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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 4. REAL ESTATE [10000 - 11506] (Division 4 added by Stats. 1943, Ch. 127.) PART 1. LICENSING OF PERSONS [10000 - 10580] (Part 1 added by Stats. 1943, Ch. 127.) CHAPTER 3. Real Estate Regulations [10130 - 10249.93] (Chapter 3 added by Stats. 1943, Ch. 127.)

ARTICLE 2.5. Continuing Education [10170 - 10171.5] (Article 2.5 added by Stats. 1976, Ch. 1346.)

10170. The Legislature has determined that it is in the public interest of consumer protection and consumer service that all real estate licensees licensed under the provisions of this part comply with continuing education requirements adopted by the commissioner pursuant to this article as a prerequisite to the renewal of real estate licenses on and after January 1, 1981.

(Added by Stats. 1976, Ch. 1346.)

10170.2. The commissioner may appoint a committee comprised of licensees under this part and persons with expertise in real estate education to advise him with respect to his responsibilities under this article.

(Added by Stats. 1976, Ch. 1346.)

10170.4. The commissioner shall adopt regulations pursuant to Section 10080, to prescribe all of the following:

- (a) A definition of basic requirements for continuing education of 45 clock hours of attendance at approved educational courses, seminars, workshops, or conferences, or their equivalent, achieved during a four-year period preceding license renewal application.
- (b) A basis and method of qualifying educational programs, the successful completion of which, will satisfy the requirements of this article.
- (c) A procedure for evaluation of petitions based on a claim of equivalency with the requirements of subdivision (a), and a reasonable standard by which an activity would be judged equivalent, including, but not limited to, instruction in real estate subjects, publication of professional articles or books, or development of real estate educational programs, law or research.
- (d) A system of control and reporting qualifying attendance.
- (e) An appropriate form of testing, examination or evaluation by the sponsor of each approved correspondence or homestudy educational program, or equivalent, of the student.
- (f) A statement of the conditions of exemption from the continuing education requirements established under this article, as well as a method of applying and qualifying for these exemptions, for reasons of health, military service, or other compelling cause.

In exercising the authority under this article, the commissioner shall establish standards which will assure reasonable currency of knowledge as a basis for a level of real estate practice which will provide a high level of consumer protection and of competence in achieving the objectives of members of the public who engage the services of licensees. The standards shall permit a variety of alternatives of subject material to licensees taking cognizance of specialized areas of practice, and alternatives in sources of programs considering availability in area and time. The standards shall include, where qualified, generally accredited educational institutions, private vocational schools, correspondence institutions, educational programs, workshops, and seminars of professional societies and organizations, other organized educational programs on technical subjects, or equivalent offerings.

(Amended by Stats. 1997, Ch. 232, Sec. 2. Effective January 1, 1998.)

- 10170.5. (a) Except as otherwise provided in Sections 10153.4 and 10170.8, a real estate license shall not be renewed unless the commissioner finds that the applicant for license renewal has, during the four-year period preceding the renewal application, successfully completed the 45 clock hours of education provided for in Section 10170.4, including all of the following:
 - (1) A three-hour course in ethics, professional conduct, and legal aspects of real estate, which shall include, but not be limited to, relevant legislation, regulations, articles, reports, studies, court decisions, treatises, and information of current interest.

- (2) A three-hour course in agency relationships and duties in a real estate brokerage practice, including instruction in the disclosures to be made and the confidences to be kept in the various agency relationships between licensees and the parties to real estate transactions.
- (3) A three-hour course in trust fund accounting and handling.
- (4) A three-hour course in fair housing that shall include an interactive participatory component, during which the applicant shall roleplay as both a consumer and real estate professional.
- (5) A three-hour course in risk management that shall include, but need not be limited to, principles, practices, and procedures calculated to avoid errors and omissions in the practice of real estate licensed activities.
- (6) A two-hour course in implicit bias training that shall include both of the following:
 - (A) A component regarding the impact of implicit bias, explicit bias, and systemic bias on consumers and the historical and social impacts of those biases.
 - (B) Actionable steps licensees can take to recognize and address their own implicit biases.
- (7) In addition to paragraphs (1) to (6), inclusive, a broker shall complete a three-hour course in the management of real estate offices and supervision of real estate licensed activities that shall include, but need not be limited to, the requirements described in subdivision (a) of Section 10159.7 and Section 10164.
- (8) Not less than 18 clock hours of courses or programs related to consumer protection, and designated by the commissioner as satisfying this purpose in the commissioner's approval of the offering of these courses or programs, which shall include, but not be limited to, forms of real estate financing relevant to serving consumers in the marketplace, land use regulation and control, pertinent consumer disclosures, agency relationships, capital formation for real estate development, fair practices in real estate, appraisal and valuation techniques, landlord-tenant relationships, energy conservation, environmental regulation and consideration, taxation as it relates to consumer decisions in real estate transactions, probate and similar disposition of real property, governmental programs such as revenue bond activities, redevelopment, and related programs, business opportunities, mineral, oil, and gas conveyancing, and California law that relates to managing community associations that own, operate, and maintain property within common interest developments, including, but not limited to, management, maintenance, and financial matters addressed in the Davis-Stirling Common Interest Development Act (Part 5 (commencing with Section 4000) of Division 4 of the Civil Code).
- (9) Other courses and programs that will enable a licensee to achieve a high level of competence in serving the objectives of consumers who may engage the services of licensees to secure the transfer, financing, or similar objectives with respect to real property, including organizational and management techniques, including relevant information to assist a salesperson or broker in understanding how to be effectively supervised by a responsible broker or branch manager, that will significantly contribute to this goal.
- (b) Except as otherwise provided in Section 10170.8, a real estate license shall not be renewed for a licensee who already has renewed under subdivision (a), unless the commissioner finds that the applicant for license renewal has, during the four-year period preceding the renewal application, successfully completed the 45 clock hours of education provided for in Section 10170.4, including a nine-hour update survey course that covers the subject areas specified in paragraphs (1) to (7), inclusive, of subdivision (a).
- (c) Any denial of a license pursuant to this section shall be subject to Section 10100.
- (d) For purposes of this section, "successful completion" of a course described in paragraphs (1) to (7), inclusive, of subdivision (a) means the passing of a final examination.
- (e) This section shall become operative on January 1, 2023.

(Repealed (in Sec. 5) and added by Stats. 2021, Ch. 361, Sec. 6. (SB 263) Effective January 1, 2022. Operative January 1, 2023, by its own provisions.)

10170.6. The commissioner may amend or repeal any regulation adopted pursuant to this article in the same manner as provided for adoption of such regulations, except that no amendment or repeal shall operate to deprive any licensee of the right to submit qualifying education completed pursuant to such amended or repealed regulation during his current license term, as a basis for license renewal.

(Added by Stats. 1976, Ch. 1346.)

10170.8. (a) This article shall not apply to a real estate licensee who submits proof satisfactory to the commissioner that the real estate licensee has been a real estate licensee in good standing for 30 continuous years in this state and is 70 years of age or older.

(b) A "real estate licensee in good standing" is one who holds an active license that has not been suspended, revoked, or restricted as a result of disciplinary action, who has not surrendered a license while under investigation or while subject to a disciplinary action, or received an order of debarment.

(Amended by Stats. 2021, Ch. 431, Sec. 17. (SB 800) Effective January 1, 2022.)

10171.2. If an applicant for a license has submitted, in good faith, evidence of completion of continuing education which he had reason to believe would qualify him for license renewal, but the commissioner finds that the evidence submitted does not qualify under standards adopted pursuant to this article, the commissioner may, nonetheless, extend the license for 90 days in order to allow the applicant to submit additional evidence of compliance, which satisfies the requirements of this article. When the license is issued during or at the end of the grace period provided for in this section it shall expire four years from the date otherwise applicable if no grace period had been granted.

(Amended by Stats. 1979, Ch. 373.)

10171.3. On and after January 1, 1981, a real estate license, which has been revoked as the result of disciplinary action by the commissioner, shall not be reinstated, nor shall a restricted real estate license be issued to an applicant in connection with a petition for reinstatement, unless the applicant presents evidence of completion of the continuing education required by this article. This requirement of evidence of continuing education shall not be imposed upon an applicant for reinstatement who has been required under Section 10182 to pass a qualifying examination as a condition to reinstatement.

(Amended by Stats. 1984, Ch. 144, Sec. 18.)

10171.4. Any licensee who applies for renewal of his or her license under Section 10461, or for reinstatement of his or her license under Section 10161.5 or 10463, shall, if the previous active license issued to him or her was issued four or more years prior to his or her application for renewal or reinstatement, present evidence of compliance with this article. If no such qualifying evidence is presented, the commissioner may issue a temporary license for a period of 90 days.

If the applicant presents evidence within 90 days of compliance with this article and is otherwise qualified, the commissioner shall issue a regular license without additional fee. It shall expire four years from the date which would otherwise have been applicable if a temporary license under this section had not been issued.

(Amended by Stats. 1991, Ch. 328, Sec. 1.)

10171.5. A person who is licensed as a real estate broker only as an officer of a corporate broker pursuant to Section 10158 or 10211 shall not be eligible for the renewal of such license nor for the issuance of a license in an individual capacity or as an officer of a corporate broker licensed pursuant to Section 10158 or 10211, unless and until such person has completed the continuing education requirements of this article.

(Added by renumbering Section 10171.1 (as added by Stats. 1980, Ch. 263) by Stats. 1983, Ch. 413, Sec. 4.)