



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

HB2781

by Rep. Sara Wojcicki Jimenez

#### SYNOPSIS AS INTRODUCED:

225 ILCS 454/1-10  
225 ILCS 454/5-10  
225 ILCS 454/5-27  
225 ILCS 454/5-50  
225 ILCS 454/5-70  
225 ILCS 454/5-75  
225 ILCS 454/5-85  
225 ILCS 454/25-10  
225 ILCS 454/30-5  
225 ILCS 454/30-15  
225 ILCS 454/30-20  
225 ILCS 454/30-10 rep.

Amends the Real Estate License Act of 2000. Abolishes the Real Estate Education Advisory Council. Transfers functions of the Council to the Real Estate Administration and Disciplinary Board or the Department of Financial and Professional Regulation. Allows the Department to make continuing education requirements for licensed leasing agents without the advice of the Advisory Council and Board. Makes changes to the membership and terms of the Board. Allows the Secretary of the Department of Financial and Professional Regulation to establish temporary or permanent committees of the Board. Effective immediately.

LRB100 05773 SMS 15796 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, 5-27, 5-50, 5-70, 5-75, 5-85,  
6 25-10, 30-5, 30-15, and 30-20 as follows:

7 (225 ILCS 454/1-10)

8 (Section scheduled to be repealed on January 1, 2020)

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

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

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

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

21 "Agency" means a relationship in which a broker or  
22 licensee, whether directly or through an affiliated licensee,  
23 represents a consumer by the consumer's consent, whether

1 express or implied, in a real property transaction.

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

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

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

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

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

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

26 (2) Offers to sell, exchange, purchase, rent, or lease

1 real estate.

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

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

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

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

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

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

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

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

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

24 (12) Prepares or provides a broker price opinion or  
25 comparative market analysis as those terms are defined in  
26 this Act, pursuant to the provisions of Section 10-45 of

1           this Act.

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

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

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

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

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

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

- 14 (1) commissions;
- 15 (2) referral fees;
- 16 (3) bonuses;
- 17 (4) prizes;
- 18 (5) merchandise;
- 19 (6) finder fees;
- 20 (7) performance of services;
- 21 (8) coupons or gift certificates;
- 22 (9) discounts;
- 23 (10) rebates;
- 24 (11) a chance to win a raffle, drawing, lottery, or  
25 similar game of chance not prohibited by any other law or  
26 statute;

1 (12) retainer fee; or

2 (13) salary.

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

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

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

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

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

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

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

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

25 "Credit hour" means 50 minutes of classroom instruction in  
26 course work that meets the requirements set forth in rules

1 adopted by the Department.

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

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

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

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

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

21 "Employee" or other derivative of the word "employee", when  
22 used to refer to, describe, or delineate the relationship  
23 between a sponsoring broker and a managing broker, broker, or a  
24 leasing agent, shall be construed to include an independent  
25 contractor relationship, provided that a written agreement  
26 exists that clearly establishes and states the relationship.



1 All responsibilities of a broker shall remain.

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

12 "Electronic means of proctoring" means a methodology  
13 providing assurance that the person taking a test and  
14 completing the answers to questions is the person seeking  
15 licensure or credit for continuing education and is doing so  
16 without the aid of a third party or other device.

17 "Exclusive brokerage agreement" means a written brokerage  
18 agreement that provides that the sponsoring broker has the sole  
19 right, through one or more sponsored licensees, to act as the  
20 exclusive designated agent or representative of the client and  
21 that meets the requirements of Section 15-75 of this Act.

22 "Inoperative" means a status of licensure where the  
23 licensee holds a current license under this Act, but the  
24 licensee is prohibited from engaging in licensed activities  
25 because the licensee is unsponsored or the license of the  
26 sponsoring broker with whom the licensee is associated or by

1 whom he or she is employed is currently expired, revoked,  
2 suspended, or otherwise rendered invalid under this Act.

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

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

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

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

16 "Licensed activities" means those activities listed in the  
17 definition of "broker" under this Section.

18 "Licensee" means any person, as defined in this Section,  
19 who holds a valid unexpired license as a managing broker,  
20 broker, or leasing agent.

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

25 "Managing broker" means a broker who has supervisory  
26 responsibilities for licensees in one or, in the case of a

1 multi-office company, more than one office and who has been  
2 appointed as such by the sponsoring broker.

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

6 "Ministerial acts" means those acts that a licensee may  
7 perform for a consumer that are informative or clerical in  
8 nature and do not rise to the level of active representation on  
9 behalf of a consumer. Examples of these acts include without  
10 limitation (i) responding to phone inquiries by consumers as to  
11 the availability and pricing of brokerage services, (ii)  
12 responding to phone inquiries from a consumer concerning the  
13 price or location of property, (iii) attending an open house  
14 and responding to questions about the property from a consumer,  
15 (iv) setting an appointment to view property, (v) responding to  
16 questions of consumers walking into a licensee's office  
17 concerning brokerage services offered or particular  
18 properties, (vi) accompanying an appraiser, inspector,  
19 contractor, or similar third party on a visit to a property,  
20 (vii) describing a property or the property's condition in  
21 response to a consumer's inquiry, (viii) completing business or  
22 factual information for a consumer on an offer or contract to  
23 purchase on behalf of a client, (ix) showing a client through a  
24 property being sold by an owner on his or her own behalf, or  
25 (x) referral to another broker or service provider.

26 "Office" means a broker's place of business where the

1 general public is invited to transact business and where  
2 records may be maintained and licenses displayed, whether or  
3 not it is the broker's principal place of business.

4 "Person" means and includes individuals, entities,  
5 corporations, limited liability companies, registered limited  
6 liability partnerships, and partnerships, foreign or domestic,  
7 except that when the context otherwise requires, the term may  
8 refer to a single individual or other described entity.

9 "Personal assistant" means a licensed or unlicensed person  
10 who has been hired for the purpose of aiding or assisting a  
11 sponsored licensee in the performance of the sponsored  
12 licensee's job.

13 "Pocket card" means the card issued by the Department to  
14 signify that the person named on the card is currently licensed  
15 under this Act.

16 "Pre-license school" means a school licensed by the  
17 Department offering courses in subjects related to real estate  
18 transactions, including the subjects upon which an applicant is  
19 examined in determining fitness to receive a license.

20 "Pre-renewal period" means the period between the date of  
21 issue of a currently valid license and the license's expiration  
22 date.

23 "Proctor" means any person, including, but not limited to,  
24 an instructor, who has a written agreement to administer  
25 examinations fairly and impartially with a licensed  
26 pre-license school or a licensed continuing education school.

1 "Real estate" means and includes leaseholds as well as any  
2 other interest or estate in land, whether corporeal,  
3 incorporeal, freehold, or non-freehold, including timeshare  
4 interests, and whether the real estate is situated in this  
5 State or elsewhere.

6 "Regular employee" means a person working an average of 20  
7 hours per week for a person or entity who would be considered  
8 as an employee under the Internal Revenue Service eleven main  
9 tests in three categories being behavioral control, financial  
10 control and the type of relationship of the parties, formerly  
11 the twenty factor test.

12 "Secretary" means the Secretary of the Department of  
13 Financial and Professional Regulation, or a person authorized  
14 by the Secretary to act in the Secretary's stead.

15 "Sponsoring broker" means the broker who has issued a  
16 sponsor card to a licensed managing broker, broker, or a  
17 leasing agent.

18 "Sponsor card" means the temporary permit issued by the  
19 sponsoring broker certifying that the managing broker, broker,  
20 or leasing agent named thereon is employed by or associated by  
21 written agreement with the sponsoring broker, as provided for  
22 in Section 5-40 of this Act.

23 (Source: P.A. 98-531, eff. 8-23-13; 98-1109, eff. 1-1-15;  
24 99-227, eff. 8-3-15.)

25 (225 ILCS 454/5-10)

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

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

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

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

6 (2) be of good moral character;

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

10 (4) personally take and pass a written examination  
11 authorized by the Department sufficient to demonstrate the  
12 applicant's knowledge of the provisions of this Act  
13 relating to leasing agents and the applicant's competence  
14 to engage in the activities of a licensed leasing agent;

15 (5) provide satisfactory evidence of having completed  
16 15 hours of instruction in an approved course of study  
17 relating to the leasing of residential real property. The  
18 course of study shall, among other topics, cover the  
19 provisions of this Act applicable to leasing agents; fair  
20 housing issues relating to residential leasing;  
21 advertising and marketing issues; leases, applications,  
22 and credit reports; owner-tenant relationships and  
23 owner-tenant laws; the handling of funds; and  
24 environmental issues relating to residential real  
25 property;

26 (6) complete any other requirements as set forth by

1 rule; and

2 (7) present a valid application for issuance of an  
3 initial license accompanied by a sponsor card and the fees  
4 specified by rule.

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

10 (c) Successfully completed course work, completed pursuant  
11 to the requirements of this Section, may be applied to the  
12 course work requirements to obtain a managing broker's or  
13 broker's license as provided by rule. The Board ~~Advisory~~  
14 ~~Council~~ may recommend ~~through the Board~~ to the Department and  
15 the Department may adopt requirements for approved courses,  
16 course content, and the approval of courses, instructors, and  
17 schools, as well as school and instructor fees. The Department  
18 may establish continuing education requirements for licensed  
19 leasing agents, by rule, ~~with the advice of the Advisory~~  
20 ~~Council and Board.~~

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

22 (225 ILCS 454/5-27)

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

24 Sec. 5-27. Requirements for licensure as a broker.

25 (a) Every applicant for licensure as a broker must meet the

1 following qualifications:

2 (1) Be at least 21 years of age. After April 30, 2011,  
3 the minimum age of 21 years shall be waived for any person  
4 seeking a license as a broker who has attained the age of  
5 18 and can provide evidence of the successful completion of  
6 at least 4 semesters of post-secondary school study as a  
7 full-time student or the equivalent, with major emphasis on  
8 real estate courses, in a school approved by the  
9 Department;

10 (2) Be of good moral character;

11 (3) Successfully complete a 4-year course of study in a  
12 high school or secondary school approved by the Illinois  
13 State Board of Education or an equivalent course of study  
14 as determined by an examination conducted by the Illinois  
15 State Board of Education which shall be verified under oath  
16 by the applicant;

17 (4) (Blank);

18 (5) Provide ~~After April 30, 2011, provide~~ satisfactory  
19 evidence of having completed 90 hours of instruction in  
20 real estate courses approved by the Department ~~Advisory~~  
21 ~~Council~~, 15 hours of which must consist of situational and  
22 case studies presented in the classroom or by other  
23 interactive delivery method between the instructor and the  
24 students;

25 (6) Personally take and pass a written examination  
26 authorized by the Department;



1           (7) Present a valid application for issuance of a  
2           license accompanied by a sponsor card and the fees  
3           specified by rule.

4           (b) The requirements specified in items (3) and (5) of  
5           subsection (a) of this Section do not apply to applicants who  
6           are currently admitted to practice law by the Supreme Court of  
7           Illinois and are currently in active standing.

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

13          (d) All licenses should be readily available to the public  
14          at their place of business.

15          (e) An individual holding an active license as a managing  
16          broker may return the license to the Department along with a  
17          form provided by the Department and shall be issued a broker's  
18          license in exchange. Any individual obtaining a broker's  
19          license under this subsection (e) shall be considered as having  
20          obtained a broker's license by education and passing the  
21          required test and shall be treated as such in determining  
22          compliance with this Act.

23          (Source: P.A. 98-531, eff. 8-23-13; 98-1109, eff. 1-1-15;  
24          99-227, eff. 8-3-15.)

25                   (225 ILCS 454/5-50)

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

2 Sec. 5-50. Expiration and renewal of managing broker,  
3 broker, or leasing agent license; sponsoring broker; register  
4 of licensees; pocket card.

5 (a) The expiration date and renewal period for each license  
6 issued under this Act shall be set by rule. Except as otherwise  
7 provided in this Section, the holder of a license may renew the  
8 license within 90 days preceding the expiration date thereof by  
9 completing the continuing education required by this Act and  
10 paying the fees specified by rule.

11 (b) An individual whose first license is that of a broker  
12 received after April 30, 2011, must provide evidence of having  
13 completed 30 hours of post-license education in courses  
14 approved by the Department ~~Advisory Council~~, 15 hours of which  
15 must consist of situational and case studies presented in the  
16 classroom or by other interactive delivery method between the  
17 instructor and the students, and personally take and pass an  
18 examination approved by the Department prior to the first  
19 renewal of their broker's license.

20 (c) Any managing broker, broker, or leasing agent whose  
21 license under this Act has expired shall be eligible to renew  
22 the license during the 2-year period following the expiration  
23 date, provided the managing broker, broker, or leasing agent  
24 pays the fees as prescribed by rule and completes continuing  
25 education and other requirements provided for by the Act or by  
26 rule. Beginning on May 1, 2012, a managing broker licensee,

1 broker, or leasing agent whose license has been expired for  
2 more than 2 years but less than 5 years may have it restored by  
3 (i) applying to the Department, (ii) paying the required fee,  
4 (iii) completing the continuing education requirements for the  
5 most recent pre-renewal period that ended prior to the date of  
6 the application for reinstatement, and (iv) filing acceptable  
7 proof of fitness to have his or her license restored, as set by  
8 rule. A managing broker, broker, or leasing agent whose license  
9 has been expired for more than 5 years shall be required to  
10 meet the requirements for a new license.

11 (d) Notwithstanding any other provisions of this Act to the  
12 contrary, any managing broker, broker, or leasing agent whose  
13 license expired while he or she was (i) on active duty with the  
14 Armed Forces of the United States or called into service or  
15 training by the state militia, (ii) engaged in training or  
16 education under the supervision of the United States  
17 preliminary to induction into military service, or (iii)  
18 serving as the Coordinator of Real Estate in the State of  
19 Illinois or as an employee of the Department may have his or  
20 her license renewed, reinstated or restored without paying any  
21 lapsed renewal fees if within 2 years after the termination of  
22 the service, training or education by furnishing the Department  
23 with satisfactory evidence of service, training, or education  
24 and it has been terminated under honorable conditions.

25 (e) The Department shall establish and maintain a register  
26 of all persons currently licensed by the State and shall issue

1 and prescribe a form of pocket card. Upon payment by a licensee  
2 of the appropriate fee as prescribed by rule for engagement in  
3 the activity for which the licensee is qualified and holds a  
4 license for the current period, the Department shall issue a  
5 pocket card to the licensee. The pocket card shall be  
6 verification that the required fee for the current period has  
7 been paid and shall indicate that the person named thereon is  
8 licensed for the current renewal period as a managing broker,  
9 broker, or leasing agent as the case may be. The pocket card  
10 shall further indicate that the person named thereon is  
11 authorized by the Department to engage in the licensed activity  
12 appropriate for his or her status (managing broker, broker, or  
13 leasing agent). Each licensee shall carry on his or her person  
14 his or her pocket card or, if such pocket card has not yet been  
15 issued, a properly issued sponsor card when engaging in any  
16 licensed activity and shall display the same on demand.

17 (f) The Department shall provide to the sponsoring broker a  
18 notice of renewal for all sponsored licensees by mailing the  
19 notice to the sponsoring broker's address of record, or, at the  
20 Department's discretion, by an electronic means as provided for  
21 by rule.

22 (g) Upon request from the sponsoring broker, the Department  
23 shall make available to the sponsoring broker, either by mail  
24 or by an electronic means at the discretion of the Department,  
25 a listing of licensees under this Act who, according to the  
26 records of the Department, are sponsored by that broker. Every

1 licensee associated with or employed by a broker whose license  
2 is revoked, suspended, terminated, or expired shall be  
3 considered as inoperative until such time as the sponsoring  
4 broker's license is reinstated or renewed, or the licensee  
5 changes employment as set forth in subsection (c) of Section  
6 5-40 of this Act.

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

8 (225 ILCS 454/5-70)

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

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

12 (a) The requirements of this Section apply to all managing  
13 brokers and brokers.

14 (b) Except as otherwise provided in this Section, each  
15 person who applies for renewal of his or her license as a  
16 managing broker or broker must successfully complete 6 hours of  
17 real estate continuing education courses approved by the  
18 Department ~~Advisory Council~~ for each year of the pre-renewal  
19 period. In addition, beginning with the pre-renewal period for  
20 managing broker licensees that begins after the effective date  
21 of this Act, those licensees renewing or obtaining a managing  
22 broker's license must successfully complete a 12-hour broker  
23 management continuing education course approved by the  
24 Department each pre-renewal period. The broker management  
25 continuing education course must be completed in the classroom

1 or by other interactive delivery method between the instructor  
2 and the students. Successful completion of the course shall  
3 include achieving a passing score as provided by rule on a test  
4 developed and administered in accordance with rules adopted by  
5 the Department. No license may be renewed except upon the  
6 successful completion of the required courses or their  
7 equivalent or upon a waiver of those requirements for good  
8 cause shown as determined by the Secretary ~~with the~~  
9 ~~recommendation of the Advisory Council~~. The requirements of  
10 this Article are applicable to all managing brokers and brokers  
11 except those managing brokers and brokers who, during the  
12 pre-renewal period:

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

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

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

16 (4) are admitted to practice law pursuant to Illinois

17 Supreme Court rule.

18 (c) (Blank).

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

23 (e) The continuing education requirement for brokers and  
24 managing brokers shall consist of a core curriculum and an  
25 elective curriculum, to be established by the Department  
26 ~~Advisory Council~~. In meeting the continuing education

1 requirements of this Act, at least 3 hours per year or their  
2 equivalent, 6 hours for each two-year pre-renewal period, shall  
3 be required to be completed in the core curriculum. In  
4 establishing the core curriculum, the Department ~~Advisory~~  
5 ~~Council~~ shall consider subjects that will educate licensees on  
6 recent changes in applicable laws and new laws and refresh the  
7 licensee on areas of the license law and policy that the  
8 Department ~~policy that the Advisory Council~~ deems appropriate,  
9 and any other areas that the Department ~~Advisory Council~~ deems  
10 timely and applicable in order to prevent violations of this  
11 Act and to protect the public. In establishing the elective  
12 curriculum, the Department ~~Advisory Council~~ shall consider  
13 subjects that cover the various aspects of the practice of real  
14 estate that are covered under the scope of this Act. However,  
15 the elective curriculum shall not include any offerings  
16 referred to in Section 5-85 of this Act.

17 (f) The subject areas of continuing education courses  
18 approved by the Department ~~Advisory Council~~ may include without  
19 limitation the following:

- 20 (1) license law and escrow;
- 21 (2) antitrust;
- 22 (3) fair housing;
- 23 (4) agency;
- 24 (5) appraisal;
- 25 (6) property management;
- 26 (7) residential brokerage;

- 1 (8) farm property management;
- 2 (9) rights and duties of sellers, buyers, and brokers;
- 3 (10) commercial brokerage and leasing; and
- 4 (11) real estate financing.

5 (g) In lieu of credit for those courses listed in  
6 subsection (f) of this Section, credit may be earned for  
7 serving as a licensed instructor in an approved course of  
8 continuing education. The amount of credit earned for teaching  
9 a course shall be the amount of continuing education credit for  
10 which the course is approved for licensees taking the course.

11 (h) Credit hours may be earned for self-study programs  
12 approved by the Department ~~Advisory Council~~.

13 (i) A managing broker or broker may earn credit for a  
14 specific continuing education course only once during the  
15 prerenewal period.

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

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



1 that course to all approved continuing education providers who  
2 wish to provide the course.

3 (1) Except as specifically provided in this Act, continuing  
4 education credit hours may not be earned for completion of pre  
5 or post-license courses. The approved 30-hour post-license  
6 course for broker licensees shall satisfy the continuing  
7 education requirement for the pre-renewal period in which the  
8 course is taken. The approved 45-hour brokerage administration  
9 and management course shall satisfy the 12-hour broker  
10 management continuing education requirement for the  
11 pre-renewal period in which the course is taken.

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

14 (225 ILCS 454/5-75)

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

16 Sec. 5-75. Out-of-state continuing education credit. If a  
17 renewal applicant has earned continuing education hours in  
18 another state or territory for which he or she is claiming  
19 credit toward full compliance in Illinois, the Department  
20 ~~Advisory Council~~ shall review, approve, or disapprove those  
21 hours based upon whether the course is one that would be  
22 approved under Section 5-70 of this Act, whether the course  
23 meets the basic requirements for continuing education under  
24 this Act, and any other criteria that is provided by statute or  
25 rule.

1 (Source: P.A. 91-245, eff. 12-31-99.)

2 (225 ILCS 454/5-85)

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

4 Sec. 5-85. Offerings not meeting continuing education  
5 requirements. The following offerings do not meet the  
6 continuing education requirements:

7 (1) Examination preparation offerings, except as  
8 provided in Section 5-70 of this Act.

9 (2) Offerings in mechanical office and business skills  
10 such as typing, speed reading, memory improvement,  
11 advertising, or psychology of sales.

12 (3) Sales promotion or other meetings held in  
13 conjunction with the general business of the attendee or  
14 his or her employer.

15 (4) Meetings that are a normal part of in-house staff  
16 or employee training.

17 The offerings listed in this Section do not limit the  
18 ~~Department's Advisory Council's~~ authority to disapprove any  
19 course that fails to meet the standards of this Article 5 or  
20 rules adopted by the Department.

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

22 (225 ILCS 454/25-10)

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

24 Sec. 25-10. Real Estate Administration and Disciplinary

1 Board; duties. There is created the Real Estate Administration  
2 and Disciplinary Board. The Board shall be composed of 14 ~~9~~  
3 persons appointed by the Governor. Members shall be appointed  
4 to the Board subject to the following conditions:

5 (1) All members shall have been residents and citizens  
6 of this State for at least 6 years prior to the date of  
7 appointment.

8 (2) Eight ~~Six~~ members shall have been actively engaged  
9 as managing brokers or brokers or both for at least the 10  
10 years prior to the appointment.

11 (3) Three members of the Board shall be public members  
12 who represent consumer interests.

13 (4) One member shall be a representative of a licensed  
14 real estate education provider.

15 (5) One member shall be a representative of an Illinois  
16 real estate trade organization.

17 (6) One member shall be a representative of an  
18 institution of higher education that offers pre-license  
19 and continuing education courses.

20 None of these members shall be (i) a person who is licensed  
21 under this Act or a similar Act of another jurisdiction, (ii)  
22 the spouse or family member of a licensee, (iii) a person who  
23 has an ownership interest in a real estate brokerage business,  
24 or (iv) a person the Department determines to have any other  
25 connection with a real estate brokerage business or a licensee.

26 The members' terms shall be 4 years or until their

1 successor is appointed, and the expiration of their terms shall  
2 be staggered. No member shall be reappointed to the Board for a  
3 term that would cause his or her cumulative service to the  
4 Board to exceed 12 years. Appointments to fill vacancies shall  
5 be for the unexpired portion of the term. The membership of the  
6 Board should reasonably reflect the geographic distribution of  
7 the licensee population in this State. In making the  
8 appointments, the Governor shall give due consideration to the  
9 recommendations by members and organizations of the  
10 profession. The Governor may terminate the appointment of any  
11 member for cause that in the opinion of the Governor reasonably  
12 justifies the termination. Cause for termination shall include  
13 without limitation misconduct, incapacity, neglect of duty, or  
14 missing 4 board meetings during any one calendar year. Each  
15 member of the Board may receive a per diem stipend in an amount  
16 to be determined by the Secretary. Each member shall be paid  
17 his or her necessary expenses while engaged in the performance  
18 of his or her duties. Such compensation and expenses shall be  
19 paid out of the Real Estate License Administration Fund. The  
20 Secretary shall consider the recommendations of the Board on  
21 questions involving standards of professional conduct,  
22 discipline, and examination of candidates under this Act. The  
23 Secretary may establish temporary or permanent committees of  
24 the Board and may consider the recommendations of the Board on  
25 questions involving criteria for the licensing and renewal of  
26 pre-license schools, pre-license instructors, continuing

1 education schools, and continuing education instructors;  
2 pre-license school and continuing education curricula;  
3 standards of educational criteria; and qualifications for  
4 licensure and renewal of professions, schools, courses and  
5 instructors. The Department, after notifying and considering  
6 the recommendations of the Board, if any, may issue rules,  
7 consistent with the provisions of this Act, for the  
8 administration and enforcement thereof and may prescribe forms  
9 that shall be used in connection therewith. ~~Eight~~ ~~Five~~ Board  
10 members shall constitute a quorum. A quorum is required for all  
11 Board decisions. The Department is authorized to adopt any rule  
12 that may be necessary for the implementation of this Section.

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

14 (225 ILCS 454/30-5)

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

16 Sec. 30-5. Licensing of pre-license schools, school  
17 branches, and instructors.

18 (a) No person shall operate a pre-license school or school  
19 branch without possessing a valid pre-license school or school  
20 branch license issued by the Department. No person shall act as  
21 a pre-license instructor at a pre-license school or school  
22 branch without possessing a valid pre-license instructor  
23 license issued by the Department. Every person who desires to  
24 obtain a pre-license school, school branch, or pre-license  
25 instructor license shall make application to the Department in

1 writing in form and substance satisfactory to the Department  
2 and pay the required fees prescribed by rule. In addition to  
3 any other information required to be contained in the  
4 application, every application for an original license shall  
5 include the applicant's Social Security number, which shall be  
6 retained in the agency's records pertaining to the license. As  
7 soon as practical, the Department shall assign a customer's  
8 identification number to each applicant for a license.

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

11 The Department shall issue a pre-license school, school  
12 branch, or pre-license instructor license to applicants who  
13 meet qualification criteria established by rule. The  
14 Department may refuse to issue, suspend, revoke, or otherwise  
15 discipline a pre-license school, school branch, or pre-license  
16 instructor license or may withdraw approval of a course offered  
17 by a pre-license school for good cause. Disciplinary  
18 proceedings shall be conducted by the Board in the same manner  
19 as other disciplinary proceedings under this Act.

20 (b) All pre-license instructors must teach at least one  
21 course within the period of licensure or take an instructor  
22 training program approved by the Department in lieu thereof. A  
23 pre-license instructor may teach at more than one licensed  
24 pre-license school.

25 (c) The term of license for pre-license schools, branches,  
26 and instructors shall be 2 years as established by rule.

1           (d) The Department ~~or the Advisory Council~~ may, after  
2 notice, cause a pre-license school or instructor to attend an  
3 informal conference before the Board ~~Advisory Council~~ for  
4 failure to comply with any requirement for licensure or for  
5 failure to comply with any provision of this Act or the rules  
6 for the administration of this Act. The Board ~~Advisory Council~~  
7 shall make a recommendation to the Department Board as a result  
8 of its findings at the conclusion of any such informal  
9 conference.

10           (e) For purposes of this Section, the term "pre-license"  
11 shall also include the 30-hour post-license course required to  
12 be taken to retain a broker's license.

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

14           (225 ILCS 454/30-15)

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

16           Sec. 30-15. Licensing of continuing education schools;  
17 approval of courses.

18           (a) Only continuing education schools in possession of a  
19 valid continuing education school license may provide real  
20 estate continuing education courses that will satisfy the  
21 requirements of this Act. Pre-license schools licensed to offer  
22 pre-license education courses for brokers, managing brokers,  
23 or leasing agents shall qualify for a continuing education  
24 school license upon completion of an application and the  
25 submission of the required fee. Every entity that desires to

1 obtain a continuing education school license shall make  
2 application to the Department in writing in forms prescribed by  
3 the Department and pay the fee prescribed by rule. In addition  
4 to any other information required to be contained in the  
5 application, every application for an original or renewed  
6 license shall include the applicant's Social Security number.

7 (b) The criteria for a continuing education license shall  
8 include the following:

9 (1) A sound financial base for establishing,  
10 promoting, and delivering the necessary courses. Budget  
11 planning for the School's courses should be clearly  
12 projected.

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

15 (3) Adequate support personnel to assist with  
16 administrative matters and technical assistance.

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

19 (5) The ability to provide each participant who  
20 successfully completes an approved program with a  
21 certificate of completion signed by the administrator of a  
22 licensed continuing education school on forms provided by  
23 the Department.

24 (6) The continuing education school must have a written  
25 policy dealing with procedures for the management of  
26 grievances and fee refunds.



1           (7) The continuing education school shall maintain  
2 lesson plans and examinations for each course.

3           (8) The continuing education school shall require a 70%  
4 passing grade for successful completion of any continuing  
5 education course.

6           (9) The continuing education school shall identify and  
7 use instructors who will teach in a planned program.  
8 Suggested criteria for instructor selections include:

9                   (A) appropriate credentials;

10                   (B) competence as a teacher;

11                   (C) knowledge of content area; and

12                   (D) qualification by experience.

13           (10) The continuing education school shall provide a  
14 proctor or an electronic means of proctoring for each  
15 examination. The continuing education school shall be  
16 responsible for the conduct of the proctor. The duties and  
17 responsibilities of a proctor shall be established by rule.

18           (11) The continuing education school must provide for  
19 closed book examinations for each course unless the  
20 Department Advisory Council excuses this requirement based  
21 on the complexity of the course material.

22           (c) Advertising and promotion of continuing education  
23 activities must be carried out in a responsible fashion,  
24 clearly showing the educational objectives of the activity, the  
25 nature of the audience that may benefit from the activity, the  
26 cost of the activity to the participant and the items covered

1 by the cost, the amount of credit that can be earned, and the  
2 credentials of the faculty.

3 (d) The Department may ~~or upon request of the Advisory~~  
4 ~~Council shall~~, after notice, cause a continuing education  
5 school or instructor to attend an informal conference before  
6 the Board ~~Advisory Council~~ for failure to comply with any  
7 requirement for licensure or for failure to comply with any  
8 provision of this Act or the rules for the administration of  
9 this Act. The Board ~~Advisory Council~~ shall make a  
10 recommendation to the Department Board as a result of its  
11 findings at the conclusion of any such informal conference.

12 (e) All continuing education schools shall maintain these  
13 minimum criteria and pay the required fee in order to retain  
14 their continuing education school license.

15 (f) All continuing education schools shall submit, at the  
16 time of initial application and with each license renewal, a  
17 list of courses with course materials to be offered by the  
18 continuing education school. The Department, however, shall  
19 establish a mechanism whereby continuing education schools may  
20 apply for and obtain approval for continuing education courses  
21 that are submitted after the time of initial application or  
22 renewal. The Department shall provide to each continuing  
23 education school a certificate for each approved continuing  
24 education course. All continuing education courses shall be  
25 valid for the period coinciding with the term of license of the  
26 continuing education school. All continuing education schools

1 shall provide a copy of the certificate of the continuing  
2 education course within the course materials given to each  
3 student or shall display a copy of the certificate of the  
4 continuing education course in a conspicuous place at the  
5 location of the class.

6 (g) Each continuing education school shall provide to the  
7 Department a monthly report in a format determined by the  
8 Department, with information concerning students who  
9 successfully completed all approved continuing education  
10 courses offered by the continuing education school for the  
11 prior month.

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

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

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

7 (225 ILCS 454/30-20)

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

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

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

24 (225 ILCS 454/30-10 rep.)

1           Section 10. The Real Estate License Act of 2000 is amended  
2           by repealing Section 30-10.

3           Section 99. Effective date. This Act takes effect upon  
4           becoming law.