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Oklahoma Real Estate
Commission Draft of
Permanent Rules 2020
Effective November 1, 2020

CHAPTER 10. REQUIREMENTS, STANDARDS AND PROCEDURES

SUBCHAPTER 3. EDUCATION AND EXAMINATION REQUIREMENTS

605:10-3-2. Application for license

(a) Requirements for completing application.

(1) Any person seeking a real estate license shall make application for such license on a form provided by the Commission. The form shall contain, but not be limited to, the following:

(A) Legal name to include first, middle and last name.

(B) Routine biographical information.

(C) License history in Oklahoma and other states.

(D) Criminal and/or civil charges or convictions, including bankruptcy and judgments.

(E) Compliance with Title 59 O.S. 858.301.1 regarding felony convictions.

~~(F) Recent photograph.~~

~~(G)(F)~~ Birth date.

~~(H)(G)~~ Evidence of successful completion of course requirement as specified in the "Code".

~~(I)(H)~~ If applicable, evidence of transaction experience as specified in the "Code."

~~(J)(I)~~ If applicable, evidence of successful completion of the Broker in Charge course.

~~(K)(J)~~ A sworn statement as to accuracy of the application information.

~~(L)(K)~~ Documentation required for compliance necessary to verify citizenship, qualified alien status, and eligibility under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

~~(M)(L)~~ Social security number, pursuant to Title 56, Oklahoma Statutes, Section 240.21A.

~~(N)(M)~~ Submit to a national criminal history record check, as defined by Section 150.9 of Title 74 of the Oklahoma Statutes. A fee amount, not to exceed sixty dollars (\$60.00), shall be sent to the Commission to begin the process of the national criminal history check.

(i) A completed national criminal history record check, completed for the Commission, shall be valid for six (6) months from the date of issuance from the issuing authority.

(ii) In the event an applicant is not physically able to submit to finger printing, other applicant identifiers shall be utilized, i.e., name, birth date and social security number.

(2) An applicant indicating a bankruptcy or judgment, criminal and/or civil charges or convictions on the application, must submit with the application official documents to the Commission which pertain to the disposition of the matter. If official documents are unable to be obtained, a detailed letter explaining the matter(s) must be attached to the application.

(b) **Applicant shall appear for examination.** Each applicant shall appear for an examination as soon as possible subsequent to the filing of an approved application or the signing of a form as required in 605:10-3-3. Each applicant shall allow a photograph to be taken of them at the time they take their real estate examination.

~~(c) **Applicant must be of good moral character.** The application submitted by an individual seeking a license must indicate that the applicant possesses a reputation for honesty, truthfulness, trustworthiness, good moral character, and that he or she bears a good reputation for fair dealing.~~

~~(d) **Determining good moral character.** In determining whether or not an applicant meets the definition of good moral character, the Commission will consider, but not be limited to, the following:~~

~~(1) Whether the probation period given in a conviction or deferred sentence has been completed and fully satisfied to include fines, court costs, etc.~~

~~(2) Whether the restitution ordered by a court in a criminal conviction or civil judgement has been fully satisfied.~~

~~(3) Whether a bankruptcy that is real estate related has been discharged.~~

~~(4) Whether an applicant has been denied licensure or a license has been suspended or revoked by this or any other state or jurisdiction to practice or conduct any regulated profession, business or vocation because of any conduct or practices which would have warranted a like result under the Oklahoma "Code".~~

~~(5) Whether an applicant has been guilty of conduct or practices in this state or elsewhere which would have been grounds for revocation or suspension under the current Oklahoma "Code" had the applicant been licensed.~~

~~(e) **Subsequent good conduct.** If, because of lapse of time and subsequent good conduct and reputation or other reason deemed sufficient, it shall appear to the Commission that the interest of the public will not likely be in danger by the granting of such license, the Commission may approve the applicant as relates to good moral character.~~

~~(c) **Application Fee.** A one-time application processing fee of Thirty Five Dollars (\$35.00) shall accompany all applications for original licensure.~~

605:10-3-7. Provisional sales associate post-license education requirement

(h) **Failure to complete post-license education requirement prior to license expiration.** A provisional sales associate who fails to complete the post-license education requirement ~~prior to the first expiration date of the provisional sales associate license, shall not be entitled to renew such license within six (6) months from the date of issuance, shall be placed on inactive status until evidence of successful completion is submitted to the Commission.~~ A provisional sales associate who fails to complete the post-license education requirement prior to the first expiration date of the provisional sales associate license, shall not be entitled to renew such license.

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SUBCHAPTER 5. INSTRUCTOR AND ENTITY

REQUIREMENTS AND STANDARDS

605:10-5-1. Approval of pre-license course

(h) **Guest instructors.** Guest instructors may be utilized ~~for in-class instruction~~ provided an approved instructor is also present during presentations. Total guest instruction and lectures shall not consume more than thirty percent (30%) of the total course time.

605:10-5-2. Approval of a continuing education course

(b) **Application form.** Entities seeking approval of a course ~~or group of courses totaling thirty-six (36) hours or less~~ shall submit an application on a form prescribed by the Commission along with a nonrefundable fee of ~~seventy dollars (\$70.00)~~ Twenty Five Dollars (\$25.00) per course. ~~Each application is limited to thirty-six (36) hours and shall be submitted on a separate application and accompanied by a non-refundable fee of seventy dollars (\$70.00). Such application shall be made on a form prescribed by the Commission.~~ Each application shall include, but is not limited to, the following information:

- (1) The name(s), address(es), and telephone number(s) of the sponsoring entity, the owner(s), and the coordinator/director responsible for the quality of the course.
- (2) The title(s) of the course or courses.
- (3) The number of hours in each course.
- (4) A copy of each course's curriculum, including comprehensive course objectives, a detailed outline of the course subject matter and instructor(s) for each course.
- (5) The method the entity will use to evaluate the course offering.
- (6) The procedure the entity will use to monitor attendance.
- (7) A personal resume indicating name(s) and qualifications of the instructor(s).
- (8) Any other relevant information useful in determining that the entity is presenting a course which will meet the definition, purposes, goals and objectives adopted by the Commission.
- (9) A statement attesting to the fact that in accepting approval as a continuing education entity, the entity will protect and promote the purposes, goals and objectives of continuing education as stated in the License Code and Rules.

(c) **Commission course approval notice.** The Commission shall within sixty (60) days after receipt of an application inform the entity as to whether the course has been approved, denied, or whether additional information is needed to determine the acceptability of the course.

(d) **Course renewal requirements.** Upon expiration of the time period, as stated in subparagraph (a) of this rule, an application for renewal of any course ~~or group of courses~~ by an entity shall also be accompanied by a non-refundable application fee of ~~Seventy Dollars (\$70.00)~~ Twenty Five Dollars (\$25.00) per course for a thirty-six (36) month period. Renewal applications shall be subject to the same requirements as original applications; however, the renewal application shall be submitted prior to expiration of the course(s).

(i) **Instructor application and approval requirements:** An individual may, upon receipt of an application and evidence of education and/or experience, be considered for approval as an instructor for a three (3) year period including the month of approval. Each application ~~for approval and subsequent renewal~~ must be accompanied by a ~~Ten Dollar (\$10.00)~~ nonrefundable Fifty Dollar (\$50.00) application fee. In order to qualify, an individual must possess proof of one of the following:

- (1) Possession of a bachelor's degree in a related field.
- (2) Possession of a valid teaching credential or certificate from Oklahoma or another jurisdiction authorizing the holder to instruct in an applicable field of instruction.
- (3) Five (5) years full-time experience out of the previous ten (10) years in a profession, trade, or technical occupation in the applicable field of instruction.
- (4) An individual determined by the Commission to possess a combination of education and/or experience, in a field related to that in which the person is to instruct, which constitute an equivalent to one or more of the qualifications in (1), (2) or (3) of this subsection.

(o) **Guest instructors.** Guest instructors may be utilized ~~for in-class instruction~~ provided an approved instructor is also present during presentations. Total guest instruction and lectures shall not consume more than thirty percent (30%) of the total course time.

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SUBCHAPTER 7. LICENSING PROCEDURES AND OPTIONS

605:10-7-2. License terms and fees; renewals; reinstatements

(a) **License term and fees.** Each original license issued under the Code shall be issued to expire at the end of the thirty-sixth (36) month including the month of issuance. Each original provisional sales associate license issued under the Code shall be issued to expire at the end of the twelfth (12th) month including the month of issuance. Fees are non-refundable and are as follows:

- (1) For an original broker license and each subsequent license renewal, to include corporations, associations or partnerships, the fee shall be ~~Two Hundred and Ten Dollars (\$210.00)~~ Two Hundred and Eighty Dollars (\$280.00).
- (2) For an inactive original broker license and each subsequent inactive license renewal, with the exception of corporations, associations or partnerships, the fee shall be ~~One Hundred and Twenty-five Dollars (\$125.00)~~ One Hundred and Sixty Dollars (\$160.00). In order to activate a license that was renewed inactive in the same license term, the licensee shall pay ~~One Hundred and Thirty Dollars (\$130.00)~~ One Hundred and Sixty Five Dollars (\$165.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.
- (3) For an original broker associate license and each subsequent license renewal, the fee shall be ~~One Hundred and Eighty Dollars (\$180.00)~~ Two Hundred and Forty Five Dollars (\$245.00).
- (4) For an inactive original broker associate license and each subsequent inactive license renewal, the fee shall be ~~One Hundred and Ten Dollars (\$110.00)~~ One Hundred and Fifty

Dollars (\$150.00). In order to activate a license that was renewed inactive in the same license term, the licensee shall pay ~~One Hundred and Fifteen Dollars (\$115.00)~~One Hundred and Fifty Five Dollars (\$155.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(5) For an active original sales associate license and each subsequent active license renewal the fee shall be ~~One Hundred and Fifty Dollars (\$150.00)~~Two Hundred Dollars (\$200.00).

(6) For an inactive original sales associate license and each subsequent inactive license renewal the fee shall be ~~Ninety-five Dollars (\$95.00)~~One Hundred and Twenty Five Dollars (\$125.00). In order to activate a sales associate license that was renewed inactive in the same license term, the licensee shall pay ~~One Hundred Dollars (\$100.00)~~One Hundred and Thirty Five Dollars (\$135.00). Thereafter, any future request to activate in the same license term shall be in accordance with Rule 605:10-7-4.

(7) For an original provisional sales associate license that is non-renewable the fee shall be ~~Seventy Dollars (\$70.00)~~ Ninety Five Dollars (\$95.00).

(8) For an original branch office license and each subsequent license renewal the fee shall be ~~One Hundred and Twenty-five Dollars (\$125.00)~~One Hundred and Seventy Dollars (\$170.00).

(9) For each duplicate license or pocket card, where the original is lost or destroyed, and a written request is made, a fee of Seven Dollars and fifty cents (\$7.50) shall be charged.

(10) The Fifteen Dollar (\$15.00) Education and Recovery Fund fee, shall be added and payable with the license fee for an original license and for each subsequent license renewal. Exceptions to this rule are: 1) a provisional sales associate license fee shall be Five Dollars (\$5.00) for their twelve (12) month license term; and, 2) a branch office shall not pay the fee.

605:10-7-9. Nonresident licensing

(j) **Continuing education.** If a nonresident licensee completes the continuing education requirement of another jurisdiction for license renewal, the Commission will require proof of completion of at least one (1) continuing education clock hour in each of the following Oklahoma-specific subjects for license renewal: Broker Relationships Act, Contracts and Forms, and Code and Rule Updates. If a nonresident licensee is exempt from meeting a continuing education requirement in another jurisdiction then the licensee must meet the Oklahoma continuing education requirement as follow:

(1) Each licensee shall have completed of said twenty-one (21) clock hours of continuing education six (6) clock hours of required subject matter as directed by the Commission

(2) The required subject matter, or its equivalent, as determined by the Commission, shall consist of all following subjects each license term: Professional Conduct, Broker Relationships Act, Fair Housing, Contracts and Forms, Code and Rules Updates and Current Issues. The remaining fifteen (15) clock hours may consist of elective subject matter as approved by the Commission

(3) Any licensee may complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours in lieu of the required subject matter.

(4) Any Broker who holds or has held a license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) during any portion of their current license term shall be required to successfully complete the Broker in Charge course as approved by the

Commission consisting of fifteen (15) clock hours, or its equivalent, as approved by the Commission. In addition, to complete the continuing education requirement of twenty-one (21) clock hours such broker shall complete at least two (2) of the six (6) required subject matter, equal to at least six (6) clock hours, as referenced in paragraph (2) of this subsection.

(5) Any broker that lapsed or renewed inactive in their previous license term or current license term who applies for reinstatement or activation and held in their previous or current license term the license type of Broker Manager (BM), Proprietor Broker (BP), or Branch Broker (BB) must complete the Broker in Charge course and two (2) of the six (6) required subject matter totaling six (6) hours prior to their license being reinstated active or reactivating.

(k) Any broker applying for reinstatement or activation as a Broker Manager, Proprietor Broker, or Branch Broker must:

(1) provide documentation verifying ten real estate transactions within the past five (5) years or the equivalent as determined by the Commission; and

(2) successfully complete the Broker in Charge course as approved by the Commission consisting of fifteen (15) clock hours.

For the purposes of this subsection (k), transaction shall be defined in Title 59 O.S. Section 858-351 and shall be demonstrated on forms developed by the Commission.

605:10-7-10. Resident applicants currently or previously licensed in other jurisdictions

~~(e) Military spouse applicant—120 day temporary permit. In accordance with Title 59, O.S., Section 4100.5 the Commission shall expedite the issuance of a 120 day permit to an applicant:~~

~~(1) Who is actively licensed in real estate in another jurisdiction;~~

~~(2) Whose spouse is an active duty member of the Armed Forces or Reserves of the United States;~~

~~(3) Whose spouse is subject to military transfer to this state; and~~

~~(4) Who left employment in another state to accompany their spouse to this state.~~

(c) Active duty military and military spouse applicants may utilize licensure methods provided for in 59 O.S. § 4100 *et seq.* as appropriate.

~~(d) Expedite licensure means to issue the applicant a temporary permit to perform licensed activities for a period of 120 days to allow the person to successfully complete all application requirements as required by the Commission and any specific requirements in this state that were not required in the jurisdiction in which the person was licensed, i.e., criminal history background check and successful passage of the Oklahoma portion of the examination. An extension of the 120 days may be granted up to an additional 60 days if written justification is submitted by the applicant to the commission and the delay of license issuance was not the fault of the applicant.~~

605:10-7-11. Applicant Criminal History

(a) This section establishes the criteria utilized by the Commission in determining the effect of criminal history on applicant eligibility for real estate licensure and certification. This section applies to:

(1) All individuals seeking to obtain a real estate license;

(2) All individuals seeking an initial determination of their eligibility to obtain a real estate license.

(b) The Commission shall maintain a list of felony crimes that disqualify an applicant from obtaining a real estate license within ten (10) years of completion of the criminal sentence, including parole and probation. The felony crimes included on the list substantially relate to the practice of real estate and pose a reasonable threat to public safety for the reasons stated below:

(1) Real Estate Licensees have unique access to residential homes and commercial buildings.

(2) Real Estate Licensees have daily contact with the public and individuals in the occupation.

(3) Real Estate Licensees play a vital role in assisting the public with substantial long-term financial obligations.

(c) The Commission's list of disqualifying felony crimes is available on the Commission's website or upon request by contacting the Commission office.

(d) Individuals may request an initial determination from the Commission regarding whether the individual's criminal history disqualifies that individual from obtaining a real estate license. Such request must be in writing and directed to the Oklahoma Real Estate Commission. The individual must submit a copy of their criminal history and any related documents and court records that specify the criminal history of the individual. A ninety-five dollar (\$95.00) fee shall accompany any request for initial determination. The fee shall be collected by the Commission prior to the determination.

(e) Individuals may appeal the Commission's initial determination of disqualification by submitting a request in writing of the circumstances the individual would like the Commission to consider. The Commission may discuss the individual appeals at any scheduled meeting of the Commission. The individual may be allowed to address the Commission during public comment by signing in at the beginning of the meeting at which the appeal may be on the agenda.

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SUBCHAPTER 9. BROKER'S OPERATIONAL PROCEDURES

605:10-9-3.2. Team registration and fees

- (a) The broker shall register each team within the brokerage with the Commission on a form prescribed by the Commission. The fee for each team name registration shall be \$100.00.
- (b) Each team name must be approved by the broker and must be unique and not registered to another real estate team within the State of Oklahoma, and must not be identical to any association, corporation or partnership licensed as a real estate entity by the Commission.
- (c) The broker shall not allow any team name identical to an associate's corporation or association formed for the purpose of receiving compensation.
- (d) Each team name must be registered to the Commission prior to the performance of any licensable activities by the team.
- (e) It shall be prohibited for a broker to register any team name that is not being used by a team within their brokerage.
- (f) The broker shall maintain and keep current a list of teams and their respective members, in writing, within the brokerage. Copies of this list shall be made available immediately to the Commission upon request.
- (g) The broker shall notify the Commission, in writing, of all deleted or unused team names.
- (h) Team members must maintain an active Oklahoma real estate license.

605:10-9-5. Broker change of address or office telephone number

- (a) **Change of business address or office telephone number.** Any change of business address or office telephone number of a broker must be filed in the Commission office within ten (10) days of such change. Filed shall mean the date of the United States Postal Service postmark or the date personal delivery is made to the Commission office. The broker shall return his or her certificate to the Commission along with those of all licensees in his or her association with a request for a change of address. Upon any request for a change of address there shall be paid a fee to the Commission of ~~Twenty five Dollars (\$25.00)~~ Forty Dollars (\$40.00) for each license to be changed. No fee shall be charged for adding or deleting an office telephone number.
- (b) **Group change of address.** Under certain circumstances as determined by the Commission, the Commission may place a cap of Seven Hundred Fifty Dollars (\$750.00) on group transactions requesting licenses to be issued. To qualify, such request must be received complete and require no further correspondence and/or documents except for the issuance of the licenses.
- (c) **Change of home address.** A broker is required to notify the Commission of his or her current home address. Such change shall be filed in the Commission office within ten (10) days of such change. No fee is required to change the licensee's record; however, a fee of ~~Twenty five Dollars (\$25.00)~~ Forty Dollars (\$40.00) will be charged if the change requires a new license to be issued.

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SUBCHAPTER 11. ASSOCIATE'S LICENSING PROCEDURES

605:10-11-2. Associate licenses

(a) **License issuance and change request.** Each associate license shall be issued to the associate's broker, who shall retain custody of such license. Upon an associate leaving the association of the broker, the associate's license shall be returned to the Commission, together with a release executed by the broker. Any change of association from one firm to another or relocation from one office to another within a firm by an associate must be filed in the Commission office within ten (10) days. The associate's new broker shall be required to file a consent agreement to sponsor said associate on a form provided by the Commission. An associate requesting an association or office change shall be required to pay a fee of ~~Twenty-five Dollars (\$25.00)~~ Forty Dollars (\$40.00).

(b) **Broker refusal to release associate.** In the event a broker refuses for any reason to release an associate, the associate shall notify the broker by certified mail of the disassociation and furnish the Commission a sworn statement that the notification has been sent to the broker. Upon receipt by the Commission of the aforementioned statement, the Commission shall release the licensee.

(c) **Group change requests.** Under certain circumstances as determined by the Commission, the Commission may place a cap of Seven Hundred Fifty Dollars (\$750.00) on group transactions requesting licenses to be reissued. To qualify, the request must be received complete and require no further correspondence and/or documents except for the issuance of the licenses.

(d) **Associates transfer.** When an affiliated associate leaves a broker for whom the associate is acting, the broker shall immediately cause the license of that associate to be forwarded to the Commission along with a release of association form. The broker shall make every attempt to notify the associate of the disassociation.

(e) **Active associate may continually act.** An active associate transferring from one broker to a new broker may continually act if the change is done in a timely manner and in compliance with the ten (10) day notification requirement and other applicable rules of this Chapter.

(f) **Compensation due a disassociated associate.** A previous broker may pay compensation due a disassociated associate directly to the associate and not be required to make such payment through the associate's new broker. However, any agreements between the associate and prior broker requiring further activities to be performed in connection with the compensation to be received, can only be performed with consent and acknowledgement of the new broker.

(g) **Change of home address.** An associate is required to notify the Commission office of his or her current home address. The change shall be filed in the Commission office within ten (10) days of the change. No fee is required to change the licensee's records; however a fee of ~~Twenty-five Dollars (\$25.00)~~ Forty Dollars (\$40.00) will be charged if the change requires a new license to be issued.

605:10-11-3. Associate's corporation or association formed for the purpose of receiving compensation

Within the meaning of subsection 14 of Section 858-312 of the "Code" payment of a commission by a broker to an associate's corporation or association does not constitute a payment of a fee (commission) to an unlicensed person provided the corporation or association, the associate and the broker, abide by the following requirements:

- (1) The associate's corporation or association shall not perform any act requiring a real estate license and shall not hold itself out as engaged in such activity.
- (2) The associate must have an active individual real estate license.
- (3) The broker of the associate must provide the Commission a written statement approving of the associate's corporation or association.
- (4) The associate must be the majority stockholder and president of the corporation or majority member of the association.
- (5) Ownership of an associate's corporation or association is limited to spouses and blood relatives.
- (6) The associate's corporation or association shall not advertise nor receive referral fees or commissions except from the associate's broker.
- (7) The broker and associate must complete and sign a Commission approved form that includes the following:
 - (A) A statement that the associate is the majority stockholder and president of the corporation or majority member of the association.
 - (B) Names and relation of all officers/members and/or stockholders.
 - (C) Verification that the association or corporation is in good standing with the Oklahoma Secretary of State.
- (8) An associate may only register one corporation or association for the purpose of receiving compensation.