

## REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58H .0101

**DEADLINE FOR RECEIPT: Thursday, December 10, 2020**

**PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.**

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In Item (9), delete or define "brief"*

*In Item (9), I assume that your regulated public is familiar with "Bloom's Taxonomy"?*

*In Item (12), is there a cross-reference available setting forth the prelicensing courses as there is in Item (11) for the postlicensing courses?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: November 24, 2020

21 NCAC 58H .0101 is amended as published in 35:6 NCR 678 as follows:

## SUBCHAPTER 58H - REAL ESTATE EDUCATION

### SECTION .0100 – GENERAL

#### 21 NCAC 58H .0101 DEFINITIONS

The following definitions apply throughout this Subchapter and to all forms prescribed pursuant to this Chapter:

- (1) "Assessment" means a quiz or evaluation that tests a student's mastery of the learning objective.
- ~~(1)(2)~~ (2) "Blended learning" means a any combination of Distance education and distance education, synchronous distance learning, and in-person methods of instruction.
- ~~(2)(3)~~ (3) "Branch location" means any location in addition to the principal address of an education provider that offers Prelicensing or Postlicensing Courses.
- ~~(3)(4)~~ (4) "Continuing Education" education" means a continuing education elective or Update Course.
- ~~(4)(5)~~ (5) "Distance education" means a method of instruction accomplished through the use of media whereby teacher and student are separated by distance and time.
- ~~(5)(6)~~ (6) "End-of-course examination" means an examination administered at the conclusion of a course that tests students' knowledge and mastery of all course subjects mandated by the Commission prescribed course syllabus.
- ~~(6)(7)~~ (7) "Instructional hour" means 50 minutes of instruction and 10 minutes of break time.
- ~~(7)(8)~~ (8) "Instructor development program" means courses of instruction designed to assist real estate instructors in the performance of Prelicensing, Postlicensing, or Continuing Education continuing education instructor duties or in the development of teaching skills.
- (9) "Learning objective" means a brief statement of what a student will be able to do after completing a unit or course. A learning objective shall be structured in accordance with Bloom's Taxonomy.
- ~~(8)(10)~~ (10) "License Examination Performance Record" means the percentage of an instructor's or ~~school's~~ education provider's students who, within 30 days of completing a Prelicensing course pursuant to ~~21 NCAC 58H .0210(a), 21 NCAC 58H .0207(a),~~ take and pass the license examination, as defined in 21 NCAC 58A .0402, on their first attempt.
- ~~(9)(11)~~ (11) "Postlicensing course" means any one of the courses comprising the 90 hour Postlicensing education program pursuant to G.S. 93A-4(a1) and 21 NCAC 58A .1902.
- ~~(10)(12)~~ (12) "Prelicensing course" means a single course consisting of at least 75 hours of instruction on subjects prescribed by the Commission pursuant to G.S. 93A-4(a).
- ~~(11)(13)~~ (13) "Public education provider" means any proprietary business or trade school licensed by the State Board of Community Colleges under G.S. 115D-90 or approved by the Board of Governors of the University of North Carolina that conducts approved real estate courses.

1       (14) “Syllabus” means a document that includes each topic and subtopic addressed during the course and  
2       for each topic and subtopic describes the scope and depth of coverage, timing, and references to  
3       course materials, and also demonstrates opportunities for student interactions throughout the course,  
4       such as discussion boards, chat areas, group activities, and quizzes.

5       (12)(15) ~~“Synchronous distance learning”~~ distance learning” means the instructor and students are separated  
6       only by distance and not time, allowing for real-time monitoring of student participation.

7       (13)(16) ~~“Update Courses” mean~~ means the General Update Course and the Broker-in-Charge Update  
8       Course.

9       (17) “Unit” means a segment of distance education that is based upon a topic or subtopic in the course  
10      syllabus that lasts no longer than one hour.

11  
12      *History Note:*     *Authority G.S. 93A-4; 93A-32; 93A-33; 93A-38.5;*

13                         *Eff. July 1, 2017;*

14                         *Amended Eff. January 1, 2021; July 1, 2020.*

## REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58H .0204

**DEADLINE FOR RECEIPT: Thursday, December 10, 2020**

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The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (a), how are they to “publish” to prospective students? Are they to just provide it to them somehow?*

*(a) says that they must publish the policies to prospective students, but G.S. 93A-34(c)(5) says that they must provide this “upon enrollment.” Based upon this and (b)(8), do you mean something like “upon enrollment, but before any tuition is paid, the education provider shall provide their Policies and Procedures Disclosure”? I don’t think this is great rule language, but I am hopeful that it will explain my question a bit.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: November 24, 2020

21 NCAC 58H .0204 is amended as published in 35:6 NCR 679 as follows:

**21 NCAC 58H .0204      POLICIES AND PROCEDURES DISCLOSURE**

(a) An education provider shall publish to prospective students a Policies and Procedures Disclosure.

(b) In addition to the information required by G.S. 93A-34(c)(5), an education provider's Policies and Procedures Disclosure shall include:

- (1) the name and address of the Commission, along with a statement that any complaints concerning the education provider or its instructors should be directed to the Commission;
- (2) a statement that the education provider shall not discriminate in its admissions policy or practice against any person on the basis of age, sex, race, color, national origin, familial status, handicap status, or religion;
- (3) the education provider's most recent annual License Examination Performance Record and the Annual Summary Report data as published by the Commission;
- (4) the all-inclusive tuition and fees for a each particular course;
- (5) a written course cancellation and refund policy; ~~and~~
- ~~(6)~~ a list of all course and reference materials required;
- ~~(7)~~ the course completion requirements pursuant to Rule .0207 of this Section and 21 NCAC 58A .1705;
- ~~and~~
- ~~(6)(8)~~ a signed certification acknowledging the student's receipt of the Policies and Procedures Disclosure prior to payment of any portion of tuition or registration fee without the right to a full refund.

(c) In addition to the information required in Paragraph (b) of this Rule and G.S. 93A-34(c)(5), an education provider offering distance education, synchronous distance learning, or blended learning courses shall include:

- (1) a list of hardware and software or other equipment necessary to offer and complete the course;
- (2) the contact information for technical support; and
- (3) a description of how the end-of-course examination shall be administered to the student.

*History Note:      Authority G.S. 93A-4; 93A-33; 93A-34;*  
*Eff. July 1, 2017;*  
*Amended Eff. January 1, 2021; July 1, 2020.*

REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58H .0205

**DEADLINE FOR RECEIPT: Thursday, December 10, 2020**

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In reviewing this Rule, the staff recommends the following technical changes be made:

*In (a), please delete "be required to" so that the Paragraph reads "All courses shall have course materials that..."*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: November 24, 2020

21 NCAC 58H .0205 is amended as published in 35:6 NCR 679 as follows:

**21 NCAC 58H .0205 COURSE MATERIALS**

(a) ~~Course materials shall~~ All courses shall be required to have course materials that cover current North Carolina real estate related laws, rules, and practices. The nature and depth of subject matter coverage shall be consistent with the competency and instructional levels prescribed by the syllabus for the course for which approval is sought.

(b) Postlicensing courses shall utilize the current edition of the North Carolina Real Estate Manual. The North Carolina Real Estate Manual may be purchased on the Commission's website in electronic format for twenty five dollars (\$25.00) per license year and as a print publication for fifty dollars (\$50.00).

(c) Education providers shall verify each student has the course materials no later than the first class session.

*History Note: Authority G.S. 93A-4(d); 93A-33; 93A-34;*

*Eff. July 1, 2017;*

*Amended Eff. January 1, 2021; July 1, 2020.*

## REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58H .0207

**DEADLINE FOR RECEIPT: Thursday, December 10, 2020**

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The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

*In (a) and (b), please correct the formatting of the Subparagraphs. Perhaps consider combining (1) and (2) and say something like "in synchronous distance learning and in person courses attend at least 80 percent of all scheduled instructional hours or in distance education completes all units and assessments; and" Please not that this change will affect (g)(5).*

*End (f)(8) with a period.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: November 24, 2020



21 NCAC 58H .0207 is amended as published in 35:6 NCR 679 as follows:

**21 NCAC 58H .0207 COURSE COMPLETION CERTIFICATES AND REPORTS**

(a) For each Prelicensing course taught, an education provider shall provide a course completion certificate within 180 days of enrollment that is signed by the education director to each student that:

(1) in synchronous distance learning and in-person courses attends attend at least 80 percent of all scheduled instructional hours; ~~and~~ or

(2) in distance education completes all units and assessments; and

~~(2)(3)~~ obtains a grade of at least a 75 percent on the end-of-course examination.

(b) For each Postlicensing course taught, an education provider shall provide a course completion certificate within 180 days of enrollment that is signed by the education director to each student that:

(1) in synchronous distance learning and in-person courses attends attend at least ~~ninety~~ 90 percent of all scheduled instructional hours; ~~and~~ or

(2) in distance education completes all units and assessments; and

~~(2)(3)~~ obtains a grade of at least a 75 percent on the end-of-course examination.

(c) The end-of-course examination shall be proctored and students shall not use textbooks or other materials on the end-of-course examination. End-of-course examinations administered in a distance education, blended learning, or synchronous ~~distance learning~~ distance learning course shall include proctoring or other security measures designed to verify the identity of the student taking the examination and ensure that students are not using textbooks or other materials on the end-of-course examination.

(d) For each ~~Continuing Education~~ continuing education course taught, an education provider shall provide a course completion certificate signed by the education director to each student that meets the requirements of 21 NCAC 58A .1705.

(e) The course completion certificate shall identify the course, date of completion, student, and instructor.

(f) An education director shall submit a Course Completion Report within seven calendar days of any student completing any real estate course pursuant to the education provider's Policies and Procedures Disclosure. The Course Completion Report shall include:

(1) each student's legal name;

(2) each student's email address and telephone number;

(3) each student's unique identification number, if reporting a Prelicensing course;

(4) each student's real estate broker license number, if applicable;

(5) the course completion date;

(6) the education provider's name and number;

(7) the course number; and

(8) the instructor's name and number;

(g) For each Prelicensing or Postlicensing course taught, an education director shall submit a Summary Report no later than the fifth day of the month. The Summary Report shall contain the previous month's data. The Summary Report shall include the:

- (1) name of the instructor(s);
- (2) title of course(s);
- (3) number of students who paid tuition in each course and did not receive a refund;
- (4) number of students who met all course requirements pursuant to Paragraph (a) and (b) of this Rule;  
and
- (5) number of students who satisfied ~~Subparagraph~~ Subparagraphs (a)(1) or (a)(2) and (b)(1) or (b)(2) of this Rule but did not satisfy ~~Subparagraph (a)(2) and (b)(2)~~ (a)(3) and (b)(3) of this Rule.

(h) Education providers shall electronically submit the per student fee prescribed by G.S. 93A-4(a2) and G.S. 93A-38.5(d). No fee shall be required for public education providers or an agency of federal, state, or local government.

*History Note: Authority G.S. 93A-4(d); 93A-33; 93A-34;*  
*Eff. July 1, 2017;*  
*Amended Eff. January 1, 2021; July 1, 2020.*

21 NCAC 58H .0209 is amended as published in 35:6 NCR 680 as follows:

**21 NCAC 58H .0209 EXPIRATION AND RENEWAL OF EDUCATION PROVIDER CERTIFICATION**

(a) All education provider and public education provider certifications shall expire annually on June 30 following certification.

(b) An education provider or public education provider seeking renewal of its certification shall submit an electronic application which shall include the following information:

(1) the education provider or public education provider's:

(A) name;

(B) number;

(C) mailing address;

(D) telephone number; and

(E) website address, if applicable; and

(2) the education director's name and signature;

(3) all approved real estate courses offered;

(4) a copy of the education provider's Policies and Procedures Disclosure, if applicable; ~~and~~

(5) proof of bond as required in G.S. 93A-36, if ~~applicable~~; applicable; and

(6) a certification that the course meets the requirements of Subchapter 58H.

(c) Public education providers shall not be charged any fees to renew the education provider certification or course renewal.

(d) The education provider certification renewal fee shall be one hundred dollars (\$100.00) for each education provider location.

(e) The renewal fee for an education provider to offer a Prelicensing or Postlicensing course at any of its locations during the licensed period shall be twenty-five dollars (\$25.00) per Prelicensing or Postlicensing course.

(f) The renewal fee for an education provider to renew an approved continuing education elective course shall be fifty dollars (\$50.00) per elective course.

(g) The materials fee for an education provider to renew an Update course approval shall be one hundred dollars (\$100.00).

(h) If an education provider or public education provider certification has expired, the education provider shall submit an application for original certification pursuant to Rule .0202 of this Subchapter.

(i) Commission approval of all ~~Continuing Education~~ continuing education courses shall expire on June 30. In order to obtain approval for an expired ~~Continuing Education~~ continuing education course, an education provider shall submit an original application pursuant to Rule .0401 of this Subchapter.

(j) If an education provider transfers an aggregate of 50 percent or more of the ownership interest, the education provider shall notify the Commission in writing within 10 days of the transfer.

(k) On or before July 1, 2021, all education providers shall modify approved courses to comply with Subchapter 58H.

1     *History Note:*     *Authority G.S. 93A-3(f); 93A-4; 93A-33; 93A-34(b); 93A-35(b); 93A-36; 93A-38.5(d);*  
2                         *Eff. July 1, 2017;*  
3                         *Amended Eff. January 1, 2021; July 1, 2020; July 1, 2019.*

## REQUEST FOR TECHNICAL CHANGE

AGENCY: Real Estate Commission

RULE CITATION: 21 NCAC 58H .0401

**DEADLINE FOR RECEIPT: Thursday, December 10, 2020**

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In reviewing this Rule, the staff recommends the following technical changes be made:

*What is the interplay between the application requirements of this Rule and those of G.S. 93A-34(b1)?*

*In (f)(2), please correct the citation to "NCAC"*

*In (f), I'm not sure that I understand the cross-reference to Paragraph (g). Is this correct?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Amber May  
Commission Counsel  
Date submitted to agency: November 24, 2020

21 NCAC 58H .0401 is amended as published in 35:6 NCR 681 as follows:

## SECTION .0400 - REAL ESTATE COURSES

### 21 NCAC 58H .0401 APPROVAL OF A REAL ESTATE EDUCATION COURSE

(a) Prior to obtaining the Commission's written approval of a real estate education course, education providers shall not offer, advertise, or otherwise represent that any real estate education course is, or may be, approved for credit in North Carolina.

(b) An education provider seeking original approval of a proposed course shall complete an application on a form available on the Commission's website that requires the applicant to set ~~forth the:~~ forth:

- (1) the title of the proposed course;
- (2) the education provider's legal name, address, and telephone number;
- (3) the education director's legal ~~name;~~ name and signature;
- (4) the education provider's number;
- (5) the credit hours awarded for completing the course;
- (6) the subject matter of the course;
- (7) the identity of the course owner;
- (8) the written permission of the course owner, if other than the applicant;
- (9) the identity of prospective instructors;
- (10) a description of the method by which the education provider will proctor the end-of-course examination for Prelicensing and Postlicensing courses; ~~and~~
- ~~(11) education director's signature.~~
- (11) a description of the mechanism used for verification of possession of required course materials; and
- (12) a copy of the course guide, which shall include:
  - (A) course objectives;
  - (B) learning objectives for each topic;
  - (C) a course syllabus;
  - (D) instructional methods and aids to be employed; and
  - (E) all course materials that will be provided to students.

~~(c) The application for original approval shall be accompanied by a copy of the course guide, which shall include:~~

- ~~(1) course objectives;~~
- ~~(2) learning objectives for each topic;~~
- ~~(3) a timed outline;~~
- ~~(4) instructional methods and aids to be employed; and~~
- ~~(5) all materials that will be provided to students.~~

~~(d)(c)~~ An applicant seeking approval to offer a distance education, synchronous distance learning, or blended learning education course shall submit an application for original approval pursuant to Paragraph (b) of this Rule as well as:

- (1) a full copy of the course on the medium to be utilized for ~~instruction, except for synchronous distance learning;~~ instruction;
  - (2) a description of the method by which the education provider will verify and record student attendance;
  - (3) a list of hardware and software or other equipment necessary to both offer and complete the course;
  - (4) the contact information for the technical support service for the course;
  - ~~(5) a copy of the student orientation and course tutorial information; and~~
  - ~~(6)(5)~~ all hardware and software necessary to review the submitted course at the expense of the applicant, except for synchronous distance learning; applicant; and
  - (6) an outline demonstrating the course meets the minimum course hours measured by a reading speed of 225 words per minute and the actual duration of audio and video files.
- (d) An applicant seeking approval to offer a synchronous distance learning course shall submit an application for original approval pursuant to Paragraph (b) of this Rule as well as:
- (1) a description of the method by which the education provider will verify and record student attendance;
  - (2) a list of hardware and software or other equipment necessary to both offer and complete the course; and
  - (3) the contact information for the technical support service for the course.
- (e) An applicant seeking approval to offer a blended learning course shall submit an application for original approval pursuant to Paragraph (b) of this Rule as well as the additional information pursuant to Paragraphs (c) and (d) of this Rule, as applicable, for each instructional method.
- (f) An application pursuant to Paragraph (c) of this Rule shall not be approved by the Commission if:
- (1) the course cannot be reviewed in its entirety; or
  - (2) the course does not meet the minimum course hours pursuant to NCGS 93A-4 and 21 NAC 58A .1702 measured by a reading speed of 225 words per minute and the actual duration of audio and video files.
- ~~(e)(g)~~ An education provider seeking approval to offer an already a currently approved course shall complete an application on a form available on the Commission's website that requires the applicant to set forth the:
- (1) title of the course;
  - (2) applicant's legal name, address, and telephone number;
  - (3) applicant's education director's legal name;
  - (4) applicant's education provider number;
  - (5) identity of the course owner;
  - (6) written permission of the course owner, if other than the applicant;
  - (7) identity of prospective ~~instructors, if applicable;~~ instructors;
  - (8) certification that the originally approved course will not be altered; ~~and~~
  - (9) a description of the mechanism used for verification of possession of required course materials;

1       (10) a description of the method by which the education provider will proctor the end-of-course  
2       examination for Prelicensing and Postlicensing courses;

3       (11) a description of the method by which the education provider will verify and record student  
4       attendance;

5       ~~(9)(12)~~ education director's signature. signature; and

6       (13) for synchronous distance learning courses:

7           (A) a list of hardware and software or other equipment necessary to both offer and complete  
8           the course; and

9           (B) the contact information for the technical support service for the course.

10   (f) An education provider shall submit a one hundred dollar (\$100.00) fee for each application submitted pursuant to  
11   Paragraph ~~(e)~~(g) of this Rule for any continuing education course. The application shall be deemed approved ten  
12   business days after the Commission has received the application and fee, unless the Commission notifies the applicant  
13   otherwise.

14   (g) An education provider shall submit a forty dollar (\$40.00) fee per Prelicensing or Postlicensing course offered at  
15   any of its branch locations. No fee shall be required for public education providers or an agency of federal, state, or  
16   local government.

17   (h) An education provider shall submit a one hundred dollar (\$100.00) fee per elective course. No fee shall be required  
18   for public education providers or an agency of federal, state, or local government.

19  
20   *History Note:*     *Authority G.S. 93A-3(c); 93A-4; 93A-33; 93A-34; 93A-38.5;*

21                     *Eff. July 1, 2017;*

22                     *Amended Eff. January 1, 2021; July 1, 2020.*



21 NCAC 58H .0415 is adopted as published in 35:6 NCR 682 as follows:

**21 NCAC 58H .0415 DISTANCE EDUCATION COURSES**

(a) At the beginning of a course, distance education courses shall include an orientation that:

- (1) explains the course syllabus;
- (2) identifies all required materials and resources, if any;
- (3) states the maximum time a student is allowed to complete the course; and
- (4) instructs students on how to navigate within the course.

(b) Distance education courses shall include a navigation menu within the course platform that allows students to access the:

- (1) instructor's name and contact information;
- (2) course syllabus and schedule;
- (3) course materials, if any;
- (4) Policies and Procedures Disclosure pursuant to Rule .0204 of this Section; and
- (5) contact information for the course's technical support.

(c) Distance education courses shall be divided into units and students shall complete an assessment for each unit prior to beginning the subsequent unit.

*History Note: Authority G.S. 93A-3(c); 93A-4; 93A-33; 93A-34; 93A-38.5;  
Eff. January 1, 2021.*