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Final Regulation
Agency Background Document

Agency name	Real Estate Board
Virginia Administrative Code (VAC) citation	18 VAC135-20
Regulation title	Real Estate Board Regulations
Action title	Amending regulations to incorporate needed changes
Date this document prepared	February 14, 2014

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual.*

Brief summary

Please provide a brief summary (no more than 2 short paragraphs) of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation. Also, please include a brief description of changes to the regulation from publication of the proposed regulation to the final regulation.

This action makes changes to the regulations in order to provide clarification to existing regulations and to incorporate revised education requirements. The proposed regulations also make changes to address statutory amendments to ensure consistency with current law such new audit and voluntary compliance requirements. The regulations were developed by a committee of Board members and members of the public with expertise in the real estate industry. The committee worked to ensure the regulations complement the current real estate law, provide minimum burdens on the regulants while still protecting the public and reflect current procedures and policies of the Board and the Department of Professional and Occupational Regulation. The board made changes to the final regulations based upon the public comments received to provide further clarity and to conform with statutory requirements.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency or board taking the action, and (3) the title of the regulation.

On November 19, 2013, the Real Estate Board voted to adopt these amendments to 18VAC135-20 as final.

Legal basis

Please identify the state and/or federal legal authority to promulgate this proposed regulation, including (1) the most relevant citations to the Code of Virginia or General Assembly chapter number(s), if applicable, and (2) promulgating entity, i.e., agency, board, or person. Your citation should include a specific provision authorizing the promulgating entity to regulate this specific subject or program, as well as a reference to the agency/board/person's overall regulatory authority.

Section 54.1-2105 of the Code of Virginia states that the Real Estate Board "may do all things necessary and convenient for carrying into effect the provisions of this chapter and may promulgate necessary regulations."

Purpose

Please explain the need for the new or amended regulation. Describe the rationale or justification of the proposed regulatory action. Detail the specific reasons it is essential to protect the health, safety or welfare of citizens. Discuss the goals of the proposal and the problems the proposal is intended to solve.

Changes are made annually to the Real Estate Board's statutes by the General Assembly. Since the regulations have not undergone substantial revision since 2008, a thorough review was necessary to ensure the regulations complement the Real Estate Board's laws, provide minimum burdens on the regulants while still protecting the public and reflect current procedures and policies of the Board and DPOR.

Substance

Please identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. A more detailed discussion is required under the "All changes made in this regulatory action" section.

Proposed changes are intended to improve the clarity of the regulations, ensure consistency with current practices and legal requirements and standards of practice in the industry, all to better protect the health, safety, and welfare of citizens of the Commonwealth. As a result of this thorough review, it was determined that sections pertaining to previous education requirements and additional qualifications for renewal of reciprocal license were no longer relevant. The subsection on duties of supervising broker was moved from the place of business section to its own section to complement changes in the law. A new section was added on voluntary compliance to address a new section in the Code of Virginia. The Board also amended the unworthiness and incompetence section to provide more clarity on actions constituting failure to safeguard the interests of the public and engaging in improper, fraudulent or dishonest conduct.

Issues

Please identify the issues associated with the proposed regulatory action, including:
1) the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;
2) the primary advantages and disadvantages to the agency or the Commonwealth; and
3) other pertinent matters of interest to the regulated community, government officials, and the public.
If there are no disadvantages to the public or the Commonwealth, please indicate.

The primary advantage to the public is that the revisions will improve the clarity of the regulations, ensure consistency with current board practices and legal requirements, and standards of practice in the industry, all to better protect the health, safety, and welfare of citizens of the Commonwealth.

The primary advantage to the Commonwealth is that the revisions to the regulations reflect the importance that Virginia places on ensuring the regulations are the least burdensome but also provide protection to the citizens of the Commonwealth. No disadvantages to the Commonwealth could be identified.

Changes made since the proposed stage

Please describe all changes made to the text of the proposed regulation since the publication of the proposed stage. For the Registrar's office, please put an asterisk next to any substantive changes.

Section number	Requirement at proposed stage	What has changed	Rationale for change
135-20-10	This section contains definitions used throughout the regulations.	Add the words "or real estate firms"	This change clarifies that real estate firms are also licensees of the board.
135-20-30	This section sets out the minimum qualifications for licensure.	Change the word "making" to "submitting"	This change clarifies that an applicant needs to submit an application to the board.
135-20-55	This new section will allow a currently licensed broker to downgrade his license to that of a salesperson	Change the word "downgrade" to "exchange" and "place" to "effect"	By changing the word "downgrade" to "exchange", the board is removing potential stigma and the other change is for clarity.
135-20-60	This section addresses license qualifications for reciprocal applicants.	Change the word "making" to "submitting"	This change clarifies that an applicant needs to submit an application to the board.
135-20-70	This section addresses what is needed to activate or transfer a license.	Move the language in the new subsection C to subsection A and add language to subsection B.	This change reflects current board policy and clarifies what the board requires for activate applications in subsection A and for transfer

			applications in subsection B.
135-20-80	This section addresses application fees.	Strike the word “associate”	This change is needed to reflect the current law.
135-20-140	This section concerns reinstatement requirements.	Add language to subsection D.	This change clarifies the licensee may not conduct licensed activities with an expired license.
135-20-155	This section sets out the grounds for disciplinary action.	Adds “certificate holder” and “certificate”	This change makes it clear the board can discipline both licensees and certificate holders.
135-20-160	This section sets out the requirements for a place of business.	Strike the word “physical”	The word is unnecessary.
135-20-165	This new section is being added to reflect that duties of supervising brokers are separate from the requirements of the place of business and also to conform with an amendment to the statute, see 2012 Acts of Assembly, Chapter 750.	Adds language to subsections 2, 6 and 7.	The board believes the changes add clarity and ensure the regulation conforms to the statutory changes and other amendments made to the regulations.
135-20-170	This section sets out what a licensee needs to do to maintain his license.	Add language “being notified of the” to subdivisions B.1 and B.2.	The change reflects current business practice.
135-20-180	This section sets out the requirements for maintenance and management of escrow accounts.	Amend the language in subdivision B.1.a and add language in subdivisions A.1, A.4, and B.1.c.	The change made to B.1.a ensures the same term “funds” is used throughout the regulation and the time frame for returning funds is 20 days to better reflect current business practice. The changes made to subdivisions A.1, A.4 and B.1.c conform the regulation to the 2013 Acts of Assembly, Chapter 489.
135-20-185	This section sets out the requirements for maintenance and management of financial records.	Amend the language in C.1.	The change clarifies what the statute requires regarding disclosure of brokerage relationship to an unrepresented party.
135-20-190	This section sets out the requirements for advertising.	Amend the definition of “disclosure” in subsection A, amend the language in subdivision C.2, delete language in subdivision C.2.b and amend the language in subsection D.	The changes add clarity to the regulation by making it clear what information the board expects a licensee to put in disclosures and put on signs.

135-20-210	This section sets out when a licensee needs to disclose ownership interest in real property.	Add the word “lessor”	The board wants to make clear all the parties to whom the licensee needs to make disclosure.
135-20-225	This new section is being added to conform with statutory changes, see 2010 Acts of Assembly, Chapters 373 and 637 and 2012 Acts of Assembly, Chapter 750.	Amend subsections A and B.	The amendments make it clear subsection A deals with voluntary compliance procedures and subsection B concerns mandatory audit procedures.
135-20-260	This section sets out actions which the board considers unworthy and incompetent.	Amend subsection 5 and subdivisions 11.a, 11.b, 11.c, 11.g, 11.h, 11.i, 11.j, 11.k, 11.n, 12.c., 12.d, and 12.h.	The changes add clarity by amending the language to reflect current business practices and what actions by licensees the board considers to be prohibited conduct.
135-20-270	This section sets out what actions constitute a conflict of interest.	Strike the phrase “without written consent of the principal broker”	The deleted language suggests regulated activities can take place outside the firm with the principal broker’s consent.
135-20-280	This section sets out what actions constitute paying an improper brokerage commission.	Add the words “or supervising broker”	The change clarifies that a licensee can accept a commission or fee from his supervising broker as well as his principal broker.
135-20-300	This section sets out what actions constitute misrepresentation or omission.	Adds language to subsection 1. Deletes language from subsection 9.	The change is being made to add clarity to the regulation.
135-20-310	This section sets out what actions constitute improper delivery of instruments.	Amend the section title.	The change makes the title consistent with the section’s intent.
135-20-360	This section sets requirements and standards regarding education.	Remove the language regarding courses needing distance education certification from ARELLO or substantially equivalent certification.	The change reflects current board policy.

Public comment

Please summarize all comments received during the public comment period following the publication of the proposed stage, and provide the agency response. If no comment was received, please so indicate.

Commenter	Comment	Agency response
Virginia Association of Realtors (VAR)	Regulation 135-20-10 Change the proposed language to make the regulation more clear.	The board believes the regulation is clear as written in the proposed regulations.
VAR	Regulation 135-20-40.2 The language provided by VAR for section 2 is clearer as written.	Neither the board nor its licensees have had an issue with the current language which is why the board didn't propose any changes to this section.
VAR	Regulation 135-20-40.3 Suggest adding new language to add flexibility	The suggested language is unnecessary.
VAR	135-20-55 Request the board eliminate the word "downgrade" as it suggests a value judgment about the salesperson status and make other changes for clarity.	The board agrees in part with the comment. The board will substitute another word for downgrade.
VAR	Regulation 135-20-60.5 Suggest changing the language for clarity.	The board agrees the suggested language adds clarity and will make the change.
VAR	Regulation 135-20-60.8 Suggest adding new language to add flexibility.	The suggested language is unnecessary.
VAR	Regulation 135-20-70.A Request changing the language for more clarity for licensees re-activating their license.	The language VAR requests being added is in the proposed regulations as published in subsection C.
VAR	Regulation 135-20-70.B Suggest adding language to reflect the board's transfer guidelines.	The board agrees to amend the language.
VAR	Regulation 135-20-70.C Strike the language in section C to reflect the board's transfer guidelines.	The language VAR suggests the board strike in section C is not the same language as published by the Registrar of Regulations. The language in the published proposed regulation reflects the board's guidelines for activate applications.
VAR	Regulation 135-20-80 Strike the word "associate" in the business entity fee to reflect current law and replace the word "activate" with "re-activate".	The board agrees it needs to strike the word "associate". Neither the board nor its licensees have had an issue with the current language which is why the board didn't propose any changes to the word activate.
VAR	Regulation 135-20-140.B Add language to this subsection in order to clarify a licensee shouldn't practice with an expired license.	The suggested language is good but the board thinks it would be more appropriate in another section of the regulations (18 VAC 135-20-260.11) as well as adding it to this section.
VAR	Regulation 135-20-155 Replace "and" with "or" to reflect intent of the section.	The board doesn't believe the change is needed as the language is providing a list of the chapters within Title 54.1.
VAR	Regulation 135-20-160.B Strike the words "physical" and "with its own entrance" as a separate entrance is not necessary to meet the intent of the regulation which is to keep living and work space separate.	The board agrees to remove the word "physical" but believes the other language is necessary.

VAR	Regulation 135-20-165 Add clarifying language and punctuation throughout the section.	165.1 The board doesn't need to make these changes as the requested changes already appear in the published proposed regulation. 165.2.b The language in the regulation reflects the language in the statute therefore the board believes the language is correct. 165.2.f The board will amend the language to conform with statutory requirements. 165.6 The board will amend the language to be consistent with subsection 5. 165.6.c This subdivision deals with activities of licensees and the requested change adds no clarity to what a licensee may do. 165.7 The published proposed language is different from the version provided in the comment but the board will change "A" to "The" to be consistent. 165.7.a The board agrees to amend the language to add clarity. 165.7.q The proposed regulations only apply to real estate licensees so adding the words "real estate" is redundant.
VAR	Regulation 135-20-170.B Add language for clarity.	The board agrees the suggested language reflects current business practices and will amend the language
VAR	Regulation 135-20-180.B.1. Change the time frame for returning earnest money deposits from 30 days to 10 days; change the word "money" to "deposit"; remove redundant language in subdivision c; and add subdivision d.	The board thinks 10 days is an insufficient amount of time however it agrees to amend the time frame to 20 days; the board will change the word "money" to "funds" so the language is consistent throughout the regulation; the board agrees the language in subdivision c is redundant and will remove it; and the board agrees the language regarding application deposits should be added to the regulations but thinks it belongs in a different place in the regulation therefore the board will add the language to the appropriate section of the regulation (18 VAC 135-20-180.A.4).
VAR	Regulation 135-20-185 Change the language to reflect disclosure of brokerage relationships to an unrepresented party is handled differently because a licensee can't require the recipient to execute it.	The board agrees with the suggested change as it clarifies what the statute requires.
VAR	Regulation 135-20-190 Change some language to add clarity and remove some language to eliminate confusion.	The board agrees to amend some of the language.
VAR	Regulation 135-20-210 Add language to clarify the section's intent and to reflect substantive discussions don't always occur before execution.	The published proposed language is different from the version provided by the commenter with its requested changes. The board believes the proposed language is clear and protects the public. The board doesn't agree with the suggested change regarding execution

		of the contract.
VAR	Regulation 135-20-220 Leave the term relationship as it is consistent with § 54.1-2130 of the Code of Virginia.	The board believes the proposed language adds more clarity.
VAR	Regulation 135-20-225 Change the language as requested so it's consistent with the statute. Separate sections for voluntary compliance and mandatory audits are necessary to avoid confusion.	While the board believes the proposed language complies with the statutory requirements, the board agrees to separate voluntary audits from mandatory audits but still give a broker who discovers noncompliance through mandatory audits the opportunity to avail himself of voluntary compliance.
VAR	Regulation 135-20-260 This section adds a number of reporting obligations not currently required some of which would be difficult to comply with.	Based upon advice of board counsel, the board, through these proposed changes, is providing licensees more guidance on what it considers to be prohibited conduct. 260.11.a The board agrees to add the words "principal or supervising". 260.11.b The proposed language clarifies that failing to comply with the escrow maintenance and management regulation is a prohibited act. 260.11.c The proposed language will be amended to make it clear the broker is responsible for complying with the regulations concerning licensees being active while conducting real estate activities at the broker's firm or sole proprietorship. 260.11.d The proposed language clarifies the board may hold a broker accountable for failing to provide reports for licensees under Agreements for Licensure for whom the broker is responsible. 260.11.e The proposed language clarifies that failing to comply with the escrow maintenance and management regulation is a prohibited act. 260.11.f The proposed language clarifies that failing to comply with the escrow maintenance and management regulation is a prohibited act. 260.11.g The board doesn't believe "in a timely manner" is ambiguous. The board determines this on a case by case basis. 260.11.k The board agrees the language needs to be amended. 260.11.l The board believes the change is necessary to protect the public. 260.11.n The board believes the change is necessary to protect the public. 260.12.c The board agrees the language needs to be amended. 260.12.d The board agrees the language needs to be amended. 260.12.h The board agrees the language needs to be amended.
VAR	Regulation 135-20-270.3	The board agrees the language should be

	Remove some language as it suggests regulated activities can take place outside the firm with the principal broker's consent.	deleted.
VAR	Regulation 135-20-280 Add some language for clarity and remove other language as it is confusing.	280.1 The board doesn't find the language confusing. 280.2 The board agrees some language should be added for clarity but doesn't find the other language confusing. 280.3 The board doesn't find the language confusing. 280.4 The board doesn't find the language confusing.
VAR	Regulation 135-20-290.1 Put the deleted language back in to comply with brokerage law.	The board doesn't agree. This subsection of the regulation is unnecessary as this is specified in the Code of Virginia.
VAR	Regulation 135-20-300.1 Add language for clarity.	The board agrees the language should be amended.
VAR	Regulation 135-20-310 Change the section title to be consistent with the section's intent.	The board agrees the language should be amended.
VAR	Regulation 18 VAC 135-20-360.E Remove "file a notarized affidavit certifying compliance" as distance education courses already require a signed "acknowledgement" and also requiring a notarized affidavit is burdensome.	§ 54.1-2105.03.A.4 of the Code of Virginia requires a notarized affidavit for distance education courses: "For correspondence and other distance learning instruction offered by an approved provider, the Board shall establish the appropriate testing procedures to verify completion of the course and require the licensee to file a notarized affidavit certifying compliance with the course requirements." The proposed change affirms this requirement.
Deana G. Wilson	Regulation 18 VAC 135-20-360.B Replace "certification" with "licensure" since pre-license education instructors are licensed.	Licensure and certification are defined terms in 54.1-300 of the Code of Virginia. The essential difference is that it is unlawful to perform certain acts without a license, whereas certification affirms minimum qualifications. Real estate pre-license education instructors require certification rather than licensure.
Deana G. Wilson	Regulation 18 VAC 135-20-360.B Replace "two" with "one" since increasing the minimum standard for pre-license education instructor certification will greatly narrow the field of knowledgeable candidates available to teach real estate.	Certified pre-license education instructors should possess the character and minimum skills to teach real estate pre-license education courses to real estate students. The Board's current minimum standards do not adequately ensure this.
Deana G. Wilson	Regulation 18 VAC 135-20-360.B.4 Add "or other training designation" to the end of this proposed regulation since the Distinguished Real Estate Instructor (DREI) designation has nearly become extinct.	Holding the Distinguished Real Estate Instructor (DREI) designation with the Real Estate Educators Association (REEA) is one of six possible qualifications a pre-license education instructor applicant can meet to obtain certification. REEA continues to administer the DREI program as indicated on their website: https://www.reea.org/index.cfm/drei/
Deana G. Wilson	Regulation 18 VAC 135-20-360.B.5	The Real Estate Board certifies schools – it

	Add "licensed real estate school" to the list of schools where a pre-license education instructor certification applicant can meet one of the qualifications for certification and reduce the required years of teaching experience from five to two.	does not license schools. Licensure and certification are defined terms in 54.1-300 of the Code of Virginia. The essential difference is that it is unlawful to perform certain acts without a license, whereas certification affirms minimum qualifications. The accreditation standards for public and private schools in Virginia are more rigorous than the certification standards for Real Estate Board schools. Five years of teaching experience demonstrates a higher level of competency than does two years of teaching experience.
Deana G. Wilson	Regulation 18 VAC 135-20-360.D Replace "certified" with "licensed" in reference to pre-license education instructors. Remove "ARELLO Distance Education Certification" requirement.	Licensure and certification are defined terms in 54.1-300 of the Code of Virginia. The essential difference is that it is unlawful to perform certain acts without a license, whereas certification affirms minimum qualifications. Real estate pre-license education instructors require certification rather than licensure. The Board agrees to remove the requirement for ARELLO Distance Education Certification.
Deana G. Wilson	Regulation 18 VAC 135-20-360.E Remove "ARELLO Distance Education Certification" requirement.	The Board agrees to remove the requirement for ARELLO Distance Education Certification.

All changes made in this regulatory action

Please list all changes that are being proposed and the consequences of the proposed changes. Describe new provisions and/or all changes to existing sections.

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change and rationale
135-20-10		This section contains definitions used throughout the regulations.	The proposed amendments are adding to definitions of two terms: 1. "Principal broker" making it clear the principal broker must have signatory authority on all firm escrow accounts and 2. "Sole proprietor" to include other forms of businesses which are registered with the State Corporation Commission.
135-20-20		This section sets out the necessity for licenses to enhance the information found in §54.1-2106.1 of the Code of Virginia.	The proposed change makes it clear a real estate firm is required to have a principal broker whose license is in good standing in order conduct business.
135-20-30		This section sets out the minimum qualifications for	The proposed change further clarifies what the board considers when determining if an

		licensure.	applicant is in good standing. The amendment also adds language regarding the need for fingerprints to comply with a change in the law found in the 2009 Acts of Assembly, Chapter 667.
135-20-40		This section contains additional qualifications needed for a broker's license.	The proposed change puts the current board policy in regulation regarding verification of experience.
135-20-45		This section sets out the requirements for a business entity license.	The proposed change conforms the regulation to the current law as amended in 2012 Acts of Assembly, Chapter 750.
	135-20-55		This new section will allow a currently licensed broker to downgrade his license to that of a salesperson. Some brokers no longer want to meet the continuing education requirement to maintain the broker license. This amendment puts the board's recently adopted policy to address this concern into regulation.
135-20-60		This section addresses license qualifications for reciprocal applicants.	The first change adds a subsection (5) to comply with a change in the Code of Virginia requiring reciprocal applicants to pass the Virginia state portion of the exam prior to licensure, see 2010 Acts of Assembly, Chapter 373. The next proposed change (7) further clarifies what the board considers when determining if an applicant is in good standing. The amendment to now subsection (8) requiring equivalent education is to conform to new statutory requirements, see 2010 Acts of Assembly, Chapter 373. The next proposed change puts the current board policy in regulation regarding verification of experience. The now subsection 9 adds language regarding the need for fingerprints to comply with a change in the law found in the 2009 Acts of Assembly Chapter 667.
135-20-70		This section addresses what is needed to activate or transfer a license.	The first proposed change amends the Code of Virginia cite to the current code section. The other proposed changes clarify when completion of continuing education is required and when a licensee can begin to work with the new real estate firm.
135-20-80		This section addresses application fees.	The proposed change removes language capping the fee the exam vendor can charge the candidate.
135-20-100		This section sets out the renewal qualifications including education.	This section is repealed as it became obsolete in 2008 due to statutory changes.
135-20-101		This section sets out the renewal qualifications including education.	The proposed changes remove obsolete language from 2008; amend the Code of Virginia section cites to the current Code of Virginia cites; amends the language to track

			that which is in the statute and adds language regarding carry over continuing education hours to comply with statutory change in 2012 Acts of Assembly, Chapter 750.
135-20-105		This section set out additional renewal qualifications for licensees who received license by reciprocity.	This section is repealed due to changes in the law pursuant to 2010 Acts of Assembly, Chapter 373.
135-20-120		This section sets out renewal fees.	The proposed change removes the word "associate" as all brokers may now obtain a business entity license pursuant to an amendment to the statute, see 2012 Acts of Assembly, Chapter 750.
135-20-140		This section concerns reinstatement requirements.	The proposed changes amend the regulation cite to the correct section, clarify language regarding activation and remove the word "associate" to conform to the amended law, see 2012 Acts of Assembly, Chapter 750.
135-20-155		This section sets out the grounds for disciplinary action.	The proposed amendments add in relevant Code of Virginia cites and amend Code of Virginia cites to new sections due to re-codification. It also adds clarifying language.
135-20-160		This section sets out the requirements for a place of business.	The proposed change clarifies what's needed to have a residence qualify as a place of business. The language concerning supervision of the place of business is being deleted from this section and put into its own section to better reflect the purpose of this specific subsection and to conform with an amendment to the statute, see 2012 Acts of Assembly, Chapter 750.
	135-20-165		This new section is being added to reflect that duties of supervising brokers are separate from the requirements of the place of business and also to conform with an amendment to the statute, see 2012 Acts of Assembly, Chapter 750.
135-20-170		This section sets out what a licensee needs to do to maintain his license.	The proposed change removes the need for a broker to return a license by certified mail. The board will accept returned licenses by any delivery method.
135-20-180		This section sets out the requirements for maintenance and management of escrow accounts.	The proposed changes remove obsolete language regarding accounts having to be in a Virginia bank, add clarifying language on the principal broker's responsibilities and add language regarding interpleader to conform with statutory changes, see 2010 Acts of Assembly, Chapter 181.
135-20-185		This section sets out the requirements for maintenance and management of financial records.	The proposed changes amend the language to conform to statutory changes, see 2011 Acts of Assembly, Chapter 461 and clarify language regarding records needed to be kept by the principal or supervising broker.

135-20-190		This section sets out the requirements for advertising.	The proposed changes amend the language to reflect current business practices recognizing newer forms of advertising which no longer involve just print or online.
135-20-210		This section sets out when a licensee needs to disclose ownership interest in real property.	The proposed change amends the language to clarify what information a licensee needs to disclose regarding ownership interest.
135-20-220		This section sets out requirements for disclosure of brokerage relationships.	The proposed change amends the language to conform with statutory changes, see 2012 Acts of Assembly, Chapter 750.
	135-20-225		This section is added to conform with statutory changes, see 2010 Acts of Assembly, Chapters 373 and 637. A new section was added to the Code of Virginia mandating the board to promulgate regulations for a voluntary compliance program.
135-20-240		This section sets out requirements for records provided to the board.	The proposed change adds language to clarify more types of records which the board may request from a licensee.
135-20-260		This section sets out actions which the board considers unworthy and incompetent.	The proposed changes amend the title of the section to “Prohibited acts” to better reflect what the section is meant to deal with. Based upon recent disciplinary actions taken by the board, the board is clarifying which actions may result in a violation of this section. The board fleshed out actions constituting failing to safeguard the interests of the public as well as actions it feels are engaging in improper, fraudulent or dishonest conduct.
135-20-270		This section sets out what actions constitute a conflict of interest.	The proposed changes remove language which is covered by another section in regulation, add clarifying language and amend the language to conform with statutory changes, see 2012 Acts of Assembly, Chapter 750.
135-20-280		This section sets out what actions constitute paying an improper brokerage commission.	The proposed changes re-write the section to clarify and simplify the language to cover current business practices.
135-20-290		This section sets out what actions constitute improper dealings.	The proposed changes clarify language regarding advertising and remove language now covered in the statute, see 2011 Acts of Assembly, Chapter 461.
135-20-300		This section sets out what actions constitute misrepresentation or omission.	The proposed change amends the language to conform with statutory changes, see 2012 Acts of Assembly, Chapter 750.
135-20-310		This section sets out what actions constitute improper delivery of instruments.	The proposed change amends the language to add relevant cites to the Code of Virginia to conform with statutory changes, see 2012 Acts of Assembly, Chapter 750.
135-20-360		This section sets	The proposed changes amend the language

		requirements and standards regarding education.	to add clarity, offer more options to qualify for pre-license instructor certification and amend the Code of Virginia cite to the correct code section.