

CHAPTER 2003
BROKER LICENSE

[Prior to 6/15/88, see Real Estate Commission[700] Ch 3]

[Prior to 9/4/02, see 193E—2.10(543B) to 193E—2.12(543B) and 193E—3.3(543B)]

[Prior to 6/10/26, see Real Estate Commission[193E] Ch 3]

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

481—2003.1(543B) Broker licensure. An applicant is only eligible for a broker license by satisfying Iowa Code section 543B.15.

2003.1(1) An applicant for a real estate broker's license who has been convicted of a disqualifying criminal offense in a court of competent jurisdiction in this state or in any other state, territory, or district of the United States, or in any foreign jurisdiction, may be denied a license by the commission on the grounds of the conviction as provided by Iowa Code section 272C.15 and rule 481—502.2(272C).

2003.1(2) An applicant for a broker license may use active experience as a former Iowa salesperson or active salesperson experience in another state or jurisdiction, or a combination of both, to satisfy the experience requirement for a broker license under Iowa Code section 543B.15(7) only if the former Iowa salesperson or applicant from another state or jurisdiction was actively licensed for not less than 24 months and if the license on which the experience is based has not been expired for more than three years prior to the date the completed broker application with fee is filed with the commission.

[ARC 7765C, IAB 4/17/24, effective 5/22/24; Editorial change: IAC Supplement 6/10/26]

481—2003.2(543B) License examination. Examinations for licensure as a real estate broker are conducted by the commission's authorized representative.

2003.2(1) Testing service. The commission will negotiate an agreement with a testing service relating to examination development, test scheduling, examination sites, grade reporting and analysis. The commission approves the form, contract, and method of administration. The examination is conducted in accordance with approved procedures formulated by the testing agency. Applicants register and pay examination fees directly to the testing service.

2003.2(2) Requests for waiver. The commission will consider each request for a waiver of commission rules or of the qualifications for licensure on an individual basis. The commission may require additional supporting information. If the applicant's experience or prelicense education is found to be less than equivalent to the statutory requirement, the commission may suggest methods of satisfying the deficiency. If a waiver is granted, the applicable examination must be passed before the end of the sixth month following the date of the waiver.

2003.2(3) Eligibility to sit for examination. An individual may only sit for the examination after meeting the qualifications set out in Iowa Code section 543B.15. An examinee is obligated to show one of the following at the examination site:

- a. Evidence that prelicense education has been completed within the last two years.
- b. The letter from the commission granting a waiver of prelicense education.
- c. A written authorization from the commission for individuals planning to qualify under rule 481—2005.3(543B) or 481—2005.11(543B).
- d. A written authorization from the commission for individuals planning to seek reinstatement of an expired license.

2003.2(4) Failure to pass examination. An examinee who takes an examination and fails is eligible to apply to retake the examination at any time the examination is offered by filing a new registration form and paying the examination fee, unless the qualifying time period for the prelicense education or granted waiver has expired.

[ARC 7765C, IAB 4/17/24, effective 5/22/24; Editorial change: IAC Supplement 6/10/26]

481—2003.3(543B) Application for broker license. An applicant who applies for a broker's license will submit to the commission a completed application, license fee, proof of required education, and test score

reports not later than the last working day of the sixth calendar month following the qualifying real estate examination. As required by Iowa Code section 543B.15(9), the completed application must be received within 210 calendar days of the completion of the criminal history check.

2003.3(1) *Application contents.* The applicant for licensure attests to the accuracy of the detailed personal, financial, and business information concerning the applicant included on the application.

2003.3(2) *License terms.* Real estate broker, salesperson, trade name, branch office, and firm licenses are issued for a three-year term, counting the remaining portion of the year issued as a full year. Licenses expire on December 31 of the third year of the license term. Branch office licenses and trade name licenses are issued for the remaining portion of the license term of the license to which each is assigned.

2003.3(3) *Denial of application.* An application may be denied on the grounds provided in Iowa Code chapter 543B and in 481—Chapter 506. The administrative processing of an application does not prevent the later initiation of a contested case to challenge a licensee's qualifications for licensure.

[ARC 7765C, IAB 4/17/24, effective 5/22/24; Editorial change: IAC Supplement 6/10/26]

481—2003.4(543B) Broker continuing education.

2003.4(1) To renew a license in active status, each broker or broker associate 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 or the four-hour ethics course.

2003.4(2) Brokers and broker associates complete approved courses in the following subjects to renew to active status, except in accordance with 481—Chapter 2016.

Law Update	8 hours
Ethics	4 hours
Electives	24 hours

2003.4(3) A license may be renewed in inactive status without the completion of continuing education. Prior to reactivating a license that has been issued inactive due to the licensee's failure to submit evidence of continuing education, the licensee submits an application to reactivate to active status with 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 or the four-hour ethics course.

[ARC 7765C, IAB 4/17/24, effective 5/22/24; ARC 9245C, IAB 5/14/25, effective 6/18/25; Editorial change: IAC Supplement 6/10/26]

481—2003.5(17A,272C,543B) Renewing a broker license. To remain authorized to act as a real estate broker, a broker renews a real estate license before the expiration date of the license. Brokers who fail to renew a real estate license before expiration are not authorized to practice as real estate brokers in Iowa. Termination of a broker's authority to practice real estate in Iowa automatically terminates the authority of all salespersons employed by or assigned to the broker.

2003.5(1) *Application forms.* Applications for renewal of a broker's license may be found on the commission's website. Brokers renew electronically. While the commission generally mails reminders to brokers in the November preceding license expiration, the failure of the commission to mail a reminder does not excuse the broker from the requirement to renew prior to the expiration of the license.

2003.5(2) *Qualifications for renewal.* The commission grants an application to renew a broker's license if:

a. The application is timely received by the commission by December 31, or within the 30-day grace period after expiration as provided by Iowa Code section 543B.28.

b. The application is accompanied by the regular renewal fee and, if received by the commission after midnight December 31 but prior to midnight January 30, is accompanied by a penalty of \$25.

c. The application is fully completed with all necessary information, including proper disclosure of completed continuing education and errors and omissions insurance.

d. The application does not include grounds to deny a license, such as the revocation of a license in another jurisdiction or a criminal conviction.

2003.5(3) *Incomplete or untimely applications to renew.* Renewal applications received by the commission after midnight January 30 will be treated as applications to reinstate an expired license under rule 481—2003.6(272C,543B).

a. Applications to renew or reinstate a broker's license which are incomplete or which are not accompanied by the proper fee may be returned to the broker for additional information or fee.

b. Alternatively, the commission may retain the application, and notify the applicant that the application cannot be granted without further information or fee.

2003.5(4) *Insufficient continuing education.* Renewal applications which do not report completion of required continuing education, but which are otherwise timely and sufficient and accompanied with the proper fee, are renewed in inactive status. In the event of a factual dispute regarding the broker's intent to renew in inactive status or a broker's completion of continuing education, the commission may deny the application and provide the applicant with an opportunity for hearing according to the procedures set forth in 481—Chapter 506.

2003.5(5) *Denial of application to renew.* An application to renew may be denied on the grounds provided in Iowa Code chapter 543B and in 481—Chapter 506. The administrative processing of an application to renew does not prevent the later initiation of a contested case to challenge a licensee's qualifications for licensure.

2003.5(6) *Renewal of inactive or suspended license.* An inactive or suspended license expires if not timely renewed. The status of a license does not affect the requirement to renew.

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481—2003.6(272C,543B) Reinstatement of an expired broker license. A real estate broker who fails to renew or file a completed renewal application by midnight January 30 of the first year following expiration may reinstate the license within three years of expiration by submitting a complete and sufficient application accompanied by the regular renewal fee and an additional reinstatement fee of \$25 for each partial or full month following expiration. From the date of expiration to the date of reinstatement, the broker is not authorized to practice as a real estate broker in Iowa.

2003.6(1) *Continuing education.* A broker either fully satisfied all continuing education or has retaken and passed the broker examination to reinstate an expired broker license.

2003.6(2) *Starting over.* A broker who fails to reinstate an expired license by December 31 of the third year following expiration is treated as if the former broker had never been licensed in Iowa. Such a former broker starts over in the licensing process and must first qualify and apply for a salesperson license.

2003.6(3) *Denial of application.* An application may be denied on the grounds provided in Iowa Code chapter 543B and in 481—Chapter 506. The administrative processing of an application does not prevent the later initiation of a contested case to challenge a licensee's qualifications for licensure.

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These rules are intended to implement Iowa Code chapters 17A, 272C and 543B.

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