

CHAPTER 2004
SALESPERSON LICENSE

[Prior to 9/4/02, see 193E—2.10(543B), 193E—2.11(543B), 193E—3.2(543B), and 193E—3.3(543B)]
[Prior to 6/10/26, see Real Estate Commission[193E] Ch 4]

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

481—2004.1(543B) General criteria for salesperson license. A person who is licensed under and employed by or otherwise associated with a real estate broker or firm is a “salesperson” as defined in Iowa Code section 543B.5(20) and rule 481—2002.1(543B).

2004.1(1) An original application for a salesperson license cannot be issued to inactive status.

2004.1(2) If the license is transferred, as provided in rule 481—2006.2(543B), the salesperson may work immediately for the new broker.

2004.1(3) A salesperson is assigned to a licensed broker or firm and cannot conduct business independently.

2004.1(4) Except as provided in Iowa Code section 543B.21, an applicant for a salesperson license must meet all qualifications under Iowa Code section 543B.15.

2004.1(5) An applicant for a real estate salesperson license who has been convicted of a disqualifying criminal offense in a court of competent jurisdiction in this state or in any other state, jurisdiction, 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).

2004.1(6) An applicant for a real estate salesperson license who has had a professional license of any kind revoked in this or any other jurisdiction may be denied a license by the commission on the grounds of the revocation.

2004.1(7) Salesperson prelicense education requirements. As required by Iowa Code section 543B.15(8) and 481—Chapter 2016, the required course of study for the salesperson licensing examination consists of 60 live instruction or online learning hours of real estate principles and practices. To be eligible to take the examination, the 60 live education or online learning hours of real estate principles and practices are completed during the 12 months prior to taking the examination. The applicant will also provide evidence of successful completion of the following courses: 12 hours of Developing Professionalism and Ethical Practices, 12 hours of Buying Practices and 12 hours of Listing Practices. The prelicense education will expire after 12 months.

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481—2004.2(543B) License examination. Examinations for licensure as a real estate salesperson are conducted by the commission or its authorized representative.

2004.2(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 will approve the form, contract, and method of administration. The examination is conducted in accordance with approved procedures formulated by the testing service. Applicants register and pay examination fees directly to the testing service.

2004.2(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 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.

2004.2(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 60 live education or online learning hours of real estate principles and practices have been completed.

- b. A 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).

2004.2(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 waiver granted has expired.

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481—2004.3(543B) Application for salesperson license. An applicant who passes a qualifying examination and applies for a license must file with the commission a completed application with license fee, proof of required education, and test score report 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.

2004.3(1) *Application contents.* The application includes detailed personal, financial, and business information concerning the applicant, and the applicant for licensure attests to its accuracy.

2004.3(2) *License terms.* A salesperson license is 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.

2004.3(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.

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481—2004.4(543B) Salesperson continuing education requirements.

2004.4(1) As a requirement of license renewal in active status, each salesperson 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.

2004.4(2) Salespersons renewing licenses shall 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

2004.4(3) A salesperson license may be renewed to inactive status without completion of continuing education. Prior to reactivating a license that has been issued inactive due to failure to submit evidence of continuing education, the licensee must submit 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 7766C, IAB 4/17/24, effective 5/22/24; ARC 9246C, IAB 5/14/25, effective 6/18/25; Editorial change: IAC Supplement 6/10/26]

481—2004.5(543B) Renewing a license. To remain authorized to act as a real estate salesperson, a salesperson must renew a real estate license before the expiration date of the license. Salespersons who fail to renew a real estate license before expiration are not authorized to practice as real estate salespersons in Iowa.

2004.5(1) *Application forms.* Applications for renewal of a salesperson license may be found on the commission’s website. Salespersons will renew electronically. While the commission generally mails

reminders to salespersons in the November preceding license expiration, the failure of the commission to mail a reminder does not excuse the salesperson from the requirement to timely renew.

2004.5(2) *Qualifications for renewal.* The commission shall grant an application to renew a salesperson 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 required continuing education and errors and omissions insurance.

d. The application fails to reveal grounds to deny a license, such as a criminal conviction or the revocation of a license in another jurisdiction.

2004.5(3) *Incomplete or untimely applications to renew.* Renewal applications received by the commission, or postmarked, after midnight January 30 shall be treated as applications to reinstate an expired license under rule 481—2004.6(272C,543B).

a. Applications to renew or reinstate a salesperson license which are incomplete or which are not accompanied by the proper fee may be returned to the salesperson 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.

2004.5(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 proper fee, shall be renewed in inactive status. In the event of a factual dispute regarding the salesperson's intent to renew in inactive status or a salesperson's compliance with continuing education requirements, 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 and rule 481—2018.13(543B).

2004.5(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 shall not prevent the later initiation of a contested case to challenge a licensee's qualifications for licensure.

2004.5(6) *Renewal of inactive or suspended license.* An inactive or suspended license must be timely renewed or it shall expire. The status of a license does not affect the requirement to renew.

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481—2004.6(272C,543B) Reinstatement of an expired salesperson license. A real estate salesperson who fails to renew or fails to file a complete renewal application form 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 salesperson is not authorized to practice as a real estate salesperson in Iowa.

2004.6(1) *Continuing education.* An application to reinstate an expired salesperson license must report that the salesperson either fully satisfied all required continuing education or has retaken and passed the salesperson examination. A salesperson holding an expired license who wishes to retake the salesperson examination must obtain written authorization from the commission to show at the examination site.

2004.6(2) *Deposit of reinstatement fees.* Reinstatement fees collected under this rule shall be transmitted to the treasurer's office and credited to the education fund established in Iowa Code section 543B.54.

2004.6(3) *Starting over.* A salesperson who fails to reinstate an expired license by December 31 of the third year following expiration shall be treated as if the former salesperson had never been licensed in Iowa. Such a former salesperson must start over in the licensing process and qualify and apply for a salesperson license.

2004.6(4) *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 shall 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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