

ALABAMA REAL ESTATE COMMISSION
ADMINISTRATIVE CODE

CHAPTER 790-X-1
GENERAL PROVISIONS

TABLE OF CONTENTS

790-X-1-.01	Organization
790-X-1-.02	Declaratory Rulings
790-X-1-.03	License Requirements
790-X-1-.04	Clerical/Office Employees
790-X-1-.05	Out-Of-State Co-Brokerage Agreement
790-X-1-.06	Prelicense And Post License School Approval And Requirements
790-X-1-.07	Qualifications For Prelicense And Post License Instructors
790-X-1-.08	Instructor Approval And Utilization
790-X-1-.09	Qualifications For Continuing Education Instructors
790-X-1-.10	Application, Fees And Renewal Requirements For Instructors, Courses, Administrators, And Schools
790-X-1-.11	Course Content For Continuing Education
790-X-1-.12	Continuing Education Course Approval And Requirements
790-X-1-.13	Exemptions From Continuing Education Requirements
790-X-1-.14	Student Attendance Participation Standards
790-X-1-.15	School And Instructor Advertising Regulations
790-X-1-.16	Audits Of Approved Schools And Instructors
790-X-1-.17	Disciplinary Actions For Instructors, Administrators And Schools
790-X-1-.18	Reciprocal License Requirements
790-X-1-.19	Classroom Facilities
790-X-1-.20	Petition For Adoption, Amendment, Or Repeal Of Rule
790-X-1-.21	Distance Education Courses
790-X-1-.22	Prohibition Against Contract Lobbyist
790-X-1-.23	Misuse Of Agency Name, Initials, Logo, Or Seal
790-X-1-.01	<u>Organization.</u>

(1) The public may obtain information or make submissions or requests to the Commission by addressing inquiries to the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, AL 36106.

Licensing and other pertinent information can be obtained from the Commission's website.

(2) All applications and requests for which the Commission has prescribed the form must be made on the prescribed form, copies of which may be obtained from the Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, AL 36106 and/or the Commission's website.

(3) The Commission may utilize advisory committees, working groups, and task forces for recommendations and studies of issues. The composition of these groups shall be determined by the Commission.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-7, 34-27-8.

History: Filed September 30, 1982. **Amended:** August 15, 1985; February 6, 1991. **Amended:** Filed August 29, 2000; effective October 3, 2000. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed August 27, 2018; effective October 11, 2018.

790-X-1-.02 Declaratory Rulings.

(1) The Commission may issue declaratory rulings to any person substantially affected by a rule with respect to the validity of the rule, or with respect to the applicability to any person, property, or state of facts of any rule or statute enforceable by the Commission, or with respect to the meaning and scope of any order of the Commission. Such rulings shall be issued provided;

(a) the petitioner shows that he/she is substantially affected by the rule in question,

(b) sufficient facts are supplied in the request to permit the Commission to make a valid determination, and

(c) the request arises from an actual question or controversy.

(2) Such rulings will be made in accordance with the Alabama Administrative Procedure Act.

Author: Edward George

Statutory Authority: Code of Ala. 1975, §34-27-8.

History: Filed September 30, 1982. **Amended:** Filed August 15, 1985.

790-X-1-.03 License Requirements.

(1) Rental leasing and/or property management services for Alabama real estate licensees include but are not limited to:

- (a) Rent or lease real estate situated within the State of Alabama.
 - (b) Offer to rent or lease real estate situated within the State of Alabama.
 - (c) Negotiate, or attempt to negotiate, the rental or leasing of real estate situated within the State of Alabama.
 - (d) List or offer or attempt or agree to list real estate for rental or lease situated within the State of Alabama.
 - (e) Aid, attempt, offer to aid in locating, or obtaining for rent, or lease any real estate situated within the State of Alabama.
 - (f) Procure or assist in procuring the prospects for the purpose of effecting the lease, or rental of real estate situated within the State of Alabama.
 - (g) Procure or assist in the procuring of properties for the purpose of effecting the lease, or rental of real estate situated within the State of Alabama.
 - (h) Entering into an agreement or contracting for the collection and escrow of security deposits, and entering into an agreement or contracting for the collection and escrow of rental payments for properties situated within the State of Alabama.
- (2) Code of Ala.1975, § 34-27-2(b)(1), exempts owners of real property from the licensing requirements of Articles 1 and 2 of Chapter 27 when managing his own property or consummating a real estate transaction involving his own property. As used in Code of Ala. 1975, § 34-27-2(b)(1), the term "owner" is defined as the individual owner himself, or in the case of a corporation or partnership, a partner or corporate officer, who has authority to and does make management decisions affecting the overall policy of the corporation or partnership.
- (3) When engaging in a transaction in which the licensee or his or her spouse, child or parent is a principal party to the transaction, the licensee is governed by the provisions in Chapter 27 of Title 34, Code of Ala. 1975, that apply to licensees and the rules promulgated by the Alabama Real Estate Commission that apply to licensees only if:
- (a) The licensee advertises, markets, or otherwise conveys that the licensee is engaging in the transaction through the licensee's broker or company;
 - (b) The licensee seeks to or does obtain compensation for acting as a licensee in the transaction; or

(c) The licensee violates Code of Ala. 1975, § 34-27-36(a)(2) by engaging in misrepresentation or fraudulent acts during the transaction.

This rule does not prevent a company from enacting policies and procedures for their licensees engaging in transactions in which their licensees or their licensees' spouses, children, or parents are the principal party.

(4) Code of Ala. 1975, § 34-27-30(5), requires that one who auctions, or offers or attempts or agrees to auction real estate must be licensed under Articles 1 and 2. Persons commonly referred to as "ground men" are not required to be licensed, provided their activities shall be limited to relaying crowd participation bids to the auctioneer.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-2, 34-27-8, 34-27-30.

History: Filed September 30, 1982. **Amended:** Filed August 15, 1985. **Amended:** Filed June 30, 2017; effective August 14, 2017.

Amended: Published July 29, 2022; effective September 12, 2022.

Amended: Published December 31, 2024; effective February 14, 2025.

790-X-1-.04 Clerical/Office Employees.

The duties of clerical or office employees of a real estate company shall be limited to the duties normally attributed to such positions. No such employee of a licensee or any other person shall physically show listed property, solicit or accept listings, negotiate sales or leases, hold himself out as engaged in the real estate business or perform any other act for which a license is required unless properly licensed.

Author: Edward George

Statutory Authority: Code of Ala. 1975, §§34-27-2(b)(6), 34-27-8.

History: Filed September 30, 1982. **Amended:** Filed August 15, 1985.

790-X-1-.05 Out-Of-State Co-Brokerage Agreement.

(1) A licensed Alabama qualifying broker may enter into a co-brokerage agreement with a broker of another state, subject to the provisions of *Code of Ala. 1975, § 34-27-3*. The Alabama qualifying broker shall require a listing or joint listing of the property involved. The written co-brokerage agreements required by *Code of Ala. 1975, § 34-27-3*, shall specify all material terms of each agreement, including but not limited to its financial terms.

(2) The showing of property located in Alabama and negotiations pertaining thereto shall be supervised by the Alabama qualifying

broker. In all advertising of real estate located in Alabama, the name of the Alabama qualifying broker shall appear.

(3) The Alabama qualifying broker shall be liable for all acts of the out-of-state broker, as well as for his own acts, arising from the execution of any co-brokerage agreement.

(4) The Alabama qualifying broker shall determine that the out-of-state broker is licensed as a broker in another state.

(5) All earnest money pertaining to a co-brokerage agreement must be held in escrow by the Alabama qualifying broker unless both the buyer and seller agree in writing to relieve the Alabama qualifying broker of this responsibility.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-3, 34-27-8.

History: Filed September 30, 1982. **Amended:** Filed August 15, 1985. **Amended:** Published December 31, 2024; effective February 14, 2025.

790-X-1-.06 Prelicense And Post License School Approval And Requirements.

(1) All schools and instructors teaching real estate courses shall agree to be governed by rules and regulations adopted by the Commission for the orderly operation of the schools.

(2) All prelicense courses shall have a definite beginning and ending date.

(3) The administrator shall, at least five (5) business days prior to the beginning of a prelicense or post license course, send information concerning the exact location, times and dates of the courses to the Commission via the electronic submission program provided by the Commission. Should changes occur in this information, instructors and administrators must submit the changes immediately via the electronic submission program provided by the Commission.

(4) The administrator shall, within three (3) business days of course completion, report the credit for students who successfully complete the prelicense or post license course to the Commission via the electronic submission program provided by the Commission. Business days are Monday through Friday and do not include federal holidays, state holidays and weekends.

(5) Professional real estate courses offered by the Armed Forces or reserves of the United States, the National Guard of any state, the military reserves of any state, or the naval militia of any state are approved by the Commission. No other prelicense or post

license course shall be approved by the Commission unless the following requirements are fulfilled.

(a) Courses shall be taught by an approved instructor.

(b) All courses shall comply with the curriculum as prescribed by the Commission.

(c) The 60-clock hour salesperson prelicense course shall be completed within one year from the start date of the course or the student will receive no credit for classes completed and shall begin the course again. Students enrolled in the salesperson prelicense course can receive no more than eight (8) hours credit per day.

(d) The 60-clock hour broker prelicense course shall be completed in order to qualify for the broker's exam. The course shall be completed within one year from the start date of the course or the student will receive no credit for classes completed and shall begin the course again. Students enrolled in the broker prelicense course can receive no more than eight (8) hours credit per day.

(e) The 30-clock hour post license course is required for all temporary salesperson licensees, whether on active or inactive status, within the first year of licensure or the license will lapse. In order to maintain an active license, the course shall be completed and the original (permanent) license issued within the first six months of licensure. Students enrolled in the post license course can receive no more than eight (8) hours credit per day. Students shall start the post license course at the beginning of any course module in the approved course outline as allowed by the instructor.

(f) At least 80% of the course hours in the prelicense and post license courses shall be presented by live instruction unless the course is an ARELLO certified distance education course.

(g) Instructors shall offer incremental assessments including a final course exam. Students shall pass all required incremental assessments and the required final course exam that adequately measures mastery of course content and make a minimum course grade of 70% to successfully complete salesperson the prelicense course.

(h) Instructors shall teach a minimum of 60 hours for the prelicense course and a minimum of 30 hours for the post license course. Ninety (90%) percent course attendance in the prelicense and post license courses is required of students to successfully complete the course. Any sessions taken by students to make up missed hours must cover topics that have not already been taken in the course. Instructors may take a 10-minute break after each 50 minutes of instruction. Meals and other unrelated activities cannot be counted as part of the course hours.

(i) Upon completing the course hours, passing all required incremental assessments and the required final exam, and obtaining a minimum course grade of 70% in the salesperson prelicense course, the administrator shall submit the course credit as directed by the Commission. Salesperson applicants shall not be allowed to schedule the salesperson license examination until exam eligibility has been submitted.

(j) Instructors and administrators shall provide each student who completes the salesperson prelicense course with instructions on where to access the Commission-approved prelicense course evaluation. Instructors and administrators shall also provide each student in prelicense and post license courses with information explaining the licensing process and deadlines. Instructors and administrators shall provide information on how to obtain the Application for Real Estate Salesperson's Original License to all post license students.

(k) Upon completing the course hours, passing the course final exam and obtaining a minimum course grade of 70% in the broker prelicense course, the administrator shall submit the course credit as directed by the Commission. Broker applicants shall not be allowed to schedule the broker license examination until exam eligibility has been submitted. Broker applicants shall meet all qualifications for a broker's license prior to making application. Successfully passing the broker license examination is only one of several qualifications that are identified in Section 34-27-32. Failure to meet all broker license qualifications prior to applying for a broker's license shall result in the exam score being rendered null and void and may subject the broker applicant to disciplinary action by the Commission.

(l) A person shall be required to have a temporary license issued prior to beginning a post license course to earn post license credit. Instructors and administrators shall obtain the temporary license number before allowing a student to enroll in the post license course. Temporary salespersons who make a minimum course grade of 70% and complete the post license course may check the Commission website to ensure their course credit has been accurately reported. The temporary salesperson shall submit the application and fees for an original (permanent) license within the time frame set forth in Section 34-27-33.

(m) Schools shall maintain permanent records showing attendance, exam answer sheets, licensing process and deadline forms, course credit submission via the electronic submission program provided by the Commission, and any other documentation required by the Commission for a minimum of four (4) years. If a school closes because it merges with another school or is bought by another school, the records for the previous four years shall be turned over to and become the responsibility of the new school. If a branch school closes, the records for the previous four years

shall be turned over to and become the responsibility of the main school.

(6) Salesperson applicants shall pass the salesperson license examination within 6 (six) months immediately following the date of successful completion of the salesperson prelicense course approved by the Commission. Salesperson applicants who fail to meet this requirement shall be required to again successfully complete the salesperson prelicense course and pass the salesperson license examination.

(7) Broker applicants shall pass the broker license examination within six (6) months immediately following the date of successful completion of the broker prelicense course approved by the Commission. Broker applicants who fail to meet this requirement shall be required to again successfully complete the broker prelicense course and pass the broker license examination.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 34-27-32, 34-27-33, 31-12A-2.

History: Filed September 30, 1982. **Amended:** Filed November 21, 1983; August 27, 1986 (Rule title changed from "School Approval and Requirements" to "Prelicense School Approval and Requirements"); August 15, 1988; December 5, 1988. **Amended:** Filed February 6, 1991; October 22, 1991; August 7, 1992.

Amended: Filed August 25, 1993; effective September 29, 1993.

Amended: Filed December 22, 1994, effective January 26, 1995.

Amended: Filed August 23, 1996; effective September 27, 1996.

Amended: Filed August 3, 1998; effective September 7, 1998.

Amended: Filed August 29, 2000; effective October 3, 2000.

Amended: Filed November 19, 2001; effective December 24, 2001.

Amended: Filed August 31, 2004; effective October 5, 2004.

Amended: Filed August 30, 2005; effective October 04, 2005.

Amended: Filed April 24, 2007; effective May 29, 2007. **Amended:**

Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed

May 27, 2009; effective July 1, 2009. **Amended:** Filed August 27,

2009; effective October 1, 2009. **Amended:** Filed September 6,

2013; effective October 11, 2013. **Amended:** Filed August 28,

2014; effective October 2, 2014. **Amended:** Filed August 28, 2014;

effective October 2, 2014. **Amended:** Filed August 17, 2016;

effective October 1, 2016. **Amended:** Filed August 25, 2017;

effective October 9, 2017. **Amended:** Filed August 27, 2018;

effective October 11, 2018. **Amended:** Published August 31, 2021;

effective October 15, 2021. **Amended:** Published February 28,

2023; effective April 14, 2023. **Amended:** Published December 31,

2024; effective February 14, 2025.

790-X-1-.07 Qualifications For Prelicense And Post License Instructors.

(1) In order to be approved to instruct real estate coursework, all real estate prelicense and post license instructor applicants shall:

(a) Apply on a form prescribed by the Commission.

(b) Hold a current broker's license in order to attain approval and must maintain a current broker's license in order to continue approval to teach prelicense and post license courses.

(2) If a prelicense and post license instructor applicant has previously been found guilty of violating any provision of the Real Estate License Law or any rule, regulation, or order of the licensing authority in any state, the applicant shall first gain approval of the Commission through a hearing.

(3) Additional qualifications for all prelicense and post license instructor applicants, with the exception of full-time college and university prelicense and continuing education course instructors, shall be evaluated as follows:

(a) Instructor applicants shall meet the qualifications as specified by the Commission. The Commission shall rate the individual's qualifications in education, industry experience and teaching experience. The qualifications will be evaluated using a point system. An individual shall obtain a minimum of 70 points to be approved as an instructor. The five major areas of evaluation and maximum points per category are:

1. Active real estate license experience-20 points
2. Real estate education-20 points
3. Formal education-20 points
4. Teaching experience-30 points
5. Real estate and related experience-10 points

(b) Each major category shall be comprised of subcategories thereby allowing consideration of a variety of qualifications.

(c) The Commission shall require that an instructor applicant submit appropriate documentation in order to be awarded points in any category or subcategory. No points can be awarded without supporting documents. If appropriate documentation is

not received within 10 days of submission of the application, the application shall be denied and the application fee and all documentation shall be returned.

(4) All instructor applicants shall attend a mandatory orientation after qualifications have been evaluated and the initial application has been approved. The orientation shall be comprised of two scored parts:

(a) A pretest evaluating the applicant's real estate and license law content knowledge.

(b) A presentation on a real estate examination topic given by the applicant as part of the orientation.

(c) The presentation shall be evaluated individually by a panel of experts utilizing a set or standardized criteria. The presentation evaluation score shall be an average of the individual panelists' scores.

(d) A minimum orientation final score of 70 shall be mandatory to obtain final instructor approval. This is a combined score do both the content knowledge and the presentation performance. A score below 70 shall require remedial instructor training identified by the Commission to receive approval to attend a future orientation. Attendance at future orientations shall be required until the minimum score of 70 is achieved.

(5) Full-time college and university prelicense and continuing education course instructors shall be qualified when certified by their respective educational institutions.

(6) All prelicense and post license instructors shall have written approval from the Commission prior to teaching an approved course.

(7) All prelicense and post license instructors will be periodically reviewed and evaluated by the Commission.

(8) All prelicense and post license instructors shall attend Commission sponsored orientation courses and seminars when directed to do so by the Commission. Failure to do so will result in instructor approval being subject to disciplinary action in accordance with Rule 790-X-1-.17.

(9) Prelicense and post license instructors shall not earn continuing education credit for courses taught.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8.

History: Filed September 30, 1982, as Rule No 790-X-1-.09 entitled "Instructor Qualifications." **Amended:** Filed August 27, 1986. Ed Note: Rule title changed to "Qualifications for Instructors of Prelicense Courses" and previous Rule No 790-X-1-.

09 became Rule No 790-X-1-.07 Previous Rule No 790-X-1-.07 "School Advertising Requirements" was amended and moved to become Rule No 790-X-1-.15. **Amended:** Filed October 22, 1991; August 7, 1992. **Amended:** Filed August 25, 1993; effective September 29, 1993. **Amended:** Filed May 5, 1995; effective June 9, 1995. **Amended:** Filed August 29, 2000; effective October 3, 2000. **Amended:** Filed August 31, 2004; effective October 5, 2004. **Amended:** Filed August 30, 2005; effective October 04, 2005. **Amended:** Filed April 24, 2007; effective May 29, 2007. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 28, 2014; effective October 2, 2014. **Amended:** Filed August 17, 2016; effective October 1, 2016. **Amended:** Filed August 27, 2018; effective October 11, 2018. **Amended:** Published October 29, 2021; effective December 13, 2021. **Amended:** Published October 31, 2022; effective December 15, 2022.

790-X-1-.08 Instructor Approval And Utilization.

Each real estate prelicense, post license and continuing education course and the instructor(s) responsible for conducting each course shall be approved by the Alabama Real Estate Commission. An approved instructor shall be present at each session of an approved real estate course. Unapproved guest speakers with expertise in particular areas may be used in prelicense courses and post license courses at any time without limitation so long as the approved instructor is present during their respective presentations to guarantee satisfaction of all course requirements. An unapproved guest speaker can be used for a portion of a continuing education course so long as the approved instructor is present during the presentation. Multiple unapproved guest speakers can be used in a single in continuing education course so long as the approved instructor is present during the entire course.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8.

History: Filed September 30, 1982. **Amended:** Filed May 15, 1984; March 28, 1985. **Amended:** Filed August 25, 1993; effective September 29, 1993. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed August 28, 2014; effective October 2, 2014. **Amended:** Filed August 17, 2016; effective October 1, 2016.

790-X-1-.09 Qualifications For Continuing Education Instructors.

(1) A continuing education instructor shall be defined as an instructor who is approved to teach only continuing education courses. All instructors who are approved to teach prelicense and

post license courses are also approved to teach continuing education courses and shall not be required to qualify under this rule.

(2) Every continuing education instructor applicant shall apply for approval on a form prescribed by the Commission along with the appropriate fee. No instructor may begin teaching a course offered for continuing education credit until he/she has received written approval from the Commission.

(3) Continuing education instructor applicants shall not have been found guilty of violating any provision of the Real Estate License Law or any rule, regulation or order of the licensing authority in any state.

(4) Continuing education instructors shall be periodically reviewed and evaluated by the Commission.

(5) Continuing education instructors shall attend Commission sponsored orientation courses and seminars when directed to do so by the Commission. Failure to do so shall result in the instructor being subject to disciplinary action in accordance with Rule 790-X-1-.17.

(6) A person seeking approval to teach approved continuing education courses, may seek approval in his/her principal occupation by possessing one of the following qualifications:

(a) Bachelor's degree in the field of instruction plus at least two years-experience in the field of instruction;

(b) Teaching experience consisting of at least 75 hours in the application field within 3 years immediately preceding the date of the instructor's application plus 3 years full time experience in the field of instruction;

(c) Six years full time experience in the profession, trade or occupation in the field of instruction;

(d) Any combination of at least six years of full-time experience relevant to the application field and college level education with course work in the field of instruction.

(7) All continuing education instructor applicants qualifying under (3) above shall submit documentation of qualifications and a resume outlining experience, education and/or teaching experience in the applicable field. If appropriate documentation is not received within 10 days of submission of the application, the application shall be denied, and the application fee and all documentation shall be returned.

(8) Continuing education instructors shall not earn continuing education credit for teaching courses.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 34-27-35.

History: Filed August 27, 1986. Ed Note: Former Rule 790-X-1-.10 entitled "Withdrawal of Approval" was moved in its entirety to become Rule 790-X-1-.17. **Amended:** Filed August 15, 1988; January 31, 1989; December 9, 1992. **Amended:** Filed: August 25, 1993; effective September 29, 1993. **Amended:** Filed January 18, 1994; effective February 22, 1994. **Amended:** Filed August 29, 2000; effective October 3, 2000 (Ed. NOTE: Former Rule 790-X-1-.10 was moved in its entirety to become 790-X-1-.09, as per this certification). **Amended:** Filed September 18, 2001; effective October 23, 2001. **Amended:** Filed November 25, 2003; effective December 30, 2003. **Amended:** Filed August 31, 2004; effective October 5, 2004. **Amended:** Filed August 30, 2005; effective October 04, 2005. **Amended:** Filed April 24, 2007; effective May 29, 2007. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 28, 2014; effective October 2, 2014. **Amended:** Filed August 27, 2018; effective October 11, 2018.

790-X-1-.10 **Application, Fees And Renewal Requirements For Instructors, Courses, Administrators, And Schools.**

(1) License and approval periods begin on October 1 of each odd numbered year and conclude on September 30 of the second year of the period.

(2) Instructor approval: Instructors shall submit application for approval as required by the Commission. The initial fee for instructor approval shall be \$50 per year or any portion thereof except that instructor who teach only elective continuing education shall pay an initial fee of \$25 per year or any portion thereof.

(3) Course approval: Instructors shall submit application for course approval as required by the Commission. Applications shall include an outline, learning objectives and learning strategies. The initial course review fee shall be \$100. An initial course constitutes either one being submitted for the first time or an existing course which incurs substantial changes as determined by the Commission. With the exception of distance education courses, all courses for which the Commission supplies a course outline do not require the \$100 initial course review fee for approval.

(4) School licensure: Proprietary schools that offer prelicense and post license courses shall submit application for licensure as required by the Commission and the initial license fee shall be \$250 per year or any portion thereof.

(a) Application for school licensure shall include appropriate license fee and verification of surety bond.

(b) Any proprietary school offering prelicense and/or post license courses in more than one location shall have a licensed branch school for each location using the same application procedure as the principal school.

(c) Any change of the name or address of a licensed school requires a written notice to be sent to the Commission within ten (10) days of making the change in order for a new license to be issued.

(5) School approval. Schools that offer only continuing education courses and accredited colleges and universities shall submit application for approval as required by the Commission. There is no fee for school approvals.

(6) Administrator approval: All schools shall name an individual associated with the school to serve as the administrator. The administrator shall be the person responsible for all course offerings and activities related to real estate education that are offered at the school and all acts governed by applicable rules which govern the operation of the school. Administrators shall submit application as required by the Commission. If an Administrator leaves a school, a new Administrator shall be approved within ten business days for the school to continue offering courses. If an Administrator is not approved within ten days, the school shall become inactive until an Administrator is approved.

(7) Renewal reminders for instructors, courses, schools and administrators shall be sent by August 1 of the second year of the approval period.

(8) Instructor renewal: Instructors shall renew their instructor approval no later than September 30 of the second year of each approval period. Failure to meet this deadline shall result in the instructor being placed on inactive status until the instructor meets all renewal requirements. If placed on inactive status, the instructor shall not teach any classes until the approval is renewed. If renewal requirements are not met by December 31 of the first year of the next approval period, the approval shall not be renewed, and the instructor shall apply as an original applicant and meet all requirements applicable to new instructors. The fee for instructor renewal shall be \$100 for the two-year approval period. For those who teach only elective continuing education the fee shall be \$50 for the two-year approval period.

(a) Prelicense and post license instructors shall complete 12 hours of instructor training courses approved by the Commission no later than September 30 of the second year of each approval period. These instructor training courses shall

be taken in addition to the continuing education courses required for renewal of a salesperson or broker license. Instructor training courses may not be used to satisfy requirements for renewal of a real estate license nor may courses taken for real estate license renewal be used to satisfy requirements for instructor renewal.

(b) Instructor applicants approved in the second year of the approval period, instructors who teach only continuing education courses or full-time college instructors shall not be required to complete 12 hours of instructor training courses for renewal of instructor approval.

(9) Course Renewal: In order to retain approval for each course, the instructor shall submit the renewal fee and an updated outline, learning objectives and learning strategies. Instructors shall renew courses no later than September 30 of the second year of each approval period. Failure by instructors to meet the September 30 deadline for course renewal shall result in course approval being placed on inactive status until the instructor meets all renewal requirements. If course renewal requirements are not met by December 31 of the first year of the next approval period, the course may not be renewed, and the instructor shall submit a new course application and meet all requirements applicable to new courses. The fee for course renewal shall be \$50 per course for the two-year approval period. All courses for which the Commissioner supplies a course outline do not require the \$50 renewal fee.

(10) Administrator renewal: Administrators shall renew their approval no later than September 30 of the second year of each approval period. Failure to meet this deadline shall result in both the administrator approval and school license or approval being placed on inactive status until the renewal requirements are met. If renewal requirements are not met by December 31 of the first year of the next approval period, the approval may not be renewed, and the administrator shall apply as an original applicant and meet all requirements applicable to new administrators.

(11) School renewal: Administrators shall renew the school licensure or approval online as required by the Commission no later than September 30 of the second year of each license or approval period. Failure to meet this deadline shall result in the school being placed on inactive status. If placed on inactive status, the school shall not offer any more classes until the licensure or approval is renewed. If renewal requirements are not met by December 31 of the first year of the next approval period, the licensure or approval may not be renewed, and the school shall apply as an original applicant and meet all requirements applicable to new schools. The license renewal fee for proprietary schools which offer prelicense and post license courses shall be \$250 for the two-year license period.

(12) Instructors who teach only college credit courses shall not be required to pay either the initial instructor or course application fee or the instructor or course renewal fee and shall not be subject to instructor renewal requirements.

(13) All instructors shall attend training programs as directed by the Commission in order to retain approval.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6; 34-27-8.

History: New Rule: Filed August 29, 2000; effective October 3, 2000. **Amended:** Filed November 8, 2000; effective December 13, 2000. **Amended:** Filed September 18, 2001; effective October 23, 2001. **Amended:** Filed May 1, 2003; effective June 5, 2003.

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Amended: Filed August 31, 2004; effective October 5, 2004.

Amended: Filed August 30, 2005; effective October 4, 2005.

Amended: Filed August 25, 2006; effective September 28, 2006.

Amended: Filed June 21, 2007; effective July 26, 2007. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed September 6, 2013; effective October 11, 2013. **Amended:** Filed August 17, 2016; effective October 1, 2016.

790-X-1-.11 Course Content For Continuing Education.

(1) To meet continuing education requirements, salespersons shall complete fifteen (15) clock hours each license period as set out below:

(a) Three (3) clock hours in the Commission-approved Risk Management course.

(b) Twelve (12) clock hours in Commission-approved courses.

(2) Effective October 1, 2022, to meet continuing education requirements, associate brokers and qualifying brokers shall complete fifteen (15) clock hours each license period as set out below:

(a) Three (3) clock hours in the Commission-approved Risk Management course.

(b) Three (3) clock hours in the Commission-approved Broker course.

(c) Nine (9) click hours in Commission-approved courses.

(3) The curriculum for continuing education courses offered for elective credit shall consist of subjects which are "core" real estate and which will assist the licensee in fulfilling the Commission's statutory duty of protecting the public. Some

examples of acceptable subject matter are License Law, RECAD (Real Estate Consumer's Agency and Disclosure Act), real estate ethics, real estate financing, appraisal and valuation, fair housing, truth-in-lending, agency relationships, agency disclosure, liability of real estate agents, writing contracts, handling escrow funds, environmental issues, negotiating techniques, listing and buyer presentations, writing and presenting offers, showing property, sales skills, communication skills, marketing, certain financial calculator courses, computer courses which are real estate specific and how to utilize technology in the practice of real estate. Examples of unacceptable subject matter are motivational courses, personal development courses, sales meetings, in-house training and orientation courses. All course topics and content are subject to approval by the Commission.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6; 34-27-8; 34-27-35.

History: Filed August 27, 1986. Ed Note: Former Rule No 790-X-1-.09 entitled "Instructor Qualifications" was amended and moved to become Rule No 790-X-1-.07. **Amended:** Filed May 17, 1988; August 15, 1988; January 31, 1989; January 30, 1990; September 13, 1990.

Emergency rule filed October 1, 1990. **Amended:** Filed December 6, 1990; October 22, 1991; December 9, 1992. **Amended:** Filed August 25, 1993; effective September 29, 1993. **Amended:** Filed January 18, 1994; effective February 22, 1994. **Amended:** Filed July 21, 1994; effective August 25, 1994. **Amended:** Filed August 23, 1996; effective September 27, 1996. **Amended:** Filed August 3, 1998; effective September 7, 1998. **Amended:** Filed July 26, 1999; effective August 30, 1999. **Amended:** Filed August 29, 2000; effective October 3, 2000 (Ed. Note: Former Rule 790-X-1-.09 was moved in its entirety to become 790-X-1-.11, as per this certification). **Amended:** Filed September 18, 2001; effective October 23, 2001. **Amended:** Filed November 25, 2003; effective December 30, 2003. **Amended:** Filed August 10, 2004; effective September 14, 2004. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed May 31, 2012; effective July 5, 2012. **Amended:** Filed August 17, 2016; effective October 1, 2016. **Amended:** Published August 31, 2020; effective October 15, 2020. **Amended:** Published May 31, 2022; effective July 15, 2022.

790-X-1-.12 **Continuing Education Course Approval And Requirements.**

(1) All instructors of continuing education courses shall apply for course approval on a form prescribed by the Commission along with a \$100 course review fee and all required documents. Applications for courses shall be submitted online as required by the Commission.

(2) Approved continuing education courses shall be taken from a Commission approved school and taught only by approved instructors. Otherwise those completing the course shall not receive credit toward meeting continuing education requirements.

(3) In order to be approved for continuing education credit, courses shall contain a minimum of three (3) clock hours of instruction. A licensee shall not earn more than nine (9) hours of continuing education credit in any one day. Upon special request courses which contain one and one-half (1 ½) hours may be approved by the Commission.

(4) Administrators shall not advertise courses out as approved, enroll students or conduct classes for which students expect to earn continuing education credit prior to the course instructor receiving written approval from the Commission. Course instructors shall submit the course application to the Commission at least 14 days prior to the proposed beginning date of the course.

(5) Administrators shall report all required course information including the exact location, times and dates of the courses to the Commission via the electronic submission program provided by the Commission at least five (5) business days prior to the beginning of each course. Should changes occur in this information, the administrator shall submit the changes immediately via the electronic submission program provided by the Commission. Business days are Monday through Friday and do not include federal holidays, state holidays and weekends.

(6) Administrators shall within 10 days of course completion, report credit for the students who successfully completed the course to the Commission via the electronic submission program provided by the Commission. Credit completed on or before September 30 of a renewal year shall be entered before midnight of September 30 to avoid possible disciplinary action.

(7) Each school shall maintain permanent records for its students showing attendance, course credit submission via the electronic submission program provided by the Commission, and any other documentation required by the Commission for a minimum of four (4) years. If a school closes because it merges with another school or is bought by another school, the records for the previous four years shall be turned over to and become the responsibility of the new school. If a branch school closes, the records for the previous four years shall be turned over to and become the responsibility of the principal school.

(8) No more than one-third of any continuing education class can be presented through video unless the course is an ARELLO certified distance education course.

(9) Students shall attend 100% of the course offering in order to be awarded continuing education credit. Instructors may take a 10-

minute break after each 50 minutes of instruction. Credit shall not be given for time spent on meals or other unrelated activities. The instructor and school shall not issue credit to students who do not attend 100% of the course offering.

(10) Prior to becoming licensed, a person shall not earn real estate continuing education credit.

(11) Any licensee who completes the entire 60-hour broker prelicense course or the entire 30-hour post license course shall earn 15 clock hours of continuing education credit which shall satisfy all continuing education requirements for the current license period.

(12) Instructors and schools shall provide each student in any approved continuing education class with instructions on how they can check continuing education credit and electronically submit a course evaluation on the Commission's website.

(13) Any licensee who completes a continuing education classroom course in another state which is approved by any state may receive credit in Alabama for successful completion of that course by submitting appropriate documentation as prescribed by the Commission including verification of approval by any state, the number of hours for which the course is approved, and course completion. Such courses shall count as elective continuing education credit only. These courses shall not be subject to renewal procedures, instructor application and fee or the course review fee.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 34-27-32, 34-27-35.

History: Filed August 27, 1986. Ed Note: Former Rule 790-X-1-.11 entitled "Waiver of Course Requirements under Certain Conditions" moved in its entirety to become Rule 790-X-1-.18. **Amended:** Filed May 17, 1988; August 15, 1988. **Emergency rule** filed October 1, 1990. **Amended:** Filed December 6, 1990; February 6, 1991; August 7, 1992. **Amended:** Filed August 23, 1993; effective September 27, 1993. **Amended:** Filed August 23, 1996; effective September 27, 1996. **Amended:** Filed August 3, 1998; effective September 7, 1998. **Amended:** Filed August 29, 2000; effective October 3, 2000. (Ed. NOTE: Former Rule 790-X-1-.11 was moved in its entirety to become 790-X-1-.12, as per this certification). **Amended:** Filed September 18, 2001; effective October 23, 2001. **Amended:** Filed November 25, 2003; effective December 30, 2003. **Amended:** Filed August 31, 2004; effective October 5, 2004. **Amended:** Filed August 25, 2006; effective September 28, 2006. **Amended:** Filed April 24, 2007; May 29, 2007. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed September 6, 2013; effective October 11, 2013. **Amended:** Filed August 17, 2016;

effective October 1, 2016. **Amended:** Published February 28, 2023; effective April 14, 2023.

790-X-1-.13 **Exemptions From Continuing Education Requirements.**

(1) Continuing education requirements do not have to be met in order for a license to be renewed on inactive status. However, in order to activate the license, the licensee shall complete the 15-clock hour continuing education requirement.

(2) Licensees shall be exempt from meeting continuing education requirements only if they were both 65 years old prior to October 1, 2000, and held a real estate license continuously from October 1, 1990 - September 30, 2000. For purposes of meeting this exemption licensure can be active, inactive, or a combination thereof.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-8, 34-27-35.

History: Filed August 27, 1986. Ed Note: Former Rule 790-X-1-.12 entitled "Petition for Adoption, Amendment or Repeal of Rule" moved in its entirety to become Rule 790-X-1-.19. **Amended:** Filed May 17, 1988; August 7, 1992; December 9, 1992. **Amended:** Filed August 23, 1996; effective September 27, 1996. **Amended:** Filed August 29, 2000; effective October 3, 2000 (Ed. NOTE: Former Rule 790-X-1-.12 was moved in its entirety to become 790-X-1-.13, as per this certification). **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009.

790-X-1-.14 **Student Attendance Participation Standards.**

(1) Administrators and instructors shall take steps to ensure that all students comply with the following participation standards:

(a) A student shall direct his/her attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction.

(b) A student shall refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class such as personal conversations, talking on cell phones, and anything else that causes distracting noise.

(2) Administrators shall not submit course credit to the Commission for a student who fails to comply with the student attendance participation standards prescribed in Paragraph (1)(a) and (b) of this Rule.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 34-27-35.

History: Filed August 27, 1986. **Amended:** Filed August 15, 1988 (Rule title changed Rule previously entitled "Twelve Hour Refresher Course Requirement."). **Repealed:** Filed August 7, 1992. **New Rule:** Filed June 9, 1994; Effective July 14, 1994.

Amended: Filed August 31, 2004; effective October 5, 2004.

Amended: Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed September 6, 2013; effective October 11, 2013.

790-X-1-.15 School And Instructor Advertising Regulations.

(1) No administrator and no instructor shall make, or cause to be made, any statement, or representation, oral, written, or visual in connection with the operation of a school or the offering of a course, if such person knows or reasonably should know the statement or representation to be false, inaccurate, or misleading.

(2) All school advertising shall contain the licensed or approved name of the school. A school shall not advertise in conjunction with any other business establishment unless the administrator submits a written statement to the Commission that the school will be responsible to ensure that all advertising complies with the laws and rules which govern advertising.

(3) No reference whatsoever shall be made in any newspaper, advertising brochures, etc. as to "pass/fail ratio" by any school/course sponsor or instructor approved by the Alabama Real Estate Commission with the exception that administrators and instructors may advertise that pass/fail rates can be viewed on the Alabama Real Estate Commission's website.

(4) There shall be no advertising which guarantees or alludes to a guarantee of passing the state examination.

(5) Failure by administrators and instructors to comply with advertising laws and rules shall result in disciplinary action as set forth in Commission rules.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8.

History: Filed September 30, 1982, as Rule No 790-X-1-.07.

Amended: Filed August 27, 1986. Ed Note: By this amendment Rule No 790-X-1-.07 became Rule No 790-X-1-.15. **Amended:** August 3, 1998; effective September 7, 1998. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 27, 2012; effective October 1, 2012. **Amended:** Filed September 6, 2013;

effective October 11, 2013. **Amended:** Filed August 25, 2017;
effective October 9, 2017.

790-X-1-.16 Audits Of Approved Schools And Instructors.

(1) All schools and instructors shall be subject to audit to ensure compliance with the Real Estate License Law and the Rules and Regulations of the Alabama Real Estate Commission. In the event of such an audit, the responsible individual shall make available to the authorized representative of the Commission all documentation and information requested which is necessary for the audit. This information may include but is not limited to:

- (a) a list of all guest lecturers and substitutes within the past six (6) months
- (b) attendance records, credit entry verification, and licensing process and deadline forms when appropriate
- (c) classroom facilities as set forth in Commission rules
- (d) school advertisements
- (e) course examinations and answer sheets when appropriate
- (f) classroom management as set forth in Commission rules
- (g) any provision identified in Commission rules that could lead to disciplinary action

(2) The Commission representative(s) may make photocopies of records which the education provider is required to maintain by the Real Estate License Law or by Rules and Regulations of the Commission.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8.

History: Filed August 27, 1986. **Amended:** Filed August 15, 1988 (Rule title changed Rule previously entitled "Review of Approved Courses.") **Amended:** Filed August 31, 2004; effective October 5, 2004. **Amended:** Filed August 25, 2006; effective September 28, 2006. **Amended:** Filed May 27, 2009; effective July 1, 2009.

Amended: Filed August 27, 2009; effective October 1, 2009.

Amended: Filed August 17, 2016; effective October 1, 2016.

**790-X-1-.17 Disciplinary Actions For Instructors,
Administrators And Schools.**

(1) The Commission may take disciplinary action against an instructor, an administrator or a school in accordance with §34-27-6 for violation of any of the following:

- (a) Is a party to any falsification of any document or other information provided to the Commission.
- (b) Publishes or causes to be published any advertising which is not in accordance with Commission rules.
- (c) Is guilty or has been found guilty of violating or disregarding any provision of the Alabama Real Estate License Law or any rule, regulation or order of the Commission.
- (d) Engages in conduct which constitutes or demonstrates dishonest dealings, bad faith or untrustworthiness.
- (e) Fails to file with the Commission, either by paper or electronically, accurate and complete records or fails to furnish any documents at the request of the Commission by the required deadlines.
- (f) Awards credit to any student who fails to comply with the student attendance participation standards as set forth in Commission rules.
- (g) Fails to obtain a license for each location where the school offers a prelicense or post license course.
- (h) Does an inadequate job of teaching the curriculum required by the Commission or submitted to be approved by the Commission as evidenced by the use of inaccurate, inappropriate and outdated teaching materials/information, student's poor performance on the state examination, student evaluations and/or Commission audits. This shall include failing to teach the content contained in the detailed content outline approved by the Commission.
- (i) Takes no action to correct problems as identified in Commission audits.
- (j) After receiving written warning from the Commission, continues to make inaccurate comments to students regarding course content or continues to offer opinions represented as being the law or principles of law to students which are in conflict with any material contained in a Commission prescribed or approved course.

(k) Engages in unprofessional behavior and/or inappropriate conduct in the classroom including but not limited to regular tardiness, disorganization, the use of profanity, ridicule, and sarcasm directed at subject matter, students or others, telling offensive jokes, and making inappropriate remarks unrelated to the subject matter.

(l) Fails to identify course objectives and display adequate knowledge of subject matter in presentation of information and answering of student questions.

(m) Fails to utilize a variety of teaching methods to accommodate visual, auditory, and tactile learning styles. Instructors shall not limit instruction to lecture, reading text material, utilizing audio-visual technology, or studying questions similar to those on the licensing examination which do not utilize interactive instructional techniques. Examples of interactive instructional techniques include but are not limited to role play, case studies, games, group work, etc.

(2) Any instructor, school or administrator whose license or approval has been revoked shall not be licensed or approved without meeting all current instructor or school requirements and receiving approval from Commissioners. Consideration of restoring license or approval status may proceed only after a two-year period has been completed.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 34-27-33.

History: Filed November 21, 1983. Ed Note: Formerly Rule No 790-X-1-.12 moved in its entirety to become Rule No 790-X-1-.17 when new Rule No 790-X-1-.12 entitled "Exemptions from Continuing Education" was filed on August 27, 1986. **Amended:** Filed August 15, 1988 (Rule title changed Rule Previously entitled "Withdrawal of Approval."). **Amended:** Filed October 22, 1991. **Amended:** Filed: August 25, 1993; effective September 29, 1993. **Amended:** Filed June 9, 1994, effective July 14, 1994. **Amended:** Filed August 3, 1998; effective September 7, 1998. **Amended:** Filed August 29, 2000; effective October 3, 2000. **Amended:** Filed September 18, 2001; Effective October 23, 2001. **Amended:** Filed August 25, 2006; effective September 28, 2006. **Amended:** Filed June 21, 2007; effective July 26, 2007. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 27, 2012; effective October 1, 2012. **Amended:** Filed September 6, 2013; effective October 11, 2013. **Amended:** Filed August 28, 2014; effective October 2, 2014. **Amended:** Filed August 17, 2016; effective October 1, 2016. **Amended:** Filed August 27, 2018; effective October 11, 2018.

790-X-1-.18 Reciprocal License Requirements.

(1) Applicants for a reciprocal license shall have a current license in a qualifying state either on active or inactive status which is not a reciprocal or nonresident license. A qualifying state is one in which the applicant completed prelicense course work and passed a comprehensive examination which contained general real estate in addition to state law. This shall be evidenced by a certification of licensure (license history) that is obtained from the qualifying state within the 120 days immediately prior to the issuance of an Alabama license. For initial licensure as a reciprocal salesperson or broker, at minimum the certification of licensure shall show:

- (a) Name and address of the licensee; and
- (b) Status of the license (current, renewed, not renewed, expired, lapsed, etc.) and
- (c) Type of license (salesperson, broker, etc.); and
- (d) Period of time the license has been active and inactive over at least the previous 36 months; and
- (e) If the applicant passed an examination; and
- (f) Whether the examination consisted of the national and state portion or only the state portion; and
- (g) Record of any disciplinary action against the licensee; and
- (h) Any other documentation the Commission may require.

(2) Persons who hold an entry level license in the qualifying state; i.e., a salesperson license in most states, shall apply for a reciprocal salesperson license in Alabama provided all other eligibility requirements are met. For single licensing states, the first level of broker licensing equates to salesperson licensing in Alabama.

(3) Persons who hold a license that is beyond entry level in a qualifying state, i.e., a broker license in most states, shall apply for a reciprocal broker license in Alabama provided all other eligibility requirements are met. For single licensing states, the second level of licensing or higher equates to broker licensing in Alabama.

(4) If potential reciprocal applicants have questions regarding their eligibility for licensure, they shall submit a "Request for Determination of Reciprocal Licensing Eligibility" along with a

certification of licensure to the Commission for review and determination of eligibility. The form may be obtained from the Commission's website.

(5) In addition to license requirements in Section 34-27-32(a) and (b) of License Law, applicants for a reciprocal salesperson or a reciprocal broker license shall meet the following requirements before applying for a reciprocal license.

(a) Complete six (6) hours of reciprocal salesperson prelicense or reciprocal broker prelicense coursework prescribed by the Commission in order to qualify for the reciprocal license examination. These six hours of coursework shall not qualify for continuing education credit.

(b) Pass the reciprocal salesperson or reciprocal broker license examination offered by the testing agency under contract with the Commission. The examination appointment shall be made and the examination fee paid to the testing agency as published in the Candidate Handbook. When the registration has been processed, the applicant shall be notified of the time to report to the exam center. Unscheduled candidates shall not be admitted.

(6) An examination fee shall be paid for each scheduled examination whether or not the applicant takes the exam unless the applicant is rescheduled in accordance with policies as specified in the Candidate Handbook. Applicants who fail the examination may retake the examination by following application procedures as outlined in the Alabama Candidate Handbook.

(7) Reciprocal salesperson and reciprocal broker license applicants shall pass the examination within six (6) months immediately following the date of completion of the reciprocal prelicense course approved by the Commission. Reciprocal applicants who fail to meet this requirement shall be required to again successfully complete the appropriate reciprocal prelicense course and pass the appropriate reciprocal license examination.

(8) The passing grade for both the reciprocal salesperson and reciprocal broker examinations shall be seventy (70). A time limit of one hour is allotted for completion of the required examination.

(9) Upon completing the course hours the administrator shall electronically submit the course credit to the Commission. Reciprocal applicants shall not be allowed to schedule the reciprocal salesperson examination or reciprocal broker examination until course credit has been submitted.

(10) Instructors and administrators shall provide each student who completes the reciprocal salesperson or reciprocal broker prelicense course with instructions on where to access the Commission-approved prelicense course evaluation. Instructors and

administrators shall also provide each student with information explaining the licensing process and deadlines.

(11) Reciprocal licensees shall meet continuing education requirements by complying with either paragraph (a) or paragraphs (b) and (c) below:

(a) Complete the appropriate 15 hours of continuing education courses approved by the Alabama Real Estate Commission.

(b) Submit to the Commission a certification of licensure or letter that is issued by the regulatory agency in the state where prelicense course work was completed and the licensing examination was passed. The certification of licensure or letter shall at minimum show:

1. the type of license

2. the license is active and current at least through October 1 of the calendar year during which the Alabama license is being renewed.

3. a full licensing examination, not just state portion, was passed in that state.

(c) The certification of licensure or letter in paragraph (b) above shall be dated no earlier than June 1 of the final year of the Alabama license period and shall be received by the Commission no later than September 30 of the final year of the Alabama license period.

(12) If continuing education requirements are not satisfied by the prescribed deadline the reciprocal licensee shall be automatically placed on inactive status and subject to all reactivation requirements as provided in § 34-27-35, Code of Ala. 1975.

(13) Spouses of active-duty military who are reciprocal license applicants are subject to the provisions in this section of the rule with the exception that, after first filing with the Commission a complete application, certification of licensure from their qualifying state, and proof of their spouse's active service and orders relocating them and stationing them in the State of Alabama, they shall have their initial license fee waived and their reciprocal licenses expedited. The appropriate reciprocal salesperson or broker license will be issued under a temporary status of no longer than 365 days with the expectation that education, examination and any remaining requirements will be met during that time. Upon the completion of all reciprocal licensing requirements a full license will be issued. However, should the remaining requirements not be met within 365 days the temporary license will expire and the license not reissued.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8; 34-27-32; 34-27-35.

History: Filed November 21, 1983. Ed Note: This rule was formerly Rule No 790-X-1-.11. It was moved in its entirety to become Rule No 790-X-1-.18 when new Rule No 790-X-1-.11 entitled "Continuing Education Course Approval and Requirements" was adopted and filed on August 27, 1986. **Amended:** Filed January 31, 1989. **Amended:** Filed June 9, 1994, effective July 14, 1994. **Amended:** Filed May 5, 1995; effective June 9, 1995. **Repealed:** Filed August 23, 1996; effective September 27, 1996. **New Rule:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 28, 2014; effective October 2, 2014. **Amended:** Filed August 17, 2016; effective October 1, 2016. **Amended:** Filed August 25, 2017; effective October 9, 2017. **Amended:** Filed April 26, 2019; effective June 10, 2019. **Amended:** Published December 31, 2024; effective February 14, 2025.

790-X-1-.19 **Classroom Facilities.**

Courses shall be conducted in a facility that provides an appropriate learning environment. At a minimum, the classroom shall:

(1) be of sufficient size to accommodate comfortably all enrolled students;

(2) be adequately equipped with student desks, worktables with chairs or other seating having a writing surface and arranged so that the writing surface is in front of students allowing students to have an unobstructed view of the instructor and opportunities for interaction;

(3) have adequate light, heat, cooling, ventilation, and public-address equipment;

(4) be free of distractions that disrupt class sessions; and

(5) be accessible to persons with disabilities as required by the Americans with Disabilities Act.

Author: Patricia Anderson

Statutory Authority: Code of Ala. 1975, §§34-27-6, 34-27-8, 41-22-8.

History: Filed November 21, 1983. Ed Note: This rule was formerly Rule No 790-X-1-.10. It was moved in its entirety to become Rule No 790-X-1-.19 when a new Rule No 790-X-1-.10 entitled "Instructor Approval for Continuing Education Courses" was adopted and filed on August 27, 1986. **New Rule:** Filed June 9, 1994; effective July 14, 1994. **Amended:** Filed July 11, 2008; effective August 15, 2008. **Amended:** Filed May 27, 2009; effective July 1, 2009.

790-X-1-.20 Petition For Adoption, Amendment, Or Repeal Of Rule.

(1) Any person desiring to propose that the Alabama Real Estate Commission adopt, amend, or repeal any rule may petition for such a rule change on a form made available upon request by the Commission.

(2) The Commission shall consider any petition submitted under this Rule and shall, within sixty (60) days after receipt of petition, either deny the petition on its merits in writing, stating the reason for denial, or shall initiate rule-making procedures on the proposed action in accordance with the Alabama Administrative Procedure Act.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-8, 41-22-8.

History: Amended: Filed June 9, 1994; effective July 14, 1994.

Amended: Filed July 11, 2008; effective August 15, 2008.

790-X-1-.21 Distance Education Courses.

Distance education courses are programs whereby instruction does not take place in a traditional classroom setting but rather where teacher and student are apart and instruction takes place through other media. Distance education courses include but are not limited to those which are presented through interactive classrooms, virtual courses, interactive computer and the Internet. Distance education courses may be offered by approved instructors of primary or secondary providers.

(1) A primary provider is defined as a course developer who has a proprietary interest in the course. Primary providers may have their own instructors deliver courses and/or may market the courses to secondary providers. If a primary provider offers distance education courses directly to Alabama licensees, the provider shall be a school licensed or approved by the Commission.

(2) A secondary provider is defined as a school which obtains a distance education course from a primary provider. The secondary provider shall have approved instructors who are responsible for enrolling students, providing course orientation, monitoring student progress, answering student questions, administering and grading exams, verifying and reporting course completion and verifying student identity. Any school providing any of these services, other than administering a final exam, shall be deemed to be a secondary provider. The secondary provider shall be a school licensed or approved by the Commission.

(3) Instructors of distance education courses shall be approved by the Commission. Instructors shall not receive approval until they receive the Distance Education Instructor Certification from IDECC (International Distance Education Certification Center), which is a subsidiary of ARELLO (Association of Real Estate License Law Officials), and submit verification of the certification to the Commission. The Distance Education Instructor Certification shall be renewed and kept current in order for the instructor to continue offering distance education courses.

(4) All distance education courses of primary providers shall be certified by ARELLO or IDECC before being submitted to the Commission for approval and shall retain certification in order to retain Commission approval. College credit courses offered through distance education at approved colleges and universities shall be exempt from ARELLO, IDECC, and Commission certification.

(5) Distance education courses that will be offered to Alabama licensees by either primary or secondary providers shall be approved by the Commission. Any course containing major content errors or which fails to meet curriculum requirements shall be denied. The revised course may be submitted at a later date along with a new application and course review fee.

(6) Synchronous distance education is defined as a course with defined attendance time allowing an instructor to offer live instruction virtually while students are in different locations. Instructors of approved synchronous distance education courses must abide by the following requirements:

(a) Instructors of approved synchronous distance education courses shall submit to the Commission their course outline and procedures for enrolling students, monitoring attendance, answering student questions, administering and grading exams where applicable, and verifying student identity.

(b) Students must use video and be present on camera at all times without the use of still pictures or icons.

(c) Students must be present the entire course or session with the only exception being a temporary loss of connection not to exceed 15 minutes per three hours of instruction.

(d) Students shall not be participating in other activities such as driving, sitting, or riding in a vehicle; phone calls; text messages; emails; office paperwork; conversations with people who are not involved in the course; and any other activity unrelated to the course identified by the instructor or moderator.

(e) Students must be involved in the class using breakout rooms, polling, or other means of promoting interaction.

(f) Students must be monitored at all times by a separate moderator other than the instructor if the class size is ten students or more.

(g) Students must not participate in comments unrelated to the course using the course's chat tool.

(h) Students must be denied course credit for a virtual course if a violation occurs.

(7) Asynchronous distance education is defined as a course allowing a student to progress through the lessons of a course at his/her own pace and only contact the instructor when needed. Instructors of approved asynchronous distance education courses must abide by the following requirements:

(a) All asynchronous distance education courses developed by approved primary providers shall be approved by the Commission prior to being marketed to secondary providers who will offer the courses to Alabama licensees.

(b) Secondary providers shall only offer asynchronous courses which primary providers have had certified by ARELLO or IDECC. The instructor for a secondary provider shall not be required to obtain ARELLO or IDECC certification for courses.

(c) Instructors of approved asynchronous distance education courses shall submit to the Commission their procedures for enrolling students, monitoring their progress, answering student questions, administering and grading exams, verifying and reporting course completion and verifying student identity. Instructors shall provide course requirements to all students in writing electronically or by mail when a distance education course is purchased. These requirements include, but are not limited to, submission of required forms, specific course deadlines, and the process for license examination scheduling.

(d) Approved instructors who submit an asynchronous distance education course for approval shall submit the Course Summary Certificate number from ARELLO or IDECC along with the course application and fee. For secondary providers, the Course Summary Certificate from ARELLO or IDECC shall be the same number received by the primary provider.

(8) All distance education courses shall follow curriculum requirements as specified by the Commission. Instructors who teach courses developed by another school or organization shall review the course for accuracy and applicability of content prior to submitting it to the Commission for review and approval.

(9) In order to successfully complete the prelicense or post license course, students shall take and score a minimum of 70% on a proctored final examination. Asynchronous course examinations

may be administered using remote or virtual online proctoring using a live proctor, or administered in an educational facility by an approved real estate instructor, an approved school administrator, a qualified library employee or volunteer who is not in the real estate business, or a current or retired education professional who is not in the real estate business. Synchronous course examinations shall be proctored by the instructor. Administrators will be held entirely responsible for the security of all final examinations.

(10) Administrators shall give distance education students instructions on how they can electronically submit a course evaluation to the Commission.

(11) Administrators of schools offering the prelicense course shall provide students with licensing requirements and information on how to schedule to take the license examination. Administrators of schools offering the post license course shall provide students with original salesperson license requirements and access to the proper application.

(12) The Commission may withdraw approval for any distance education course that is not offered in accordance with Commission requirements for distance education courses.

(13) The Commission may withdraw approval or otherwise discipline instructors and schools in accordance with Rule 790-X-1-.17 for any instructor who teaches distance education courses that do not comply with all applicable rules and statutes.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-6; 34-27-8.

History: New Rule: Filed October 11, 1996; effective November 15, 1996. **Amended:** Filed August 3, 1998; effective September 7, 1998. **Amended:** Filed August 29, 2000; effective October 3, 2000. **Amended:** Filed August 31, 2004; effective October 5, 2004. **Amended:** Filed August 30, 2005; effective October 04, 2005. **Amended:** Filed April 24, 2007; effective May 29, 2007.

Amended: Filed July 11, 2008; effective August 15, 2008.

Amended: Filed May 27, 2009; effective July 1, 2009. **Amended:** Filed August 27, 2009; effective October 1, 2009. **Amended:** Filed August 27, 2012; effective October 1, 2012. **Amended:** Filed September 6, 2013; effective October 11, 2013. **Amended:** Filed August 25, 2017; effective October 9, 2017. **Amended:** Filed August 27, 2018; effective October 11, 2018. **Amended:** Published October 29, 2021; effective December 13, 2021. **Amended:** Published December 31, 2024; effective February 14, 2025.

790-X-1-.22 Prohibition Against Contract Lobbyist.

The Commission shall not contract with a lobbyist, person, corporation, partnership, or association for the purpose of

promoting or opposing the introduction or enactment of legislation before the Legislature, or a legislative committee or the members thereof, or promoting or opposing executive approval of legislation. This rule does not prohibit a Commissioner or a Commission employee from advocating positions of the Commission to government bodies or officials of any branch.

Author: Alabama Real Estate Commission

Statutory Authority: Code of Ala. 1975, §§34-27-8.

History: New Rule: Published August 31, 2021; effective October 15, 2021.

790-X-1-.23 **Misuse Of Agency Name, Initials, Logo, Or Seal.**

(1) Prohibited Acts. No person may, except with the written permission of the Commission, use the seal of the Commission, the logo of the Commission, or any colorable imitation of such words, seal, or logo in connection with any merchandise, impersonation, solicitation, commercial activity, or trade association activity in a manner that conveys the impression that such is approved, endorsed, or authorized by the Commission.

(2) Injunction. Whenever it appears that any person is engaging or is about to engage in an act or practice which constitutes or will constitute conduct prohibited by paragraph (1) of this rule, the Executive Director, may initiate a civil proceeding to enjoin such act or practice.

Author: Alabama Real Estate Commission ,

Statutory Authority: Code of Ala. 1975 §§34-27-7, 34-27-8, 34-27-36.

History: New Rule: Published October 29, 2021; effective December 13, 2021.