

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control 790 Department or Agency Alabama Real Estate Commission

Rule No. 790-X-1-.18

Rule Title: Reciprocal License Requirements

           New   X   Amend            Repeal            Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?           Yes          

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?           Yes          

Is there another, less restrictive method of regulation available that could adequately protect the public?           No          

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?           No          

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?           N/A          

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?           Yes          

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Does the proposed rule have an economic impact?           No          

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer *Patricia Anderson*

Date 5-18-16

ALABAMA REAL ESTATE COMMISSION

NOTICE OF INTENDED ACTION

Agency Name: Alabama Real Estate Commission

Rule No: Rule 790-X-1-.18

Rule Title: Reciprocal License Requirements.

Intended Action: Amend Rule

Substance of Proposed Action: The proposed amendment removes an outdated website address. Wording is updated for course evaluations being changed from paper to online.

Date, Time, Place, Manner of Presenting Views: Comments can be presented at the public hearing scheduled at 9:00 a.m. on June 23, 2016 at the Alabama Real Estate Commission located at 1201 Carmichael Way, Montgomery, Alabama. Additionally, written comments may be addressed to Patricia Anderson, Executive Director, Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama 36106. Written comments must be received in the Commission office no later than 4:30 p.m. on July 5, 2016.

Final Date For Comment and Completion of Notice: July 5, 2016

Contact Person at Agency: Ryan Adair, Alabama Real Estate Commission, 1201 Carmichael Way, Montgomery, Alabama 36106. (334) 242-5544.



Patricia Anderson  
Executive Director

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

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

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

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

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

(4) If potential reciprocal applicants have questions regarding their eligibility for licensure, they shall submit a "Request for Determination of Reciprocal Licensing Eligibility" along with a certification of licensure to the Commission for review and determination of eligibility. The form may be obtained from the Commission's website at [www.arec.alabama.gov](http://www.arec.alabama.gov).

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

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

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

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

(7) Reciprocal salesperson and reciprocal broker license applicants shall pass the examination within 12 months immediately following the date of completion of the reciprocal prelicense course approved by the Commission. Reciprocal applicants who fail to meet this requirement shall be required to again successfully complete the appropriate reciprocal prelicense course and pass the appropriate reciprocal license examination.

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

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

(10) Instructors and ~~schools~~ administrators shall provide each student who completes the reciprocal salesperson or reciprocal broker prelicense course with ~~the Commission-approved reciprocal prelicense course evaluation form and instructions on where to access the Commission-approved prelicense course evaluation~~ send it. Instructors and ~~schools~~ administrators shall also provide each student with information explaining the licensing process and deadlines.

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

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

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

1. the type of license

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

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

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

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

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**Author:** Alabama Real Estate Commission

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

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