment of schools offering courses designed to prepare individuals for the examination to become a real estate broker.

Section 2 clarifies the punctuation of the statute.

Section 3 establishes educational requirements for individuals desiring to become real estate brokers.

Section 4 sets up courses required for the renewal of a real estate broker's license.

Section 5 establishes courses required of an inactive broker to attain active status.

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Section 6 establishes the transitional period for the bill. Section 7 sets up the effective date of the bill.

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