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House Bill 5106 (Substitute S-1 as reported)
Sponsor: Representative Randy Richardville
House Committee: Regulatory Reform
Senate Committee: Economic Development, Small Business and Regulatory Reform

CONTENT

The bill would amend Article 25 of the Occupational Code, which governs the licensure and regulation of real estate brokers and salespersons, to provide for the apportionment of approved course credits to meet requirements for either licensure or continuing education; and revise provisions for the reinstatement of inactive licenses without examination.

Public Act 611 of 2002 amended Article 25 to change the licensing cycle from one to three years and to revise continuing education requirements for real estate brokers and salespersons, beginning November 1, 2003. Beginning on that date, a licensee must complete at least 18 hours of continuing education per three-year license cycle. A licensee must complete at least six of the required 18 hours between November 1, 2003, and December 31, 2004; at least six during 2005; and at least four during 2006. During 2007 and each subsequent year, a licensee must complete at least two of the required 18 hours per calendar year.

Currently, any education approved by the Department of Consumer and Industry Services (DCIS) that a licensee receives for further professional designation must be counted toward the total continuing education credits required for the three-year license cycle. The bill provides, instead, that any education successfully completed by a licensee for further professional designation, and approved by the DCIS as continuing education, could be counted toward the three-year license cycle continuing education requirement.

Under Article 25, continuing education requirements may not be applied toward a real estate broker's license education requirements, and courses taken under real estate broker's license education requirements may not be applied toward the continuing education requirements. The bill would require the Department, at a licensee's request, to apportion approved course credits eligible for license education requirements and continuing education requirements to meet either requirement.

Under the bill, if a broker's license had been inactive for less than three years, the DCIS could relicense the broker without examination if he or she showed proof of completion of at least six hours of continuing education for each year the license was lapsed. If the license had been active for three or more years, the licensee would have to provide proof of at least six hours of continuing education for each year the license was lapsed, 90 hours of instruction required for licensure, or passage of the exam required for licensure as a broker.

MCL 339.2501 et al.

Legislative Analyst: George Towne

FISCAL IMPACT

According to the Department, the additional responsibilities under this bill could require an additional staff person. The salary, fringe benefits, and overhead costs would be approximately \$60,000, which would be covered by fee revenue. The bill would have no fiscal impact on local government.

Date Completed: 10-20-03

Fiscal Analyst: Maria Tyszkiewicz

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Bill Analysis @ www.senate.michigan.gov/sfa

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