

ACT 2025-379 (HB 225): A Summary

Alabama Real Estate Commission; prelicense and continuing education schools and instructors established and regulated; licenses and approvals established and further provided for; and disciplinary authority and certain fees revised

Effective Date: October 1, 2028.



Defines “accredited school” (line 18), “continuing education course” (line 39), “continuing education school” (line 43), “distance education” (line 47), “prelicense course” (line 56), “prelicense instructor” (line 59), and “prelicense school” (line 61)

Establishes that school bonds shall not exceed \$20,000.00, and a primary school bond covers all branch schools (line 91)

Sets an approval fee for continuing education schools in the amount of \$100/year and a renewal fee of \$50/year (line 124)

Increases the maximum fine for violations from \$2,500.00 to \$5,000.00 (line 147)

Requires the Commission to notify a school that has a pass rate below 40% for a period of 6 months to request a performance improvement plan, which must be submitted within 1 month of notification. If not, the school will be suspended until sufficient evidence is received (line 150)

Allows a prelicense instructor who is inactive for 3 years or less to activate by satisfying the instructor CE requirement (line 197). A prelicense instructor who is inactive for more than 3 years can activate by completing all training required by the Commission (i.e. continuing educations and possibly new instructor orientation) (line 204). The activation fee may not exceed \$50 (line 209).

Requires active prelicense instructors who have an inactive broker license to complete all continuing education for both licenses (line 213)

Establishes a \$200 per license/approval fee for late education renewals (line 221). Late renewals can take place within 12 months following the deadline (line 225). If not renewed by 12 months, the license/approval will lapse (line 230).

Requires the Commission to certify synchronous distance education prelicense courses for a fee not to exceed \$400.00 (line 243)

Requires the Commission to certify synchronous distance continuing education courses over 3 hours for a fee not to exceed \$400.00. The certification fee is \$100 if the course is 3 hours or less (line 248).

Prevents synchronous distance courses from having no more than 150 students (line 254)

Allows the Commission to accept certification of synchronous distance education prelicense or continuing education courses by any private, independent entity such as ARELLO but prevents the Commission from requiring the certification from said entities, rather than obtaining the certification through the Commission (line 269)



ACT 2025-379 (continued)

Requires a broker license applicant to satisfy the following (line 380):

- Complete a 60-hour broker basics course (line 396)
- Pass broker license exam within 6 months (180 days) of the broker basics course (line 398)
- Complete a 60-hour professional development course within 90 days of passing the license exam (line 400)

Requires a salesperson license applicant to satisfy the following (line 404):

- Complete a 60-hour salesperson basics course within 12 months (line 417)
- Pass the salesperson license exam within 6 months (180 days) (line 419)
- Complete a 60-hour professional development course within 90 days of passing the license exam (line 421)
- Submit signed acknowledgement that the applicant's qualifying broker accepts responsibility for the actions of the new licensee, or request to have the temporary license issued on inactive status (line 425)
- Submit the application within 90 days of completing salesperson professional development course (line 433)

Requires a temporary salesperson to work under the guidance of a broker, or under the guidance of a salesperson who has been actively licensed for 5 or more years (line 544)

Establishes that a temporary salesperson must satisfy the following to obtain an original license (line 549):

- Complete a 15-hour orientation in a specific area of real estate (residential, commercial, property management, etc.) (line 554)
- Complete a core competencies checklist signed by the qualifying broker (line 557)
- Submit the license application within 90 days after issuance of the temporary license or automatically be placed on inactive status (line 560)

Requires an inactive temporary salesperson license to be renewed (line 576). If inactive for more than 3 years, activation requires retaking the salesperson professional development course (line 578). If original license requirements have not been satisfied, an inactive license must first be activated to complete the requirements to qualify for an original salesperson license (line 582). Activation also requires payment of the recovery fund fee (line 586).

States that a temporary salesperson license is only valid for 10 years following the first day of the month after its issuance (line 603)

An associate broker must satisfy the following to serve as a qualifying broker (line 612):

- Maintain a license as an active associate broker for 24 of previous 36 months (line 620)
- Complete a 15-hour qualifying broker course (line 622)

A qualifying broker in another state must satisfy the following to serve as a qualifying broker in this state (line 624):

- Maintain a license as an active broker, in this state or the other state, for 24 of previous 36 months (line 633)
- Complete a 6-hour reciprocal broker course (line 635)

An associate broker in another state must satisfy the following to serve as a qualifying broker in this state (line 637):

- Maintain a license as an active associate broker for 24 of previous 36 months (line 645)
- Complete a 15-hour qualifying broker course (line 647)

Requires a company's new qualifying broker to notify the Commission that the company has changed qualifying brokers within 30 days of making the change (line 695)

Allows for a licensee to submit up to six 60-minute continuing education courses to accepted by the Commission as part of a licensee's continuing education requirement for a renewal period (line 855)