



# STATE OF ARIZONA

## DEPARTMENT OF REAL ESTATE

DOUGLAS A. DUCEY  
GOVERNOR

JUDY LOWE  
COMMISSIONER

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PHOENIX, ARIZONA 85007

June 21, 2018

School Administrators/Owners,

The Arizona Department of Real Estate (ADRE) has moved to its "new location" at the Capitol Mall, **100 North 15<sup>th</sup> Avenue, Suite 201, Phoenix, Arizona 85007** (Cross Streets: 15<sup>th</sup> Avenue and Washington Street). Please continue to encourage new license applicants to apply online through the **Online Licensing System**, [click here](#) to obtain their license faster.

### EDUCATION UPDATE

#### ➤ Pre Licensing Education

Earlier this year, Commissioner Lowe charged the Pre licensure Review Committee with the task of reviewing and modifying the Arizona Real Estate Pre Licensing Education Curriculum. This review includes suggested modifications of the:

1. 90-Hour Arizona Real Estate Salesperson and Broker Detailed Instructor Outlines of Prescribed Curriculum
2. Real Estate Salesperson and Broker Examination Content Outlines
3. Recommended Pre licensing Education Objectives

The Committee is expected to submit their recommendations to Commissioner Lowe for review and consideration by early summer.

In July 2018, ADRE will schedule an industry stakeholder meeting with groups to review the recommended changes to the real estate salesperson pre licensing for input and feedback, for ADRE consideration, prior to finalization by ADRE.

- **Pre License Education Instructor Development Workshops (IDWs)**

ADRE in conjunction with Industry Pre licensing education subject matter experts will schedule IDWs as needed to review the new prescribed curriculum outlines and subject areas in the fall of 2018.

- **Existing Live/In Classroom Pre licensing Courses**

After the new Pre license course curriculum and examination outlines are published, a new Pre license Education Course Approval application will be available online for schools to complete and submit, to conform to the new Pre license course outline(s) by **January 2, 2019**.

## ➤ Pre License Examination Updates

The following examination updates are scheduled to become effective in January 2019:

Roll out new examination content, subsequent to test question development by subject matter experts and testing vendor, for new examination content based on adopted Pre licensure curriculum.

- One (1) State Examination for the Real Estate Salesperson including National and State Specific content.
- One (1) State Examination for the Real Estate Broker including National and State Specific content.

## ➤ Course Approval Application(s)

The Application for Certificate of Course Approval (Form ED-102) will soon be available in four (4) separate and individual application types to clarify qualifications and detailed qualifying criteria for approval as follows:

1. Pre licensure Education (Live Classroom);
2. Pre licensure Education (Online)\*;
3. Continuing Education (Live Classroom); and
4. Distance Learning Continuing Education

\*This application will not be available until **January 2, 2019** (See **New Online Pre licensure Education** paragraph below.)

## ➤ Distance Learning Continuing Education

Last fall, Commissioner Lowe charged a Distance Learning Continuing Education Workgroup with the task of **reviewing and improving the quality and content of distance learning continuing education courses**. Recommendations have been submitted to Commissioner Lowe.

In addition to other changes, Commissioner Lowe is adopting the following workgroup recommendations:

- Modified attestations for the school administrator and instructor(s) on the certification applications, with an emphasis on Arizona specific content;
- Adding deterrence language in the attestation from each student as part of the current security measures/protocols to discourage students from taking a distance learning course for another licensee (impersonation);
- Adding an online Course Survey, completed by each student at the end of each course, just prior to issuance of student certificates, submitted to ADRE, as a means to measure the quality of education.

## ➤ Implementation of Adopted Distance Learning Continuing Education Recommendations

A new Distance Learning Continuing Education Approval Application and revised Course, School and Instructor Approval Applications will include the above changes and will soon be posted for all original and renewal courses, school and instructor applications. Please check the ADRE website, <http://www.azre.gov> to assure all applications are submitted on the most current, and correct form.

## ➤ New Online Pre licensure Education

Effective January 1, 2019, new legislation allows applicants for a real estate salesperson's or broker's license to complete the applicable required training course through an "online course" (defined) if offered by a real estate school certified by the ADRE. Applicants will be required to complete an examination on the pre license course in person.

Updates related to the implementation of this legislation will be available on the ADRE website and communicated to ADRE approved real estate schools. This legislation will take effect on January 1, 2019. Click on [HB 2655](#) to view the legislation. *HB 2655 was signed by the Governor on May 16, 2018. A.R.S. Titles Affected: 32*

### **Online Pre License Course Approval Applications may not be filed with ADRE prior to January 2, 2019.**

**ADRE appreciates your patience during the implementation process.** The implementation process should be similar to the very successful implementation of the Broker Management Clinic legislation and Distance Learning Guidelines Substantive Policy Statement which many of you, participated in by providing valuable feedback and recommendations.

ADRE has had numerous inquiries on this new legislation (HB2655) from Arizona educators, individuals from other states, and even inquiries from individuals in other countries, regarding certification to offer online real estate pre licensing courses for Arizona.

ADRE is proud of Arizona's outstanding professional real estate education and the education industry's participation and efforts to continue to offer quality real estate educational courses, while exploring opportunities with this new legislation!

#### **What to expect over the coming months for online pre license education:**

- More school notices in this venue on upcoming changes, etc.
- Online Pre license Course guidelines/clarifications (Substantive Policy Statement(s) and/or Rules);
- Frequently Asked Questions and Answers posted on ADRE website, [www.azre.gov](http://www.azre.gov).
- New Online Pre license Course Approval Application (Available no later than January 2, 2019) with detailed qualifying criteria for approval.

Commissioner Lowe extends her sincere gratitude to the ADRE Distance Learning Continuing Education Workgroup and the ADRE Pre licensure Review Committee, for their extensive time and work dedicated to their respective charges. The time and dedication given by this multi-talented group of professionals exemplifies their support of ADRE's mission to increase the knowledge level and raise the bar, through education of the real estate licensee. These groups also exemplified the important commitment to promoting real estate licensee professionalism, and enhanced consumer protection.

ADRE looks forward to the upcoming stakeholder meeting on the Pre licensure Course and Exam Content/curriculum in July 2018.

➤ **Posting of Pre Licensing School Pass Rates**

Starting in June 2018 the individual Arizona School Examination Performance Statistics is posted quarterly on the ADRE website at [www.azre.gov](http://www.azre.gov), by [clicking here](#), and in the ADRE Bulletin, including the individual Pre Licensing schools examination passing rates for the "first time" and "Repeat" Candidates.

➤ **Education Advisory Committee (EAC)**

Click [here](#) to follow the EAC for public meeting dates and other meeting information including minutes. The next meeting is scheduled for Thursday, June 28, 2018.

➤ **Consent Orders Issued (Education Related)**

In April 2018, the ADRE entered into Consent Orders with two licensees, against their real estate salesperson licenses. The Orders can be viewed through the ADRE website at [18F-DI-266 1 of 2](#) and [18F-DI-266 2 of 2](#).

On July 8, 2015, the ADRE entered into a Consent order with a licensee against the real estate salesperson's license. The order can be viewed through the ADRE website at [15F-DI-176](#).

ADRE is distributing this update to ADRE approved Real Estate School Administrators only. Please be sure to distribute pertinent information in this notice to any and all instructors and students.

**Note:** *Some of the anticipated changes and dates noted above are subject to change depending on the circumstances, especially around the new online pre license education, as it is premature to report any guidelines and procedures.*