

Dear Senators PATRICK, Agenbroad, Ward-Engelking, and
Representatives DIXON, DeMordaunt, Smith:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of
the Real Estate Commission:

IDAPA 33.00.00 - Notice of Omnibus Rulemaking - Temporary and Proposed Fee Rulemaking
(Docket No. 33-0000-1900F).

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the
cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research
and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative
Services. The final date to call a meeting on the enclosed rules is no later than 07/17/2019. If a meeting is
called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis
from Legislative Services. The final date to hold a meeting on the enclosed rules is 08/14/2019.

The germane joint subcommittee may request a statement of economic impact with respect to a
proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement,
and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has
been held.

To notify Research and Legislation, call 334-4854, or send a written request to the address on the
memorandum attached below.



Eric Milstead
Director

Legislative Services Office

Idaho State Legislature

Serving Idaho's Citizen Legislature

MEMORANDUM

TO: Rules Review Subcommittee of the Senate Commerce & Human Resources Committee and the House Business Committee

FROM: Legislative Drafting Attorney - Matt Drake

DATE: June 27, 2019

SUBJECT: Real Estate Commission

IDAPA 33.00.00 - Notice of Omnibus Rulemaking - Temporary and Proposed Fee Rulemaking (Docket No. 33-0000-1900F)

The Idaho Real Estate Commission submits notice of temporary and proposed rules at IDAPA 33.01.01, Rules of the Idaho Real Estate Commission. The rulemaking adopts and re-publishes an existing and previously approved chapter with minor modifications in the nature of clean-up and consolidation of like content, including with respect to material formerly covered by chapters that are being allowed to expire (IDAPA 33.01.02 and IDAPA 33.01.03). Those chapter deletions resulted in minor modifications to this chapter. **No substantive changes are noted.**

This is a fee rule. **No new fees or charges are imposed by this rule reauthorization and republication.**

These rules were previously analyzed and reviewed by the Legislative Services Office upon their initial promulgation.

cc: Real Estate Commission
MiChell Bird

***** PLEASE NOTE *****

Per the Idaho Constitution, all administrative rules may be reviewed by the Legislature during the next legislative session. The Legislature has 3 options with this rulemaking docket: **1) Approve the docket in its entirety; 2) Reject the docket in its entirety; or 3) Reject the docket in part.**

IDAPA 33 – REAL ESTATE COMMISSION

DOCKET NO. 33-0000-1900F

NOTICE OF OMNIBUS RULEMAKING – TEMPORARY AND PROPOSED FEE RULEMAKING

EFFECTIVE DATE: The effective date of the temporary rules listed in the descriptive summary of this notice is June 30, 2019.

AUTHORITY: In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted temporary rules, and proposed rulemaking procedures have been initiated. The action is authorized pursuant to Sections 54-2097 and 54-2020, Idaho Code.

PUBLIC HEARING SCHEDULE: Oral comment concerning this rulemaking will be scheduled in accordance with Section 67-5222, Idaho Code.

DESCRIPTIVE SUMMARY: The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

This temporary and proposed rulemaking adopts and re-publishes the following existing and previously approved and codified chapters under IDAPA 33, rules of the Real Estate Commission:

IDAPA 33

- 33.01.01, *Rules of the Idaho Real Estate Commission* – Section 003 was modified to include 04.11.01 instead of 33.01.02, which is set to expire on July 1, 2019. Rule 000 and 001 were modified to include the Subdivided Lands Act in 33.01.01 instead of 33.01.03, which is set to expire on July 1.

TEMPORARY RULE JUSTIFICATION: Pursuant to Sections 67-5226(1) and 67-5226(2), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons:

These temporary rules are necessary to protect the public health, safety, and welfare of the citizens of Idaho and confer a benefit on its citizens. These previously approved and codified rules implement the duly enacted laws of the state of Idaho, provide citizens with the detailed rules and standards for complying with those laws, and assist in the orderly execution and enforcement of those laws. The expiration of these rules without due consideration and processes would undermine the public health, safety and welfare of the citizens of Idaho and deprive them of the benefit intended by these rules. The Real Estate Commission is a self-governing agency authorized by statute to regulate real estate brokerage in Idaho. Without these Rules in place, the Commission will be unable to adequately protect the public in regulated real estate transactions.

The fee or charge imposed by the rules is necessary to avoid immediate danger. The fees or charges reauthorized in this rulemaking are currently existing and have been previously promulgated by the agency and reviewed and approved by the Legislature. These fees and charges are part of the dedicated fund portion of the state budget, which makes up a material portion of the FY2020 budget. The FY2020 budget has already been set by the Legislature and passed into law. That budget relies upon the existence of these fees and charges to meet the state's obligations and provide necessary state services. Failing to reauthorize these fee rules would create immediate danger to the state budget, immediate danger to necessary state functions and services, and immediate danger of a violation of Idaho's constitutional requirement that it balance its budget.

The Commission is a dedicated fund agency, with funding for all Commission operations coming primarily from license and application fees established by these rules. Failure to re-authorize these rules would prevent the Commission from collecting any licensing, renewal, or timeshare registration fees, thus endangering the Commission's ability to perform essential functions necessary to protect consumer, business, and public interests in Idaho.

FEE SUMMARY: The preceding section and the attached rules provide a specific description of the fee or charge imposed or increased by this rulemaking. This rulemaking does not impose a fee or charge, or increase a fee or charge, beyond what was previously approved and codified in the prior rules.

IDAPA 33.01.01.100.01-02:	Licensing Fees;
IDAPA 33.01.01.101:	Late License Renewal Fees;
IDAPA 33.01.01.102:	Fee to Print License Certificate;
IDAPA 33.01.01.103:	Fee to Compile Education or License History;
IDAPA 33.01.01.104:	Fee for Branch Office License;

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: This rulemaking is not anticipated to have any fiscal impact on the state general fund because the FY2020 budget has already been set by the Legislature, and approved by the Governor, anticipating the existence of the rules and fees being reauthorized by this rulemaking.

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(2), Idaho Code, negotiated rulemaking was not feasible because of the need to adopt the rules as temporary, and because these existing chapters of IDAPA are being re-published and re-authorized. Negotiated rulemaking also is not feasible because of the need to implement these rules before they expire; the rules form the regulatory framework of the laws of this state and have been previously promulgated and reviewed by the legislature pursuant to the Idaho Administrative Procedures Act, Chapter 52, Title 67, Idaho Code; and because engaging in negotiated rulemaking for all previously existing rules will inhibit the agency from carrying out its ability to serve the citizens of Idaho and to protect their health, safety, and welfare.

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, incorporated material may be obtained or electronically accessed as provided in the text of the temporary and proposed rules attached hereto.

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the temporary and proposed rule, contact MiChell Bird, (208) 334-3285.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered within twenty-one (21) days after publication of this Notice in the Idaho Administrative Bulletin. Oral presentation of comments may be requested pursuant to Section 67-5222(2), Idaho Code, and must be delivered to the undersigned within fourteen (14) days of the date of publication of this Notice in the Idaho Administrative Bulletin.

Dated this 19th day of June, 2019.

MiChell Bird
Executive Director
Real Estate Commission
575 E. ParkCenter Blvd., Ste. 180
Boise, ID 83706
Phone: (208) 334-3285
Fax: (208)334-2050

**IDAPA 33
TITLE 01
CHAPTER 01**

IDAPA 33 – REAL ESTATE COMMISSION

33.01.01 – RULES OF THE IDAHO REAL ESTATE COMMISSION

000. LEGAL AUTHORITY.

The Rules of the Idaho Real Estate Commission contained herein have been adopted pursuant to Section 54-2007, Idaho Code. Any violation of these rules, or of any provision of Chapter 20, Title 54, or Chapter 18, Title 55, Idaho Code, is sufficient cause for disciplinary action as prescribed in Sections 54-2059, 54-2060, or 55-1811, Idaho Code. (3-15-02)

001. TITLE AND SCOPE.

01. Title. These rules are titled IDAPA 33.01.01, “Rules of the Idaho Real Estate Commission,” IDAPA 33, Title 01, Chapter 01. (3-15-02)

02. Scope. These rules contain the requirements for implementation and enforcement of the Idaho Real Estate License Law, the Idaho Real Estate Brokerage Representation Act, and the Subdivided Lands Disposition Act, contained in Chapter 20, Title 54, or Chapter 18, Title 55, Idaho Code. (6-30-19)T

002. WRITTEN INTERPRETATIONS.

In accordance with Section 67-5201(19)(b)(iv), this agency has written statements which pertain to the interpretation of the rules of this chapter, or to documentation of compliance with the rules of this chapter. These documents are available for public inspection and copying at cost at the Idaho Real Estate Commission, 575 E. Parkcenter Blvd., Suite 180, Boise ID 83706. (3-15-02)

003. ADMINISTRATIVE PROCEEDING AND APPEALS.

Administrative proceedings and appeals are administered by the Commission in accordance with the “Idaho Rules of Administrative Procedure of the Attorney General,” IDAPA 04.11.01, Subchapter B -- Contested Cases, Rules 100 through 800, which, for the purpose of Section 55-1813(4), Idaho Code, is known as Rules of Practice and Procedure of the Idaho Real Estate Commission Governing Contested Cases. (6-30-19)T

01. Place and Time for Filing of Documents. Documents in rulemaking or contested cases may be filed with the executive director of the Commission at the Commission office between the hours of 8 a.m. and 5 p.m., Mountain Time, Monday through Friday, excluding state holidays. (6-30-19)T

02. Manner of Filing. One (1) original and two (2) copies of each document must be filed unless otherwise specifically required by the person or officer presiding over a particular rulemaking or contested case proceeding. Filing by electronic or fax transmission is permitted if legible, complete, and received during the Commission's office hours. The filing party is responsible for verifying with the Commission staff that the electronic or fax transmission was successfully and legibly received. (6-30-19)T

004. INCORPORATION BY REFERENCE.

There are no materials incorporated by reference. (3-15-02)

005. OFFICE HOURS, MAILING AND PHYSICAL ADDRESS, PHONE NUMBERS.

The office hours for Real Estate Commission are 8 a.m. to 5 p.m., Monday through Friday, excepting state holidays. The Commission’s mailing address and office location is 575 E. Parkcenter Blvd., Suite 180, Boise ID 83706. The telephone number is (208) 334-3285. (3-15-02)

006. ELECTRONIC SIGNATURES.

A person’s entry of the identification number assigned by the Commission, or approved for the person’s use by the Commission, shall constitute the person’s signature when transmitted as part of or in connection with an electronic

document or procedure in the course of business with the Commission. Any identification number assigned or approved by the Commission shall be unique to the person using it, capable of verification, and conform to all applicable rules, guidelines and policies established by the Commission. (3-15-02)

007. -- 099. (RESERVED)

RULES 100 THROUGH 199
APPLICATION, LICENSURE AND TERMINATION OF LICENSES

100. LICENSE FEES.

License fees are established as follows. (3-15-02)

01. Fees For Licensed Individuals. The fees for an initial or renewing license for broker, associate broker, or salesperson shall be one hundred sixty dollars (\$160) per license period, which fees include the twenty dollar (\$20) fee prescribed in Section 54-2070, Idaho Code. (3-19-07)

02. Fees For Licensed Legal Business Entities. The fee for an initial or renewing license for each legal business entity shall be fifty dollars (\$50) per license period. (10-1-05)

101. LATE LICENSE RENEWAL FEES.

When a license renewal application is submitted after the license period has elapsed, there shall be, in addition to the fees for renewing the license, a late fee in the amount of twenty-five dollars (\$25). (3-26-08)

102. FEE TO PRINT LICENSE CERTIFICATE.

The fee for having the commission print a license certificate shall be fifteen dollars (\$15) for each certificate. (3-26-08)

103. FEE TO COMPILE EDUCATION OR LICENSE HISTORY.

The fee for having the commission compile and certify a licensee's education history or license history shall be ten dollars (\$10) for each compilation. (3-26-08)

104. FEE FOR BRANCH OFFICE LICENSE.

The fee for an initial or renewing license for each branch office shall be fifty dollars (\$50) per license period. (3-26-08)

105. CONDITIONS TO RENEW EXPIRED LICENSE.

The Commission may accept a licensee's application to renew an expired license upon the following conditions: (3-29-10)

01. Payment of Late Fee. The applicant must pay the late license renewal fee established by this chapter; (3-29-10)

02. Renewal After Expiration of Active License. If the license expired on active license status, the licensee must complete and submit with the application, on the form approved by the Commission, one (1) of the following: (3-29-10)

a. A certificate attesting that during the period the license was expired, the licensee did not do or attempt to do any acts described in the definitions of real estate broker or salesperson in Section 54-2004, Idaho Code; or (3-29-10)

b. A certificate admitting that during the period the license was expired, the licensee did or attempted to do an act described in the definitions of real estate broker or salesperson in Section 54-2004, Idaho Code, and either: (3-29-10)

i. Agree to pay the proposed civil fine, which amount will be in accordance with the scheduled amount approved by the Commission by motion; or (3-29-10)

ii. Request a hearing to determine any fine under the procedures set forth in the Idaho Administrative Procedure Act, Chapter 52, Title 67, and the Commission's rules under IDAPA 33.01.02, "Rules of Practice and Procedure of the Idaho Real Estate Commission Governing Contested Cases." (3-29-10)

03. Investigate or Discipline a Licensee. Nothing in this Section limits the ability of the Commission to investigate or discipline a licensee for violating Subsection 54-2018(3), Idaho Code, or for violating any other provision of the Real Estate License Law or the rules promulgated by the Commission. (3-29-10)

106. -- 116. (RESERVED)

117. CERTIFICATION OF MANDATORY ERRORS AND OMISSIONS INSURANCE.

Every licensee, upon obtaining or renewing an active real estate license in the state of Idaho shall have in effect and maintain a policy of errors and omissions insurance when required by Section 54-2013, Idaho Code, to cover all activities contemplated under Chapter 20, Title 54, Idaho Code and shall certify such coverage to the Commission in the form and manner prescribed by statute and in these rules. (4-11-15)

01. Certification of Licensees Under Group Insurance Plan. Licensees covered under the Group Insurance Plan, as provided for in Section 118 of these rules, shall be deemed to have satisfied the certification requirement of Section 117. The effective date of coverage, however, shall be the day of final license approval. (4-2-03)

02. Certification of Licensees Obtaining Independent Coverage. Licensees obtaining independent coverage, as provided for in Section 119 of these rules, shall obtain a Certificate of Coverage, signed by an authorized agent or employee of the insurance carrier, which certificate shall be in a form approved by the Commission, reflecting proof of insurance meeting the requirements established by the Commission. Upon request by the Commission the licensee shall produce for inspection the Certificate of Insurance. (4-2-03)

118. GROUP INSURANCE PLAN.

The Commission shall make available to all active licensees, subject to terms and availability from a qualified insurance carrier, a policy of Errors and Omissions Insurance under a Group Plan obtained by the Commission. (3-15-02)

01. Qualified Insurance Carrier Defined. For the purposes of Section 118, a "qualified insurance carrier" shall mean an insurance carrier: (3-15-02)

a. Which, for the entire term of its contract shall provide the Group Plan of errors and omissions insurance contemplated by these rules, maintains an A.M. Best Company rating of B+ or better, and an A.M. Best Financial Size Category of Class VI or higher; (3-15-02)

b. Which is and will remain for the policy term duly authorized by the Idaho Department of Insurance to do business in the state of Idaho as an insurance carrier; (3-15-02)

c. Which is and will remain for the policy term qualified and authorized by the Idaho Department of Insurance to write policies of errors and omissions insurance in Idaho of the type contemplated by these rules; (3-15-02)

d. Which, after competitive bidding, has been notified by the Commission that it is the successful bidder for the Group Plan to provide the errors and omissions insurance contemplated by these rules; and (3-15-02)

e. Which has entered into a contract to provide said group errors and omissions plan in conformity with said contract, these rules and the Idaho Real Estate License Law. (3-15-02)

02. Right to Cancel. The group policy obtained by the Commission under these rules shall be available to all active licensees with no right on the part of the carrier to cancel any licensee. (3-15-02)

03. Approved Policy. The group policy obtained by the Commission shall cover all activities contemplated under Chapter 20, Title 54, Idaho Code, shall be subject to such terms and conditions as are customary

in the insurance industry for policies of errors and omissions insurance, which are otherwise permissible under Idaho law and the rules of the Idaho Insurance Department, and which are contained in a policy of insurance which has been approved by the Department of Insurance; provided, however, that said Group Plan shall provide, at a minimum, the following terms and conditions: (3-15-02)

a. Not less than one hundred thousand dollars (\$100,000) limit liability coverage for each occurrence, not including costs of investigation and defense; (3-15-02)

b. An annual aggregate limit of not less than three hundred thousand dollars (\$300,000), not including costs of investigation and defense; (3-15-02)

c. The minimum coverage requirements of Subsection 118.03 shall apply to each individual licensee; (3-15-02)

d. A deductible amount of not greater than three thousand five hundred dollars (\$3,500), which shall include costs of investigation and defense; (3-15-02)

e. A reasonable premium not to exceed the maximum premium set forth in Section 54-2013, Idaho Code; (3-15-02)

f. A policy period equal to each licensee's two (2) year license renewal date or the prorated equivalent, or, if an annually renewable policy, a statement of the policy period, and in either case, the policy shall provide for continuous coverage during the policy period; (3-15-02)

g. An extended reporting period per insured of at least ninety (90) days following termination of the policy period; and (3-15-02)

h. Prior acts coverage shall be offered to licensees with continuous past coverage. (3-15-02)

04. Standard of Group Policy Determined. For the purposes of these rules and the fulfillment of the Commission's obligations under Idaho Real Estate License Law, approval by the Idaho Department of Insurance of any group policy of errors and omissions insurance to be issued to the state of Idaho pursuant to these rules shall be conclusive proof that the terms and conditions of said policy meet the standards and practices in the insurance industry with respect to such policies, and that said policy meets the requirements of Idaho law and the rules of the Idaho Insurance Department with respect to such policies of insurance. (3-15-02)

119. INDEPENDENTLY OBTAINED ERRORS AND OMISSIONS INSURANCE.

Licensees may obtain errors and omissions insurance independently of the Group Policy available through the Commission, subject, however, to the terms and conditions set forth in these rules. (3-15-02)

01. "Independently Obtained" Insurance Defined. The term "independently obtained" insurance shall mean a policy of errors and omissions insurance issued to each individual licensee or issued to the firm with which the licensee is affiliated and which shall provide, at a minimum, all of the following terms and conditions: (3-15-02)

a. Covers all activities contemplated under Chapter 20, Title 54, Idaho Code, under such terms and conditions as are customary in the insurance industry for policies of errors and omissions insurance, which are otherwise permissible under Idaho law and the rules of the Idaho Department of Insurance, and which are contained in a policy of errors and omissions insurance which has been approved by the Idaho Department of Insurance; (3-15-02)

b. If an "individual" policy specifies not less than one hundred thousand dollars (\$100,000) limit liability coverage for each occurrence, not including costs of investigation and defense; (3-15-02)

c. If a "firm" policy specifies not less than five hundred thousand dollars (\$500,000) limit liability coverage for each occurrence, not including costs of investigation and defense; (3-15-02)

d. If an “individual” policy, an annual aggregate limit of not less than three hundred thousand dollars (\$300,000), not including costs of investigation and defense; (3-15-02)

e. If a “firm” policy, an annual aggregate limit of not less than one million dollars (\$1,000,000), not including costs of investigation and defense; (3-15-02)

f. If an “individual” policy, the minimum coverage limits specified in Subsection 119.01 shall be available to each licensee; (3-15-02)

g. If a “firm” policy, the minimum coverage limits specified in Subsection 119.01 shall apply to the firm; (3-15-02)

h. An extended reporting period per insured of at least ninety (90) days following termination of the policy period; (3-15-02)

i. No policy of errors and omissions insurance shall be deemed “independently obtained” for purposes of this rule unless the insurance company specifically agrees in writing that it will not terminate, cancel, lapse, fail or refuse to renew or modify such policy without the company first providing the Commission and the licensee with thirty (30) days' written notice; (3-15-02)

j. Contains a policy period equal to each licensee's two (2) year license renewal date or the prorated equivalent and which provided for continuous coverage during said policy period, or, if an annually renewable policy, a statement of the policy period and, in either case, the agreement of the insurance carrier that it will not modify, terminate, cancel, lapse or not renew the policy without first providing the Commission and licensee thirty (30) days written notice; and (3-15-02)

k. Prior acts coverage shall be offered to licensees with continuous past coverage. (3-15-02)

02. Approval by Department of Insurance. For the purposes of these rules and the fulfillment of the licensees' obligations under Idaho Real Estate License Law, approval by the Idaho Department of Insurance of a policy of independently obtained errors and omissions insurance covering the licensee shall create a presumption that the terms and conditions of said policy meet the standards and practices in the insurance industry with respect to such policies, and that said policy meets the requirements of the law and rules of the Idaho Department of Insurance with respect to such policies of insurance. Approval by the Department of Insurance, however, does not create any presumption of equivalency in coverage as required by Idaho Real Estate License Law and these rules. (3-15-02)

03. Carrier Issuing Independent Policy. A carrier issuing an independent policy shall meet all of the requirements of a qualified carrier set forth in Subsections 118.01.a. through 118.01.c. and shall maintain an A.M. Best Company rating of B+ or better and an A.M. Best Financial Size Category of Class VI or higher. (3-15-02)

120. CERTIFICATION A PREREQUISITE FOR LICENSE ISSUANCE OR RENEWAL.

No applicant for an original active license or for renewal of an active license shall be issued such active license unless the applicant has certified to the Commission, in the form and manner approved by the Commission, that he is in compliance with the insurance requirements of this chapter. This certification of compliance by the applicant shall satisfy the filing requirement of Section 54-2013, Idaho Code. (4-2-03)

121. FAILURE TO MAINTAIN INSURANCE.

Failure of a licensee to obtain and maintain insurance coverage required by Section 117 shall result in inactivation of any active license issued pursuant to Idaho Real Estate License Law or denial of any application for issuance or renewal of an active license. Failure to maintain insurance as required herein shall be deemed insufficient application for licensure under Section 67-5254, Idaho Code. (4-2-03)

01. Notice of Noncompliance. Within five (5) business days of the date the Commission is notified that a licensee does not have required coverage, the Commission shall notify the affected licensee of noncompliance. Notice shall be sent by first class mail to the licensee's business or residence address, as reflected in the Commission's records, and a copy of the notice shall be sent to the licensee's broker, if any. The notice shall provide that the licensee has ten (10) business days in which to comply with the law and these rules regarding errors and omissions insurance.

Failure to comply at the end of ten (10) business days shall result in the license being automatically inactivated. (4-11-15)

02. Failure to Maintain Insurance. Any failure of a licensee to maintain errors and omissions insurance while on active license status, regardless whether coverage is later obtained and made retroactive by the carrier, shall constitute a violation of these rules, and shall be grounds for disciplinary action as provided in Sections 54-2059 and 54-2060, Idaho Code, including but not limited to the assessment of civil fines. A late renewal is considered failure to maintain insurance and constitutes a violation of the law. (3-29-10)

122. FALSIFICATION OF CERTIFICATES.
Any licensee who, acting alone or in concert with others, willfully or knowingly causes or allows a certificate of coverage to be filed with, or produced to, the Commission which is false, fraudulent, or misleading, shall be subject to disciplinary action, including but not limited to suspension or revocation of license, in accordance with Chapter 52, Title 67, Idaho Code; provided, however, that nothing herein shall entitle such licensee to notice and hearing on the automatic inactivation of license provided for in Subsection 121.01. (4-2-03)

123. -- 199. (RESERVED)

RULES 200 THROUGH 299
OFFICE OPERATIONS

200. BRANCH OFFICES.
The current license certificates for the branch office, the branch manager, and for each sales associate conducting business from the branch office shall be prominently displayed or available for public inspection at the branch office. (5-3-03)

201. -- 299. (RESERVED)

RULES 300 THROUGH 399
BUSINESS CONDUCT

300. DISPUTES CONCERNING COMMISSIONS AND FEES.
The Idaho Real Estate Commission shall not be involved in the resolution of disputes between licensees or between licensees and buyers and sellers concerning matters of commissions or fees. (3-15-02)

301. PRICE FIXING.
The Idaho Real Estate Commission neither recommends nor recognizes any agreement to fix or impose uniform rates of commission on any real estate transaction by licensed real estate brokers. (3-15-02)

302. TITLE OPINIONS.
No real estate broker or sales associate shall pass judgment upon or give an opinion with respect to the merchantability of the title to property in any transaction. (3-15-02)

303. LEGAL OPINIONS.
A broker or sales associate shall not discourage any party to a real estate transaction from seeking the advice of an attorney. (3-15-02)

304. (RESERVED)

305. DESIGNATED BROKER PERMITTED ACCESS EDUCATION RECORDS OF THE BROKER'S LICENSED SALES ASSOCIATES.
As provided for in Section 74-106, Idaho Code, the Commission may establish a mechanism to enable a designated broker to access and review the electronically-kept continuing education record of any licensee currently licensed with the broker. Such records are otherwise exempt from the disclosure requirements of the Public Records Act, Title 74, Chapter 1, Idaho Code. Access to records shall be through the means made available by the Commission by motion. (3-30-07)

306. -- 399. (RESERVED)

RULES 400 THROUGH 499
CONTINUING EDUCATION

400. -- 401. (RESERVED)

402. APPROVED TOPICS FOR CONTINUING EDUCATION.

The primary purpose of continuing education is to help assure that licensees possess the knowledge, skills, and competency necessary to function in the real estate business in a manner that protects and serves the public interest, or that promotes the professionalism and business proficiency of the licensee. The knowledge or skills taught in an elective course must enable licensees to better serve real estate consumers. (3-20-14)

01. Topics Approved by the Commission. Approved topic areas for continuing education, as provided for in Sections 54-2023 and 54-2036, Idaho Code, include the following as they pertain to real estate brokerage practice and actual real estate knowledge: (5-8-09)

- a. Real estate ethics; (3-20-04)
- b. Legislative issues that influence real estate practice; (3-20-04)
- c. Real estate law; contract law; agency; real estate licensing law and administrative rules; (3-20-04)
- d. Fair housing; affirmative marketing; Americans with Disabilities Act; (3-20-04)
- e. Real estate financing, including mortgages and other financing techniques; (3-20-04)
- f. Real estate market measurement and evaluation; (3-20-04)
- g. Land use planning and zoning; land development; construction; energy conservation in building; (3-20-04)
- h. Real estate investment; (3-20-04)
- i. Accounting and taxation as applied to real property; (3-20-04)
- j. Real estate appraising; (3-20-04)
- k. Real estate marketing procedures; (5-8-09)
- l. Real estate inspections; (3-20-04)
- m. Property management; (3-20-04)
- n. Timeshares, condominiums and cooperatives; (3-20-04)
- o. Real estate environmental issues and hazards, including lead-based paint, underground storage tanks, radon, etc.; (5-8-09)
- p. Water rights; (3-20-04)
- q. Brokerage office management and supervision; (3-30-07)
- r. Use of technology; (5-8-09)
- s. Licensee safety; (3-30-07)

- t. Negotiation skills; (3-30-07)
- u. Business success. (3-20-14)

02. Other Topics. Upon written request, the Commission may also approve any other topic that directly relates to real estate brokerage practice and that directly contributes to the accomplishment of the primary purpose of continuing education. (5-8-09)

03. Topics Not Eligible for Continuing Education Credits. The following activities shall not be eligible for approval for compliance with the continuing education requirement: (3-20-04)

- a. Those which are specifically exam preparation in nature; (3-20-04)
- b. Real estate topics not directly related to real estate brokerage practice. (5-8-09)

403. -- 499. (RESERVED)

RULES 500 THROUGH 599
EDUCATION TEACHING STANDARDS

500. MINIMUM TEACHING STANDARDS OF THE COMMISSION.

All courses offered for credit by a certified provider shall be taught in accordance with the following standards of the Real Estate Commission: (3-13-08)

01. Certification Requirement. A course required to be taught by a Commission-certified or Commission-approved instructor shall be taught only by an instructor that is currently approved or certified for that course; (3-13-08)

02. Outlines and Curriculum. A course must be taught in accordance with the course outline or curriculum approved by the Commission; (3-13-08)

03. Attendance Requirement. The course instructor shall adhere to the Commission's written attendance policy and shall submit credit hours only for students who have successfully met the attendance requirements for which the course was approved. (3-13-08)

04. Product Promotion and Recruitment. The course instructor shall adhere to the Commission's written policies restricting product promotion and recruitment activities in the classroom; (3-13-08)

05. Professional Mannerism. The course instructor shall conduct himself or herself in a professional manner when performing instructional duties, and shall not engage in any form of harassment based on the gender, national origin, race, religion, age or physical or mental disability of any student, and shall not engage in conduct that degrades or disparages any student or other instructor. (3-13-08)

06. Subject Matter Knowledge. The instructor shall conduct the class in a manner that demonstrates knowledge of the subject matter being taught; (3-13-08)

07. Competent Teaching Skills. The instructor shall conduct the class in a manner that demonstrates competency in the following basic teaching skills: (3-13-08)

- a. The ability to effectively communicate through speech; (3-13-08)
- b. The ability to present instruction in an accurate, logical, orderly and understandable manner and to respond appropriately to questions from students; (3-13-08)
- c. The ability to utilize varied instructional techniques in addition to lecture, such as class discussion, role playing or other techniques in a manner that enhances learning; (3-13-08)

- d.** The ability to utilize instructional aids and modern technology in a manner that enhances learning;
(3-13-08)
 - e.** The ability to maintain an appropriate learning environment and effective control of a class;
(3-13-08)
 - f.** The ability to interact with adult students in a manner that encourages students to learn, that avoids offending the sensibilities of students, and that avoids personal criticism of any other person, including fellow peer instructors, any agency or any organization.
(3-13-08)
 - 08. Maintaining Exam Security.** The instructor shall take reasonable steps to protect the security of course examinations and shall not allow students to retain copies of final course examinations or the exam answer key.
(3-13-08)
 - 09. Use of Exam Questions Prohibited.** The instructor shall not obtain or use, or attempt to obtain or use, in any manner or form, Idaho real estate licensing examination questions.
(3-13-08)
 - 10. Instructor Evaluations.** The instructor must maintain, for the course, an annual average of four point zero (4.0) (based on one to five (1-5) scale) on the standard Commission evaluations for the instructor's overall average category.
(3-13-08)
- 501. -- 999. (RESERVED)**