

1 21 NCAC 58A .1702 is amended as published in 31:10 NCR 984 as follows:

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3 **21 NCAC 58A .1702 CONTINUING EDUCATION REQUIREMENT**

4 (a) Except as provided in Rules .1708 and .1711 of this Section, in order to renew a broker license on active status,  
5 the person requesting renewal of a license shall, upon the second renewal of such license following initial licensure,  
6 and upon each subsequent annual renewal, have completed, within one year preceding license expiration, eight  
7 ~~classroom credit~~ hours of real estate continuing education in courses approved by the Commission as provided in  
8 ~~Subchapter 58E.~~ Subchapter 58H. Four of the required eight ~~classroom credit~~ hours ~~must shall~~ be obtained each  
9 license period by completing a ~~the mandatory update course developed annually by the Commission and known as~~  
10 ~~the "General Update Course," the subject matter of which is described in Rule 58E .0102,~~ except that a broker-in-  
11 charge or broker who is broker-in-charge eligible shall complete the "Broker-In-Charge Update Course" in lieu of  
12 the "General Update Course" as set forth in Rule .0110 of this Subchapter. The remaining four credit hours shall be  
13 obtained by completing one or more Commission-approved elective ~~courses described in Rule .0305 of Subchapter~~  
14 ~~58E. courses.~~ The broker shall provide upon request of the Commission, evidence of continuing education course  
15 completion.

16 (b) No continuing education shall be required to renew a broker license on inactive status. In order to change a  
17 license from inactive status to active status, the broker must satisfy the continuing education requirement described  
18 in Rule .1703 of this Section.

19 (c) No continuing education shall be required for a broker who is a member of the U.S. Congress or the North  
20 Carolina General Assembly in order to renew his or her license on active status.

21 (d) The terms "active status" and "inactive status" are defined in Rule .0504 of this Subchapter. For continuing  
22 education purposes, the term "initial licensure" shall include the first time that a license of a particular type is issued  
23 to a person, the reinstatement of a canceled, revoked or surrendered license, and any license expired for more than  
24 six months.

25  
26 *History Note: Authority G.S. 93A-3(c); 93A-4.1; ~~93A-4.1(e)(7); 93A-4.1(e)(8);~~*

27 *Eff. July 1, 1994;*

28 *Amended Eff. July 1, 2017; July 1, 2014; April 1, 2006; July 1, 2005; April 1, 2004; October 1,*  
29 *2000; August 1, 1998; July 1, 1996.*

1 21 NCAC 58A .1703 is amended as published in 31:10 NCR 984 as follows:

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3 **21 NCAC 58A .1703 CONTINUING EDUCATION FOR LICENSE ACTIVATION**

4 (a) A broker requesting to change an inactive license to active status on or after the ~~licensee's~~ broker's second  
5 license renewal following his or her initial licensure shall demonstrate completion of continuing education as  
6 described in Paragraph (b) or (c) of this Rule, whichever is appropriate.

7 (b) If the inactive ~~licensee's~~ broker's license has properly been on active status at any time since the preceding July  
8 1, the ~~licensee~~ broker is considered to be current with regard to continuing education and no additional continuing  
9 education is required to activate the license.

10 (c) If the inactive ~~licensee's~~ broker's license has not properly been on active status since the preceding July 1 and the  
11 ~~licensee~~ broker has a deficiency in his or her continuing education record for the previous license period, the ~~licensee~~  
12 ~~must~~ broker shall make up the deficiency and fully satisfy the continuing education requirement for the current  
13 license period in order to activate the license. Any deficiency may be made up by completing, during the current  
14 license period or previous license period, approved continuing education elective courses; however, such courses  
15 shall not be credited toward the continuing education requirement for the current license period. When crediting  
16 elective courses for purposes of making up a continuing education deficiency, the maximum number of credit hours  
17 that will be awarded for any course is four hours. ~~When evaluating the continuing education record of a licensee~~  
18 ~~with a deficiency for the previous license period to determine the licensee's eligibility for active status, the licensee~~  
19 ~~shall be deemed eligible for active status if the licensee has fully satisfied the continuing education requirement for~~  
20 ~~the current license period and has taken any two additional continuing education courses since the beginning of the~~  
21 ~~previous license period, even if the licensee had a continuing education deficiency prior to the beginning of the~~  
22 ~~previous license period.~~

23  
24 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*

25 *Eff. July 1, 1994;*

26 *Amended Eff July 1, 2017; April 1, 2006; July 1, 2000; July 1, 1995.*

1 21 NCAC 58A .1705 is amended with changes as published in 31:10 NCR 984 as follows:

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3 **21 NCAC 58A .1705 ATTENDANCE AND PARTICIPATION REQUIREMENTS**

4 (a) ~~In order to receive any credit for satisfactorily~~ completing an approved continuing education course, a ~~licensee~~  
5 ~~must-broker shall:~~

6 (1) ~~attend at least 90 percent of the scheduled classroom instructional hours for the course, course;~~  
7 ~~regardless of the length of the course, and must comply with student participation standards described in Rule .0511~~  
8 ~~of Subchapter 58E.~~

9 (2) ~~provide his or her legal name and license number;~~

10 (3) ~~present his or her photo identification card, if necessary; and~~

11 (4) ~~personally perform all work required to complete the course.~~

12 (b) ~~No credit shall be awarded for attending less than 90 percent of the scheduled classroom hours. The 10~~ **With the**  
13 **instructor or the sponsor's permission, a 10** percent absence allowance is permitted ~~for any reason~~ at any time during  
14 the ~~course~~ course, except that it may not be used to skip the last 10 percent of the course unless the absence ~~is~~ is:

15 (1) ~~approved by the instructor; and~~

16 (2) ~~for circumstances beyond the licensee's broker's control that could not have been reasonably~~  
17 ~~foreseen by the licensee and is approved by the instructor. broker, such as:~~

18 (A) ~~an illness;~~

19 (B) ~~a family emergency; or~~

20 (C) ~~acts of God.~~

21 (c) ~~With regard to the Commission's 12-hour Broker-In-Charge Course that is taught over two days, a licensee must~~  
22 ~~broker shall~~ attend at least 90 percent of the scheduled ~~classroom instructional~~ hours on each day of the course and  
23 the 10 percent absence allowance ~~cited above~~ referred to in Paragraph (b) of this Rule shall apply to each day of the  
24 course.

25  
26 *History Note: Authority G.S. 93A-3(c); ~~93A-4A~~; 93A-4.1;*

27 *Eff. July 1, 1994;*

28 *Amended Eff. July 1, 2017; July 1, 2010.*

1 21 NCAC 58A .1708 is amended as published in 31:10 NCR 985 as follows:

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3 **21 NCAC 58A .1708 EQUIVALENT CREDIT**

4 ~~(a) A licensee may request that the Commission award continuing education credit for a course taken by the licensee~~  
5 ~~that is not approved by the Commission, or for some other real estate education activity, by making such request on a~~  
6 ~~form prescribed by the Commission and submitting a nonrefundable evaluation fee of thirty dollars (\$30.00) for each~~  
7 ~~request for evaluation of a course or real estate education activity. In order for requests for equivalent credit to be~~  
8 ~~considered and credits to be entered into a licensee's continuing education record prior to the June 30 license~~  
9 ~~expiration date, such requests and all supporting documents must be received by the Commission on or before June~~  
10 ~~10 preceding expiration of the licensee's current license, with the exception that requests from instructors desiring~~  
11 ~~equivalent credit for teaching Commission approved continuing education courses must be received by June 30.~~  
12 ~~Any equivalent continuing education credit awarded under this Rule shall be applied first to make up any continuing~~  
13 ~~education deficiency for the previous license period and then to satisfy the continuing education requirement for the~~  
14 ~~current license period; however, credit for an unapproved course or educational activity, other than teaching an~~  
15 ~~approved elective course, that was completed during a previous license period shall not be applied to a subsequent~~  
16 ~~license period.~~

17 ~~(b) The Commission may award continuing education elective credit for completion of an unapproved course which~~  
18 ~~the Commission finds equivalent to the elective course component of the continuing education requirement set forth~~  
19 ~~in Section .0300 of Subchapter 58E. Completion of an unapproved course may serve only to satisfy the elective~~  
20 ~~requirement and shall not be substituted for completion of the mandatory update course.~~

21 ~~(c) Real estate education activities, other than teaching a Commission approved course, which may be eligible for~~  
22 ~~credit include: developing a Commission approved elective continuing education course; authorship of a published~~  
23 ~~real estate textbook; and authorship of a scholarly article, on a topic acceptable for continuing education purposes,~~  
24 ~~which has been published in a professional journal such as a law journal or professional college or university journal~~  
25 ~~or periodical. The Commission shall award continuing education elective credit for activities which the Commission~~  
26 ~~finds equivalent to the elective course component of the continuing education requirement set forth in Section .0300~~  
27 ~~of Subchapter 58E. No activity other than teaching a Commission developed mandatory update course shall be~~  
28 ~~considered equivalent to completing the mandatory update course.~~

29 ~~(d) The Commission shall award credit for teaching the Commission developed mandatory update course and for~~  
30 ~~teaching an approved elective course. Credit for teaching an approved elective course shall be awarded only for~~  
31 ~~teaching a course for the first time. Credit for teaching a Commission developed mandatory update course shall be~~  
32 ~~awarded for each licensing period in which the instructor teaches the course. The amount of credit awarded to the~~  
33 ~~instructor of an approved continuing education course shall be the same as the amount of credit earned by a licensee~~  
34 ~~who completes the course. Licensees who are instructors of continuing education courses approved by the~~  
35 ~~Commission shall not be subject to the thirty dollars (\$30.00) evaluation fee when applying for continuing education~~  
36 ~~credit for teaching an approved course. No credit toward the continuing education requirement shall be awarded for~~  
37 ~~teaching a real estate prelicensing or postlicensing course.~~

1 ~~(e) A licensee completing a real estate appraisal prelicensing, precertification or continuing education course~~  
2 ~~approved by the North Carolina Appraisal Board may obtain real estate continuing education elective credit for such~~  
3 ~~course by submitting to the Commission a written request for equivalent continuing education elective credit~~  
4 ~~accompanied by a nonrefundable processing fee of twenty dollars (\$20.00) and a copy of the certificate of course~~  
5 ~~completion issued by the course sponsor for submission to the North Carolina Appraisal Board.~~

6 (a) The Commission shall award a broker continuing education credit for teaching a Commission Update Course. A  
7 broker seeking continuing education credit for teaching a Commission Update Course shall submit a form, available  
8 on the Commission's website, that requires the broker to set forth the:

9 (1) broker's name, license number, instructor number, address, telephone number, and email address;

10 (2) Update Course number;

11 (3) sponsor's name and number;

12 (4) sponsor's address; and

13 (5) date the course was taught.

14 (b) The Commission shall award a broker continuing education elective credit for teaching a Commission approved  
15 continuing education elective. However, a broker shall only receive credit for the first time they teach a given  
16 continuing education elective. A broker seeking continuing education credit under this Paragraph shall submit a  
17 form, available on the Commission's website, that requires the broker to set forth the:

18 (1) broker's name, license number, address, telephone number, and email address;

19 (2) course title;

20 (3) course number;

21 (4) sponsor's name and number;

22 (5) sponsor's address; and

23 (6) date the course was taught.

24 (c) The Commission may award continuing education elective credit for completion of an unapproved course that  
25 the Commission finds equivalent to the elective course component of the continuing education requirement set forth  
26 in Rule .0407 of Subchapter 58H. A broker seeking continuing education credit for a course that is not approved by  
27 the Commission shall submit a form, available on the Commission's website, that requires the broker to set forth the:

28 (1) broker's name, license number, address, telephone number, and email address;

29 (2) course title;

30 (3) number of instructional hours;

31 (4) course instructor's name; and

32 (5) course sponsor's name, address, telephone number, and email address.

33 (d) Along with the form described in Paragraph (c), the broker shall submit a course completion certificate issued by  
34 the course sponsor, a copy of the course description or course outline, and a fifty dollar (\$50.00) fee for each course  
35 for which the broker seeks credit.

36 (e) The Commission may award continuing education elective credit for completion of a real estate appraisal  
37 prelicensing, precertification, or continuing education course approved by the North Carolina Appraisal Board. A

1 broker seeking continuing education credit for an Appraisal Board course shall submit a form, available on the  
2 Commission's website, that requires the broker to set forth the broker's name, license number, address, telephone  
3 number, and email address. Along with the form, the broker shall submit a course completion certificate issued by  
4 the course sponsor and a fifty dollar (\$50.00) fee for each course for which the broker seeks credit.

5 (f) The Commission may award continuing education elective credit for developing a continuing education elective  
6 course that is approved by the Commission pursuant to Section .0400 of Subchapter 58H. However, a broker shall  
7 only receive credit for the year in which the continuing education elective is approved. A broker seeking continuing  
8 education credit under this Paragraph shall submit a form, available on the Commission's website, that requires the  
9 broker to set forth the broker's name, license number, address, telephone number, and email address. Along with the  
10 form, the broker shall submit the course title, the course number, the date of the course approval, and a fifty dollar  
11 (\$50.00) fee for each course for which the broker seeks credit.

12 (g) The Commission may award continuing education elective credit for authoring a real estate textbook. However,  
13 a broker shall receive credit for any single textbook only once. A broker seeking continuing education credit under  
14 this Paragraph shall submit a form, available on the Commission's website, that requires the broker to set forth the  
15 broker's name, license number, address, telephone number, and email address. Along with the form, the broker shall  
16 submit the title page of the textbook, showing the title, publisher, and publication date, the table of contents, and a  
17 fifty dollar (\$50.00) fee for each textbook for which the licensee seeks credit.

18 (h) The Commission may award continuing education elective credit for authoring of a scholarly article on a real  
19 estate topic published in a professional journal or periodical. However, a broker shall receive credit for any single  
20 article only once. A broker seeking continuing education credit under this Paragraph shall submit a form, available  
21 on the Commission's website, that requires the broker to set forth the broker's name, license number, address,  
22 telephone number, and email address. Along with the form, the broker shall submit a copy of the article, proof of  
23 publication, and a fifty dollar (\$50.00) fee for each article for which the broker seeks credit.

24 (i) In order for any application for equivalent credit to be considered and credits applied to the current licensing  
25 period, a complete application, the appropriate fee, and all supporting documents shall be received by the  
26 Commission no later than 5:00 p.m. on June 10.

27  
28 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*  
29 *Eff. July 1, 1994;*  
30 *Amended Eff. July 1, 2017; April 1, 2006; July 1, 2001; July 1, 2000; March 1, 1996; July 1,*  
31 *1995.*

1 21 NCAC 58A .1709 is amended as published in 31:10 NCR 986 as follows:

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3 **21 NCAC 58A .1709 EXTENSIONS OF TIME TO COMPLETE CONTINUING EDUCATION**

4 (a) A broker on active status may request ~~and be granted~~ an extension of time to satisfy the continuing education  
5 requirement for a ~~particular license~~ the current license period if the broker ~~provides evidence to the Commission that~~  
6 ~~he or she~~ was unable to obtain the necessary education due to an incapacitating illness, military deployment, or other  
7 circumstance that existed for a substantial portion of the license period and that constituted a severe ~~hardship~~  
8 hardship, evidenced by supporting documentation, such as a written physician's statement, deployment orders, or  
9 ~~other corroborative evidence, such that compliance with the continuing education requirement would have been~~  
10 ~~impossible or burdensome.~~

11 (b) ~~The Commission shall not grant an extension of time to satisfy the continuing education requirement for reasons~~  
12 ~~of business or personal conflicts.~~

13 (c) ~~The Commission shall not grant such an extension of time when the broker's inability to obtain the required~~  
14 ~~education in a timely manner was unreasonable delay on the part of the broker in obtaining such education.~~

15 (d) ~~If an extension of time is granted, the broker shall be permitted to renew his or her license on active status but~~  
16 ~~the license shall be automatically changed to inactive status at the end of the extension period unless the broker~~  
17 ~~satisfies the continuing education requirement prior to that time.~~

18 (e) ~~If an extension of time is not granted, the broker may either satisfy the continuing education requirement prior to~~  
19 ~~expiration of the license period or renew his or her license on inactive status.~~

20 (f) ~~In no event shall an extension of time be granted that extends the continuing education deadline beyond June 10~~  
21 ~~of the license year following the license year in which the request is made.~~

22 (g) ~~The broker's request for an~~ (b) Requests for an extension of time shall be submitted on a form prescribed by the  
23 Commission and must be received by the Commission on or before June 10 of the license year for which the  
24 extension is sought. The form for requesting an extension of time to satisfy the continuing education requirement  
25 shall include available on the Commission's website that requires the broker to set out the broker's name, mailing  
26 address, license number, telephone number, email address, and a description of the incapacitating illness or other  
27 circumstance ~~circumstance.~~ upon which the request for extension of time is based. The form can be obtained on the  
28 Commission's website at [www.nrec.gov](http://www.nrec.gov), or upon request to the Commission. The requesting broker shall submit,  
29 along the form, supporting documentation, such as a written physician's statement, deployment orders, or other  
30 corroborative evidence, demonstrating that compliance with the continuing education requirement would have been  
31 impossible or burdensome.

32 (c) All requests for an extension of time shall be received by the Commission by 5:00 p.m. on June 10 of the  
33 licensing period for which the extension is sought.

34 (d) If an extension of time is granted, the broker shall be permitted to renew his or her license on active status. The  
35 broker's license shall automatically be change to inactive status if the broker fails to satisfy the continuing education  
36 requirement prior to the end of the extension period.

1 (e) In no event shall an extension of time be granted that extends the continuing education requirement deadline  
2 beyond June 10 of the license year following the license year in which the request is made.

3

4 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*

5 *Eff. July 1, 1994;*

6 *Amended Eff. July 1, 2017; August 1, 2014; October 1, 2000.*

1 21 NCAC 58A .1710 is amended as published in 31:10 NCR 987 as follows:

2  
3 **21 NCAC 58A .1710 DENIAL OR WITHDRAWAL OF CONTINUING EDUCATION CREDIT**

4 (a) The Commission may deny continuing education credit claimed by a ~~licensee~~ broker or reported by a course sponsor  
5 for a licensee, and may withdraw continuing education credit previously awarded by the Commission to a ~~licensee~~ broker  
6 upon finding ~~that~~ that the broker:

7 (1) ~~The licensee~~ or course sponsor provided incorrect or incomplete information to the Commission  
8 concerning continuing education completed by the ~~licensee~~; broker;

9 (2) ~~The licensee~~ failed to comply with ~~either~~ the attendance requirement established by Rule .1705 of this  
10 ~~Section or the student participation standards set forth in Rule .0511 of Subchapter 58E; Section~~; or

11 (3) ~~The licensee~~ was mistakenly awarded continuing education credit due to an administrative error.

12 (b) ~~When continuing education credit is denied or withdrawn by the Commission under Paragraph (a) of this Rule, the~~  
13 ~~licensee remains responsible for satisfying the continuing education requirement. However, when~~ If an administrative  
14 error or an incorrect report by a course sponsor results in the denial or withdrawal of continuing education credit for a  
15 ~~licensee, broker~~, the Commission may, upon the written request of the ~~licensee, broker~~, grant the ~~licensee broker~~ an  
16 extension of time to satisfy the continuing education requirement.

17 (c) A ~~licensee broker~~ who obtains or attempts to obtain continuing education credit through misrepresentation of fact,  
18 ~~dishonesty~~ dishonesty, or other improper conduct shall be subject to disciplinary action pursuant to G.S. 93A-6.

19  
20 *History Note: Authority G.S. 93A-3(c); ~~93A-4A~~; 93A-4.1;*  
21 *Eff. July 1, 1994;*  
22 *Amended Eff. July 1, 2017; July 1, 1995.*

1 21 NCAC 58A .1711 is amended as published in 31:10 NCR 987 as follows:

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3 **21 NCAC 58A .1711 CONTINUING EDUCATION REQUIRED OF NONRESIDENT BROKERS**

4 (a) To be considered a nonresident for continuing education purposes, a real estate broker licensed in North  
5 Carolina shall not have a North Carolina business address, mailing address, or residence address at the time he or she  
6 applies for license renewal if he or she seeks to renew his or her license on active status. A nonresident North  
7 Carolina broker who wishes to renew his or her license on active status may fully satisfy the continuing education  
8 requirement by any one of the following means:

9 (1) A nonresident broker may, at the time of license renewal, hold a real estate license on active status  
10 in another state and certify on a form prescribed by the Commission that the broker holds such  
11 license. If at any time after renewal there is a change in the status of the out-of-state license, the  
12 nonresident broker shall notify the Commission within 10 days and request that his or her North  
13 Carolina license be placed on inactive status, or provide evidence to the Commission that he or she  
14 has satisfied either Subparagraph (a)(2) or (a)(3) of this Rule or the requirements of Rule .1702 of  
15 this Section.

16 (2) A nonresident broker may, within one year preceding license expiration, complete the  
17 Commission-prescribed Update course plus one Commission-approved continuing education  
18 elective course, or complete two Commission-approved continuing education elective courses.

19 (3) A nonresident broker may, within one year preceding license expiration, complete eight classroom  
20 hours in courses approved for continuing education credit by the real estate licensing agency in the  
21 broker's state of residence or in the state where the course was taken. To obtain credit for a  
22 continuing education course completed in another state and not approved by the Commission, the  
23 broker must submit a written request for continuing education credit accompanied by a  
24 ~~nonrefundable processing fee of twenty dollars (\$20.00)~~ fifty dollars (\$50.00) per request and  
25 evidence satisfactory to the Commission that the course was completed and that the course was  
26 approved for continuing education credit by the real estate licensing agency in the broker's state of  
27 residence or in the state where the course was taken.

28 (4) A nonresident broker may obtain eight hours equivalent credit for a course or courses not approved  
29 by the Commission or for related educational activities as provided in Rule .1708 of this Section.  
30 The maximum amount of continuing education credit the Commission will award a nonresident  
31 broker for an unapproved course or educational activity is eight hours.

32 (b) When requesting to change an inactive license to active status, or when applying for reinstatement of a license  
33 expired for not more than six months, a nonresident broker may fully satisfy the continuing education requirements  
34 described in Rules .0505 and .1703 of this Subchapter by complying with any of the options described in Paragraph  
35 (a) of this Rule, except that the requirements in Subparagraphs (a)(2) and (a)(3) of this Rule restricting the taking of  
36 courses to one year preceding license expiration shall not be applicable.

1 (c) No carry-over credit to a subsequent license period shall be awarded for a course taken in another state that has  
2 not been approved by the North Carolina Real Estate Commission as an elective course.

3 (d) A nonresident broker who has renewed his or her license on active status pursuant to Paragraph (a) of this Rule  
4 shall notify the Commission within 10 days if he or she subsequently affiliates with an office with a North Carolina  
5 business or mailing address, or becomes a resident of this State, and within 30 days provide evidence to the  
6 Commission that he or she has satisfied the requirements of either Subparagraphs (a)(2) or (a)(3) of this Rule or the  
7 requirements of Rule .1702 of this Section.

8

9 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*

10 *Eff. July 1, 1994;*

11 *Amended Eff. July 1, 2017; July 1, 2015; January 1, 2008; April 1, 2006; October 1, 2000; March*  
12 *1, 1996; July 1, 1995.*

1 21 NCAC 58A .1904 is amended as published in 31:10 NCR 988 as follows:

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3 **21 NCAC 58A .1904 DENIAL OR WITHDRAWAL OF POSTLICENSING EDUCATION CREDIT**

4 (a) The Commission may deny ~~postlicensing~~ Postlicensing education credit claimed by a provisional broker or  
5 reported by a school for a provisional broker, and may withdraw ~~postlicensing~~ Postlicensing education credit  
6 previously awarded by the Commission to a provisional broker and make appropriate license status changes for that  
7 ~~licensee broker~~ upon finding that:

8 (1) the provisional broker or school provided incorrect or incomplete information to the Commission  
9 concerning ~~postlicensing~~ Postlicensing education completed by the provisional broker;

10 (2) the provisional broker was mistakenly awarded ~~postlicensing~~ Postlicensing education credit due to  
11 an administrative error; or

12 (3) the provisional broker attended a ~~postlicensing~~ Postlicensing course while concurrently attending a  
13 different ~~postlicensing~~ Postlicensing course at the same school or a different school if such  
14 concurrent attendance in the two courses resulted in the provisional broker participating in  
15 ~~postlicensing~~ Postlicensing course sessions for more than ~~21 classroom~~ 30 instructional hours in  
16 any given seven-day period.

17 (b) When ~~postlicensing~~ Postlicensing education credit is denied or withdrawn by the Commission under Paragraph  
18 (a) of this Rule, the provisional broker remains responsible for satisfying the ~~postlicensing~~ Postlicensing education  
19 requirement in a timely manner.

20 (c) A ~~licensee broker~~ who obtains or attempts to obtain ~~postlicensing~~ Postlicensing education credit through  
21 misrepresentation of fact, dishonesty or other improper conduct is subject to disciplinary action pursuant to G.S.  
22 93A-6.

23

24 *History Note: Authority G.S. 93A-4;*

25 *Eff. April 1, 2006;*

26 *Amended Eff. July 1, 2017; July 1, 2009.*

1 21 NCAC 58C .0101 - .0105 and .0107 - .0108 are repealed as published in 31:10 NCR 988 as follows:

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3 **21 NCAC 58C .0101      APPLICABILITY: REQUIREMENT FOR APPROVAL**

4 **21 NCAC 58C .0102      APPLICATION FOR APPROVAL**

5 **21 NCAC 58C .0103      CRITERIA FOR APPROVAL**

6 **21 NCAC 58C .0104      SCOPE, DURATION AND RENEWAL OF APPROVAL**

7 **21 NCAC 58C .0105      WITHDRAWAL OR DENIAL OF APPROVAL**

8 **21 NCAC 58C .0107      USE OF EXAMINATION PERFORMANCE DATA**

9 **21 NCAC 58C .0108      STUDENT EVALUATIONS OF INSTRUCTOR PERFORMANCE**

10

11 *Authority G.S. 93A-4; 93A-33; 93A-34*

1 21 NCAC 58C .0201 - .0214 and .0216 - .0221 are repealed as published in 31:10 NCR 989 as follows:

2

3 **21 NCAC 58C .0201 APPLICABILITY**

4 **21 NCAC 58C .0202 ORIGINAL APPLICATION FEE**

5 **21 NCAC 58C .0203 SCHOOL NAME**

6 **21 NCAC 58C .0204 COURSES**

7 **21 NCAC 58C .0205 ADDITIONAL COURSE OFFERINGS**

8 **21 NCAC 58C .0206 ADMINISTRATION**

9 **21 NCAC 58C .0207 FACILITIES AND EQUIPMENT**

10 **21 NCAC 58C .0208 BULLETINS**

11 **21 NCAC 58C .0209 ENROLLMENT PROCEDURES AND CONTRACTS**

12 **21 NCAC 58C .0210 ADMISSIONS POLICY AND PRACTICE**

13 **21 NCAC 58C .0211 RECORDS**

14 **21 NCAC 58C .0212 ENFORCEMENT OF INSTITUTIONAL STANDARDS**

15 **21 NCAC 58C .0213 PERFORMANCE BOND**

16 **21 NCAC 58C .0214 ADVERTISING AND RECRUITMENT ACTIVITIES**

17 **21 NCAC 58C .0216 CHANGES DURING THE LICENSING PERIOD**

18 **21 NCAC 58C .0217 LICENSE RENEWAL AND FEES**

19 **21 NCAC 58C .0218 LICENSING EXAM CONFIDENTIALITY: SCHOOL PERFORM./LICENSING**

20 **21 NCAC 58C .0219 VIOLATIONS OF THE AMERICANS WITH DISABILITIES ACT**

21 **21 NCAC 58C .0220 STUDENT EVALUATIONS OF INSTRUCTOR PERFORMANCE**

22 **21 NCAC 58C .0221 TRANSFER OF SCHOOL OWNERSHIP**

23

24 *Authority G.S. 93A-4; 93A-33; 93A-34*

1 21 NCAC 58C .0301 - .0307 and .0309 - .0313 are repealed as published in 31:10 NCR 992 as follows:

2

3 **21 NCAC 58C .0301 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58C .0302 PROGRAM STRUCTURING AND ADMISSION REQUIREMENTS**

5 **21 NCAC 58C .0303 COURSE CONTENT**

6 **21 NCAC 58C .0304 COURSE COMPLETION STANDARDS**

7 **21 NCAC 58C .0305 COURSE SCHEDULING**

8 **21 NCAC 58C .0306 TEXTBOOKS**

9 **21 NCAC 58C .0307 INSTRUCTORS**

10 **21 NCAC 58C .0309 COURSE COMPLETION REPORTING**

11 **21 NCAC 58C .0310 COURSE RECORDS**

12 **21 NCAC 58C .0311 INSTRUCTIONAL DELIVERY METHODS**

13 **21 NCAC 58C .0312 EXCEPTION FOR PERSONS WITH DISABILITIES**

14 **21 NCAC 58C .0313 NOTICE OF SCHEDULED COURSES**

15

16 *Authority G.S. 93A-4; 93A-33; 93A-34*

1 21 NCAC 58C .0601 - .0608 are repealed as published in 31:10 NCR 995 as follows:

2

3 **21 NCAC 58C .0601 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58C .0602 NATURE AND SCOPE OF INSTRUCTOR APPROVAL**

5 **21 NCAC 58C .0603 APPLICATION AND CRITERIA FOR ORIGINAL APPROVAL**

6 **21 NCAC 58C .0604 INSTRUCTOR PERFORMANCE**

7 **21 NCAC 58C .0605 REQUEST FOR EXAMINATIONS AND VIDEO RECORDINGS**

8 **21 NCAC 58C .0606 POSTLICENSING COURSE REPORTS**

9 **21 NCAC 58C .0607 EXPIRATION, RENEWAL, AND REINSTATEMENT OF APPROVAL**

10 **21 NCAC 58C .0608 DENIAL OR WITHDRAWAL OF APPROVAL**

11

12 *Authority G.S. 93A-4; 93A-33; 93A-34*

1 21 NCAC 58E .0101 - .0105 are repealed as published in 31:10 NCR 998 as follows:

2

3 **21 NCAC 58E .0101 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58E .0102 UPDATE COURSE COMPONENT**

5 **21 NCAC 58E .0103 APPLICATION FOR ORIGINAL APPROVAL**

6 **21 NCAC 58E .0104 CRITERIA FOR APPROVAL OF UPDATE COURSE SPONSOR**

7 **21 NCAC 58E .0105 STUDENT FEE FOR UPDATE COURSES**

8

9 *Authority G.S. 93A-3(c); 93A-4.1*

1 21 NCAC 58E .0201 - .0206 are repealed as published in 31:10 NCR 999 as follows:

2

3 **21 NCAC 58E .0201 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58E .0202 NATURE AND SCOPE OF APPROVAL**

5 **21 NCAC 58E .0203 APPLICATION AND CRITERIA FOR ORIGINAL APPROVAL**

6 **21 NCAC 58E .0204 ACTIVE AND INACTIVE STATUS; RENEWAL OF APPROVAL**

7 **21 NCAC 58E .0205 DENIAL OR WITHDRAWAL OF APPROVAL**

8 **21 NCAC 58E .0206 REQUEST FOR A VIDEO RECORDING**

9

10 *Authority G.S. 93A-3(c); 93A-4.1*

1 21 NCAC 58E .0301 - .0310 are repealed as published in 31:10 NCR 1001 as follows:

2

3 **21 NCAC 58E .0301 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58E .0302 ELECTIVE COURSE COMPONENT**

5 **21 NCAC 58E .0303 APPLICATION FOR ORIGINAL APPROVAL**

6 **21 NCAC 58E .0304 CRITERIA FOR ELECTIVE COURSE APPROVAL**

7 **21 NCAC 58E .0305 ELECTIVE COURSE SUBJECT MATTER**

8 **21 NCAC 58E .0306 ELECTIVE COURSE INSTRUCTORS**

9 **21 NCAC 58E .0307 ELECTIVE COURSE CREDIT HOURS**

10 **21 NCAC 58E .0308 REQUEST FOR A VIDEO RECORDING**

11 **21 NCAC 58E .0309 STUDENT FEES FOR ELECTIVE COURSES**

12 **21 NCAC 58E .0310 DISTANCE EDUCATION COURSES**

13

14 *Authority G.S. 93A-3(c); 93A-4.1*

1 21 NCAC 58E .0401 - .0406 and .0408 - .0412 are repealed as published in 31:10 NCR 1004 as follows:

2

3 **21 NCAC 58E .0401 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58E .0402 SPONSOR ELIGIBILITY**

5 **21 NCAC 58E .0403 SPONSOR NAME**

6 **21 NCAC 58E .0404 ADVANCE APPROVAL REQUIRED**

7 **21 NCAC 58E .0405 CONTINUING EDUCATION COORDINATOR**

8 **21 NCAC 58E .0406 COURSE COMPLETION REPORTING**

9 **21 NCAC 58E .0408 CHANGE IN SPONSOR OWNERSHIP**

10 **21 NCAC 58E .0409 CHANGES DURING APPROVAL PERIOD**

11 **21 NCAC 58E .0410 COURSE RECORDS**

12 **21 NCAC 58E .0411 RENEWAL OF COURSE AND SPONSOR APPROVAL**

13 **21 NCAC 58E .0412 DENIAL OR WITHDRAWAL OF APPROVAL**

14

15 *Authority G.S. 93A-3(c); 93A-4.1*

1 21 NCAC 58E .0501 - .0515 are repealed as published in 31:10 NCR 1007 as follows:

2

3 **21 NCAC 58E .0501 PURPOSE AND APPLICABILITY**

4 **21 NCAC 58E .0502 SCHEDULING**

5 **21 NCAC 58E .0503 MINIMUM CLASS SIZE**

6 **21 NCAC 58E .0504 NOTICE OF SCHEDULED COURSES**

7 **21 NCAC 58E .0505 ADVERTISING; PROVIDING COURSE INFORMATION**

8 **21 NCAC 58E .0506 CLASSES OPEN TO ALL LICENSEES**

9 **21 NCAC 58E .0507 CLASSROOM FACILITIES**

10 **21 NCAC 58E .0508 STUDENT CHECK-IN**

11 **21 NCAC 58E .0509 INSTRUCTOR CONDUCT AND PERFORMANCE**

12 **21 NCAC 58E .0510 MONITORING ATTENDANCE**

13 **21 NCAC 58E .0511 STUDENT PARTICIPATION STANDARDS**

14 **21 NCAC 58E .0512 SOLICITATION OF STUDENTS**

15 **21 NCAC 58E .0513 CANCELLATION AND REFUND POLICIES**

16 **21 NCAC 58E .0514 COURSE INSPECTIONS BY COMMISSION REPRESENTATIVE**

17 **21 NCAC 58E .0515 ACCOMMODATIONS FOR PERSONS WITH DISABILITIES**

18

19 *Authority G.S. 93A-3(c); 93A-4.1*

1 21 NCAC 58G .0102 is adopted as published in 31:10 NCR 1009 as follows:

2

3 **21 NCAC 58G .0102 LOCATION**

4 (a) The office of the North Carolina Real Estate Commission is located at 1313 Navaho Drive, Raleigh, North  
5 Carolina. The mailing address is Post Office Box 17100, Raleigh, North Carolina 27619-7100.

6 (b) Forms and information about the office may be obtained from the Commission's website at [www.ncrec.gov](http://www.ncrec.gov).

7

8 *History Note: Authority G.S.93A -3(c);*

9 *Eff. July 1, 2017.*

1 21 NCAC 58G .0103 is adopted as published in 31:10 NCR 1009 as follows:

2

3 **21 NCAC 58G .0103 DEFINITIONS**

4 The following definitions apply throughout this Chapter and to all forms prescribed pursuant to this Chapter:

5 (1) “Commission” means the North Carolina Real Estate Commission.

6 (2) “Commission’s website” means [www.ncrec.gov](http://www.ncrec.gov).

7 (3) “Day” means calendar day unless the rule expressly states otherwise. The first day counted is the day  
8 following the act, event, or transaction that triggered the tolling of the designated time period.

9 (4) “Fee” means a payment made to the Commission by a bank check, certified check, money order, debit card,  
10 credit card, or other electronic means and is nonrefundable once the payment has been processed.

11 (5) “Form” means an original form template provided by the Commission and completed by the submitting  
12 party.

13

14 *History Note: Authority G.S.93A –3(c);*

15 *Eff. July 1, 2017.*

1 21 NCAC 58H .0101 is adopted with changes as published in 31:10 NCR 1010 as follows:

2  
3 **21 NCAC 58H .0101 DEFINITIONS**

4 The following definitions apply throughout this Subchapter and to all forms prescribed pursuant to this Chapter:

5 (1) “Instructional hour” means 50 minutes of instruction and 10 minutes of break time.

6 (2) “Distance education” means a method of instruction accomplished through the use of media  
7 whereby teacher and student are separated by distance or time.

8 (3) “End-of-course evaluation” means a student evaluation of the course and the instructor’s  
9 performance that shall be administered during the class period before administration of the end-of-course  
10 examination.

11 (4) “End-of-course examination” means an examination administered at the conclusion of a course that  
12 tests students’ knowledge and mastery of all course subjects mandated by the Commission-approved course syllabus.

13 (5) “Mid-course evaluation” means a student evaluation of the course and the instructor’s performance  
14 given at the midpoint of the course.

15 (6) “Instructor development program” means courses of instruction designed ~~specifically~~ to assist real  
16 estate instructors in the performance of Prelicensing, Postlicensing, or Continuing Education instructor duties or in  
17 the development of teaching skills.

18 (7) “License Examination Performance Record” means the percentage of an instructor’s or school’s  
19 students who, within ~~180~~30 days of completing a Prelicensing course pursuant to 21 NCAC 58H .0210(a), take and  
20 pass the license examination, as defined in 21 NCAC 58A .0402, on their first attempt.

21 (8) “Postlicensing course” means any one of the courses comprising the 90 hour Postlicensing  
22 education program pursuant to G.S. 93A-4(a1) and 21 NCAC 58A .1902.

23 (9) “Prelicensing course” means a single course consisting of at least 75 hours of instruction on  
24 subjects prescribed by the Commission pursuant to G.S. 93A-4(a).

25 (10) “Private real estate school” means any real estate educational entity that is privately owned and  
26 operated by an individual, partnership, corporation, limited liability company, or association, and that conducts, for a  
27 profit or tuition charge, Prelicensing or Postlicensing courses.

28 (11) “Public real estate school” means any proprietary business or trade school licensed by the State  
29 Board of Community Colleges under G.S. 115D-90 or approved by the Board of Governors of the University of  
30 North Carolina that conducts Prelicensing or Postlicensing courses.

31 (12) “Schools” mean licensed private and approved public real estate schools.

32 (13) “Update Courses” mean the General Update Course and the Broker-in-Charge Update Course.

33  
34 *History Note:* Authority G.S. 93A-4; 93A-4.1; 93A-32; 93A-33;

35 Eff. July 1, 2017.



1 21 NCAC 58H .0202 is adopted as published in 31:10 NCR 1010 as follows:

2  
3 **21 NCAC 58H .0202 APPLICATION FOR ORIGINAL APPROVAL OF A PUBLIC REAL ESTATE**  
4 **SCHOOL**

5 (a) Any entity seeking original approval as a public real estate school to conduct Prelicensing or Postlicensing  
6 courses shall apply to the Commission on a form available on the Commission's website and shall set forth the:

7 \_\_\_\_\_ (1) school name;

8 \_\_\_\_\_ (2) school director name and contact information;

9 \_\_\_\_\_ (3) school address;

10 \_\_\_\_\_ (4) school telephone number;

11 \_\_\_\_\_ (5) school website address;

12 \_\_\_\_\_ (6) type of public institution;

13 \_\_\_\_\_ (7) Prelicensing or Postlicensing courses to be offered by the school;

14 \_\_\_\_\_ (8) Update courses to be offered by the school; and

15 \_\_\_\_\_ (9) a signed certification by the school director that courses shall be conducted in compliance with the  
16 rules of this Subchapter.

17 (b) Schools approved to offer Prelicensing or Postlicensing courses shall be eligible to offer Update courses and  
18 continuing education courses.

19 (c) Approval extends only to the courses included in the application for school approval.

20  
21 History Note: Authority G.S.93A-4;

22 Eff. July 1, 2017.

1 21 NCAC 58H .0203 is adopted as published in 31:10 NCR 1010 as follows:

2  
3 **21 NCAC 58H .0203 APPLICATION FOR ORIGINAL LICENSURE OF A PRIVATE REAL ESTATE**  
4 **SCHOOL**

5 (a) Any entity seeking original licensure as a private real estate school to conduct Prelicensing or Postlicensing  
6 courses shall apply to the Commission on a form available on the Commission’s website and shall set forth the  
7 following criteria in addition to the requirements in N.C.G.S. 93A-34(b):

8 (1) the physical, website, and email addresses and telephone number of the principal office of the  
9 school;

10 (2) the proposed school director’s legal name, real estate license number, if any, email and mailing  
11 address, and telephone number;

12 (3) the type of school ownership entity and the name, title, real estate license number, if any, mailing  
13 address, and ownership percentage of each individual or entity holding at least 10% ownership in  
14 the entity;

15 (4) the North Carolina Secretary of State Identification Number;

16 (5) the criminal history and history of occupational license disciplinary actions of individual school  
17 owner(s);

18 (6) the physical address of each proposed school location;

19 (7) the source of real estate examinations to be used for each course offered;

20 (8) a copy of a current fire inspection report;

21 (9) a copy of a criminal background check for the previous seven years on the proposed school  
22 director;

23 (10) a signed Consent to Service of Process and Pleadings form available on the Commission’s  
24 website, if a foreign entity;

25 (11) the Prelicensing or Postlicensing courses to be offered by the school;

26 (12) the Update courses to be offered by the school;

27 (13) the signature and certification of the school owner(s).

28 (b) Private real estate school names shall contain the words "Real Estate" and other words identifying the entity as a  
29 school, such as “school,” “academy,” or “institute” that are distinguishable from other licensed private real estate  
30 schools and from continuing education course sponsors approved by the Commission.

31 (c) The school name shall be used in all school publications and advertising.

32 (d) Each school shall certify that its facilities and equipment are in compliance with all applicable local, state and  
33 federal laws and regulations regarding health, safety, and welfare, including the Americans with Disabilities Act.

34 (e) The original license application fee shall be two hundred dollars (\$200.00) for each proposed school location.

35 (f) The initial fee for a school to offer a Prelicensing or Postlicensing course at any of its locations during the  
36 licensing period is forty dollars (\$40.00) per Prelicensing or Postlicensing course.

1 (g) Schools approved to offer Prelicensing or Postlicensing courses shall be eligible to offer Update courses and  
2 continuing education courses.

3 (h) If a school relocates any location during any licensing period, the school owner shall submit an original  
4 application for licensure of that location pursuant to this Rule.

5

6 History Note: Authority G.S. 93A-4; 93A-33; 93A-34(b);

7 Eff. July 1, 2017.

1 21 NCAC 58H .0204 is adopted with changes as published in 31:10 NCR 1011 as follows:

2  
3 **21 NCAC 58H .0204 SCHOOL DIRECTOR**

4 (a) All schools shall designate a school director, who shall

5 (1) supervise all school operations related to the conduct of Prelicensing and Postlicensing courses;

6 (2) ensure compliance with all statutory and rule requirements governing the licensing and operation of the  
7 school; and

8 (3) act as the school's liaison to the Commission.

9 (b) Public real estate schools shall designate one permanent, professional-level employee to serve as the school  
10 director.

11 (c) The school director for a private real estate school shall satisfy to the Commission that he or she possesses good  
12 character and reputation and shall satisfy one of the following qualification standards:

13 (1) hold a baccalaureate or higher ~~degree~~ degree; [in the field of education;]

14 (2) have at least two years full-time experience within the past 10 years as an instructor or school  
15 administrator; or

16 (3) possess qualifications that the Commission finds to be equivalent to those described in

17 Subparagraph (1) or (2) of this Rule, such as:

18 (A) a transcript demonstrating completion of 120 semester hours of education at an  
19 institution accredited by any college accrediting body recognized by the U. S.  
20 Department of Education;

21 (B) currently holding or having held within the past 15 years a military pay grade of  
22 an E-8 level, O-1 level, or higher; or

23 (C) a current Distinguished Real Estate Instructor (DREI) designation granted by the  
24 Real Estate Educators' Association.

25 (d) The school director shall approve a guest lecturer prior to the guest lecturer teaching a course session. School  
26 directors shall ensure that all guest lecturers possess experience related to the particular subject area the guest  
27 lecturer is teaching. Guest lecturers may be utilized to teach collectively up to one-fourth of any Prelicensing or  
28 Postlicensing course.

29 (e) The school director shall ensure that each instructor meets the requirements of Rule .0302 of this Subchapter.

30 (f) The school director shall ensure each course utilizes a textbook currently approved by the Commission pursuant  
31 to Rule .0206 of this Section.

32 (g) Schools shall notify the Commission within 10 days of any change in school director during the licensing  
33 period.

34  
35 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;

36 Eff. July 1, 2017.

1 21 NCAC 58H .0205 is adopted as published in 31:10 NCR 1011 as follows:

2  
3 **21 NCAC 58H .0205 PRIVATE REAL ESTATE SCHOOL BULLETIN**

4 (a) A private real estate school shall publish a single bulletin addressing Prelicensing and Postlicensing courses  
5 offered. The same bulletin shall be used by all locations of a private real estate school.

6 (b) In addition to the information required by G.S. 93A-34(c)(5), a school's bulletin shall:

7 (1) describe the purpose of Prelicensing and Postlicensing courses;

8 (2) describe the school's policies and procedures on all other matters affecting students;

9 (3) include the name and address of the Commission, along with a statement that any complaints  
10 concerning the school or its instructors should be directed to the Commission;

11 (4) include a statement that the school shall not discriminate in its admissions policy or practice  
12 against any person on the basis of age, sex, race, color, national origin, familial status, handicap status, or religion;

13 (5) contain the following prescribed text: "NOTICE: Pursuant to North Carolina Real Estate  
14 Commission Rule 21 NCAC 58A .1904, the Commission may deny or withdraw credit for a Postlicensing course that  
15 a provisional broker begins taking while already enrolled in another Postlicensing course at the same school or a  
16 different school if participating in the two courses concurrently results in the provisional broker attending  
17 Postlicensing course sessions that total more than 30 instructional hours in any given seven-day period;" and

18 (6) include a signed certification that a student received a copy of the bulletin prior to payment of any  
19 portion of tuition or registration fee without the right to a full refund.

20 (c) A private real estate school may provide in its bulletin information about courses that are not approved by the  
21 Commission and shall state that such courses are not approved or sanctioned by the Commission.

22 (d) A private real estate school may not include in its bulletin any promotional information for a particular real estate  
23 broker, firm, franchise, or association, even if the entity being promoted owns the school.

24 (e) A private real estate school shall retain the signed certification required by Paragraph (b)(6) of this Rule pursuant  
25 to Rule .0212 of this Section. The certification shall include:

26 (1) the student's name;

27 (2) the date;

28 (3) the title of the course(s) for which the student is enrolling;

29 (4) the course schedule, including the beginning and end date, and meeting days and times;

30 (5) the amount of tuition and other required fees being paid by the particular student;

31 (6) a provision whereby the school certifies that the school's bulletin has been provided to the student  
32 and that the student acknowledges receipt of the bulletin;

33 (7) any provisions needed to address special accommodations or arrangements applicable to a  
34 particular student; and

35 (8) the signatures of both the student and a school official.

36  
37 History Note: Authority G.S. 93A-4(a); 93A-4(d); 93A-33; 93A-34;



1 21 NCAC 58H .0206 is adopted as published in 31:10 NCR 1012 as follows:

2  
3 **21 NCAC 58H .0206 APPROVAL OF TEXTBOOKS**

4 (a) A request for approval of a proposed textbook shall be submitted in writing to the Commission along with two  
5 copies of the proposed textbook. The criteria for approval shall be:

6 (1) the textbook shall cover current North Carolina real estate related laws, rules, and practices;

7 (2) the text shall be grammatically correct; and

8 (3) the nature and depth of subject matter coverage shall be consistent with the competency and  
9 instructional levels prescribed by the Commission for the course for which approval is sought.

10 (b) Approval of a textbook shall only apply to the edition reviewed by the Commission. An application for approval  
11 of a new or updated edition of a previously approved textbook shall be submitted in writing to the Commission,  
12 along with two copies of the proposed textbook, and shall include a list with specific page references of all  
13 significant changes from the previously approved edition.

14 (c) Approval of a textbook shall terminate four years after the initial approval or upon the approval of a new edition  
15 of a previously approved textbook.

16  
17 *History Note: Authority G.S. 93A-4; 93A-33;*

18 *Eff. July 1, 2017.*

1 21 NCAC 58H .0207 is adopted as published in 31:10 NCR 1012 as follows:

2  
3 **21 NCAC 58H .0207 SCHOOL ADVERTISING AND RECRUITMENT ACTIVITIES**

4 (a) Any school utilizing its license examination performance record for advertising or promotional purposes shall  
5 only use data that:

6 (1) are limited to the annual examination performance data for the particular school and for all  
7 examination candidates in the State;

8 (2) include the time period covered, the number of first-time candidates examined, and either the  
9 number or percentage of first-time candidates passing the examination; and

10 (3) are presented in a manner that is not misleading or false.

11 (b) Schools shall not make or publish, by way of advertising or otherwise, any false or misleading statement  
12 regarding employment opportunities that may be available as a result of completion of a course offered by that  
13 school or acquisition of a real estate license.

14 (c) Schools shall not use endorsements or recommendations of any person or organization of advertising or  
15 otherwise unless such person or organization has consented in writing to the use of the endorsement or  
16 recommendation. In no case shall any person or organization be compensated for an endorsement or  
17 recommendation.

18 (d) Schools may offer and advertise courses in addition to those approved by the Commission pursuant to this  
19 Subchapter provided that references to such courses are not made or published in a manner that implies approval by  
20 the Commission.

21 (e) Instructional time and materials may be utilized for instructional purposes only.

22 (f) Schools shall not offer Postlicensing courses only for brokers affiliated with a particular real estate broker, firm,  
23 franchise, or association, even if the entity whose affiliated brokers would benefit from the closed course is the  
24 school owner.

25  
26 History Note: Authority G.S. 93A-4(d); 93A-33; 93A-34;

27 Eff. July 1, 2017.

1 21 NCAC 58H .0208 is adopted as published in 31:10 NCR 1013 as follows:

2  
3 **21 NCAC 58H .0208 PRELICENSING AND POSTLICENSING COURSE SCHEDULING AND**  
4 **NOTIFICATION**

5 (a) All Prelicensing and Postlicensing courses shall have fixed beginning and ending dates. Schools shall not utilize  
6 a scheduling system that allows students to enroll late for a course and then complete their course work in a  
7 subsequently scheduled course. Late enrollment shall be permitted only if the enrolling student can satisfy the  
8 minimum attendance requirement set forth in Rule .0210 of this Section.

9 (b) Schools shall notify the Commission of all scheduled Prelicensing and Postlicensing course offerings not later  
10 than 10 days prior to a scheduled course beginning date.

11 (c) The notice required by Paragraph (b) of this Rule shall include:

12 (1) the school name;

13 (2) the school code number; and

14 (3) for each scheduled course:

15 (A) the name and course code number;

16 (B) the scheduled beginning and ending dates;

17 (C) the course meeting days and times, including any scheduled lunch breaks; and

18 (D) the name of the instructor and instructor number.

19 (d) If there is a change or cancellation within five days of the scheduled course date, then the school director shall  
20 provide notice to the Commission within 24 hours of the change or cancellation.

21 (e) Class meetings shall not exceed seven and a half instructional hours per day and shall not exceed 30 instructional  
22 hours over any seven day period.

23  
24 History Note: Authority G.S. 93A-4;

25 Eff. July 1, 2017.

1 21 NCAC 58H .0209 is adopted as published in 31:10 NCR 1013 as follows:

2

3 **21 NCAC 58H .0209 PRELICENSING AND POSTLICENSING COURSE ENROLLMENT**

4 (a) A school shall not enroll an individual in a Postlicensing course if the first day of the Postlicensing course occurs  
5 while the individual is enrolled in a Prelicensing course or if that individual has not passed the license examination.

6 (b) A school shall not enroll an individual in a Postlicensing course if the first day of the Postlicensing course occurs  
7 while the individual is taking another Postlicensing course at the same school or a different school if such enrollment  
8 results in the individual being in class for more than 30 instructional hours in any given seven day period.

9

10 History Note: Authority G.S. 93A-4(a1); 93A-33;

11 Eff. July 1, 2017.

1 21 NCAC 58H .0210 is adopted as published in 31:10 NCR 1013 as follows:

2  
3 **21 NCAC 58H .0210 PRELICENSING AND POSTLICENSING COURSE COMPLETION**

4 **STANDARDS**

5 (a) To complete a Prelicensing course, a student shall, at a minimum:

6 (1) attend at least eighty percent of all scheduled credit hours for the course; and

7 (2) obtain a grade of at least seventy-five percent on the end-of-course examination.

8 (b) To complete a Postlicensing course, a student shall, at a minimum:

9 (1) attend at least ninety percent of all scheduled credit hours for the course; and

10 (2) obtain a grade of at least seventy-five percent on the end-of-course examination.

11 (c) The end-of-course examination shall be completed in the classroom and proctored by the instructor or another  
12 school staff member. Students shall not use textbooks or notes on the end-of-course examination.

13 (d) Prelicensing end-of-course examinations may be provided by the Commission for use by a licensed or approved  
14 school. If the Commission does not provide such end-of-course examination, or if a school elects not to use a  
15 Commission-provided examination, the school shall use an examination that tests students' knowledge and mastery  
16 of the course subject matter. Upon the request of the Commission during an application or investigation, the school  
17 shall provide a copy of its end-of-course examination.

18 (e) Postlicensing end-of-course examinations shall be provided by the Commission for use by a licensed or  
19 approved school.

20 (f) A school may, within 30 days of the course ending date, allow a Prelicensing or Postlicensing course student  
21 opportunities to make-up a missed end-of-course examination or to retake a failed end-of-course examination  
22 without repeating the course. Postlicensing students shall be allowed at least one retake examination opportunity.  
23 Any make-up or repeat end-of-course examination shall consist of a different form of the examination than any  
24 previously administered in the student's course. If the examination used is not provided by the Commission, at least  
25 seventy-five percent of the questions shall be different from those previously included on any end-of-course  
26 examination used earlier in the student's course.

27 (g) Schools, school directors, and instructors shall take steps to protect the security and integrity of course  
28 examinations at all times. These steps shall include:

29 (1) maintaining examinations and answer keys in a secure place accessible only to the instructor or  
30 school officials;

31 (2) prohibiting students from retaining copies of examinations, answer sheets, and scratch paper  
32 containing notes or calculations, or any material that may jeopardize examination security;

33 (3) monitoring students at all times when examinations are being administered; and

34 (4) prohibiting students from reviewing examinations, answer sheets, scratch paper, or any material  
35 used during the examination after students have completed the examination.

1 (h) Any student who is found to have cheated in any manner on any course examination shall be dismissed from the  
2 course and shall not be awarded a passing grade for the course or any credit for partial completion of the course.  
3 The school shall report the cheating incident in writing to the Commission within 10 days.

4

5 *History Note: Authority G.S. 93A-4; 93A-33*

6 *Eff. July 1, 2017.*

1 21 NCAC 58H .0211 is adopted as published in 31:10 NCR 1014 as follows:  
2

3 **21 NCAC 58H .0211 PRELICENSING AND POSTLICENSING ROSTER REPORTING**

4 (a) A school shall provide a course completion certificate to each student who completes a Prelicensing or  
5 Postlicensing course under Rule .0210 of this Section. Each course completion certificate shall identify the course,  
6 date of completion, student, and instructor. The certificate shall be signed by the school director.

7 (b) For each Prelicensing or Postlicensing course taught, a school shall submit an accurate Roster Report  
8 electronically within 30 days following the course. Schools shall electronically submit with the Postlicensing Roster  
9 Reports the per student fee prescribed by G.S 93A-4(a2).

10 (1) The Prelicensing Roster Report shall include:

11 (A) each student's legal name;

12 (B) each student's email address and telephone number;

13 (C) each student's unique identification number;

14 (D) the course completion date pursuant to Rule .0210 of this Section;

15 (E) the school's name and number;

16 (F) the course's number; and

17 (G) the instructor's name and number;

18 (2) The Postlicensing Roster Report shall include:

19 (A) each student's legal name;

20 (B) each broker's license number;

21 (C) the course completion date;

22 (D) the school's name and number;

23 (E) the course's name and number; and

24 (F) the instructor's name and number.

25

26 History Note: Authority G.S. 93A-4; 93A-33;

27 Eff. July 1, 2017.

1 21 NCAC 58H .0212 is adopted as published in 31:10 NCR 1014 as follows:

2  
3 **21 NCAC 58H .0212 SCHOOL RECORDS**

4 All school records shall be retained for three years by the school and be made available to the Commission during an  
5 investigation or application process. School records shall include:

6 (1) enrollment and attendance records;

7 (2) each student's end-of-course examination with grade and graded answer sheet;

8 (3) a master copy of each end-of-course course examination with its answer key, course title, course  
9 dates, and name of the instructor;

10 (4) all student evaluations pursuant to Rule .0213(a) of this Section;

11 (5) all instructor evaluations pursuant to Rule .0213(c) of this Section;

12 (6) class schedules;

13 (7) advertisements;

14 (8) bulletins, catalogues, and other official publications; and

15 (9) statements of consent required by Rule .0207(c) of this Subchapter.

16  
17 History Note: Authority G.S. 93A-4; 93A-33;

18 Eff. July 1, 2017.

1 21 NCAC 58H .0213 is adopted with changes as published in 31:10 NCR 1014 as follows:

2  
3 **21 NCAC 58H .0213 EVALUATIONS OF INSTRUCTOR PERFORMANCE**

4 (a) A school shall provide each student an opportunity to complete a mid-course evaluation and an end-of-course  
5 evaluation of the instructor in each Prelicensing [and Postlicensing course-] course and to complete an end-of-course  
6 evaluation of the instructor in each Postlicensing course. Each student's evaluation shall be on a form provided by  
7 the Commission, include a section for the student's comments, and shall evaluate the instructor's:

8 (1) knowledge of the subject matter;

9 (2) teaching skills; and

10 (3) classroom management.

11 (b) The school director shall submit a Summary Report electronically within 30 days after course completion  
12 pursuant to Rule .0210 of this Section. The Summary Report form shall require the school director to set forth:

13 (1) the full name of the instructor being evaluated;

14 (2) title of course;

15 (3) the number of students who initially enrolled in the course;

16 (4) the number of students who met all course requirements pursuant to Rule .0210 of this Section;

17 (5) the number of students who met all course requirements except Rule .0210(a)(2) and (b)(2) of this

18 Section;

19 (c) In addition to the student evaluations in Paragraph (a) of this Rule, school directors shall also ensure all school-  
20 affiliated instructors are observed at least once annually for a minimum of one hour of live uninterrupted instruction  
21 by either the school director or a Commission-approved Prelicensing or Postlicensing instructor present in the  
22 classroom. School directors who are also instructors may, upon written request to the Commission, be evaluated by  
23 a Commission-approved monitor. [School directors shall evaluate] The evaluation shall be based on the instructor's  
24 teaching abilities pursuant to Rule .0304 of this Subchapter. The instructor shall receive the written evaluation of his  
25 or her instructional performance within 30 days of observation.

26  
27 History Note: Authority G.S. 93A-4; 93A-33;

28 Eff. July 1, 2017.

1 21 NCAC 58H .0214 is adopted as published in 31:10 NCR 1014 as follows:

2  
3 **21 NCAC 58H .0214 EXPIRATION AND RENEWAL OF A SCHOOL APPROVAL OR LICENSE**

4 (a) All Commission approvals and licenses issued to real estate schools shall expire annually on June 30 following  
5 issuance of approval or licensure.

6 (b) A school shall file an electronic application for renewal of its approval or license within 45 days immediately  
7 preceding expiration of approval or licensure on a form available on the Commission’s website. The school renewal  
8 application form shall include:

9 \_\_\_\_\_ (1) the school name;

10 \_\_\_\_\_ (2) the school number;

11 \_\_\_\_\_ (3) the school director’s name;

12 \_\_\_\_\_ (4) the school’s mailing address, telephone number, and web address, if applicable;

13 \_\_\_\_\_ (5) all Commission approved courses offered by the school;

14 \_\_\_\_\_ (6) any change in the school’s business entity;

15 \_\_\_\_\_ (7) court records of any conviction, guilty plea, or plea of no contest to, a misdemeanor or felony  
16 violation of state or federal law by a court of competent jurisdiction against the school owner(s) and school director  
17 since the last renewal;

18 \_\_\_\_\_ (8) records pertaining to any disciplinary action taken against the school owner(s) and school director  
19 by an occupational licensing board since the last renewal;

20 \_\_\_\_\_ (9) a copy of the current bulletin;

21 \_\_\_\_\_ (10) proof of bond as required in N.C.G.S. § 93A-36;

22 \_\_\_\_\_ (11) proof of a current fire inspection; and

23 \_\_\_\_\_ (12) the school director’s signature.

24 (c) The private school license renewal fee shall be one hundred dollars (\$100.00) for each school location.

25 (d) The renewal fee for a private real estate school to offer a Prelicensing or Postlicensing course at any of its  
26 locations during the licensed period is twenty-five dollars (\$25.00) per Prelicensing or Postlicensing course.

27 (e) If a school approval or license has expired, the school shall submit an application for original approval or  
28 licensure.

29  
30 History Note: Authority G.S. 93A-4; 93A-33; 93A-34(b); 93A-35(b); 93A-36;

31 \_\_\_\_\_ Eff. July 1, 2017.

1 21 NCAC 58H .0215 is adopted with changes as published in 31:10 NCR 1015 as follows:

2  
3 **21 NCAC 58H .0215 DENIAL, WITHDRAWAL, OR TERMINATION OF SCHOOL APPROVAL OR**  
4 **LICENSE**

5 (a) The Commission may deny or withdraw approval of any public real estate school or suspend, revoke, or deny  
6 renewal of the license of any private real estate school upon finding that:

7 (1) any school official employed by the school has been convicted of, pleaded guilty to, or pleaded no  
8 contest to, a misdemeanor or felony violation of state or federal law by a court of competent jurisdiction;

9 (2) any school official found by a court or government agency of competent jurisdiction to have  
10 violated any state or federal regulation prohibiting discrimination;

11 (3) a school made any false statements or presented any false, incomplete, or incorrect information in  
12 connection with an application;

13 (4) a school provided false, incomplete, or incorrect information in connection with any report the  
14 school is required to submit to the Commission;

15 (5) a school presented to its students or prospective students false or misleading information relating  
16 to its instructional program, to the instructional programs of other institutions, or related to employment  
17 opportunities;

18 (6) a school refused at any time to permit authorized representatives of the Commission to inspect the  
19 school or audit its courses;

20 (7) a school director violated the rules of this Subchapter or was disciplined by the Commission under  
21 N.C.G.S. § 93A-6;

22 (8) a school obtained or used, or attempted to obtain or use, in any manner or form, North Carolina  
23 real estate license examination questions;

24 (9) a school compiled a license examination performance record for first-time examination candidates  
25 that is below sixty percent passing for two or more of the previous five annual reporting periods;

26 (10) a school failed to provide to the Commission a written plan describing the changes the school  
27 made or intends to make in its instructional program including instructors, course materials, methods of student  
28 evaluation, and completion standards to improve the performance of the school's students on the license examination  
29 within 30 days of the Commission's request during an investigation, application process, or following a school's  
30 attainment of a licensing examination record for first-time examination candidates that is below sixty percent passing  
31 for the previous annual reporting period;

32 (11) a school provided the Commission a fee that was dishonored by a bank or returned for insufficient  
33 funds; or

34 (12) a school refused or failed to comply with the provisions of this Subchapter.

35 (b) If, at any time after the original licensing of a private real estate school, an aggregate of fifty percent or more of  
36 the ownership interest is transferred to natural persons or entities other than those having an ownership interest at the  
37 time of the original application for licensure, the school's license shall terminate. Termination shall be effective on

1 ~~the date of the transaction resulting in the aggregate transfer of fifty percent or more of the original entity's~~  
2 ~~ownership. The transferring owner shall report course completion to the Commission. The school and the~~  
3 ~~transferring owners shall not conduct any course after the termination of the school licensure as set forth in this Rule.~~  
4 ~~The natural persons or entities holding an ownership interest after the transfer shall obtain preapproval from the~~  
5 ~~Commission prior to advertising courses, registering students, or accepting tuition, and shall obtain an original~~  
6 ~~school license for each location where the school will conduct courses prior to conducting courses.] When~~  
7 ~~ownership of a licensed private real estate school is transferred and the school ceases to operate as the licensed~~  
8 ~~entity, the school license is not transferable and shall terminate on the effective date of the transfer. All courses shall~~  
9 ~~be completed by the effective date of the transfer. The transferring owner shall report course completion(s) to the~~  
10 ~~Commission. The new entity shall obtain an original private real estate school license for each location where the~~  
11 ~~school will conduct courses as required by G.S. 93A-34 and Rule .0203 of this Subchapter prior to advertising~~  
12 ~~courses, registering students, accepting tuition, conducting courses, or otherwise engaging in any school operations.~~  
13 ~~(c) If a licensed private real estate school transfers an aggregate of fifty percent or more of the ownership interest,~~  
14 ~~the school shall notify the Commission in writing within 10 days of the transfer.~~

15  
16 *History Note: Authority G.S. 93A-4(d); 93A-34(c); 93A-35(c); 93A-38;*  
17 *Eff. July 1, 2017.*

1 21 NCAC 58H .0301 is adopted as published in 31:10 NCR 1015 as follows:

2

3 **21 NCAC 58H .0301 PRELICENSING, POSTLICENSING, AND UPDATE COURSE INSTRUCTOR**

4

**APPROVAL**

5

6 (a) Approval of an instructor to teach Prelicensing and Postlicensing courses shall authorize the instructor to teach  
7 courses only in conjunction with and at schools approved or licensed by the Commission to conduct such courses.

8 (b) An instructor approved to teach Prelicensing and Postlicensing courses may elect to also teach Update courses  
9 upon initial approval, renewal, or any time while holding such approval.

10 (c) Approved instructors may teach Update courses for any approved Update course sponsor. An approved  
11 instructor may not independently conduct an Update course unless the instructor has also obtained approval as an  
12 Update course sponsor.

13

14 History Note: Authority G.S. 93A-4(d); 93A-33; 93A-34;

15 Eff. July 1, 2017.

21 NCAC 58H .0302 is adopted with changes as published in 31:10 NCR 1016 as follows:

**21 NCAC 58H .0302 APPLICATION AND CRITERIA FOR ORIGINAL PRELICENSING,  
POSTLICENSING, OR UPDATE COURSE INSTRUCTOR APPROVAL**

(a) An individual seeking original instructor approval shall submit an application on a form available on the Commission's website that shall require the instructor applicant to indicate the course(s) for which he or she is seeking approval and set forth the instructor applicant's:

- (1) legal name, address, email address, and telephone number;
- (2) real estate license number and instructor number, if any, assigned by Commission;
- (3) criminal and occupational licensing history, including any disciplinary actions;
- (4) education background, including specific real estate education;
- (5) experience in the real estate business;
- (6) real estate teaching experience, if any;
- (7) a signed Consent to Service of Process and Pleadings form, if applicable; and
- (8) signature.

(b) An instructor applicant shall demonstrate that he or she possesses good reputation and character pursuant to G.S. 93A-34(c)(9) and has:

- (1) a North Carolina real estate broker license that is not on provisional status;
- (2) completed continuing education sufficient to activate a license under Rule .1702 of Subchapter 58A;
- (3) completed 60 semester hours of college-level education at an institution accredited by any college accrediting body recognized by the U.S. Department of Education; and
- (4) within the previous seven years has either:
  - (A) ~~three~~ **two** years full-time experience in real estate brokerage with at least one year in ~~real estate sales and one year in~~ North Carolina;
  - (B) three years of instructor experience at a secondary or post-secondary level;
  - (C) real estate Prelicensing or Postlicensing instructor approval in another jurisdiction; or
  - (D) qualifications found to be equivalent by the Commission, including a current North Carolina law license and three years' full time experience in commercial or residential real estate transactions or representation of real estate brokers or firms.

(c) Along with their application, an instructor applicant shall submit a digital video recording of themselves teaching a ~~sixty (60)~~ **50** minute block of a single topic in a Prelicensing, Postlicensing, or Update course that demonstrates the ability to teach the subject in a manner consistent with the course materials. The digital video recording shall comply with Rule .0305(c) of this Section.

(d) The digital video recording requirement described in Paragraph (c) of this Rule may be waived by the Commission if the instructor applicant has a current:

- (1) approval as either a General Update Course, Prelicensing, or Postlicensing instructor; or

1           (2) Distinguished Real Estate Instructor (DREI) designation that has been awarded to the instructor by  
2 the Real Estate Educators Association or an equivalent instructor certification.

3 (e) Prior to teaching any Prelicensing or Postlicensing course, an approved instructor shall take the Commission's  
4 New Pre/Postlicensing Instructor Seminar.

5 (f) Prior to teaching any Update course, an approved instructor shall take the Commission's annual Update  
6 Instructor Seminar Seminar for the current license period. The Update Instructor Seminar shall not be used to  
7 meet the requirement in .0306(b)(4) of this Section.

8  
9 History Note: Authority G.S. 93A-3(f); 93A-4; 93A-10; 93A-33; 93A-34;

10 Eff. July 1, 2017.

1 21 NCAC 58H .0303 is adopted as published in 31:10 NCR 1016 as follows:

2  
3 **21 NCAC 58H .0303 DENIAL OR WITHDRAWAL OF INSTRUCTOR APPROVAL**

4 (a) The Commission may deny or withdraw approval of any instructor applicant or approved instructor upon finding  
5 that the instructor or instructor applicant:

6 (1) has failed to meet the criteria for approval described in Rule .0302 of this Section or the criteria for  
7 renewal of approval described in Rule .0306 of this Section at the time of application or at any time during an  
8 approval period;

9 (2) made any false statements or presented any false, incomplete, or incorrect information in  
10 connection with an application for approval or renewal of approval or any report that is required to be submitted to  
11 the Commission;

12 (3) has failed to submit to the Commission any report, course examination, or video recording  
13 required by these Rules;

14 (4) has failed to demonstrate the ability to teach a Prelicensing, Postlicensing, or Update course in a  
15 manner consistent with the course materials;

16 (5) taught Prelicensing and compiled a license examination performance record for first-time  
17 examination candidates that is below sixty percent passing for two or more of the previous five annual reporting  
18 periods;

19 (6) taught Prelicensing and failed to provide to the Commission a written plan describing the changes  
20 the instructor has made or intends to make in his or her instructional program to improve the performance of the  
21 instructor's students on the license examination within 30 days of the Commission's request during an investigation,  
22 application process, or following an instructor's attainment of a licensing examination record for first-time  
23 examination candidates that is below sixty percent passing for the previous annual reporting period;

24 (7) has been convicted of, pleaded guilty to, or pleaded no contest to, a misdemeanor or felony  
25 violation of state or federal law by a court of competent jurisdiction;

26 (8) has been found by a court or government agency of competent jurisdiction to have violated any  
27 state or federal regulation prohibiting discrimination;

28 (9) has obtained, used, or attempted to obtain or use, in any manner or form, North Carolina real estate  
29 license examination questions;

30 (10) has failed to take appropriate steps to protect the security of end-of-course examinations pursuant  
31 to Rule .0210(g) of this Subchapter;

32 (11) failed to take any corrective action set out in the plan described in Paragraph (a)(5) of this Rule or  
33 as otherwise requested by the Commission;

34 (12) engaged in any other improper, fraudulent, or dishonest conduct; or

35 (13) failed to comply with any other provisions of this Subchapter.

36  
37 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;



1 21 NCAC 58H .0304 is adopted as published in 31:10 NCR 1017 as follows:

2  
3 **21 NCAC 58H .0304 INSTRUCTOR CONDUCT AND PERFORMANCE**

4 (a) All instructors shall ensure that class sessions are conducted at the scheduled time and for the full amount of time  
5 that is scheduled or required. Instructors shall conduct courses in accordance with the Commission's rules, and any  
6 applicable course syllabi, instructor guide, or course plan. Instructors shall conduct classes demonstrating the ability  
7 to:

8 (1) state student learning objectives at the beginning of the course and present accurate and relevant  
9 information;

10 (2) communicate correct grammar and vocabulary;

11 (3) utilize a variety of instructional techniques that require students to analyze and apply course  
12 content, including teacher-centered approaches, such as lecture and demonstration, and student-centered approaches,  
13 such as lecture discussion, reading, group problem solving, case studies, and scenarios;

14 (4) utilize instructional aids, such as:

15 (A) whiteboards;

16 (B) sample forms and contracts;

17 (C) pictures;

18 (D) charts; and

19 (E) videos.

20 (5) utilize assessment tools, such as:

21 (A) in-class or homework assignments, and

22 (B) quizzes and midterm examinations for Prelicensing and Postlicensing courses.

23 (6) avoid criticism of any other person, agency, or organization;

24 (7) identify key concepts and correct student misconceptions; and

25 (8) maintain control of the class.

26 (b) Instructors teaching Prelicensing, Postlicensing, or Update courses shall interact with students either in person in  
27 a classroom setting or through an interactive telecommunication system, or comparable system, that permits  
28 continuous mutual audio and visual communication between the instructor and students. The school shall provide  
29 monitoring and technical support for the instructors or students.

30 (c) Instructors teaching Prelicensing or Postlicensing courses shall:

31 (1) safeguard and protect the security of course examinations;

32 (2) not allow students to review or retain copies of end-of-course examinations and any materials used  
33 during the examination; and

34 (3) only use guest lecturers that have been approved by the school director pursuant to Rule .0204(d)  
35 of this Section.

36 (d) Instructors shall not obtain, use, or attempt to obtain or use, in any manner or form, North Carolina real estate  
37 license examination questions.

1

2 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;

3 Eff. July 1, 2017.

1 21 NCAC 58H .0305 is adopted as published in 31:10 NCR 1017 as follows:

2  
3 **21 NCAC 58H .0305 DIGITAL VIDEO RECORDINGS**

4 (a) Upon request of the Commission during an investigation, an approved instructor shall submit a digital video  
5 recording of the instructor teaching specified topics of a course, as identified by the Commission which the instructor  
6 is approved to teach.

7 (b) Upon the request of the Commission during an investigation, a continuing education sponsor shall submit a  
8 digital video recording depicting a particular Update Course instructor, as designated by the Commission, teaching  
9 the Update course.

10 (c) Any digital video recording submitted to the Commission shall:

11 (1) have been made within 12 months of the date of submission;

12 (2) be recorded either on a digital video disc (DVD), USB drive, or similar medium;

13 (3) be unedited;

14 (4) display a visible date and time stamp during the entire video recording;

15 (5) include a label identifying the instructor, the course title, subject being taught, student materials  
16 used, and dates of the video instruction;

17 (6) have visual and sound quality to allow reviewers to see and hear the instructor; and

18 (7) show at least a portion of the students present in a live audience.

19 (d) The deadline for any digital video recording requested during an investigation shall be 30 days after the date of  
20 the next scheduled course, but no later than 120 days after the Commission's request.

21  
22 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;

23 Eff. July 1, 2017.

1 21 NCAC 58H .0306 is adopted with changes as published in 31:10 NCR 1018 as follows:

2  
3 **21 NCAC 58H .0306 RENEWAL AND EXPIRATION OF INSTRUCTOR APPROVAL**

4 (a) Commission approval of instructors shall expire annually on June 30 following issuance of approval.

5 (b) Any approved instructor shall file an electronic application for renewal of approval within the 45 days  
6 immediately preceding expiration of approval. The instructor renewal application shall set forth the instructor's:

7 (1) legal name, address, email address, and telephone number;

8 (2) real estate license number and instructor number assigned by Commission;

9 (3) any criminal convictions and occupational license disciplinary actions within the past year;

10 (4) proof of attendance since approval or last renewal of a real estate instructor educational program of  
11 at least six hours, such as the:

12 (A) Commission's Spring Educators Conference or New Instructor Seminar;

13 (B) NC Real Estate Educators Association's conference or instructor development workshop;

14 or

15 (C) Real Estate Educators Association's conference or instructor development [workshop; or]

16 workshop.

17 [~~(D) Commission's Update Instructor Seminar.~~]

18 (5) courses for which he or she is seeking approval as an instructor; and

19 (6) signature.

20 (c) In order to reinstate an instructor approval that has been expired for less than six months, the former instructor  
21 shall meet the requirements set forth in Paragraph (b) of this Rule.

22 (d) If an instructor approval has been expired for more than six months, the former instructor shall file an  
23 application for original approval pursuant to Rule .0302 of this Section.

24  
25 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;

26 Eff. July 1, 2017.

1 21 NCAC 58H .0401 is adopted as published in 31:10 NCR 1018 as follows:

2

3 **21 NCAC 58H .0401      APPLICABILITY**

4 This Section applies to the application, renewal, and conduct of continuing education sponsors, continuing education  
5 elective courses, and Update Courses.

6

7 History Note: Authority G.S. 93A-4; 93A-33; 93A-34;

8 Eff. July 1, 2017.

1 21 NCAC 58H .0402 is adopted as published in 31:10 NCR 1018 as follows:

2  
3 **21 NCAC 58H .0402 APPLICATION FOR ORIGINAL APPROVAL OF CONTINUING EDUCATION**  
4 **SPONSOR**

5 (a) Only continuing education sponsors approved by the Commission are eligible to offer continuing education  
6 courses, including elective courses and Update Courses.

7 (b) Any entity seeking original approval to be a continuing education sponsor shall make application on a form  
8 available on the Commission's website that requires the applicant to set forth:

9 (1) the legal name of applicant and any assumed business name;

10 (2) the applicant's mailing address, telephone number, and email address;

11 (3) the legal name of the individual who will serve as the applicant's continuing education coordinator  
12 as defined in Rule .0403 of this Section;

13 (4) the applicant's form of business entity;

14 (5) the SOSID issued by the NC Secretary of State, if applicable;

15 (6) the legal name(s) of the sponsor's owner(s);

16 (7) a record of any criminal convictions for all individuals listed as owner(s), manager(s), or  
17 partner(s);

18 (8) a record of any discipline related to a professional license for all individuals listed as owner(s),  
19 manager(s), or partner(s); and

20 (9) the signature of the applicant.

21 (c) Any foreign or out-of-state entity or person applying for original approval shall submit a signed Consent to  
22 Service of Process and Pleadings form as required by N.C.G.S. §93A-10.

23 (d) The name of any course sponsor shall not be identical to the name of any other currently approved continuing  
24 education course sponsor or licensed private real estate school.

25 (e) Continuing education sponsors shall notify the Commission in writing within 10 days of any change in business  
26 name, ownership interest, continuing education coordinator, address, business telephone number, or email address.

27  
28 History Note: Authority G.S. 93A-3(c); 93A-4.1; 93A-10; 93A-34

29 Eff. July 1, 2017.

1 21 NCAC 58H .0403 is adopted with changes as published in 31:10 NCR 1018 as follows:

2  
3 **21 NCAC 58H .0403 CONTINUING EDUCATION COORDINATOR**

4 (a) Continuing education sponsors shall designate in writing to the Commission one person to serve as the  
5 continuing education coordinator. The continuing education coordinator shall serve as the official contact person for  
6 the sponsor and shall be responsible for:

7 (1) supervising the conduct of all sponsor's continuing education courses;

8 (2) ensuring continuing education elective courses are taught by instructors complying with Rule  
9 .0407 of this Section;

10 (3) ensuring elective courses are taught according to the course materials approved by the  
11 Commission;

12 (4) ensuring only approved instructors who have taken the Update Course Seminar **for the current**  
13 **license period** teach Update Courses;

14 (5) ensuring students are furnished with the approved student materials;

15 (6) signing course completion certificates;

16 (7) submitting to the Commission all required fees, rosters, reports, and other information; and

17 (8) submitting to the Commission the name and the instructor number of each elective course  
18 instructor within 10 days of employment.

19 (b) Each continuing education coordinator shall view the Commission's Continuing Education Coordinator video  
20 electronically within 30 days of initial designation and annually within 45 days immediately preceding expiration of  
21 sponsor approval.

22  
23 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*

24 *Eff. July 1, 2017.*

1 21 NCAC 58H .0404 is adopted as published in 31:10 NCR 1019 as follows:

2  
3 **21 NCAC 58H .0404 RENEWAL OF SPONSOR APPROVAL**

4 (a) Commission approval of all continuing education sponsors shall expire annually on June 30 following issuance  
5 of approval.

6 (b) In order to ensure continuous sponsor approval, an approved sponsor shall file an electronic application for  
7 renewal of approval within the 45 days immediately preceding expiration of approval. The sponsor approval  
8 renewal application shall require the sponsor to set forth:

9 (1) the legal name of sponsor and any assumed business name;

10 (2) the sponsor number assigned by the Commission;

11 (3) the sponsor's mailing address, telephone number, and email address;

12 (4) the continuing education coordinator's legal name;

13 (6) any criminal convictions or occupational licensure disciplinary action taken against any individual  
14 listed as owner(s) of the sponsor since last approval;

15 (7) the name and course number of each continuing education elective course approved pursuant to  
16 Rule .0406 of this Section the applicant wishes to renew; and

17 (8) a certification that the continuing education coordinator has completed the Commission's video  
18 training pursuant to Rule .0403(c) of this Section;

19 (9) a certification that its facilities and equipment are in compliance with all applicable local, state,  
20 and federal laws and regulations regarding health, safety, and welfare, including the Americans with Disabilities  
21 Act; and

22 (10) the signature of the sponsor.

23 (c) A continuing education sponsor also licensed or approved as a school may renew its continuing education  
24 sponsor approval on its school renewal form pursuant to Rule .0214 of this Subchapter.

25 (d) Continuing education sponsors shall submit a fifty dollar (\$50.00) fee for each continuing education elective  
26 course the sponsor wishes to renew. No fee is required if the entity making application is a public school or is an  
27 agency of federal, state or local government.

28 (f) Continuing education sponsors shall submit a one hundred dollar (\$100.00) materials fee if the sponsor wishes to  
29 renew approval to offer Update courses. No fee is required if the entity making application is a public real estate  
30 school or is an agency of federal, state, or local government.

31  
32 History Note: Authority G.S. 93A-3(c); 93A-4.1;

33 Eff. July 1, 2017.

1 21 NCAC 58H .0405 is adopted with changes as published in 31:10 NCR 1019 as follows:

2  
3 **21 NCAC 58H .0405 DENIAL OR WITHDRAWAL OF SPONSOR APPROVAL**

4 (a) The Commission may deny or withdraw approval of any continuing education sponsor upon finding that the  
5 sponsor or the continuing education coordinator in the employ of the sponsor:

6 (1) made any false statements or presented any false, incomplete, or incorrect information in  
7 connection with an application for course or sponsor approval or renewal;

8 (2) provided false, incomplete, or incorrect information in connection with any reports the continuing  
9 education sponsor is required to submit to the Commission;

10 (3) provided the Commission a check for required fees that was dishonored by a bank or returned for  
11 insufficient funds;

12 (4) has been convicted of, pleaded guilty to, or pleaded no contest to, a misdemeanor or felony  
13 violation of state or federal law by a court of competent jurisdiction;

14 (5) has been found by a court or government agency of competent jurisdiction to have violated any  
15 state or federal regulation prohibiting discrimination;

16 (6) has been disciplined by the Commission or any other occupational licensing agency in North  
17 Carolina or another jurisdiction;

18 (7) collected money from brokers for a continuing education course but refused or failed to provide  
19 the promised instruction;

20 (8) intentionally provided false, incomplete, or misleading information relating to real estate licensing,  
21 education matters, or the broker's education needs or license status;

22 (9) failed to submit the CE Roster Reports as required by Rule .0412 of this Section;

23 (10) failed to submit the per student fee as required by G.S. 93A-4.1(d); or

24 (11) failed to comply with any other provision of this Subchapter.

25 (b) A broker shall be subject to discipline pursuant to G.S. 93A-6 if the broker engages in dishonest, fraudulent, or  
26 improper conduct in connection with the operations of a continuing education course sponsor if that broker:

27 (1) has an ownership interest in the course sponsor;

28 (2) is the designated continuing education coordinator for the course sponsor; or

29 (3) is an instructor for the course sponsor.

30 (c) [Course sponsor approval shall terminate if, at any time after the original approval of a course sponsor, an  
31 aggregate of fifty percent or more of the ownership interest is transferred to natural persons or entities other than  
32 those having an ownership interest at the time of the original application. Termination shall be effective on the date  
33 of the transaction resulting in the aggregate transfer of fifty percent or more of the original ownership. The  
34 transferring owner shall report course completions as of the date of the transfer to the Commission. The formerly  
35 approved continuing education sponsor and the transferring owners shall not conduct any course after the  
36 termination of the former continuing education sponsor approval. The natural persons or entities holding an  
37 ownership interest after the transfer shall obtain approval from the Commission prior to advertising courses,

1 ~~registering students, or accepting tuition, and shall obtain a new original continuing education sponsor approval~~  
2 ~~prior to conducting courses.]~~ When ownership of an approved continuing education sponsor is transferred to a  
3 separate legal entity, the sponsor's approval is not transferable and shall terminate on the effective date of the  
4 transfer. All courses shall be completed by the effective date of the transfer. The transferring owner shall report  
5 course completion(s) to the Commission. The new entity shall obtain an original continuing education sponsor  
6 approval as required by Rule .0402 of this Subchapter prior to advertising courses, registering students, accepting  
7 tuition, conducting courses, or otherwise engaging in any sponsor operations.  
8 (d) If an approved continuing education sponsor transfers an aggregate of fifty percent or more of the ownership  
9 interest, the sponsor shall notify the Commission in writing within 10 days of the transfer.

10  
11  
12 *History Note: Authority G.S. 93A-3(c); 93A-4.1; 93A-6(a)(15);*  
13 *Eff. July 1, 2017.*

1 21 NCAC 58H .0406 is adopted as published in 31:10 NCR 1020 as follows:

2  
3 **21 NCAC 58H .0406 APPROVAL AND RENEWAL OF ELECTIVE COURSE**

4 (a) Prior to obtaining the Commission's written approval of a continuing education elective course, sponsors shall  
5 not offer, advertise, or otherwise represent that any continuing education elective course is, or may be, approved for  
6 continuing education credit in North Carolina.

7 (b) A sponsor seeking original approval of a proposed elective course shall complete an application on a form  
8 available on the Commission's website that requires the applicant to set forth the:

- 9 (1) title of the proposed elective course;  
10 (2) continuing education sponsor's legal name, address, and telephone number;  
11 (3) continuing education coordinator's legal name;  
12 (4) continuing education sponsor's sponsor code, if previously approved;  
13 (5) credit hours awarded for completing the course;  
14 (6) subject matter of the course;  
15 (7) identity of the course owner;  
16 (8) written permission of the course owner, if other than the applicant;  
17 (9) identity of prospective instructors; and  
18 (10) continuing education sponsor's signature.

19 (c) The application for original approval shall be accompanied by a copy of the course guide, which shall include  
20 course objectives, learning objectives for each topic, a timed outline, instructional methods and aids to be employed,  
21 and all materials that will be provided to students.

22 (d) If the elective course will be taught by any method other than live, in-person, in-class instruction, the applicant  
23 shall submit, along with the application for original approval:

- 24 (1) a full copy of the course on the medium to be utilized for instruction;  
25 (2) a description of the method by which the sponsor will verify and record student attendance;  
26 (3) a list of hardware and software or other equipment necessary to both offer and complete the  
27 course;  
28 (4) the contact information for the technical support service for the course; and  
29 (5) a copy of the student orientation and course tutorial information.

30 (e) If the course will be taught by any method other than live, in-person, in-class instruction, the applicant shall, if  
31 requested, make available, at a date and time satisfactory to the Commission and at the applicant's expense, all  
32 hardware and software necessary for the Commission to review the submitted course. In the case of an Internet-  
33 based course, the Commission shall be provided access to the course at a date and time set by the Commission and  
34 shall not be charged any fee for such access.

35 (f) A sponsor seeking approval to offer an already approved elective course shall complete an application on a form  
36 available on the Commission's website that requires the applicant to set forth the:

- 37 (1) title of the elective course;

- 1           (2) applicant's legal name, address, and telephone number;
- 2           (3) applicant's continuing education coordinator's legal name;
- 3           (4) applicant's continuing education sponsor code, if previously approved;
- 4           (5) identity of the course owner;
- 5           (6) written permission of the course owner, if other than the applicant;
- 6           (7) identity of prospective instructors; and
- 7           (8) continuing education sponsor's signature.

8 (g) All applicants shall submit a fee of one hundred dollars (\$100.00) per elective course. No fee shall be required  
9 if the applicant is a public real estate school or is an agency of federal, state, or local government.

10 (h) Applications submitted pursuant to Paragraph (f) of this Rule shall be deemed approved ten business days after  
11 the Commission has received both a complete application and the required one hundred dollar (\$100) per course fee,  
12 unless the Commission notifies the applicant otherwise.

13 (i) Commission approval of all continuing education elective courses shall expire on June 30.

14 (j) In order to ensure continuous approval, a course sponsor shall include the name and course number of each  
15 previously approved continuing education elective it wishes to renew, along with the required fifty dollar (\$50.00)  
16 fee, in the sponsor approval renewal application pursuant to Rule .0404 of this Section.

17 (k) In order to obtain approval for an expired continuing education elective, a course sponsor shall submit an  
18 application for original approval.

19  
20 History Note: Authority G.S. 93A-3(c); 93A-4.1  
21 Eff. July 1, 2017.

1 21 NCAC 58H .0407 is adopted as published in 31:10 NCR 1020 as follows:

2  
3 **21 NCAC 58H .0407 CONTINUING EDUCATION ELECTIVE COURSE REQUIREMENTS**

4 (a) Continuing education elective courses shall:

5 (1) cover subject matter related to real estate brokerage practice and offer knowledge or skills that will  
6 enable brokers to better serve real estate consumers and the public interest;

7 (2) consist of at least four hours of instruction;

8 (3) offer four continuing education credit hours;

9 (4) include handout materials for students that provide the information to be presented in the course;

10 and

11 (5) be taught only by an instructor who possesses at least one of the following:

12 (A) a baccalaureate or higher degree in a field directly related to the subject matter of the  
13 course;

14 (B) three years' full-time work experience within the previous ten years that is directly related  
15 to the subject matter of the course;

16 (C) three years' full-time experience within the previous ten years teaching the subject matter  
17 of the course; or

18 (D) education or experience or both found by the Commission to be equivalent to one of the  
19 above standards.

20 (b) Sponsors shall obtain approval from the Commission before making any changes in the content of an elective  
21 course. Requests for approval of changes shall be in writing. However, changes in course content that are technical  
22 in nature do not require approval during the approval period, but shall be reported at the time the sponsor requests  
23 renewal of course approval.

24  
25 History Note: Authority G.S. 93A-3(c); 93A-4.1;

26 Eff. July 1, 2017.

1 21 NCAC 58H .0408 is adopted with changes as published in 31:10 NCR 1021 as follows:

2  
3 **21 NCAC 58H .0408 COMMISSION CREATED UPDATE COURSES**

4 (a) The Commission shall annually develop Update courses and shall produce instructor and student materials for  
5 use by sponsors.

6 (b) Only approved continuing education sponsors shall offer Update courses. Only approved instructors pursuant to  
7 Rule .0302 of this Subchapter shall instruct Update courses.

8 (c) Continuing education sponsors shall obtain written approval from the Commission prior to offering, advertising,  
9 or otherwise representing that any Update course is being offered for continuing education credit in North Carolina.

10 (d) A continuing education sponsor seeking approval to offer Update courses shall submit an application form  
11 available on the Commission's website that shall require the applicant to set forth the:

12 (1) continuing education sponsor's legal name, address, and telephone number;

13 (2) continuing education coordinator's legal name;

14 (3) continuing education sponsor's number assigned by the Commission;

15 (4) name and instructor number of prospective instructors; and

16 (5) continuing education sponsor's signature.

17 (e) A continuing education sponsor seeking approval to offer a modified Update course pursuant to Paragraph (k) of  
18 this Rule shall also submit the written permission of each of the course owners, if other than the applicant.

19 (f) A licensed or approved school may obtain approval from the Commission to offer an Update Course by  
20 requesting it on the application or renewal of the school license or approval.

21 (g) The applicant shall submit a one hundred dollars (\$100.00) materials fee. No fee shall be required if the  
22 applicant is a public school or is an agency of federal, state, or local government.

23 (h) Sponsors shall use only the Commission-developed course materials to conduct the Update courses, unless  
24 modifications to the Update course content have received advance approval from the Commission. Sponsors shall  
25 provide a copy of the materials developed or otherwise approved by the Commission to each broker taking an  
26 Update course.

27 (i) Commission approval to offer Update courses shall expire annually on June 30 following issuance of approval.  
28 Sponsors shall apply for renewal of approval to offer Update courses each year along with the renewal of sponsor  
29 approval required in Rule .0404 of this Section.

30 (j) All Update course materials developed by the Commission are the sole property of the Commission and are  
31 subject to the protection of federal copyright laws. Violation of the Commission's copyright with regard to these  
32 materials shall be grounds for disciplinary action or other action as permissible by law.

33 (k) With advance approval from the Commission, course sponsors and approved instructors may make  
34 modifications to the Update course when the Update course is being promoted to and conducted for a group of  
35 brokers that specialize in a particular area of real estate brokerage. Such modifications shall relate to the same  
36 general subject matter addressed in the prescribed Update course and the Update course as modified shall achieve  
37 the same educational objectives as the unmodified Update course. Where certain subject matter addressed in the

1 prescribed Update course is not directly applicable to the group of brokers who specialize in the particular area of  
2 real estate brokerage being targeted, different subject matter and education objectives may be substituted with the  
3 prior written consent of the Commission. All modified Update course materials shall be the joint property of the  
4 Commission and the course sponsor or approved instructor approved to make such modifications, or as otherwise  
5 determined by written agreement. Violation of the Commission's copyright with regard to these materials shall be  
6 grounds for disciplinary action or other action as permitted by law.

7  
8 History Note: Authority G.S. 93A-3(c); 93A-4.1;  
9 Eff. July 1, 2017.

1 21 NCAC 58H .0409 is adopted as published in 31:10 NCR 1021 as follows:

2

3 **21 NCAC 58H .0409 RECORDS AND COMMISSION REVIEW**

4 (a) All continuing education sponsors shall retain on file for three years records of student registration and  
5 attendance for each session of a continuing education course that is conducted and shall make such records available  
6 to the Commission upon request during an investigation.

7 (b) Continuing education sponsors shall admit any Commission authorized representative to monitor any continuing  
8 education class without prior notice. Such representatives shall not be required to register or pay any fee and shall  
9 not be reported as having completed the course.

10

11 History Note: Authority G.S. 93A-3(c); 93A-4.1;

12 Eff. July 1, 2017.

1 21 NCAC 58H .0410 is adopted as published in 31:10 NCR 1021 as follows:

2  
3 **21 NCAC 58H .0410 CONTINUING EDUCATION COURSE SCHEDULING AND NOTIFICATION**

4 (a) All continuing education courses shall be scheduled and conducted in a manner that limits class sessions to a  
5 maximum of eight instructional hours in any given day. The maximum permissible class session without a break is  
6 90 minutes. Courses scheduled for more than four instructional hours in any given day shall include a meal break of  
7 at least one hour.

8 (b) Continuing education sponsors shall not offer, conduct, or allow a student to complete any course and offer  
9 continuing education credit between June 11 and June 30, inclusive.

10 (c) Sponsors shall provide the Commission written notice of all scheduled course offerings at least 10 days prior to  
11 the scheduled course date. The notice shall include:

- 12 \_\_\_\_\_ (1) the sponsor name;
- 13 \_\_\_\_\_ (2) the sponsor number assigned by the Commission;
- 14 \_\_\_\_\_ (3) the legal name and instructor number of the course instructor;
- 15 \_\_\_\_\_ (4) the course number;
- 16 \_\_\_\_\_ (5) the scheduled course date and start time; and
- 17 \_\_\_\_\_ (6) the course location.

18 (d) Continuing education sponsors shall notify the Commission of any schedule changes or course cancellations at  
19 least five days prior to the original scheduled course date. If a change or cancellation within five days of the  
20 scheduled course date, then the continuing education sponsor shall provide notice to the Commission within 24  
21 hours of the change or cancellation.

22 (e) The sponsor of any distance education course shall require students to complete the course within 30 days of the  
23 date of registration or the date the student is provided the course materials and permitted to begin work, whichever is  
24 the later date. The sponsor shall not offer, conduct, or allow a student to complete any course for continuing  
25 education credit between June 11 and June 30, inclusive. The sponsor shall advise all students registering for a  
26 distance education course, prior to accepting payment for any course, of the deadlines for course completion.

27 (f) Each sponsor shall certify that its facilities and equipment are in compliance with all applicable local, state, and  
28 federal laws and regulations regarding health, safety, and welfare, including the Americans with Disabilities Act.

29  
30 History Note: Authority G.S. 93A-3(c); 93A-4.1;

31 Eff. July 1, 2017.

1 21 NCAC 58H .0411 is adopted as published in 31:10 NCR 1022 as follows:

2

3 **21 NCAC 58H .0411 CONTINUING EDUCATION COURSE ATTENDANCE**

4 (a) Continuing education sponsors shall require each student who is a licensed broker to provide his or her name  
5 and license number at the initial check in for a class session.

6 (b) A student shall not be issued a Course Completion Certificate, and shall not be reported to the Commission as  
7 having completed a course unless the student satisfies the attendance requirement in 21 NCAC 58A .1705.

8 (c) Sponsors and instructors shall not make any exceptions to this Rule.

9

10 History Note: Authority G.S. 93A-3(c); 93A-4.1;

11 Eff. July 1, 2017.

1 21 NCAC 58H .0412 is adopted as published in 31:10 NCR 1022 as follows:

2  
3 **21 NCAC 58H .0412 CONTINUING EDUCATION ROSTER REPORTS AND CERTIFICATES**

4 (a) At the conclusion of any continuing education course, elective or Update, the sponsor shall submit to the  
5 Commission a CE Roster Report verifying each broker's completion of the course pursuant to Rule .0411 of this  
6 Section. The CE Roster Report shall contain the:

7 (1) sponsor's name;

8 (2) sponsor's number assigned by the Commission;

9 (3) course instructor's name and number;

10 (4) course's name and number;

11 (5) course completion date; and

12 (6) name and license number of each student who completed the course.

13 (b) Sponsors shall submit the CE Roster Report electronically within seven calendar days following the end of any  
14 course, but in no case later than June 15.

15 (c) Sponsors shall submit the ten dollar (\$10.00) per student fee required by G.S. 93A-4.1(d), along with the CE  
16 Roster Report.

17 (d) Sponsors shall provide a course completion certificate to each student who completes an approved continuing  
18 education course pursuant to Rule .0411 of this Section. Sponsors shall provide a printed or electronic certificate  
19 within 15 days following the course, but in no case later than June 15, for any course completed prior to that date.

20  
21 *History Note: Authority G.S. 93A-3(c); 93A-4.1;*

22 *Eff. July 1, 2017.*

1 21 NCAC 58H .0413 is adopted as published in 31:10 NCR 1022 as follows:

2

3 **21 NCAC 58H .0413 CONTINUING EDUCATION COURSE COST, CANCELLATION, AND**

4

**REFUNDS**

5 (a) Sponsors shall establish an all-inclusive cost to be charged to students taking any continuing education course.

6 No separate or additional costs shall be charged to students.

7 (b) Sponsors shall establish written course cancellation and refund policies. In the event a sponsor cancels a

8 scheduled course, registered students shall be notified within twenty-four hours. Sponsors shall refund all prepaid

9 payments received from registered students within 30 days of the date of cancellation, or with the student's written

10 permission apply the refund toward another course.

11

12 History Note: Authority G.S. 93A-3(c); 93A-4.1;

13 Eff. July 1, 2017.

1 21 NCAC 58H .0414 is adopted as published in 31:10 NCR 1022 as follows:

2

3 **21 NCAC 58H .0414 ADVERTISING**

4 (a) Sponsors shall not utilize advertising that is false or misleading.

5 (b) All course advertisement and promotional materials shall specify the number of continuing education credit  
6 hours to be awarded by the Commission for the course.

7 (c) All continuing education course promotional materials shall describe the course costs, the cancellation policy,  
8 and refund policies.

9 (d) Sponsors shall not use endorsements or recommendations of any person or organization, in advertising or  
10 otherwise, unless the person or organization:

11 (1) has consented in writing to the use of the endorsement or recommendation; and

12 (2) is not compensated for such use.

13

14 History Note: Authority G.S. 93A-3(c); 93A-4.1

15 Eff. July 1, 2017.