



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB3138

by Rep. Mark Batinick

SYNOPSIS AS INTRODUCED:

225 ILCS 454/1-10
225 ILCS 454/5-10
225 ILCS 454/5-70
225 ILCS 454/5-80
225 ILCS 454/Art. 30 heading
225 ILCS 454/30-5
225 ILCS 454/30-10
225 ILCS 454/30-15
225 ILCS 454/30-20
225 ILCS 454/30-25

Amends the Real Estate License Act of 2000. Creates an education provider license to provides courses in pre-license, post-license, and continuing education subjects related to real estate transactions. Provides the requirements for an education provider license. Makes conforming changes throughout the Act. Creates an education provider instructor license and makes conforming changes throughout the Act. Effective immediately.

LRB100 08913 SMS 19056 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Real Estate License Act of 2000 is amended
5 by changing Sections 1-10, 5-10, 5-70, 5-80, 30-5, 30-10,
6 30-15, 30-20, and 30-25 and the heading of Article 30 as
7 follows:

8 (225 ILCS 454/1-10)

9 (Section scheduled to be repealed on January 1, 2020)

10 Sec. 1-10. Definitions. In this Act, unless the context
11 otherwise requires:

12 "Act" means the Real Estate License Act of 2000.

13 "Address of record" means the designated address recorded
14 by the Department in the applicant's or licensee's application
15 file or license file as maintained by the Department's
16 licensure maintenance unit. It is the duty of the applicant or
17 licensee to inform the Department of any change of address, and
18 those changes must be made either through the Department's
19 website or by contacting the Department.

20 "Advisory Council" means the Real Estate Education
21 Advisory Council created under Section 30-10 of this Act.

22 "Agency" means a relationship in which a broker or
23 licensee, whether directly or through an affiliated licensee,

1 represents a consumer by the consumer's consent, whether
2 express or implied, in a real property transaction.

3 "Applicant" means any person, as defined in this Section,
4 who applies to the Department for a valid license as a managing
5 broker, broker, or leasing agent.

6 "Blind advertisement" means any real estate advertisement
7 that does not include the sponsoring broker's business name and
8 that is used by any licensee regarding the sale or lease of
9 real estate, including his or her own, licensed activities, or
10 the hiring of any licensee under this Act. The broker's
11 business name in the case of a franchise shall include the
12 franchise affiliation as well as the name of the individual
13 firm.

14 "Board" means the Real Estate Administration and
15 Disciplinary Board of the Department as created by Section
16 25-10 of this Act.

17 "Branch office" means a sponsoring broker's office other
18 than the sponsoring broker's principal office.

19 "Broker" means an individual, partnership, limited
20 liability company, corporation, or registered limited
21 liability partnership other than a leasing agent who, whether
22 in person or through any media or technology, for another and
23 for compensation, or with the intention or expectation of
24 receiving compensation, either directly or indirectly:

25 (1) Sells, exchanges, purchases, rents, or leases real
26 estate.

1 (2) Offers to sell, exchange, purchase, rent, or lease
2 real estate.

3 (3) Negotiates, offers, attempts, or agrees to
4 negotiate the sale, exchange, purchase, rental, or leasing
5 of real estate.

6 (4) Lists, offers, attempts, or agrees to list real
7 estate for sale, rent, lease, or exchange.

8 (5) Buys, sells, offers to buy or sell, or otherwise
9 deals in options on real estate or improvements thereon.

10 (6) Supervises the collection, offer, attempt, or
11 agreement to collect rent for the use of real estate.

12 (7) Advertises or represents himself or herself as
13 being engaged in the business of buying, selling,
14 exchanging, renting, or leasing real estate.

15 (8) Assists or directs in procuring or referring of
16 leads or prospects, intended to result in the sale,
17 exchange, lease, or rental of real estate.

18 (9) Assists or directs in the negotiation of any
19 transaction intended to result in the sale, exchange,
20 lease, or rental of real estate.

21 (10) Opens real estate to the public for marketing
22 purposes.

23 (11) Sells, rents, leases, or offers for sale or lease
24 real estate at auction.

25 (12) Prepares or provides a broker price opinion or
26 comparative market analysis as those terms are defined in

1 this Act, pursuant to the provisions of Section 10-45 of
2 this Act.

3 "Brokerage agreement" means a written or oral agreement
4 between a sponsoring broker and a consumer for licensed
5 activities to be provided to a consumer in return for
6 compensation or the right to receive compensation from another.
7 Brokerage agreements may constitute either a bilateral or a
8 unilateral agreement between the broker and the broker's client
9 depending upon the content of the brokerage agreement. All
10 exclusive brokerage agreements shall be in writing.

11 "Broker price opinion" means an estimate or analysis of the
12 probable selling price of a particular interest in real estate,
13 which may provide a varying level of detail about the
14 property's condition, market, and neighborhood and information
15 on comparable sales. The activities of a real estate broker or
16 managing broker engaging in the ordinary course of business as
17 a broker, as defined in this Section, shall not be considered a
18 broker price opinion if no compensation is paid to the broker
19 or managing broker, other than compensation based upon the sale
20 or rental of real estate.

21 "Client" means a person who is being represented by a
22 licensee.

23 "Comparative market analysis" is an analysis or opinion
24 regarding pricing, marketing, or financial aspects relating to
25 a specified interest or interests in real estate that may be
26 based upon an analysis of comparative market data, the

1 expertise of the real estate broker or managing broker, and
2 such other factors as the broker or managing broker may deem
3 appropriate in developing or preparing such analysis or
4 opinion. The activities of a real estate broker or managing
5 broker engaging in the ordinary course of business as a broker,
6 as defined in this Section, shall not be considered a
7 comparative market analysis if no compensation is paid to the
8 broker or managing broker, other than compensation based upon
9 the sale or rental of real estate.

10 "Compensation" means the valuable consideration given by
11 one person or entity to another person or entity in exchange
12 for the performance of some activity or service. Compensation
13 shall include the transfer of valuable consideration,
14 including without limitation the following:

15 (1) commissions;

16 (2) referral fees;

17 (3) bonuses;

18 (4) prizes;

19 (5) merchandise;

20 (6) finder fees;

21 (7) performance of services;

22 (8) coupons or gift certificates;

23 (9) discounts;

24 (10) rebates;

25 (11) a chance to win a raffle, drawing, lottery, or
26 similar game of chance not prohibited by any other law or

1 statute;

2 (12) retainer fee; or

3 (13) salary.

4 "Confidential information" means information obtained by a
5 licensee from a client during the term of a brokerage agreement
6 that (i) was made confidential by the written request or
7 written instruction of the client, (ii) deals with the
8 negotiating position of the client, or (iii) is information the
9 disclosure of which could materially harm the negotiating
10 position of the client, unless at any time:

11 (1) the client permits the disclosure of information
12 given by that client by word or conduct;

13 (2) the disclosure is required by law; or

14 (3) the information becomes public from a source other
15 than the licensee.

16 "Confidential information" shall not be considered to
17 include material information about the physical condition of
18 the property.

19 "Consumer" means a person or entity seeking or receiving
20 licensed activities.

21 ~~"Continuing education school" means any person licensed by~~
22 ~~the Department as a school for continuing education in~~
23 ~~accordance with Section 30-15 of this Act.~~

24 "Coordinator" means the Coordinator of Real Estate created
25 in Section 25-15 of this Act.

26 "Credit hour" means 50 minutes of classroom instruction in

1 course work that meets the requirements set forth in rules
2 adopted by the Department.

3 "Customer" means a consumer who is not being represented by
4 the licensee but for whom the licensee is performing
5 ministerial acts.

6 "Department" means the Department of Financial and
7 Professional Regulation.

8 "Designated agency" means a contractual relationship
9 between a sponsoring broker and a client under Section 15-50 of
10 this Act in which one or more licensees associated with or
11 employed by the broker are designated as agent of the client.

12 "Designated agent" means a sponsored licensee named by a
13 sponsoring broker as the legal agent of a client, as provided
14 for in Section 15-50 of this Act.

15 "Dual agency" means an agency relationship in which a
16 licensee is representing both buyer and seller or both landlord
17 and tenant in the same transaction. When the agency
18 relationship is a designated agency, the question of whether
19 there is a dual agency shall be determined by the agency
20 relationships of the designated agent of the parties and not of
21 the sponsoring broker.

22 "Education provider" means a school licensed by the
23 Department to offer courses in pre-license, post-license, or
24 continuing education subjects related to real estate
25 transactions, including the subjects upon which an applicant is
26 examined in determining fitness to receive a license.

1 "Employee" or other derivative of the word "employee", when
2 used to refer to, describe, or delineate the relationship
3 between a sponsoring broker and a managing broker, broker, or a
4 leasing agent, shall be construed to include an independent
5 contractor relationship, provided that a written agreement
6 exists that clearly establishes and states the relationship.
7 All responsibilities of a broker shall remain.

8 "Escrow moneys" means all moneys, promissory notes or any
9 other type or manner of legal tender or financial consideration
10 deposited with any person for the benefit of the parties to the
11 transaction. A transaction exists once an agreement has been
12 reached and an accepted real estate contract signed or lease
13 agreed to by the parties. Escrow moneys includes without
14 limitation earnest moneys and security deposits, except those
15 security deposits in which the person holding the security
16 deposit is also the sole owner of the property being leased and
17 for which the security deposit is being held.

18 "Electronic means of proctoring" means a methodology
19 providing assurance that the person taking a test and
20 completing the answers to questions is the person seeking
21 licensure or credit for continuing education and is doing so
22 without the aid of a third party or other device.

23 "Exclusive brokerage agreement" means a written brokerage
24 agreement that provides that the sponsoring broker has the sole
25 right, through one or more sponsored licensees, to act as the
26 exclusive designated agent or representative of the client and

1 that meets the requirements of Section 15-75 of this Act.

2 "Inoperative" means a status of licensure where the
3 licensee holds a current license under this Act, but the
4 licensee is prohibited from engaging in licensed activities
5 because the licensee is unsponsored or the license of the
6 sponsoring broker with whom the licensee is associated or by
7 whom he or she is employed is currently expired, revoked,
8 suspended, or otherwise rendered invalid under this Act.

9 "Interactive delivery method" means delivery of a course by
10 an instructor through a medium allowing for 2-way communication
11 between the instructor and a student in which either can
12 initiate or respond to questions.

13 "Leads" means the name or names of a potential buyer,
14 seller, lessor, lessee, or client of a licensee.

15 "Leasing Agent" means a person who is employed by a broker
16 to engage in licensed activities limited to leasing residential
17 real estate who has obtained a license as provided for in
18 Section 5-5 of this Act.

19 "License" means the document issued by the Department
20 certifying that the person named thereon has fulfilled all
21 requirements prerequisite to licensure under this Act.

22 "Licensed activities" means those activities listed in the
23 definition of "broker" under this Section.

24 "Licensee" means any person, as defined in this Section,
25 who holds a valid unexpired license as a managing broker,
26 broker, or leasing agent.

1 "Listing presentation" means a communication between a
2 managing broker or broker and a consumer in which the licensee
3 is attempting to secure a brokerage agreement with the consumer
4 to market the consumer's real estate for sale or lease.

5 "Managing broker" means a broker who has supervisory
6 responsibilities for licensees in one or, in the case of a
7 multi-office company, more than one office and who has been
8 appointed as such by the sponsoring broker.

9 "Medium of advertising" means any method of communication
10 intended to influence the general public to use or purchase a
11 particular good or service or real estate.

12 "Ministerial acts" means those acts that a licensee may
13 perform for a consumer that are informative or clerical in
14 nature and do not rise to the level of active representation on
15 behalf of a consumer. Examples of these acts include without
16 limitation (i) responding to phone inquiries by consumers as to
17 the availability and pricing of brokerage services, (ii)
18 responding to phone inquiries from a consumer concerning the
19 price or location of property, (iii) attending an open house
20 and responding to questions about the property from a consumer,
21 (iv) setting an appointment to view property, (v) responding to
22 questions of consumers walking into a licensee's office
23 concerning brokerage services offered or particular
24 properties, (vi) accompanying an appraiser, inspector,
25 contractor, or similar third party on a visit to a property,
26 (vii) describing a property or the property's condition in

1 response to a consumer's inquiry, (viii) completing business or
2 factual information for a consumer on an offer or contract to
3 purchase on behalf of a client, (ix) showing a client through a
4 property being sold by an owner on his or her own behalf, or
5 (x) referral to another broker or service provider.

6 "Office" means a broker's place of business where the
7 general public is invited to transact business and where
8 records may be maintained and licenses displayed, whether or
9 not it is the broker's principal place of business.

10 "Person" means and includes individuals, entities,
11 corporations, limited liability companies, registered limited
12 liability partnerships, and partnerships, foreign or domestic,
13 except that when the context otherwise requires, the term may
14 refer to a single individual or other described entity.

15 "Personal assistant" means a licensed or unlicensed person
16 who has been hired for the purpose of aiding or assisting a
17 sponsored licensee in the performance of the sponsored
18 licensee's job.

19 "Pocket card" means the card issued by the Department to
20 signify that the person named on the card is currently licensed
21 under this Act.

22 ~~"Pre-license school" means a school licensed by the~~
23 ~~Department offering courses in subjects related to real estate~~
24 ~~transactions, including the subjects upon which an applicant is~~
25 ~~examined in determining fitness to receive a license.~~

26 "Pre-renewal period" means the period between the date of

1 issue of a currently valid license and the license's expiration
2 date.

3 "Proctor" means any person, including, but not limited to,
4 an instructor, who has a written agreement to administer
5 examinations fairly and impartially with a licensed education
6 provider ~~pre license school or a licensed continuing education~~
7 ~~school~~.

8 "Real estate" means and includes leaseholds as well as any
9 other interest or estate in land, whether corporeal,
10 incorporeal, freehold, or non-freehold, including timeshare
11 interests, and whether the real estate is situated in this
12 State or elsewhere.

13 "Regular employee" means a person working an average of 20
14 hours per week for a person or entity who would be considered
15 as an employee under the Internal Revenue Service eleven main
16 tests in three categories being behavioral control, financial
17 control and the type of relationship of the parties, formerly
18 the twenty factor test.

19 "Secretary" means the Secretary of the Department of
20 Financial and Professional Regulation, or a person authorized
21 by the Secretary to act in the Secretary's stead.

22 "Sponsoring broker" means the broker who has issued a
23 sponsor card to a licensed managing broker, broker, or a
24 leasing agent.

25 "Sponsor card" means the temporary permit issued by the
26 sponsoring broker certifying that the managing broker, broker,

1 or leasing agent named thereon is employed by or associated by
2 written agreement with the sponsoring broker, as provided for
3 in Section 5-40 of this Act.

4 (Source: P.A. 98-531, eff. 8-23-13; 98-1109, eff. 1-1-15;
5 99-227, eff. 8-3-15.)

6 (225 ILCS 454/5-10)

7 (Section scheduled to be repealed on January 1, 2020)

8 Sec. 5-10. Requirements for license as leasing agent.

9 (a) Every applicant for licensure as a leasing agent must
10 meet the following qualifications:

11 (1) be at least 18 years of age;

12 (2) be of good moral character;

13 (3) successfully complete a 4-year course of study in a
14 high school or secondary school or an equivalent course of
15 study approved by the Illinois State Board of Education;

16 (4) personally take and pass a written examination
17 authorized by the Department sufficient to demonstrate the
18 applicant's knowledge of the provisions of this Act
19 relating to leasing agents and the applicant's competence
20 to engage in the activities of a licensed leasing agent;

21 (5) provide satisfactory evidence of having completed
22 15 hours of instruction in an approved course of study
23 relating to the leasing of residential real property. The
24 course of study shall, among other topics, cover the
25 provisions of this Act applicable to leasing agents; fair

1 housing issues relating to residential leasing;
2 advertising and marketing issues; leases, applications,
3 and credit reports; owner-tenant relationships and
4 owner-tenant laws; the handling of funds; and
5 environmental issues relating to residential real
6 property;

7 (6) complete any other requirements as set forth by
8 rule; and

9 (7) present a valid application for issuance of an
10 initial license accompanied by a sponsor card and the fees
11 specified by rule.

12 (b) No applicant shall engage in any of the activities
13 covered by this Act until a valid sponsor card has been issued
14 to such applicant. The sponsor card shall be valid for a
15 maximum period of 45 days after the date of issuance unless
16 extended for good cause as provided by rule.

17 (c) Successfully completed course work, completed pursuant
18 to the requirements of this Section, may be applied to the
19 course work requirements to obtain a managing broker's or
20 broker's license as provided by rule. The Advisory Council may
21 recommend through the Board to the Department and the
22 Department may adopt requirements for approved courses, course
23 content, and the approval of courses, instructors, and
24 education providers ~~schools~~, as well as education provider
25 ~~school~~ and instructor fees. The Department may establish
26 continuing education requirements for licensed leasing agents,

1 by rule, with the advice of the Advisory Council and Board.

2 (Source: P.A. 99-227, eff. 8-3-15.)

3 (225 ILCS 454/5-70)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 5-70. Continuing education requirement; managing
6 broker or broker.

7 (a) The requirements of this Section apply to all managing
8 brokers and brokers.

9 (b) Except as otherwise provided in this Section, each
10 person who applies for renewal of his or her license as a
11 managing broker or broker must successfully complete 6 hours of
12 real estate continuing education courses approved by the
13 Advisory Council for each year of the pre-renewal period. In
14 addition, beginning with the pre-renewal period for managing
15 broker licensees that begins after the effective date of this
16 Act, those licensees renewing or obtaining a managing broker's
17 license must successfully complete a 12-hour broker management
18 continuing education course approved by the Department each
19 pre-renewal period. The broker management continuing education
20 course must be completed in the classroom or by other
21 interactive delivery method between the instructor and the
22 students. Successful completion of the course shall include
23 achieving a passing score as provided by rule on a test
24 developed and administered in accordance with rules adopted by
25 the Department. No license may be renewed except upon the

1 successful completion of the required courses or their
2 equivalent or upon a waiver of those requirements for good
3 cause shown as determined by the Secretary with the
4 recommendation of the Advisory Council. The requirements of
5 this Article are applicable to all managing brokers and brokers
6 except those managing brokers and brokers who, during the
7 pre-renewal period:

8 (1) serve in the armed services of the United States;

9 (2) serve as an elected State or federal official;

10 (3) serve as a full-time employee of the Department; or

11 (4) are admitted to practice law pursuant to Illinois
12 Supreme Court rule.

13 (c) (Blank).

14 (d) A person receiving an initial license during the 90
15 days before the renewal date shall not be required to complete
16 the continuing education courses provided for in subsection (b)
17 of this Section as a condition of initial license renewal.

18 (e) The continuing education requirement for brokers and
19 managing brokers shall consist of a core curriculum and an
20 elective curriculum, to be established by the Advisory Council.
21 In meeting the continuing education requirements of this Act,
22 at least 3 hours per year or their equivalent, 6 hours for each
23 two-year pre-renewal period, shall be required to be completed
24 in the core curriculum. In establishing the core curriculum,
25 the Advisory Council shall consider subjects that will educate
26 licensees on recent changes in applicable laws and new laws and

1 refresh the licensee on areas of the license law and the
2 Department policy that the Advisory Council deems appropriate,
3 and any other areas that the Advisory Council deems timely and
4 applicable in order to prevent violations of this Act and to
5 protect the public. In establishing the elective curriculum,
6 the Advisory Council shall consider subjects that cover the
7 various aspects of the practice of real estate that are covered
8 under the scope of this Act. However, the elective curriculum
9 shall not include any offerings referred to in Section 5-85 of
10 this Act.

11 (f) The subject areas of continuing education courses
12 approved by the Advisory Council may include without limitation
13 the following:

- 14 (1) license law and escrow;
- 15 (2) antitrust;
- 16 (3) fair housing;
- 17 (4) agency;
- 18 (5) appraisal;
- 19 (6) property management;
- 20 (7) residential brokerage;
- 21 (8) farm property management;
- 22 (9) rights and duties of sellers, buyers, and brokers;
- 23 (10) commercial brokerage and leasing; and
- 24 (11) real estate financing.

25 (g) In lieu of credit for those courses listed in
26 subsection (f) of this Section, credit may be earned for

1 serving as a licensed instructor in an approved course of
2 continuing education. The amount of credit earned for teaching
3 a course shall be the amount of continuing education credit for
4 which the course is approved for licensees taking the course.

5 (h) Credit hours may be earned for self-study programs
6 approved by the Advisory Council.

7 (i) A managing broker or broker may earn credit for a
8 specific continuing education course only once during the
9 prerenewal period.

10 (j) No more than 6 hours of continuing education credit may
11 be taken in one calendar day.

12 (k) To promote the offering of a uniform and consistent
13 course content, the Department may provide for the development
14 of a single broker management course to be offered by all
15 ~~continuing~~ education providers who choose to offer the broker
16 management continuing education course. The Department may
17 contract for the development of the 12-hour broker management
18 continuing education course with an outside vendor or
19 consultant and, if the course is developed in this manner, the
20 Department or the outside consultant shall license the use of
21 that course to all approved ~~continuing~~ education providers who
22 wish to provide the course.

23 (l) Except as specifically provided in this Act, continuing
24 education credit hours may not be earned for completion of pre
25 or post-license courses. The approved 30-hour post-license
26 course for broker licensees shall satisfy the continuing

1 education requirement for the pre-renewal period in which the
2 course is taken. The approved 45-hour brokerage administration
3 and management course shall satisfy the 12-hour broker
4 management continuing education requirement for the
5 pre-renewal period in which the course is taken.

6 (Source: P.A. 98-531, eff. 8-23-13; 99-227, eff. 8-3-15;
7 99-728, eff. 1-1-17.)

8 (225 ILCS 454/5-80)

9 (Section scheduled to be repealed on January 1, 2020)

10 Sec. 5-80. Evidence of compliance with continuing
11 education requirements.

12 (a) Each renewal applicant shall certify, on his or her
13 renewal application, full compliance with continuing education
14 requirements set forth in Section 5-70. The ~~continuing~~
15 education provider ~~school~~ shall retain and submit to the
16 Department after the completion of each course evidence of
17 those successfully completing the course as provided by rule.

18 (b) The Department may require additional evidence
19 demonstrating compliance with the continuing education
20 requirements. The renewal applicant shall retain and produce
21 the evidence of compliance upon request of the Department.

22 (Source: P.A. 96-856, eff. 12-31-09.)

23 (225 ILCS 454/Art. 30 heading)

24 ARTICLE 30. EDUCATION PROVIDERS ~~SCHOOLS AND INSTRUCTORS~~

1 (225 ILCS 454/30-5)

2 (Section scheduled to be repealed on January 1, 2020)

3 Sec. 30-5. Licensing of education providers ~~pre-license~~
4 ~~schools, school branches, and instructors.~~

5 (a) No person shall operate an education provider entity
6 without possessing a valid and active license issued by the
7 Department. Only education providers in possession of a valid
8 education provider license may provide real estate
9 pre-license, post-license, or continuing education courses
10 that will satisfy the requirements of this Act. Every person
11 that desires to obtain an education provider license shall make
12 application to the Department in writing on forms prescribed by
13 the Department and pay the fee prescribed by rule. In addition
14 to any other information required to be contained in the
15 application as prescribed by rule, every application for an
16 original or renewed license shall include the applicant's
17 Social Security number.

18 (b) The criteria for an education provider license shall
19 include the following:

20 (1) A sound financial base for establishing,
21 promoting, and delivering the necessary courses. Budget
22 planning for the school's courses should be clearly
23 projected.

24 (2) A sufficient number of qualified, licensed
25 instructors as provided by rule.

1 (3) Adequate support personnel to assist with
2 administrative matters and technical assistance.

3 (4) Maintenance and availability of records of
4 participation for licensees.

5 (5) The ability to provide each participant who
6 successfully completes an approved program with a
7 certificate of completion signed by the administrator of
8 the licensed education provider on forms provided by the
9 Department.

10 (6) The education provider must have a written policy
11 dealing with procedures for the management of grievances
12 and fee refunds.

13 (7) The education provider shall maintain lesson plans
14 and examinations for each course.

15 (8) The education provider shall require a 70% passing
16 grade for successful completion of any continuing
17 education course.

18 (9) The education provider shall identify and use
19 instructors who will teach in a planned program. Suggested
20 criteria for instructor selections include:

21 (A) appropriate credentials;

22 (B) competence as a teacher;

23 (C) knowledge of content area; and

24 (D) qualification by experience.

25 (10) The education provider shall provide a proctor or
26 an electronic means of proctoring for each examination. The

1 education provider shall be responsible for the conduct of
2 the proctor. The duties and responsibilities of a proctor
3 shall be established by rule.

4 (11) The education provider must provide for closed
5 book examinations for each course unless the Advisory
6 Council excuses this requirement based on the complexity of
7 the course material.

8 (c) Advertising and promotion of education activities must
9 be carried out in a responsible fashion, clearly showing the
10 educational objectives of the activity, the nature of the
11 audience that may benefit from the activity, the cost of the
12 activity to the participant and the items covered by the cost,
13 the amount of credit that can be earned, and the credentials of
14 the faculty.

15 (d) The Department may or, upon request of the Advisory
16 Council, shall, after notice, cause an education provider to
17 attend an informal conference before the Advisory Council for
18 failure to comply with any requirement for licensure or for
19 failure to comply with any provision of this Act or the rules
20 for the administration of this Act. The Advisory Council shall
21 make a recommendation to the Board as a result of its findings
22 at the conclusion of any such informal conference.

23 (e) All education providers shall maintain the minimum
24 criteria and pay the required fee in order to retain their
25 education provider license.

26 (f) The Department is authorized to adopt any

1 administrative rule that may be necessary for the
2 implementation and enforcement of this Section.

3 ~~(a) No person shall operate a pre-license school or school~~
4 ~~branch without possessing a valid pre-license school or school~~
5 ~~branch license issued by the Department. No person shall act as~~
6 ~~a pre license instructor at a pre license school or school~~
7 ~~branch without possessing a valid pre license instructor~~
8 ~~license issued by the Department. Every person who desires to~~
9 ~~obtain a pre license school, school branch, or pre license~~
10 ~~instructor license shall make application to the Department in~~
11 ~~writing in form and substance satisfactory to the Department~~
12 ~~and pay the required fees prescribed by rule. In addition to~~
13 ~~any other information required to be contained in the~~
14 ~~application, every application for an original license shall~~
15 ~~include the applicant's Social Security number, which shall be~~
16 ~~retained in the agency's records pertaining to the license. As~~
17 ~~soon as practical, the Department shall assign a customer's~~
18 ~~identification number to each applicant for a license.~~

19 ~~Every application for a renewal or restored license shall~~
20 ~~require the applicant's customer identification number.~~

21 ~~The Department shall issue a pre-license school, school~~
22 ~~branch, or pre license instructor license to applicants who~~
23 ~~meet qualification criteria established by rule. The~~
24 ~~Department may refuse to issue, suspend, revoke, or otherwise~~
25 ~~discipline a pre license school, school branch, or pre license~~
26 ~~instructor license or may withdraw approval of a course offered~~

1 ~~by a pre license school for good cause. Disciplinary~~
2 ~~proceedings shall be conducted by the Board in the same manner~~
3 ~~as other disciplinary proceedings under this Act.~~

4 ~~(b) All pre license instructors must teach at least one~~
5 ~~course within the period of licensure or take an instructor~~
6 ~~training program approved by the Department in lieu thereof. A~~
7 ~~pre license instructor may teach at more than one licensed~~
8 ~~pre license school.~~

9 ~~(c) The term of license for pre license schools, branches,~~
10 ~~and instructors shall be 2 years as established by rule.~~

11 ~~(d) The Department or the Advisory Council may, after~~
12 ~~notice, cause a pre license school to attend an informal~~
13 ~~conference before the Advisory Council for failure to comply~~
14 ~~with any requirement for licensure or for failure to comply~~
15 ~~with any provision of this Act or the rules for the~~
16 ~~administration of this Act. The Advisory Council shall make a~~
17 ~~recommendation to the Board as a result of its findings at the~~
18 ~~conclusion of any such informal conference.~~

19 ~~(e) For purposes of this Section, the term "pre license"~~
20 ~~shall also include the 30 hour post license course required to~~
21 ~~be taken to retain a broker's license.~~

22 (Source: P.A. 96-856, eff. 12-31-09; 97-400, eff. 1-1-12.)

23 (225 ILCS 454/30-10)

24 (Section scheduled to be repealed on January 1, 2020)

25 Sec. 30-10. Advisory Council; powers and duties. There is

1 created within the Department an Advisory Council to be
2 comprised of 5 members appointed by the Governor. The members'
3 terms shall be 4 years or until their successor is appointed
4 and the expiration of their terms shall be staggered. No member
5 shall be reappointed to the Advisory Council for a term that
6 would cause his or her service on the Advisory Council to be
7 longer than 12 years in a lifetime. Two of the members shall be
8 licensees who are current members of the Board, one member
9 shall be a representative of an Illinois real estate trade
10 organization who is not a member of the Board, one member shall
11 be a representative of a licensed education provider
12 ~~pre-license school or continuing education school~~, and one
13 member shall be a representative of an institution of higher
14 education that offers pre-license and continuing education
15 courses. The Real Estate Coordinator shall serve as the
16 chairman of the Advisory Council, ex officio, without vote.
17 Three Advisory Council members shall constitute a quorum. A
18 quorum is required for all Advisory Council decisions. The
19 Advisory Council shall recommend criteria for the licensing and
20 renewal of education providers, and ~~pre-license schools,~~
21 ~~pre-license instructors, continuing education schools, and~~
22 ~~continuing education instructors~~; review applications for
23 these licenses to determine if the applicants meet the
24 qualifications for licensure established in this Act and by
25 rule; approve education provider pre-license ~~school~~ and
26 continuing education curricula; and make recommendations to

1 the Board regarding rules to be adopted for the conduct of
2 education providers ~~schools~~ and instructors and the
3 administration of the education provisions of this Act.

4 (Source: P.A. 96-856, eff. 12-31-09.)

5 (225 ILCS 454/30-15)

6 (Section scheduled to be repealed on January 1, 2020)

7 Sec. 30-15. Approval ~~Licensing of continuing education~~
8 ~~schools; approval~~ of courses.

9 (a) (Blank). ~~Only continuing education schools in~~
10 ~~possession of a valid continuing education school license may~~
11 ~~provide real estate continuing education courses that will~~
12 ~~satisfy the requirements of this Act. Pre-license schools~~
13 ~~licensed to offer pre-license education courses for brokers,~~
14 ~~managing brokers, or leasing agents shall qualify for a~~
15 ~~continuing education school license upon completion of an~~
16 ~~application and the submission of the required fee. Every~~
17 ~~entity that desires to obtain a continuing education school~~
18 ~~license shall make application to the Department in writing in~~
19 ~~forms prescribed by the Department and pay the fee prescribed~~
20 ~~by rule. In addition to any other information required to be~~
21 ~~contained in the application, every application for an original~~
22 ~~or renewed license shall include the applicant's Social~~
23 ~~Security number.~~

24 (b) (Blank). ~~The criteria for a continuing education~~
25 ~~license shall include the following:~~

1 ~~(1) A sound financial base for establishing,~~
2 ~~promoting, and delivering the necessary courses. Budget~~
3 ~~planning for the School's courses should be clearly~~
4 ~~projected.~~

5 ~~(2) A sufficient number of qualified, licensed~~
6 ~~instructors as provided by rule.~~

7 ~~(3) Adequate support personnel to assist with~~
8 ~~administrative matters and technical assistance.~~

9 ~~(4) Maintenance and availability of records of~~
10 ~~participation for licensees.~~

11 ~~(5) The ability to provide each participant who~~
12 ~~successfully completes an approved program with a~~
13 ~~certificate of completion signed by the administrator of a~~
14 ~~licensed continuing education school on forms provided by~~
15 ~~the Department.~~

16 ~~(6) The continuing education school must have a written~~
17 ~~policy dealing with procedures for the management of~~
18 ~~grievances and fee refunds.~~

19 ~~(7) The continuing education school shall maintain~~
20 ~~lesson plans and examinations for each course.~~

21 ~~(8) The continuing education school shall require a 70%~~
22 ~~passing grade for successful completion of any continuing~~
23 ~~education course.~~

24 ~~(9) The continuing education school shall identify and~~
25 ~~use instructors who will teach in a planned program.~~
26 ~~Suggested criteria for instructor selections include:~~

- 1 ~~(A) appropriate credentials;~~
2 ~~(B) competence as a teacher;~~
3 ~~(C) knowledge of content area; and~~
4 ~~(D) qualification by experience.~~

5 ~~(10) The continuing education school shall provide a~~
6 ~~proctor or an electronic means of proctoring for each~~
7 ~~examination. The continuing education school shall be~~
8 ~~responsible for the conduct of the proctor. The duties and~~
9 ~~responsibilities of a proctor shall be established by rule.~~

10 ~~(11) The continuing education school must provide for~~
11 ~~closed book examinations for each course unless the~~
12 ~~Advisory Council excuses this requirement based on the~~
13 ~~complexity of the course material.~~

14 (c) (Blank). ~~Advertising and promotion of continuing~~
15 ~~education activities must be carried out in a responsible~~
16 ~~fashion, clearly showing the educational objectives of the~~
17 ~~activity, the nature of the audience that may benefit from the~~
18 ~~activity, the cost of the activity to the participant and the~~
19 ~~items covered by the cost, the amount of credit that can be~~
20 ~~earned, and the credentials of the faculty.~~

21 (d) (Blank). ~~The Department may or upon request of the~~
22 ~~Advisory Council shall, after notice, cause a continuing~~
23 ~~education school to attend an informal conference before the~~
24 ~~Advisory Council for failure to comply with any requirement for~~
25 ~~licensure or for failure to comply with any provision of this~~
26 ~~Act or the rules for the administration of this Act. The~~

1 ~~Advisory Council shall make a recommendation to the Board as a~~
2 ~~result of its findings at the conclusion of any such informal~~
3 ~~conference.~~

4 (e) (Blank). ~~All continuing education schools shall~~
5 ~~maintain these minimum criteria and pay the required fee in~~
6 ~~order to retain their continuing education school license.~~

7 (f) All education providers ~~continuing education schools~~
8 shall submit, at the time of initial application and with each
9 license renewal, a list of courses with course materials to be
10 offered by the education provider ~~continuing education school~~.

11 The Department, however, shall establish a mechanism whereby
12 the education provider ~~continuing education schools~~ may apply
13 for and obtain approval for pre-license, post-license, or
14 continuing education courses that are submitted after the time
15 of initial application or renewal. The Department shall provide
16 to each education provider ~~continuing education school~~ a
17 certificate for each approved pre-license, post-license, or
18 continuing education course. All pre-license, post-license, or
19 continuing education courses shall be valid for the period
20 coinciding with the term of license of the education provider
21 ~~continuing education school~~. All education providers
22 ~~continuing education schools~~ shall provide a copy of the
23 certificate of the pre-license, post-license, or continuing
24 education course within the course materials given to each
25 student or shall display a copy of the certificate of the
26 pre-license, post-license, or continuing education course in a

1 conspicuous place at the location of the class.

2 (g) Each education provider ~~continuing education school~~
3 shall provide to the Department a monthly report in a format
4 determined by the Department, with information concerning
5 students who successfully completed all approved pre-license,
6 post-license, or continuing education courses offered by the
7 education provider ~~continuing education school~~ for the prior
8 month.

9 (h) The Department, upon the recommendation of the Advisory
10 Council, may temporarily suspend a licensed education
11 provider's ~~continuing education school's~~ approved courses
12 without hearing and refuse to accept successful completion of
13 or participation in any of these pre-license, post-license, or
14 continuing education courses for ~~continuing~~ education credit
15 from that education provider ~~school~~ upon the failure of that
16 education provider ~~continuing education school~~ to comply with
17 the provisions of this Act or the rules for the administration
18 of this Act, until such time as the Department receives
19 satisfactory assurance of compliance. The Department shall
20 notify the education provider ~~continuing education school~~ of
21 the noncompliance and may initiate disciplinary proceedings
22 pursuant to this Act. The Department may refuse to issue,
23 suspend, revoke, or otherwise discipline the license of an
24 education provider ~~a continuing education school~~ or may
25 withdraw approval of a pre-license, post-license, or
26 continuing education course for good cause. Failure to comply

1 with the requirements of this Section or any other requirements
2 established by rule shall be deemed to be good cause.
3 Disciplinary proceedings shall be conducted by the Board in the
4 same manner as other disciplinary proceedings under this Act.

5 (i) The Department is authorized to adopt any
6 administrative rule that may be necessary for the
7 implementation and enforcement of this Section.

8 (Source: P.A. 99-227, eff. 8-3-15.)

9 (225 ILCS 454/30-20)

10 (Section scheduled to be repealed on January 1, 2020)

11 Sec. 30-20. Fees for education provider ~~continuing~~
12 ~~education school~~ license; renewal; term. All applications for
13 an education provider ~~a continuing education school~~ license
14 shall be accompanied by a nonrefundable application fee in an
15 amount established by rule. All education providers ~~continuing~~
16 ~~education schools~~ shall be required to submit a renewal
17 application, the required fee as established by rule, and a
18 listing of the courses to be offered during the year in order
19 to renew their education provider ~~continuing education school~~
20 licenses. The term for an education provider ~~a continuing~~
21 ~~education school~~ license shall be 2 years and as established by
22 rule. The fees collected under this Article 30 shall be
23 deposited in the Real Estate License Administration Fund and
24 shall be used to defray the cost of administration of the
25 program and per diem of the Advisory Council as determined by

1 the Secretary.

2 (Source: P.A. 96-856, eff. 12-31-09.)

3 (225 ILCS 454/30-25)

4 (Section scheduled to be repealed on January 1, 2020)

5 Sec. 30-25. Licensing of education provider ~~continuing~~
6 ~~education~~ instructors.

7 (a) No such person shall act as an education provider ~~a~~
8 ~~continuing education~~ instructor ~~at a continuing education~~
9 ~~school or branch~~ without possessing a valid education provider
10 ~~continuing education~~ instructor license and satisfying any
11 other qualification criteria established by the Department by
12 rule.

13 (b) After the effective date of this Act, every person who
14 desires to obtain an education provider instructor ~~a continuing~~
15 ~~education instructor's~~ license shall attend and successfully
16 complete a one-day instructor development workshop, as
17 approved by the Department. The term of licensure for an
18 education provider ~~a continuing education~~ instructor shall be 2
19 years and as established by rule. Every person who desires to
20 obtain an educator provider ~~a continuing education~~ instructor
21 license shall make application to the Department in writing on
22 forms prescribed by the Department ~~Office~~, accompanied by the
23 fee prescribed by rule. In addition to any other information
24 required to be contained in the application, every application
25 for an original license shall include the applicant's Social

1 Security number, which shall be retained in the agency's
2 records pertaining to the license. As soon as practical, the
3 Department shall assign a customer's identification number to
4 each applicant for a license.

5 Every application for a renewal or restored license shall
6 require the applicant's customer identification number.

7 The Department shall issue an education provider ~~a~~
8 ~~continuing education~~ instructor license to applicants who meet
9 qualification criteria established by this Act or rule.

10 (c) The Department may refuse to issue, suspend, revoke, or
11 otherwise discipline an education provider ~~a continuing~~
12 ~~education~~ instructor for good cause. Disciplinary proceedings
13 shall be conducted by the Board in the same manner as other
14 disciplinary proceedings under this Act. All ~~continuing~~
15 education provider instructors must teach at least one course
16 within the period of licensure or take an instructor training
17 program approved by the Department in lieu thereof.

18 (d) An education provider instructor may teach at more than
19 one licensed education provider.

20 (e) The Department is authorized to adopt any
21 administrative rule that may be necessary for the
22 implementation and enforcement of this Section.

23 (Source: P.A. 96-856, eff. 12-31-09; 97-400, eff. 1-1-12.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law.