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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- REAL ESTATE BROKERS AND
SALESPERSONS

Introduced By: Senators Quezada, Calkin, Murray, Lawson, and Bell

Date Introduced: February 25, 2021

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 5-20.5-4 and 5-20.5-6 of the General Laws in Chapter 5-20.5 entitled
2 "Real Estate Brokers and Salespersons" are hereby amended to read as follows:

3 **5-20.5-4. Examination of applicants -- Examination fee -- Licensing without**
4 **examination.**

5 (a) The director shall require any applicant for a real estate broker's or salesperson's license
6 to submit to and pass a written examination to show the applicant's knowledge of the state statutes
7 and the rules and regulations relating to real property, deeds, mortgages, leases, contracts, [fair](#)
8 [housing](#) and agency. An applicant shall not be required to take the uniform portion of the Rhode
9 Island real estate licensing examination if the applicant provides sufficient evidence that the
10 applicant possesses an existing valid real estate license from a state that has similar statutes or
11 regulations in effect which provide for reciprocal waiver of the uniform portion of the real estate
12 licensing examination for persons holding an existing valid Rhode Island real estate broker's or
13 salesperson's license. An applicant for a real estate broker's or salesperson's license, prior to the
14 taking of the examination, must pay an examination fee, the cost of which is limited to the charge
15 as designated by the appropriate testing service's contract with the department of business
16 regulation.

17 (b) An applicant for a real estate salesperson's license must submit satisfactory evidence of
18 completion of a minimum of forty-five (45) classroom hours in a real estate course given by a

1 school as defined in § 5-20.5-19. The applicant for a broker's license must also submit satisfactory
2 proof that he or she: (i) Has been engaged full time as a real estate salesperson for at least two (2)
3 years immediately prior to the date of application; and (ii) Has successfully completed at least
4 ninety (90) hours of approved classroom study in a school as defined in § 5-20.5-19, or equivalent
5 in a correspondence course offered by an extension department of an accredited college or
6 university. The director, in his or her sole discretion, may require any additional evidence or proof
7 as to the honesty, trustworthiness, integrity, good reputation, and competency of any applicant.

8 (c) Any successful applicant who fails to remit the original license fee as provided in § 5-
9 20.5-11 within one year of the date of that examination may be required by the director to re-submit
10 to and pass a written examination as provided in subsection (a) of this section.

11 (d) When an attorney-at-law licensed by the supreme court of the state desires to have a
12 real estate broker's license or a real estate salesperson's license, the attorney, by application, and
13 upon payment of the applicable fee as provided in § 5-20.5-11, shall be granted a license without
14 examination.

15 (e) A certificate of licensure shall be issued by the real estate division of the department of
16 business regulation within thirty (30) days after it is requested at a cost of not more than twenty-
17 five dollars (\$25.00) for each certificate issued.

18 **5-20.5-6. Duration of licenses -- Rules and regulations -- Suspension or revocation of**
19 **licenses Duration and renewal of licenses -- Continuing education-rules and regulations --**
20 **Suspension or revocation of licenses.**

21 (a) If the director is satisfied that the applicant is competent and trustworthy and is
22 reasonably familiar with the statutes and law relating to real estate, he or she shall issue to the
23 applicant a license to act as a real estate broker or a real estate salesperson. The director shall
24 promulgate rules and regulations mandating the term of license for each category of license issued
25 pursuant to this chapter. No license shall remain in force for a period in excess of three (3) years.
26 Any fee for the initial issuance of a license or for renewal of a license issued pursuant to this chapter
27 is determined by multiplying the current annual fee by the term of years of the license or renewal.
28 The fee for the total number of years of the initial license or of the renewal shall be paid in full
29 prior to the issuance of the respective license. The license shall be renewed upon payment of the
30 renewal fee and proof of completion of any continuing education requirements as set forth in the
31 rules and regulations issued by the department of business regulation. Any license issued or
32 renewed may be suspended or revoked by the director, for cause, prior to the expiration date. The
33 director shall issue reasonable rules and regulations with the consent of the majority of the Rhode
34 Island real estate commission governing the conduct of licensed real estate brokers and

1 salespersons. These rules and regulations shall be designed to implement the laws and policies of
2 this state and to protect the interests of the public.

3 (b) Except as provided in subsection (d) of this section, all applicants for a renewal license
4 for real estate brokers or real estate salespersons, shall submit proof to the director that they have
5 completed during the preceding two (2) year period, a minimum of twenty-four (24) hours of real
6 estate oriented educational sessions or courses of instruction that have been previously approved
7 by the director.

8 (c) The license shall be renewed upon payment of the renewal fee and proof of completion
9 of continuing education requirements as set forth in the rules and regulations issued by the
10 department of business regulation. Any license issued or renewed may be suspended or revoked by
11 the director, for cause, prior to the expiration date. The director shall issue reasonable rules and
12 regulations with the consent of the majority of the Rhode Island real estate commission governing
13 the conduct of licensed real estate brokers and salespersons. These rules and regulations shall be
14 designed to implement the laws and policies of this state and to protect the interests of the public.

15 ~~(b)~~(d) Any rules or regulations promulgated with regard to the requirement of continuing
16 education for the renewal of any real estate broker's or salesperson's license whose application for
17 an initial broker's or salesperson's license is approved within one hundred eighty (180) days of the
18 expiration date of his or her initial license is not subject to the continuing education requirement at
19 the time of his or her first renewal. The director, after a due and proper hearing, may suspend,
20 revoke, or refuse to renew any license upon proof that it was obtained by fraud or misrepresentation
21 or that the holder of the license has been guilty of fraud or misrepresentation or criminal acts in the
22 performance of his or her functions, or upon proof that the holder of the license has violated this
23 statute or any rule or regulation issued pursuant to this statute.

24 ~~(c)~~(e) The director shall, for licenses issued or renewed after July 1, 2004, require proof of
25 reasonable familiarity with and knowledge of duties and responsibilities established by the lead
26 poisoning prevention act, chapter 24.6 of title 23, and the lead hazard mitigation act, chapter 128.1
27 of title 42. Notwithstanding the provisions of subsection (b) of this section, the requirements of this
28 subsection shall apply to first renewals when licenses were initially issued before July 1, 2004. This
29 subsection shall be put into force and effect by the director in the manner set forth in chapter 128.1
30 of title 42 and with the advice of the Rhode Island real estate commission.

31 (f) The director shall, for all licenses that are issued or renewed after January 1, 2022,
32 require proof of reasonable familiarity with and knowledge of duties and responsibilities
33 established by chapter 37 of title 34 (the Rhode Island fair housing practices act).

1 SECTION 2. This act shall take effect on January 1, 2022.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- REAL ESTATE BROKERS AND
SALESPERSONS

1 This act would require all applicants for a real estate broker's or salesperson's license to
2 submit and pass a written examination to include topics on fair housing. This act would require all
3 real estate licensees to complete a minimum of twenty-four (24) hours of approved continuing
4 education courses during each twenty- four (24) month license renewal section.

5 This act would take effect on January 1, 2022.

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