

## CONTINUING EDUCATION FOR REAL ESTATE PROFESSIONALS

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**Senate Bill 126 as passed by the Senate**  
**Sponsor: Sen. Mike Kowall**  
**House Committee: Regulatory Reform**  
**Senate Committee: Regulatory Reform**  
**Complete to 5-2-17**

Analysis available at  
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### SUMMARY:

Article 25 of the Occupational Code regulates real estate brokers, real estate associate brokers, and real estate salespersons. Senate Bill 126 addresses continuing education requirements for these licensees (MCL 339.2504a). Currently, Article 25 requires a licensee, in each year of a license cycle, to successfully complete at least six clock hours of eligible continuing education courses, and at least two of those hours in each year must involve courses in law, rules, and court cases regarding real estate. The bill would make the following changes.

#### Required Hours

- The Department of Licensing and Regulation would by rule determine and provide for publication of the number of hours of eligible continuing education courses a licensee must successfully complete in a license cycle, which would include two hours in each year of a license cycle in law, rules, and court cases regarding real estate. The number of hours required in a license cycle would have to be determined by multiplying the number of years in a license cycle by six. (Recently enacted legislation grants LARA the authority to establish the length of the licensed cycle by rule.)
- Until those rules become effective, the number of hours required would be 18 clock hours in a license cycle.

#### Eligible Courses & Counting of Hours

- LARA would also be required to establish by rule the standards for determining what constitutes an eligible continuing education course.
- Currently, LARA can request an applicant for license renewal to produce a time statement from the continuing professional education program sponsor stating that continuing professional education credits for the course were granted on a 50-minute hour. Under SB 126, LARA could also require the applicant to produce the number of hours of instruction included in the course.
- SB 126 would clarify an existing provision to specify that if a licensee successfully completed an education course to obtain a professional designation, the number of

hours of that course would be counted toward the total number of hours of continuing education courses required in a license cycle.

**FISCAL IMPACT:**

Senate Bill 126 would likely result in a negative, but nominal, fiscal impact for the Department of Licensing and Regulatory Affairs. The bill would require the department to promulgate rules pertaining to (a) the number of hours of continuing education that a licensed real estate professional would be required to complete and (b) determination of whether a continuing education course is an eligible course to meet the required number of continuing education hours. The rules promulgation process would lead to some administrative costs for the department, but these costs are not likely to be significant.

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