

REAL ESTATE

Important License Renewal Information

The following provides extensive information about renewals, continuing education and other important facts you need to know about your real estate license as the time nears to renew. We realize this is a lot of information, but familiarizing yourself with these answers to common questions will assist you in being better informed about your license and the renewal process.

All real estate licenses expire on the same date – October 31, 2009. The Department staff has been receiving many panicked phone calls from licensees who “haven’t received a renewal application!” Needless to say, they breathe a sigh of relief when told they have another year!

However, we receive even more phone calls from licensees wondering:

- How much CE has been reported for them?
- What can be done if the CE shown on the Internet is incorrect?
- How do I interpret what is on the Department’s website, e.g., what CE do I need for renewal – what counts?
- What CE should I be looking at when checking my hours on the Department’s link called “Check CE Credits” on the Internet? [link to page]
- What CE is needed before renewal or how many more clock hours do I need?
- What can be done if CE is “missed”?
- What happens if I have insufficient CE to renew?
- If I just received my license this year, do I need CE to renew?
- How can I find a CE class to take?

Hours Reported to the Department

Regarding reporting of CE hours, it is the continuing education sponsor’s responsibility, whether classroom or Internet, to report licensee attendance within five days after class completion. If you believe that your CE hours you view on the Department’s website are incorrect or deficient, please first check the hours that are posted against the completion certificates that were given to you at the conclusion of the course. If you have a certificate of completion for a course that is not posted, contact the CE sponsor and have the sponsor remedy the error so that attendance or the correction gets sent to the Department. Check again (on the Department’s website <https://www2.dleg.state.mi.us/colaLicVerify/>) after a few days so the hours have had time to post. Continue to have the CE sponsor assist you to ensure that your CE hours are posted correctly.

What CE Courses “Count” for Renewal?

For the current three-year license cycle, **only** courses that are entitled “K” will be considered when processing your renewal. While the website reflects all CE you have taken (historical record of classes), you will note that different courses have different course identification. Again, look at the **K** courses that you HAVE NOT used (e.g., your license lapsed/expired and you got relicensed during this current three year cycle and you used some of the posted K courses to do so) when calculating your CE for this cycle/renewal.

What are the inclusive dates of this Three Year License Cycle?

In a non-renewal year, the license year begins on November 1. In a renewal year, the license year begins on July 1:

First year: 7-1-06 to 10-31-07

Second year: 11-1-07 to 10-31-08

Third year: 11-1-08 to 7-1-09

The cutoff in July is due to the Department-wide policy that dictates if a new license is to be issued for a term of less than 120 days (four months) the licensee will receive the next cycle’s expiration date.

Do I get my requirements pro-rated if I received a license or get relicensed after the first year of this cycle?

Yes. The following applies and is driven by the year you entered the three-year license cycle.

<u>Year Entered License Cycle</u>	<u>Unused “K” Hours Needed to Renew</u>
Renewed in 2006 or license issued in 1 st year	18
Issued New License or Relicensed in 2 nd year	12
Issued New License or Relicensed in 3 rd year	6

What Will Happen if I “Missed” one of the years in the Three Year Cycle?

One of the most often asked questions is what is the impact on the license renewal if one or more “years” of CE is “missed” or not completely fulfilled? For example, the licensee failed to complete any CE or completed insufficient CE for that year. Section 2504(4) of the license law (Occupational Code) states that in 2007 and thereafter, 2 hours of law and rules update must be completed for 2007, 2008 and 2009 to be included in the 18 total hours that will be required to renew. What the Department will be looking for is whether or not you meet the 18 hours of unused K courses (taking into consideration the pro-ration for obtaining a license or relicensure in mid-cycle). Remember that you will need to ensure that by the end of the renewal period ALL required hours have been completed. Continuing education is a requirement of license renewal. The Department is not taking action against licensees who have “missed” CE at some point during the cycle. Again, the computer will check for total eligible clock hours when it tries to process the renewal.

What are the Renewal Requirements in addition to Continuing Education?

Remember that **CE is just one of the renewal requirements**. Salespersons and Associate Brokers are also required to renew to an active employing broker. Therefore, until the employing broker renews the renewal that is submitted by the salesperson or associate broker will continue to “cycle,” or attempt to issue, until it finds that the broker has renewed. Once the employing broker has renewed, the Salespersons and Associate Brokers licenses can issue. All licenses are mailed to the employing broker’s main office.

What are the Renewal Deadlines or Timelines? What if I’m late?

As with any deadline, timely submission is a very important factor. Licenses expire 10-31-09. If you have not met all the renewal requirements by the end of that date, you must cease practicing real estate in Michigan. While there is a 60 day “late renewal” period provided, that merely means that a licensee can renew during those 60 days, pay an additional \$20 late renewal fee, meet the CE and employing broker requirements (if applicable) and recommence practice after receiving the updated license. AFTER the conclusion of the 60 day late renewal period, if all requirements were not met, the licensee must apply for relicensure. Fees paid for the renewal were used to process your application even though no license was issued. As such, these fees have been “used” and are forfeited, meaning they cannot be applied toward the relicensure application.

Remember that postmarked envelopes are not the determining factor in receipt. October 31 is on Saturday in 2009. The renewal payment must be in our office the next business day which is November 2, 2009. Also, for the 60 day late renewal period, the 60th day falls on a state holiday. Please govern yourself accordingly and mail or renew early!

What if the Renewal is Paid Close to or On the Deadline Date?

The only exception to the above regarding deadlines is Rule 213 that allows for licensees’ continued practice IF all the requirements reach the Department before the license expires. Obviously if you mail your renewal October 29 the Department cannot process it and get a new license to you before October 31, however if you have met all the requirements you can continue to practice on the expired license. It is the responsibility of each licensee to ensure that all requirements are met before expiration.

What’s My Best Option for a “Painless” Renewal?

The Department encourages licensees to renew on-line, using the Internet site and paying with a credit card. A link to that site is not provided here since it will not become available until the deadline date is closer. Renewing on the Internet is the quickest, most efficient way to process the renewal transaction and will result in receiving the renewed license the fastest. *Please consider using the on-line renewal method if at all possible.* Although paper renewal applications will be mailed out (to the license address we have on file for you) on approximately August 1, 2009, we encourage you to routinely check the Department’s website looking for the posting or regarding when the Internet renewal option is activated.

What licensees can do at this time is to make sure the Department has your most current address. Salespersons submit the Salesperson Request for Record Change [[insert link to BCS/LRE-920](#)] and Brokers/Associate Brokers submit the Name or Address Change for Brokers [[insert link to BCS/LRE-921](#)].

Do I have to take CE the first Year I'm licensed?

Another common misconception we routinely hear is that there still exists a "first year exemption" for new licensees. Not true. This was eliminated when the Department changed to the three year license cycle. EVERY licensee who renews will require continuing education hours. Refer to the pro-ration examples noted previously.

My License is in "Escrow" or with a "Holding/Referral" Broker

The option to place a license in "escrow" or inactive status ended in 1991. However, this is still a common term used for licensees who have placed their licenses with a "holding" or "referral" type broker. Licenses are either active or expired. Individuals with an "inactive" license will still be required to have continuing education to renew. We urge you to check with your broker to ensure that you abide by any agreed-upon stipulations such as needing to complete CE through a sponsor the broker chooses or paying an additional fee to the broker to retain your license with them. These are issues over which the Department has no jurisdiction.

Note: Licensees in a "no employer" status (license returned to Department at some point during the three-year cycle) will NOT receive a renewal notice. Those individuals must apply for relicensure.

How Do I Find a CE Course to Complete?

If you need to find a CE course to complete, the Department has lists and search capabilities at: [<https://www2.dleg.state.mi.us/colaCourses/>]. Everyone should be able to find something convenient to complete, especially with on-line being a very viable option.

I Renewed on Time and Met all My Requirements but Why am I Still Not Renewed?

A common issue for Salespersons and Associate Brokers is when the employing broker has changed license types (e.g., the broker was licensed as a corporation broker and now is licensed as an LLC). If you attempt to renew to a broker that is not renewed, it is NOT AUTOMATIC that your license will issue to the new broker entity. Salespersons desiring to be licensed to the new entity licensed by the broker must transfer. Associate Brokers must complete a NEW application to become licensed to the new broker entity. If you pay a renewal fee with a previous or non-renewed broker listed, there are no refunds if you subsequently find that you needed to be licensed to the new entity. Please keep in close contact with your employing broker and don't make a mistake that is very costly, both financially and in the loss of your ability to practice.
