



townhall.virginia.gov

Exempt Action: Final Regulation Agency Background Document

Agency name	Real Estate Board
Virginia Administrative Code (VAC) Chapter citation(s)	18VAC135-20
VAC Chapter title(s)	Virginia Real Estate Board Licensing Regulations
Action title	HB 383 & SB 330 Amendment
Final agency action date	May 16, 2024
Date this document prepared	July 19, 2024

This information is required for executive branch review pursuant to Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19. In addition, this information is required by the Virginia Registrar of Regulations pursuant to the Virginia Register Act (§ 2.2-4100 et seq. of the Code of Virginia). Regulations must conform to the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

Brief Summary

Provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

This action amends the Virginia Real Estate Board Licensing Regulations to conform to changes resulting from the enactment of Chapters 29 and 120 of the 2024 Acts of Assembly.

The legislation amends the continuing education requirements for salespersons and brokers licensed by the Board to renew licensure. The legislation increases the number of hours for required courses and decreases the number of elective hours allowed.

The proposed amendments conform applicable provisions of the regulation to the legislation. Section 18VAC135-20-101 will be revised as follows:

- Salespersons will be required to complete 11 hours of continuing education in mandated subjects, an increase from the current requirement of eight (8) hours. The 11 hours will consist of

two hours in fair housing laws; three hours of ethics and standards of conduct; two hours in real estate agency; two hours in real estate contracts; and two hours in legal updates and emerging trends, to include flood zone areas and the National Flood Insurance Program. The number of hours for elective topics will be reduced from eight (8) to five (5). These changed requirements also apply to salespersons licensed in other jurisdictions who hold Virginia licenses.

- Brokers will be required to complete 19 hours of continuing education in mandated subjects, an increase from the current requirement of 16 hours. The 19 hours will consist of eight hours in supervision and management of real estate agents and the management of real estate brokerage firms; two hours to include an overview of broker supervision requirements; two hours in fair housing laws; three hours in ethics and standards of conduct; two hours in real estate agency; two hours in real estate contracts; and two hours in legal updates and emerging trends, to include flood zone areas and the National Flood Insurance Program. The number of hours for elective topics will be reduced from eight (8) to five (5). These changed requirements also apply to brokers licensed in other jurisdictions who hold Virginia licenses.

This action is exempt from the Administrative Process Act under § 2.2-4006(A)(4)(a) of the Code of Virginia, which states, in part:

A. The following agency actions otherwise subject to this chapter and § 2.2-4103 of the Virginia Register Act shall be exempted from the operation of this article:

4. Regulations that are:

- a. Necessary to conform to changes in Virginia statutory law or the appropriation act where no agency discretion is involved.

Mandate and Impetus

Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, "mandate" has the same meaning as defined in the ORM procedures, "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

In March 2024, the Governor approved Chapters 29 (HB 383) and 120 (SB 330) of the 2024 Acts of Assembly, which changes the required continuing education hours in mandatory subjects for licensed salespersons and brokers. The legislation became effective on July 1, 2024.

The purpose of this regulatory change is to implement and comply with changes to the Code of Virginia resulting from the passage of HB 383 & SB 330 during the 2024 General Assembly Session.

Statement of Final Agency Action

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 taking the action; and 3) the title of the regulation.

On May 16, 2024, the Real Estate Board adopted the amendments to the Virginia Real Estate Board Licensing Regulations.