



# TEXAS REAL ESTATE COMMISSION

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## PRESS RELEASE

### APPROVAL GIVEN FOR COURSES AT BROKERAGE FIRMS AMONG SEVERAL EDUCATION POLICY CHANGES;

### OUT-OF-STATE LICENSING REQUIREMENTS CLARIFIED

#### FOR MORE INFORMATION CONTACT:

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#### FOR IMMEDIATE RELEASE:

Wednesday, September 22, 1999

Several important policies surrounding education and the licensing of real estate brokers and sales persons were approved Monday, September 20<sup>th</sup>, by the Texas Real Estate Commission (TREC) following a lengthy review of proposals, and substantial input from constituents regarding education courses, examinations, and criteria for acceptance of schools and instructors.

Major rule changes include allowing accredited core education providers to teach courses within real estate brokers' offices. This policy was established for added convenience in location among real estate professionals and license applicants, as well as to take advantage of state-of-the-art training facilities and equipment that is frequently available through brokerage firms. A stipulation was made, however, requiring that brokerage courses must be instructed outside of actual work stations or any other areas where real estate business is actually conducted. These types of classes must be held only within the confines of a facility that is conducive to instruction, such as a meeting room, conference area, or specific training classroom that is separate and apart from brokerage activities.

Commissioners reaffirmed TREC's long-standing rule of limiting classroom instruction for core real estate courses to no more than ten hours per day. This approach is being maintained to allow reasonable flexibility within limits between students and real estate education providers in meeting both curriculum program needs, as well as scheduling preferences among students.

Other rule changes clarify how core classroom courses can now be qualified and approved by TREC if offered by a professional trade association. Readopted rules also continue the practice of limiting TREC's acceptance and approval of real estate correspondence courses to those offered

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by accredited colleges and universities.

With regard to course exam content, a standard was approved requiring proprietary schools to use final examinations consisting of a least 60 questions, except in the case of math courses which will require a minimum of 20 questions.

Proprietary school accreditation and instructor approval procedures were also addressed. Under the new rules, accreditation of real estate schools and approval of individual instructors will be for a period of five years, after which applications for renewal must be submitted. This compares to TREC's current procedure of issuing life-long school accreditations and instructor approvals through initial applications. Additionally, instructor approvals will now be given based on broader curriculum categories in which instructors are qualified to teach, rather than confined to specific individual courses as currently provided.

Commissioners further decided that submission of a personal financial statement by proprietary school owners should not be required in filing an application for accreditation. Business financial statements and proof of a surety bond to assure financial viability of a school would still be required for both an initial application and subsequent re-accreditation. For an initial application, schools would also have to submit a proposed budget and market survey, but such information would not be required for accreditation renewals.

A discussion was held concerning possible future rule revisions for Mandatory Continuing Education (MCE) courses. An education task force is being appointed to give detailed consideration to prospective ideas for changes, not only for MCE curriculums and providers, but for possible further revision of core education requirements as well. TREC Chairman Brummett appointed Commissioners Maria Gonzalez-Gil, Kay Sutton, Michael Brodie, and Christine Folmer to serve on the task force. Any other individuals interested in being included as a task force member are encouraged to submit a request to Chairman Jay Brummett; C / O Texas Real Estate Commission, 1101 Camino La Costa, Austin, Texas 78752; or by FAX at 512-465-3910.

In addition to education policies, Commissioners gave final approval during their meeting to an amendment that fine-tunes existing real estate licensure requirements for residents outside of Texas. Out-of-state individuals who engage in real estate brokerage practices by way of the Internet or through other communication means will now be required to have a Texas license only

if the transaction involves prospective buyers and sellers, all of whom must be residents of Texas, and the property is located at least partially within the state.