

Supplement to
AGENDA ITEM 18.F. & 18.G.

Discussion and possible action to propose amendments to and repeal sections of 22 TAC Chapter 535.

Comments received regarding ESAC's proposed change for correspondence courses.

MEMORANDUM

DATE: June 27, 2014

TO: TREC Education Standards Advisory Committee

FROM: Rick M. Albers, ESAC member

RE: Delivery Methodologies for Core and MCE Courses

I will be out of the country and unable to attend the July 8, 2014 ESAC meeting. As a result, I am delivering a short version of my comments concerning the delivery methodologies for Core and MCE courses by this memorandum.

I believe ESAC should maintain the position to discontinue correspondence courses in the manner discussed in previous meetings. I have three main points for standing firm on the prior decision. My comments below are made in the context of MCE courses. You can extrapolate the application to Core courses as you deem fit.

- 1. Quality of Instruction/Instructors.** A great deal of effort is expended to maintain the quality of the required MCE courses (Ethics, Legal Update, and Broker Responsibility). There are strict requirements that must be fulfilled to become qualified to be an instructor of these courses. In addition, each of the qualified instructors must attend a "Train-the-Trainer" course every two years (a separate Train-the-Trainer course for each of the three courses). The use of a correspondence course completely discounts the use of those instructors. I think we have set up a good system to have good instructors. We should use those instructors.
- 2. Compliance with the Texas Real Estate Licensing Act.** The legislature has mandated a minimum number of classroom hours of MCE to be completed for license renewals. Section 1101.455(b) of the Texas Real Estate Licensing Act states that a license holder "must attend during the term of the current license at least 15 *classroom hours* of continuing education courses approved by the commission" (emphasis added). The correspondence courses are commonly completed in far less time than the number of credit hours (see my comments below concerning my own personal experience). I seriously doubt the legislature would approve of TREC granting 3 classroom hours of credit for 30 minutes worth of rapid clicking. I personally think that TREC is not in compliance with the provisions of the Texas Real Estate Licensing Act – and that is my legal opinion.
- 3. Correspondence Courses are Antiquated.** Correspondence courses were instituted to provide a distance learning option at a time when our current electronic communications methods were not available. It made sense to have some kind of method to allow licensees in the far reaches of our great state to obtain education without having to travel to the big city (even though the quality might be inferior). There is no need to settle for that inferior quality today. Distance learning can now be provided to all areas of the state

through other methods with superior quality. The continuing education requirements for other professionals are changing as well for those same reasons. The first phase of the rule changes for licensed attorneys took effect on June 1, 2010 (4 years ago). The final phase took effect one year later. The Minimum Continuing Legal Education (MCLE) rules are structured to allow live, online and recorded classes. Basically, all courses have to start out as a live class (thus involving an instructor or lecturer). The classes can be then be distributed by various means. Correspondence courses are not allowed. It is still possible for attorneys to complete a minimum number of hours through qualified self-study, but please remember that the MCLE requirement for attorneys is 15 hours each year instead of 15 hours every two years. A copy of the notice detailing the attorney MCLE rule changes is attached

I challenge every other member of ESAC to sign up for a MCE correspondence course and join in the experience. I have done it. I completed the required three hour MCE ethics course in less than thirty minutes (just as many brokers and salespersons have told me they have done). There was no need to read the materials (which were nothing more than the TREC required course book). It was simple to click-through the pages to get to the questions at the end of each chapter. The questions asked were simple. It appeared to me that upon choosing an incorrect answer, the subsequent slate of questions was structured to help guide to the correct answer (although that could be my imagination).

It is time for the antiquated correspondence courses to go the way of the rotary dial telephone. There is new technology available to provide on-line distance learning that better provides the education that TREC is mandated to make available for its licensees.

Please remember the mission of TREC is to safeguard the public interest and protect consumers of real estate services. Allowing the substandard delivery of MCE courses does not safeguard the public interest nor protect consumers. It merely allows the licensees (and education providers) to circumvent the rules thus making them more dangerous to the public interest and consumers. The method of delivery of MCE courses must be corrected for TREC to be able to protect the public.

As I stated before, this is merely a short version of my comments. You might very well be thankful my vacation was scheduled at this time so you do not need to hear me rant at the meeting.



MCLE Rules Changes

**The first change is effective June 1, 2010.
The second change is effective June 1, 2011.**

Prior to June 1, 2010:

Every active State Bar member must complete a minimum of 15 CLE hours during each MCLE compliance year. At least 10 of the hours must be earned by attending "participatory" MCLE-accredited activities. Five of the hours may be completed in the form of self-study activities; these include reading, viewing audio/videos, or attending non-accredited educational activities.

Change 1

Beginning June 1, 2010

State Bar members will have a variety of new options to fulfill their MCLE requirements.

MP3 files, podcasts, and other non-interactive audio/video media (such as DVDs and audio CDs) recorded from a live accredited program will be added to the list of approved formats that can be accredited and used to complete all MCLE requirements.

The term "participatory" will no longer be used in connection with accreditation. CLE will either be "Accredited CLE" or self-study.

This change happens first in order that CLE providers may begin providing accredited content in these new formats.

Change 2

Beginning June 1, 2011

The number of allowable self-study credit hours will be reduced from 5 to 3.

A year after the first rule change, it is expected that CLE providers will have plenty of accredited content in the new formats. Attorneys will have more options for completing their MCLE requirements, making it less necessary to rely on self-study. Beginning on this date, at least 12 of an attorney's 15 required MCLE hours each year will need to be completed through "Accredited CLE" activities, which include CLE that one can:

- ▶ **attend in person**, such as live seminars or video replays;
- ▶ **access online**, such as webcasts or on-demand streaming audio/video presentations;
- ▶ **download or acquire in a portable form**, such as DVDs, audio CDs, or audio or video files (MP3s, MP4s, or other formats), **provided** that the CLE has been recorded from a live accredited seminar.

It will be possible to complete one's remaining 3 MCLE hours through self-study.

For more on the changes, visit www.texasbar.com/mcle.

Questions about MCLE?

Please contact the MCLE Department:

800-204-2222, x1806 • 512-427-1806 • MCLE@texasbar.com

P. O. Box 151689, Austin, Texas 78715
512-451-9112 office
www.powertraininginc.com – trainer@powertraininginc.com

Texas Real Estate Commission
Stephen F. Austin Building
1700 N. Congress, Suite 400
Austin, Texas 78701

Attn: Kerri Lewis
Anthony Slagle

July 28, 2014

RE: TREC August 18th, 2014 Meeting
Correspondence courses, Education Standards Advisory Committee

To whom it may concern:

Please accept this letter as my support of the Education Standards Advisory Committee (ESAC) in reference to their recommendations to amend the TREC rules to remove correspondence course delivery for renewal and/or pre-license education.

As a school owner and Instructor I have found that students in my classrooms that originally took their education through correspondence methods are not as well trained as the students that took their courses in the classroom or via true online methods.

It is very frustrating when providing renewal education to licensees and find out how lacking they are in some of the most basic aspects of real estate practice or real estate education.

In an effort to increase the level of knowledge of licensees and to better protect the public, I believe that pre-license courses and renewal education should only be provided via classroom and online delivery.

Sincerely,



Juliana Brock
Real Estate Instructor, School Owner

From: [Deshon Knoflicek](#)
To: kerri.lewis@trec.texas.gov; anthony.slagle@trec.texas.gov
Cc: gwen.jackson@trec.texas.gov
Subject: TREC August 18, 2014 Meeting, Subject - Education Standards Advisory Committee, Topic: Correspondence courses
Date: Monday, July 28, 2014 4:18:07 PM
Attachments: [image001.jpg](#)

Texas Real Estate Commission
Stephen F. Austin Building
1700 N. Congress, Suite 400
Austin, Texas 78701

Attn: Kerri Lewis
Anthony Slagle

To whom it may concern:

I would like to lend my voice and opinion in support of the Education Standards Advisory Committee's recommendations on amendments to TREC rules to remove correspondence course delivery for pre-license and renewal education.

During my 28 years in the real estate industry, I have seen many changes, but what I have seen during this last decade has been the decline in knowledge and ethical behavior by new licensees, specifically those who complete their education via Correspondence methodologies. It is my opinion that the general public and the real estate industry as a whole will benefit and be better protected by classroom and online course delivery, not Correspondence.

Because of this, I support the Education Standards Advisory Committee members and their proposed Rule changes.

Sincerely,

[deshon2008.jpg](#)



Deshon Knoflicek
Real Estate Broker



Texas Real Estate Commission
Stephen F. Austin Building
1700 N. Congress, Suite 400
Austin, Texas 78701

Attn: Kerri Lewis
Anthony Slagle

July 29, 2014

RE: Education Standards Advisory Committee (ESAC) recommendations concerning
Correspondence courses, TREC August 18, 2014 Meeting

To whom it may concern:

I have been attending the recent ESAC meetings and been listening to the discussion in reference to Correspondence course delivery.

As an active real estate broker, instructor and school owner, I continue to support the ESAC opinions and recommendations on amendments to the TREC rules to remove correspondence course delivery for all pre-license and renewal real estate education.

- Some students have informed me they can usually complete a 30 hour pre-license correspondence course in approximately 2-3 hours and a 15 hour renewal course in less time.
- There is no substantive student to student or instructor to student interaction in correspondence courses.
- In 2014, there is no place for correspondence course delivery due to the newer technology that exists via ARELLO® certified online courses, which do allow for student to student and/or instructor to student interaction. This may be why ARELLO® stopped certifying correspondence courses in 2009.
- When certifying a course, ARELLO® looks at numerous items, such as: Course Navigation, Course Design Criteria, Interactivity (student to student, and instructor to student), Evaluation and Assessment, Incremental Assessments, Summative Assessments (Final exams), Remediation, Assessment Banks, Assessment Quality, and Student Support Services.

I have asked myself for over a decade now – How are we protecting consumers, and ensuring real estate licensees are trained properly if they can finish a 30 hour SAE course or a 15 hour MCE course, in 15 minutes to a couple of hours by simply taking a multiple choice test without being trained? With technology as it is today, there's no place for correspondence courses. Classroom and classroom equivalent online



training should be the only choices. Any provider arguing that correspondence courses are on the same level as ARELLO® certified online courses is not being true to the profession. I believe it's also misleading to teach a student an approved 30 hour SAE course in only 15 hours as a "Classroom Quick-Track" (Correspondence course) for instance, when they should receive 30 actual hours of classroom education, not 15.

Distance training delivered by a true online course, either certified by ARELLO®/IDECC or following similar guidelines, ensures the pre-license, SAE and MCE elective and non-elective courses alike are being delivered with the highest educational value and technology. This allows new licensees and current licensees the best options to access a convenient and quality training experience, which will also help protect consumers the licensees serve.

I do not believe that requiring school providers to move to an ARELLO®/IDECC approved online course format would cause an undue burden.

As a real estate school, we sell both Correspondence and Online courses. While it would be a loss of a delivery format, it would not be a loss of revenue. Our students would be able to complete their education via online methodologies which is a proven educational delivery method as compared to the substandard correspondence courses.

One last note – I read all course evaluations from all of my students. While 97% give a very favorable rating, the remaining that give unsatisfactory reviews are typically unsatisfied because they were expecting a correspondence course, and planned on completing the typical 15 hour MCE course in less than 30 minutes.

Sincerely,

Scott Hilton
Real Estate Broker, Educator, School Owner

Rick Knowles

*1100 Forest Oaks Path
Cedar Park, Texas 78613
reclasses@aol.com*

PLEASE DON'T TERMINATE THE CORRESPONDENCE COURSE OPTION.

August 5, 2014

*Texas Real Estate Commission
P. O. Box 12188
Austin, TX 78711-2188*

Dear Commissioners,

I am concerned with the way TREC is going in an effort to get some control over these so called rent a college correspondence programs. Lots of babies being thrown out with the bathwater. For years I and a few others have been asking, no begging, TREC for some help. Over the years even the good providers were forced to push the envelope just to stay in business. When I first started working on a real estate correspondence program my wife was working on her masters degree and took some master level courses by correspondence. I used her courses as a foundation for the real estate program I was developing.

1. Order the course.
2. Receive the textbook, course instructions & course assignments.
3. Complete required course assignments.
4. Pass final exam.

One simple rule change could stop the fly by nights and give TREC some control.
Simply **define** correspondence courses.

For the purpose of this rule a correspondence course for core or MCE credit is defined as:

1. The course is offered through and supervised by an accredited college or university. The course can be offered for college credit or non college credit. The college or university shall register with TREC that they will offer real estate courses not for college credit. College credit course credit will be provided by an official transcript. Not for college credit course credit shall be awarded by certificate or other format accepted by TREC. The college or university will appoint an employee of the college or university to supervise the program. The college or university shall inform TREC with any change of the appointed employee within 30 days of the change. TREC will work with the Texas Real Estate Association (TRETA) to schedule a voluntary meeting of TREC, college appointees, their vendors to discuss concerns, ideas etc to maintain quality of the program. This meeting could be at either of the normal TRETA

meetings held each year.

2. For each CORE, pre-licensure, SAE course the student shall be provided a hard copy textbook from an established book publisher which the student can add to the student's permanent professional library.

In addition to the textbook hard copy, the provider may make the textbook available in a digital format, but not in replacement of the hard copy.

For each MCE L&E and or BR course the student shall be provided a hard copy of the TREC approved student manual for the student's permanent professional library. In addition to the hard copy, the provider may make the manual available, but not in replacement of the hard copy, in a digital format. For each MCE elective course the student shall be provided a hard copy of the textbook which is the basis for the course for the student's professional library. The cost of the hard copy materials may be included in the course tuition or paid as a separate fee.

3. Each course shall require the student show mastery of the topic by completing course assignments such as quizzes. These may be completed in a digital format however each course shall have the option to complete the course assignments in the traditional correspondence written format. Before a student is granted access to the final exam the student must complete any and all course assignments and no sooner than the number of hours being granted for course credit.

4. Each course, except MCE elective, shall require the student to pass a final exam. This final exam may be completed in a digital format as per TREC guidelines. However each course shall allow the student the option to complete the final exam using a proctor. The provider will send the exam to the proctor. After the student completes the final exam the proctor will return the exam and answer sheet to the provider for grading. The proctor will be instructed not to allow the student to keep or make copies of the exam.

What this will do is force schools to require minimum services be provided plus get the colleges or universities more involved. These fly by nights don't have the experience or staff to offer paper & pen options. So, make each course require a paper & pen option. Plus these people slapping a few PDF's together and calling it a textbook will not fly. Also TREC would not have to approve each school's text each time, but just the publisher. So, a school could check a box, Dearborn, Cengage, etc.

If the provider wants to use their own textbook for a MCE elective that textbook would need TREC approval.

Step back to the future. Taking the correspondence course back to its roots.

Just my thoughts.

Sincerely,

Rick Knowles

Docendo discimus