

CHAPTER 2016
PRELICENSE EDUCATION AND CONTINUING EDUCATION

[Prior to 9/4/02, see 193E—Ch 3]
[Prior to 6/10/26, see Real Estate Commission[193E] Ch 16]

Chapter rescission date pursuant to Iowa Code section 17A.7: 5/22/29

481—2016.1(543B) Definitions. For the purpose of these rules, the following definitions apply:

“*Affirmative marketing*” means the entire scope of social laws and ethics that are concerned with civil rights as they apply especially to housing and to the activities of real estate licensees.

“*Approved program, course, or activity*” means a continuing education program, course, or activity meeting the standards set forth in these rules which has received advance approval by the commission pursuant to these rules.

“*Approved provider*” means a person or an organization that has been approved by the commission to conduct continuing education activities pursuant to these rules.

“*Broker*” means any person holding an Iowa real estate broker license as defined in Iowa Code section 543B.3.

“*Commission*” means the real estate commission.

“*Continuing education*” means education needed as a condition to license renewal.

“*Credit hour*” means the value assigned by the commission to a prelicense or continuing education program, course, or activity.

“*Distance learning*” or “*online learning*” means a planned teaching/learning experience with a geographic separation of student and instructor that utilizes a wide spectrum of technology-based systems, including computer-based instruction, to reach learners at a distance. Home-study courses that include written materials, exercises and tests mailed to the provider for review are included in this definition.

“*Guest speaker*” means an individual who teaches a real estate education course on a one-time-only or very limited basis and who possesses a unique depth of knowledge and experience in the subject matter the individual proposes to teach.

“*Hour*” means 50 minutes of instruction.

“*Inactive license*” means the same as defined in Iowa Code section 543B.5(12).

“*Licensee*” means the same as defined in Iowa Code section 543B.5(13).

“*Live instruction*” means an educational program delivered in a traditional classroom setting or by electronic means whereby the instructor and student have real-time visual and audio contact to carry out their essential tasks.

“*Prelicense course*” means instruction consisting of one or more courses meeting the criteria of Iowa Code section 543B.15.

“*Salesperson*” means any person holding an Iowa real estate salesperson license as defined in Iowa Code section 543B.5(3).

[ARC 7778C, IAB 4/17/24, effective 5/22/24; Editorial change: IAC Supplement 6/10/26]

481—2016.2(543B) Salesperson prelicense criteria.

2016.2(1) Mandatory course of study.

a. The mandatory course of study for the salesperson licensing examination consists of 60 live instruction or distance/online learning hours of real estate principles and practices to comply with the criteria of Iowa Code section 543B.15. The curriculum includes, but is not limited to, the following subjects:

- Introduction to Real Estate and Iowa License Law. 12 hours
- Ownership, Encumbrances, Legal Descriptions, Transfer of Title and Closing. 12 hours
- Contracts, Agency and Antitrust. 12 hours
- Valuation, Finance and Real Estate Math. 12 hours
- Property Management/Leasing, Fair Housing, Environmental Risks
and Health Issues. 12 hours

b. At the time of submission of an application, an applicant applying for an original salesperson license also provides evidence of the following live instruction courses: 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices and 12 hours of Listing Practices. All the necessary education is completed during the 12 months prior to the date the application is postmarked or received.

2016.2(2) Completion of prelicense education. Successful completion of the salesperson prelicense education includes passage of an examination(s) designed by the approved provider that is sufficiently comprehensive to measure the student’s knowledge of all aspects of the course(s). Times allotted for examinations may be regarded as hours of instruction.

2016.2(3) Substitution of courses. Written requests for substitution of the salesperson prelicense education courses specified in subrule 2016.2(1) may be granted if the applicant submits evidence of successful completion of a course or courses which are substantially similar to the courses specified in subrule 2016.2(1). Courses completed more than 12 months prior to commission consideration for approval do not qualify for substitution.

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481—2016.3(543B) Broker prelicense education criteria.

2016.3(1) Mandatory course of study. The mandatory course of study to take the broker examination consists of Iowa Code section 543B.15(7). Approved courses include the following subjects:

- Contract Law and Contract Writing. 6 hours
- Iowa Real Estate Trust Accounts. 6 hours
- Principles of Appraising and Market Analysis. 6 hours
- Real Estate Law and Agency Law. 6 hours
- Real Estate Finance. 6 hours
- Federal and State Laws Affecting Iowa Practice. 6 hours
- Real Estate Office Organization, Administration and Human Resources. 12 hours
- Real Estate Technology and Data Security. 6 hours
- Ethics and Safety Issues for Brokers. 6 hours

2016.3(2) Completion of prelicense education. Successful completion of the broker prelicense education includes passage of an examination(s) designed by the approved provider that is sufficiently comprehensive to measure the student’s knowledge of all aspects of the course(s). Times allotted for examinations may be regarded as hours of instruction.

2016.3(3) Substitution of courses. Written requests for substitution of the broker prelicense education courses specified in subrule 2016.3(1) may be granted if the applicant submits evidence of successful completion of a course or courses which are substantially similar to the courses specified in subrule 2016.3(1). Any course completed more than 24 months prior to commission consideration for approval does not qualify for substitution.

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481—2016.4(543B) Continuing education criteria.

2016.4(1) All individual real estate licenses are issued for three-year terms, counting the remaining portion of the year of issue as a full year. All individual licenses expire on December 31 of the third year of the license term.

2016.4(2) As a criteria of license renewal in an active status, each real estate licensee completes a minimum of 36 hours of approved programs, courses or activities. Licensees who complete continuing education hours in excess of the requirements for renewal may apply up to 50 percent of the required hours to the following renewal period. Licensees may apply a maximum of 18 hours from the previous renewal period. Licensees cannot carry over any hours toward the mandatory eight-hour law update course nor the four-hour ethics course. Approved courses in the following subjects are completed to renew a license to active status:

- Law Update. 8 hours
- Ethics. 4 hours
- Electives. 24 hours

2016.4(3) During each three-year renewal period a course may be taken for credit only once. A course may be repeated for credit only if the course numbers and instructors are different.

2016.4(4) A maximum of 24 hours of continuing education may be taken by distance/online learning each three-year renewal period.

2016.4(5) A licensee unable to attend educational offerings because of a disability may make a written request to the commission setting forth an explanation and verification of the disability. Licensees making requests need to meet the definition of a person with a disability found in the Americans with Disabilities Act as amended by the ADA Amendments Act of 2008 (ADAAA).

2016.4(6) In addition to courses approved directly by the commission, the following will be deemed acceptable as continuing education:

a. Credits earned in a state which has a continuing education criteria for renewal of a license if the course is approved by the real estate licensing board of that state for credit for renewal. However, state-specific courses are not acceptable.

b. Courses sponsored by the National Association of Realtors (NAR) or its affiliates.

[ARC 7778C, IAB 4/17/24, effective 5/22/24; ARC 9480C, IAB 8/6/25, effective 9/10/25; Editorial change: IAC Supplement 6/10/26]

481—2016.5(543B) Continuing education records. Applicants for license renewal pursuant to Iowa Code section 543B.15 certify that the number of hours of continuing education needed to renew a license was completed as described in rule 481—2016.4(543B).

2016.5(1) The commission will verify by random audit or on a test basis the education claimed by the licensee. It is the responsibility of the licensee to maintain records that support the continuing education claimed and the validity of the credits. Documentation is retained by the licensee for a period of six years after the effective date of the license renewal.

2016.5(2) It will not be acceptable for a licensee to include on a renewal application continuing education which has not yet been completed, is outside the renewal period, or for which prior approval or postapproval has not been previously granted.

2016.5(3) Failure to provide necessary evidence of completion of claimed education within 30 days of the written notice from the commission results in the licensee's being placed on inactive status. Prior to activating a license that has been placed on inactive status pursuant to this provision, the licensee submits to the commission satisfactory evidence that all necessary continuing education has been completed.

2016.5(4) Filing a false affirmation is prima facie evidence of a violation of Iowa Code section 543B.29(1).

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481—2016.6(543B) Reactivating an inactive license. A license may be renewed without the necessary continuing education, but it is only renewed to an inactive status. Prior to reactivating a license that has been issued inactive due to failure to submit evidence of continuing education, the licensee submits evidence that all deficient continuing education hours have been completed. Licensees who complete continuing education hours in excess of the requirements for renewal may apply up to 50 percent of the required hours to the following renewal period. Licensees may apply a maximum of 18 hours from the previous renewal period. Licensees cannot carry over any hours toward the mandatory eight-hour law update course nor the four-hour ethics course.

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481—2016.7(543B) Full-time attendance. Successful completion of continuing education needs full-time attendance throughout the program, course or activity. A student who arrives late, leaves during class or leaves early does not receive a certificate.

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481—2016.8(543B) Education criteria for out-of-state licensees. Subrule 2016.4(2) applies to every Iowa real estate licensee unless exempted by Iowa Code section 272C.2(5).

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481—2016.9(543B) Examination as a substitute for continuing education.

2016.9(1) A salesperson may satisfy all continuing education deficiencies by taking and passing the real estate salesperson examination. An authorization letter is obtained from the commission prior to scheduling the examination with the examination administrator.

a. If the salesperson takes and passes the salesperson examination within the six months immediately preceding the expiration of the license, the salesperson examination score report may be substituted for the necessary hours of continuing education credit for the current license term and will satisfy all previous deficiencies.

b. A salesperson who is otherwise qualified to be a broker and who passes the broker licensing examination is not needed to furnish evidence of credit for continuing education earned as a salesperson.

2016.9(2) A broker may satisfy all continuing education deficiencies by taking and passing the real estate broker examination. An authorization letter is obtained from the commission prior to scheduling the examination with the examination administrator. If the broker takes and passes the broker examination within the six months immediately preceding the expiration of the license, the broker examination score report may be substituted for the necessary hours of continuing education credits for the current license term and will satisfy all previous deficiencies.

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481—2016.10(543B) Use of prelicense courses as continuing education.

2016.10(1) Salespersons and brokers may take up to 24 hours of the salesperson prelicense courses specified in subrule 2016.2(1) as continuing education. However, a newly licensed salesperson cannot use credits from the salesperson prelicense course(s) to meet the continuing education criteria of the first renewal term.

2016.10(2) Broker prelicense courses taken by a salesperson may be applied as continuing education for renewal of the salesperson license and also may be used as prelicense credit to qualify for a broker license.

2016.10(3) A broker may take broker prelicense courses as continuing education, but a newly licensed broker cannot use as continuing education credits from the prelicense courses taken to qualify for the broker license.

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481—2016.11(543B) Requests for prior approval or postapproval of a course(s). A licensee seeking credit for attendance and participation in a course, program, or other continuing education activity that is to be conducted by a school not otherwise approved by the commission may apply for approval to the commission at least 21 days in advance of the beginning of the activity. The commission approves or denies the application in writing within 14 days of receipt of the application.

2016.11(1) The application for prior approval of a course or an activity includes the following information:

- a.* School or organization or person conducting the activity.
- b.* Location of the activity.
- c.* Title and brief description of the activity or title and course outline.
- d.* Credit hours requested.
- e.* Date of the activity.
- f.* Principal instructor(s).

2016.11(2) The application for postapproval of a course or an activity includes the following information:

- a.* School, firm, organization or person conducting the activity.
- b.* Location of the activity.
- c.* Title, description of activity, and course outline.
- d.* Credit hours requested for approval.
- e.* Date of the activity.

- f. Principal instructor(s).
- g. Verification of attendance.

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[◇] Two or more ARCs

¹ Effective date (8/14/91) of amendments to 3.1, unnumbered paragraphs 3, 8; 3.2(1-4); 3.3(2-9); 3.4(1); 3.4(2) “o”; 3.4(5) “h”; and rules 3.5 and 3.6 delayed 70 days by the Administrative Rules Review Committee. Delay lifted 8/21/91, effective 8/22/91.