

Chapter REEB 25

EDUCATION

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Note: Chapter REB 16 as it existed on October 31, 1979, was repealed and a new Chapter REB 16 was created effective November 1, 1979. Renumbered chapter RL 25, effective March 1, 1983. **Chapter RL 25 was renumbered chapter REEB 25 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671.**

REEB 25.005 Authority. The following rules are adopted pursuant to ss. 227.11 (2), 452.05, 452.07, 452.09 (2) and (3) and 452.12 (5) (c), Stats.

History: Cr. Register, October 1979, No. 286, eff. 11-1-79; renum. from REB 16.005 and am. Register, February, 1983, No. 326, eff. 3-1-83; am. Register, January, 1992, No. 433, eff. 2-1-92.

REEB 25.01 Definitions. As used in this chapter, unless the context otherwise specifically requires:

(1) "Accredited institution of higher education" means a law school accredited by the American bar association or other schools accredited by one of the regional institutional accrediting commissions or associations which have been recognized by the U.S. department of education.

(2) "Board" means the real estate examining board.

(2m) "Classroom education" means the provision of educational programs or courses to one or more students in a setting in which either an instructor is physically present with the students or a representative of an approved school is physically present with the students for the purpose of taking attendance and providing instruction by audiotape, cable television, satellite line or other similar method and the instructor is available for student questions by telephone or E-mail, or by a continuous 2-way audio or audiovisual connection.

(3) "Continuing education course" means an approved segment of a continuing education program required by the board pursuant to s. 452.05 (1) (d), Stats.

(4) "Continuing education program" means the total number of continuing education hours or subjects required by the board pursuant to s. 452.05 (1) (d), Stats.

(5) "Credit course" means a course which can be applied toward an associate degree or higher degree at an accredited institution of higher education.

(5m) "Distance education" means the provision of educational programs or courses without an instructor or a representative of an approved school physically present with the students. "Distance education" includes, but is not limited to, the delivery of educational programs and courses on CD-ROM, computer disk, or the Internet.

(6) "Evidence of attendance" means an official transcript, student grade report, or board-approved certificate showing satisfactory completion of educational programs or courses.

(7) "Hour" means a period of 50 minutes of actual instruction and shall not include time spent in writing tests or examinations given by the school.

(8) "Noncredit program" means an educational program which does not satisfy requirements for an associate degree or higher degree at the school offering the educational program.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.01 and am. (1) and (6), Register, February, 1983, No. 326, eff. 3-1-83; renum. (1) to (5) to be (2), (7), (5), (8), (1) and am. (8), cr. (3) and (4), am. (6), Register, January, 1992, No. 433, eff. 2-1-92; am. (1), Register, July, 1998, No. 511, eff. 8-1-98; cr. (2m), (5m), am. (3), (4) and (7), Register, August, 1999, No. 524, eff. 9-1-99; **correction in (2) to (4), (6) made under s. 13.92 (4) (b) 6., Stats., Register November 2011 No. 671.**

REEB 25.02 Educational requirements of applicant for an original real estate broker's license.

(1) EDUCATIONAL REQUIREMENTS. Each applicant for an original real estate broker's license shall satisfy any one of the following requirements:

(a) Present evidence satisfactory to the board of successful completion, within 5 years before application for a license, of the educational program in sub. (2), which has been approved in accordance with this chapter, and either satisfy the salesperson's educational requirements in s. REEB 25.03 (3) or present evidence satisfactory to the board of licensure as a salesperson.

(b) Submit proof that the applicant has received 20 semester hour credits in real estate or real estate related law courses from an accredited institution of higher education. A quarter hour credit equals 2/3 of a semester hour credit.

(c) Submit proof that the applicant is licensed to practice law in Wisconsin.

(2) BROKER'S PRE-LICENSE PROGRAM. The educational program for applicants for an original real estate broker's license shall cover all of the following topics and shall be designed so that if the educational program were presented as classroom education, it would be presented in no less than 36 hours:

(a) *Contracts.* 1. Definition of a contract.

a. Contract versus agreement.

2. Elements of a contract.

a. Offer.

b. Acceptance.

c. Consideration.

d. Competent parties.

3. Time is of the essence.

4. Acceptance versus counteroffers.

5. The law of conveyances.

a. Conveyance defined.

b. Requirements for a valid conveyance.

6. Agreement to arbitrate real estate transaction disputes — s. 788.015, Stats.

7. Commercial real estate commission lien — s. 779.32, Stats.

- (b) *Approved forms.* 1. The forms approval process.
 - a. Forms committee.
 - b. Real estate examining board.
 - c. Department of safety and professional services.
- 2. The authorized practice of law.
 - a. Reynolds v. Dinger, 14 Wis. 2d 193.
 - b. Chapter REEB 16.
- 3. Review of forms.
 - a. Listing contract.
 - b. Offer.
 - c. Counteroffer.
 - d. Amendment.
 - e. Buyer agency agreement.
 - f. Lease.
 - g. Grant of option.
 - h. Bill of sale.
 - i. Offer to exchange property with acceptance.
 - j. Cancellation and mutual release.
 - k. State bar forms — s. REEB 16.03 (1).
 - L. Uniform commercial code forms.
 - m. Forms used in other states.
- 4. Developing a form and contingency manual.
- 5. Supervising salesperson's use of approved forms.
- (c) *Trust accounts, escrow, closing statement.* 1. Trust accounts — ch. REEB 18.
 - a. Trust account definition.
 - b. Trust funds definition.
 - c. When is a trust account required.
 - d. Procedure to open a trust account.
 - e. Procedure to open an interest bearing trust account.
 - f. Authorization to sign trust account checks.
 - g. Deposit of trust funds.
 - h. Disbursement of trust funds.
 - i. Bookkeeping system.
- 2. Escrow agreement procedures.
 - a. Escrows requiring separate escrow agreements.
 - b. Pre-closing earnest money escrows.
 - c. Post closing escrows.
 - d. Escrows not requiring separate escrow agreements.
 - e. Drafting escrow agreements.
- 3. Closing procedures.
 - a. Licensees are not required by license law to perform closings.
 - b. Choosing a closing statement.
 - c. Closing preparation procedures.
 - d. Setting a closing date.
 - e. Preparing closing documentation.
 - f. Closing procedures.
 - g. Post closing procedures.
- (d) *Business management and marketing.* 1. The legal environment.
 - a. Licensure.
 - b. Legal concerns.
 - c. Policy manual — s. REEB 17.08.
- 2. The business plan.
 - a. Form of ownership.
 - b. Start up.
 - c. Capital budget.
 - d. Operation budget.
 - e. Marketing strategies.
- 3. Professional services.
 - a. Attorneys.
 - b. Accountants.
- 4. Operational policies.
 - a. Policy and procedures manual.
 - b. Independent contractors agreement.
- (e) *Financial and office management.* 1. Financial management.
 - a. System of income and expense accounting.
 - b. Forms used in all systems.
 - c. Accounting for deposits.
 - d. Accounting for payroll.
 - e. General disbursements.
 - f. Accounts used for handling funds.
 - g. Bank reconciliations.
 - h. Financial reports.
- 2. Budgeting.
 - a. Definition of a budget.
 - b. Purpose of the budget.
 - c. Comparison of budget income and expenses.
 - d. Preparing the budget.
- 3. Office management — ch. REEB 15.
 - a. Retention of records.
- (f) *Personnel.* 1. Hiring.
 - a. General criteria.
 - b. Determining needs.
 - c. Personnel selection.
 - d. Equal opportunity.
 - e. Workers' compensation.
- 2. Contracts.
 - a. Employee.
 - b. Independent contractor.
- 3. Policy manual.
 - a. Purpose.
 - b. Company history and philosophy.
 - c. Development and implementation.
 - d. Termination.
- 4. Training.
- 5. Licensure and supervision of employees — ch. REEB 17.
- (g) *Business ethics.* 1. Dealing with the public.
 - a. Principal and agent relationship — s. REEB 24.025.
 - b. Treating all parties fairly — s. REEB 24.025.
 - c. Avoid discrimination — s. REEB 24.03 (1).
 - d. Competence in area of service — s. REEB 24.03 (2).
 - e. Legal counsel not to be discouraged — s. REEB 24.06.
 - f. Tie-ins — s. REEB 24.075.
 - g. Agreements in writing — s. REEB 24.08.
 - h. Misleading market values — s. REEB 24.09.
 - i. No net listings — s. REEB 24.10.
- 2. Advertising — s. REEB 24.04.
 - a. False ads.
 - b. Disclosure to the public.
 - c. Obtain permission.
 - d. Advertised price.
- 3. Offers — ss. REEB 24.12, 24.13.
 - a. Confidentiality.
 - b. Draft and submit all offers.
 - c. Submit promptly.
 - d. Present fairly.
 - e. Prompt notification.
- 4. Self-dealing — s. REEB 24.05.
 - a. Disclosure of profits.

application for an original real estate broker's license in Wisconsin may satisfy the broker's educational requirements of s. REEB 25.02 (1) by submitting evidence of one of the following:

(a) Completion of the educational programs under sub. (2) and s. REEB 25.035 (2) at a school approved by the board under s. REEB 25.05 or 25.06.

(b) Satisfaction of the requirements in s. REEB 25.02 (1) (b) or (c).

(2) The contents of the educational program under this subsection shall include all of the following and shall be designed so that if the educational program were presented as classroom education, it would be presented in no less than 3 hours:

(a) *Broker-only contracts and contract issues*. 1. Reynolds v. Dinger, 14 Wis. 2d 193.

2. State bar forms — s. REEB 16.03 (1).

3. Uniform commercial code forms — s. REEB 16.03 (1).

4. Forms used in other states.

5. Developing forms and contingency manual.

6. Supervising salespersons' use of approved forms.

7. Commercial real estate broker's commission lien — s. 779.32, Stats.

(b) *Miscellaneous Wisconsin laws*. 1. Change of name, address or trade name — ch. REEB 23.

2. Trust accounts — s. 452.13, Stats., and ch. REEB 18.

a. Procedure to open trust account.

b. Authorization to sign trust account checks.

c. Bookkeeping system.

3. Policy manual — s. REEB 17.08.

(c) Review, update or more in-depth coverage of any of the contents of the salesperson's educational course in s. REEB 25.035 (2).

History: Cr. Register, July, 1997, No. 499, eff. 8-1-97; am. (1) (intro.), (a), (b), (2) (intro.), (a), (b) (intro.) and (c), cr. (2) (a) 7., Register, August, 1999, No. 524, eff. 9-1-99; correction in (1) (intro.), (a), (b), (2) (a) 2., 3., (b) 1., 2. (intro.), 3., (c) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.03 Educational requirements of applicant for an original real estate salesperson's license.

(1) GENERAL REQUIREMENTS. Each applicant for an original real estate salesperson's license shall present evidence of attendance, within 5 years before application for a license, at the educational program in sub. (3), which has been approved by the board in accordance with s. REEB 25.05 or 25.06.

(2) TEN SEMESTER-HOUR WAIVER. The educational requirement in sub. (1) is not required of an applicant who submits proof that the applicant has received 10 semester hour credits in real estate or real estate related law courses at an accredited institution of higher education. A quarter hour credit equals 2/3 of a semester hour credit.

(3) SALESPERSON'S PRE-LICENSE PROGRAM. The educational program for applicants for an original real estate salesperson's license shall cover all of the following topics and shall be designed so that if the educational program were presented as classroom education, it would be presented in no less than 72 hours:

(a) *Real property*. 1. Land, real estate and real property.

2. Real property versus personal property.

3. Classification of fixtures.

4. Characteristics of real estate.

5. Types of home ownership.

6. Mobile homes — s. 70.043, Stats.

7. Ownership expenses.

8. Property features.

9. Investment considerations.

10. Tax benefits for home ownership.

11. Homeowner's insurance.

(b) *The real estate business*. 1. Real estate specialties.

2. The real estate market.

3. Factors affecting supply and demand.

4. Business cycles.

5. Real estate practice — ch. 452, Stats.

(c) *Real estate brokerage*. 1. Law of agency.

2. Creation and termination of agency.

3. Fiduciary duties.

4. Responsibilities to third parties.

5. Broker's and salesperson's compensation.

6. Antitrust laws.

7. Independent contractor versus employee.

8. Broker-to-broker relationships.

9. Sales associate-to-sales associate relationships.

(d) *Listing agreements*. 1. Listing property.

2. Listing agreements — ch. REEB 16.

3. Special listing provisions.

4. Termination of listings.

5. Obtaining listings.

6. Pricing the property.

7. Disclosures.

8. Home warranties.

(e) *Interests in real estate*. 1. Government powers.

2. Estates in land.

3. Encumbrances.

4. Water rights.

5. Forms of ownership.

6. Trusts.

7. Ownership by business organizations.

8. Cooperatives.

9. Time-shares — ss. 70.095, 707.02, 707.05, 707.40, 707.47, 707.49, Stats.

10. Condominiums — ss. 703.08, 703.21, 703.33, Stats.

11. Homestead — ss. 706.01 (7), 766.605, Stats.

(f) *Legal descriptions*. 1. Methods of describing real estate.

2. Land units and measurements.

3. Measuring elevations.

(g) *Taxes and other liens*. 1. Liens and their effects on title.

2. Tax liens.

3. General tax assessment, equalization, tax bills.

4. Mortgage liens.

5. Mechanics liens.

6. Judgments.

7. Estate and inheritance tax liens.

8. Other liens.

9. Taxes — ss. 74.15, 74.47 (1) and (2), Stats.

10. Taxation and transfer fee — ss. 77.22, 77.27, Stats.

(h) *Real estate contracts*. 1. Contract law.

2. Elements of a valid contract.

3. Performance of contract.

4. Discharge of contract.

5. Default or breach of contract.

6. Forms used in real estate — ch. REEB 16.

a. Listing agreements — s. 240.10, Stats.

b. Offers to purchase.

c. Buyer agency agreements.

d. Counteroffers.

e. Amendments.

f. Understanding closing statements.

g. Disclosure forms: seller condition report; agency; buyer and seller disclosure.

h. Addendums.

i. Cancellation and mutual release agreements.

7. Agreement to arbitrate real estate transaction disputes — s. 788.015, Stats.

(i) *Title records and transfers of title*. 1. Requirements of a valid conveyance — ss. 240.10, 706.02, 706.03, Stats.

2. Types of deeds.

3. Involuntary alienation.

4. Probate.

5. Transfer of title by will and descent.

6. Public records and recording.

7. Evidence of title.

8. Uniform commercial code.

9. Other conveyances.

(j) *Real estate finance and basic math*. 1. Buyer qualification.

2. Mortgage instruments.

3. Payment plans.

4. Provisions for default: assignment; release; subject to.

5. Land contracts.

6. Secondary mortgage market.

(k) *Appraisal — market analysis*. 1. Basic principles of value.

2. Direct market comparison approach.

3. Cost approach.

4. Income approach.

5. Appraisal process.

(L) *Fair housing laws*. 1. Equal opportunity in housing.

2. Federal fair housing law.

3. Blockbusting, steering, redlining.

4. Equal rights — s. 106.50, Stats.

5. Equal opportunity — s. 66.1011, Stats.

6. Organizations.

(m) *Ethical real estate practices*. 1. Chapter REEB 24.

2. Ethical business conduct.

(n) *Leases*. 1. Leasehold estates.

2. Standard lease provisions.

3. Lease documents.

4. Legal principles of leases.

5. Assignment and subleasing.

6. Improvements.

7. Maintenance.

8. Breach.

9. Residential rental practices — ss. ATCP 134.02, 134.06, 134.09, and 134.09.

(o) *Property management*. 1. Functions of property manager.

2. Management agreement.

3. Management considerations.

4. Renting and maintaining the property.

5. Risk management.

(p) *Land use control and development*. 1. Public controls.

2. The master plan.

3. Zoning.

4. Subdivision regulations.

5. Private land-use controls.

6. Building codes.

7. Land development.

8. Subdividing.

9. Interstate land sales full disclosure act.

10. Platting and subdivisions — ss. 236.01, 236.02, 236.03, 236.31, 236.33, 236.335, 236.35, Stats.

(q) *Environmental concerns*. 1. Radon.

2. Asbestos.

2m. Lead-based paint.

3. Toxic waste.

4. Underground storage tanks — ch. SPS 310.

5. Floodplains — s. 87.30, Stats. and ss. NR 116.01, 116.06.

6. Flood insurance.

7. Wetlands — s. 23.32, Stats.

8. Farmland preservation — ss. 91.01, 91.60 to 91.70, Stats.

9. Rental unit energy efficiency standards — ss. SPS 367.03, 367.08.

10. Disclosure documents — s. 452.23, Stats., and ch. 709, Stats. and s. REEB 24.07.

11. Other.

(r) *Miscellaneous Wisconsin license laws*. 1. Chapter REEB 15 — documents and records.

2. Chapter REEB 16 — contractual forms.

3. Chapter REEB 17 — licensure and supervision of employees.

4. Chapter REEB 18 — trust accounts.

5. Chapter REEB 23 — change of name, address, trade names.

6. Commercial bulk sales — ss. 406.101, 406.102, 406.103, 406.104, 406.105, 406.107, 406.108, Stats.

Note: Sections 406.101 to 406.108, Stats., were repealed by 2009 Wis. Act 110.

7. Property provisions for aliens and corporations — ss. 710.01, 710.02, Stats.

8. Property rights of married persons — ss. 766.31, 766.51, 766.60, 766.63, Stats.

9. Mortgage banking — s. 224.71, Stats., and s. DFI-Bkg 40.03 (4) (b).

Note: Section DFI-Bkg 40.03 (4) (b) no longer exists, eff. 1-1-10.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; am. (2) (intro.) and r. and recr. (2) (b), Register, April, 1981, No. 304, eff. 5-1-81; am. (2) (b), Register, June, 1982, No. 318, eff. 7-1-82; renum. from REB 16.03 and am. (2), Register, February, 1983, No. 326, eff. 3-1-83; r. and recr. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; am. (1), (3) (q) 10., (4), cr. (3) (h) 7., Register, September, 1993, No. 453, eff. 10-1-93; cr. (3) (q) 2m., r. (4), Register, July, 1997, No. 499, eff. 8-1-97; am. (3) (r) 9., Register, July, 1998, No. 511, eff. 8-1-98; am. (1), (3) (intro.), (a) (intro.), 6., (b) to (L) (intro.), 4. and (m) to (r), Register, August, 1999, No. 524, eff. 9-1-99; correction in (3) (L) 4. and 5. made under s. 13.93 (2m) (b) 7., Stats., Register November 2007 No. 623; correction in (3) (q) 4. made under s. 13.92 (4) (b) 7., Stats., Register January 2011 No. 661; **correction in (1), (3) (d) 2., (h) 6. (intro.), (m) 1., (q) 4., 8., 9., 10., (r) 1. to 5. made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.**

REEB 25.035 Satisfaction of salesperson's educational requirements by out-of-state applicants.

(1) An applicant who has held an active real estate salesperson's license in another licensing jurisdiction within the 2-year period prior to filing an application for an original real estate salesperson's license in Wisconsin may satisfy the educational requirements of s. REEB 25.03 (3) if the applicant submits evidence of one of the following:

(a) Completion of the educational program in sub. (2) at a school approved by the board under s. REEB 25.05 or 25.06.

(b) Satisfaction of the 10 semester-hour waiver in s. REEB 25.03 (2).

(2) The contents of the educational program under this subsection shall include all of the following and shall be designed so that if the educational program were presented as classroom education, it would be presented in no less than 13 hours:

(a) *Contracts*. 1. The law of conveyances.

a. Conveyance defined — s. 706.01, Stats.

b. Requirements for a void conveyance — ss. 706.02, 706.03, Stats.

2. Chapter REEB 16.
3. Review of forms approved by the board.
 - a. Listing contracts.
 - b. Offers to purchase.
 - c. Counteroffer and multiple counteroffer.
 - d. Amendment/notice.
 - e. Buyer agency agreement.
 - f. Grant of option.
 - g. Bill of sale.
 - h. Exchange agreement.
 - i. Cancellation and mutual release.
 - j. Other approved forms.

(b) *Agency*. 1. Duties owed to parties and clients. — s. 452.133, Stats.

2. Requirement for an agency agreement and disclosure of agency — s. 452.135, Stats.

3. Multiple representation — s. 452.137, Stats.

Note: Section 452.137, Stats., was repealed by 2005 Wis. Act 87.

4. Revisions to common law duties and responsibilities — s. 452.139, Stats.

(c) *Business conduct*. 1. Direct contact with the public.

- a. Competence in area of service — s. REEB 24.03.
- b. Tie-ins — s. REEB 24.075.
- c. Agreements in writing — s. REEB 24.08.
- d. Misleading market values — s. REEB 24.09.
- e. Net listings — s. REEB 24.10.

2. Advertising — s. REEB 24.04.

3. Completing and presenting offers — ss. REEB 24.12, 24.13.

- a. Confidentiality.
- b. Drafting and submitting offers.
- c. Prompt delivery to buyer.
- d. Fair presentation of offers.
- e. Prompt notification.

4. Self-dealing — s. REEB 24.05.

- a. Dual compensation.
- b. Disclosure of interest.
- c. Referral services.
- d. Disclosure of profits.
- e. Disclosure of licensure.

(d) *Consumer protection*. 1. Property inspections — s. REEB 24.07 (1) (a).

2. Inquiry by listing broker — s. REEB 24.07 (1) (b).
3. Disclosure of material adverse facts — s. REEB 24.07 (2).
4. Disclosure of material suggesting adverse material facts — s. REEB 24.07 (3).
5. Disclosure of side agreements — s. REEB 24.07 (4).
6. Reliance upon third parties — s. REEB 24.07 (5).
7. Investigations and inspections — s. 452.23, Stats.
8. Civil liability for misrepresentation.
9. Seller's disclosure duties — ch. 709, Stats.

(e) *Fair housing*. Wisconsin law — s. REEB 24.03 (1), ss. 66.1011 and 106.50, Stats.

(f) *Environmental factors*. 1. Underground storage tanks — ch. SPS 310.

2. Floodplains — s. 87.30, Stats., ss. NR 116.01, 116.06.
3. Wetland — s. 23.32, Stats.
4. Farmland preservation — ss. 91.60 to 91.70, Stats.
5. Rental unit energy efficiency standards — ss. SPS 367.03, 367.08.

(g) *Trust accounts and escrows*. 1. Trust accounts — s. 452.13, Stats., ch. REEB 18.

- a. Definition of trust account.
 - b. Interest-bearing and non-interest-bearing accounts.
 - c. Definition of trust funds.
 - d. When a trust account is required.
 - e. Deposit of trust funds.
2. Escrow agreement procedures.
- a. Escrows requiring separate escrow agreements.
 - b. Pre-closing earnest money escrows.
 - c. Post-closing escrows.
 - d. Escrows not requiring separate escrow agreement.
 - e. Drafting escrow agreements.

(h) *Miscellaneous issues*. 1. Condominiums — ss. 703.08, 703.21, 703.33, Stats.

2. Homestead — ss. 706.01 (7), 766.605, Stats.

3. Taxes — ss. 74.15, 74.47 (1) and (2), Stats.

4. Taxation and transfer fee — ss. 77.22, 77.27, Stats.

5. Residential rental practices — ss. ATCP 134.02, 134.06, 134.09.

6. Platting and subdivisions — ss. 236.01 to 236.03 and 236.31 to 236.35, Stats.

7. Documents and records — ch. REEB 15.

8. Licensure and supervision of employees — ch. REEB 17.

9. Commercial bulk sales — ss. 406.101 to 406.108, Stats.

Note: Sections 406.101 to 406.108, Stats., were repealed by 2009 Wis. Act 110.

10. Property provision for aliens and corporations — ss. 710.01, 710.02, Stats.

11. Property rights of married persons — ss. 766.31, 766.51, 766.60, 766.63, Stats.

12. Mortgage banking — s. 224.71, Stats., s. DFI-Bkg 40.03 (4) (b).

Note: Section DFI-Bkg 40.03 (4) (b) no longer exists, eff. 1-1-10.

History: Cr. Register, July, 1997, No. 499, eff. 8-1-97; rn. (1) to be (1) (intro.) and am., cr. (1) (a) and (b), Register, July, 1998, No. 511, eff. 8-1-98; am. (1), (2) (intro.), (a) to (h), Register, August, 1999, No. 524, eff. 9-1-99; corrections in (2) (e) made under s. 13.93 (2m) (b) 7., Stats., Register November 2007 No. 623; correction in (2) (f) 1. made under s. 13.92 (4) (b) 7., Stats., Register January 2011 No. 661; correction in (1) (intro.), (a), (b), (2) (a) 2., 3., (c) 1. a. to e., 2., 3. (intro.), 4. (intro.), (d) 1. to 6., (e), (f) 1., 5., (g) 1. (intro.), (h) 7., 8. made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.05 Requirements for approval of pre-license education courses taken for academic credit at an accredited institution of higher education. (1)

A school seeking initial approval of pre-license credit courses in real estate shall submit its application on a form provided by the department. The board may require the following information and materials:

- (a) The department in the school which is offering the courses.
- (b) The method of instruction for each course.
- (c) The course number and title.
- (d) Detailed outlines of each course with specific allocations of classroom hours to each topic.
- (e) A current school bulletin.

Note: An applicant may obtain a copy of the Application for Approval of Pre-license Credit Courses, Form #828, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(2) The board may approve a pre-license credit course if it alone or in conjunction with one or more other courses covers all of the contents and the required number of hours, as provided in s. REEB 25.02 (2) or 25.03 (3).

(3) When approving one or more pre-license credit courses, the board shall specify the single course or combination of courses which cover either the topics in s. REEB 25.02 (2) or the topics in s. REEB 25.03 (3).

(4) A school shall inform the board of any changes in the information it submitted in an application form within 10 days following the date of the change.

(5) A school may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.055 and am. Register, February, 1983, No. 326, eff. 3-1-83; renum. from RL 25.055, Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; am. (3), r. (6), Register, August, 1999, No. 524, eff. 9-1-99; correction in (1) (intro.), (2), (3), (4) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.06 Requirements for approval of pre-license noncredit programs and instructors.

(1) APPROVAL OF PROGRAMS. (a) A school seeking initial approval from the board of pre-license educational noncredit programs or courses shall submit its application on a form provided by the department.

Note: An applicant may obtain a copy of the Application for Approval of Pre-license Noncredit Programs, Form #830, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(b) The board may require a school seeking initial approval and reapproval of pre-license noncredit programs or courses to describe or furnish its organizational structure, registration policies, fee schedules, promotional materials, detailed outlines of each program or course with specific allocations of classroom hours to each topic presented as classroom education, student records system, the names and qualifications of instructors, the method of instruction, the method for evaluating instructors and a summary of evaluations conducted, and the time, date and location of each program.

(c) A school shall inform the board of any changes in the information it submitted in an application form within 10 days following the date of the change.

(d) A school may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

(e) A school seeking the approval of pre-license noncredit programs or courses presented as distance education is not required to designate the number of hours of instruction. However, it shall describe to the board how it will do all of the following:

1. Ensure that instructors approved by the board under sub. (2) are available to the students at reasonable times and by reasonable means.

2. Ensure that the distance education programs and courses will sufficiently cover the required subjects.

3. Provide reasonable oversight to ensure that students who complete the distance education program are the enrolled students.

4. Ensure that the school's distance education program and courses will provide a reasonable opportunity for student self-evaluation of mastery.

(2) (a) Instructors of pre-license educational noncredit programs shall be approved by the board. Instructors shall be knowledgeable in the subject which they are teaching. The board may limit its approval to specific content areas set forth in ss. REEB 25.02 (2) and 25.03 (3). Instructors shall possess at least one of the following minimum qualifications:

1. Be an instructor of real estate courses who is or has been engaged in the practice of teaching at an accredited institution of higher education.

2. Be a properly licensed or certified person by the board or other governmental agency who is engaged in the real estate aspects of appraising, financing, marketing, brokerage management, real property management, real estate counseling, real

property law, or other related subjects and has been for at least 5 years continuously engaged in such practice.

3. Be a member of the state bar of Wisconsin who is engaged in the field of real estate-related law.

4. Be a person who, in the judgment of the board, is qualified by experience or education, or both, to supervise a course of study.

Note: An applicant may obtain a copy of the Application for Approval of Instructor, Form #831, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(b) An instructor whose real estate license has been limited, suspended or revoked may not instruct in approved programs while the disciplinary action is in effect.

(c) A school shall make arrangements so that when instruction is provided by some means without the instructor physically present in the classroom and the students are unable to interact with the person doing the instructing another approved instructor will be present in the classroom. If the students are able to interact with the person doing the instructing a monitor, but not necessarily an approved instructor, shall be present.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.06 and am. Register, February, 1983, No. 326, eff. 3-1-83; am. (1) (a) 1., r. (2) (d) to (f), Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; correction in (2) (a) made under s. 13.93 (2m) (b) 7., Stats., Register, July, 1997, No. 499; am. (2) (a) 2., Register, July, 1998, No. 511, eff. 8-1-98; am. (1) (a) and (b), r. and recr. (1) (c), Register, August, 1999, No. 524, eff. 9-1-99; correction in (1) (a) to (c), (e) (intro.), 1., (2) (a) (intro.), 2., 4. made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.065 Continuing education requirements for brokers and salespersons.

(1) Each licensed broker and salesperson, except an inactive licensee under s. 452.12 (6), Stats., shall satisfy the continuing education requirement specified in s. 452.12 (5) (c), Stats., during each licensing biennium.

Note: The contents of the continuing education programs and courses are not designated in the Wisconsin administrative code, pursuant to an exemption under s. 227.01 (13) (zj), Stats. This information may be obtained from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(2) A licensee may only satisfy the continuing education requirement by successfully completing the continuing education program or courses which are approved by the board before the programs or courses are conducted, except that pursuant to s. 452.12 (5) (c) 2., Stats., the licensee may take the continuing education examination conducted by the department in lieu of the education.

Note: 2011 Wis. Act 32 repealed s. 452.12 (5) (c) 2., Stats., eliminating the continuing education option for renewal. Section REEB 25.065 (2) will be repealed in future rule making by the board.

(3) A licensee shall submit evidence of completion of the continuing education requirement when applying for renewal of license. The department shall withhold issuance of the renewal license until such evidence is submitted and the licensee may not engage in the practice of real estate until having submitted such evidence and having received the license.

(5) A person who receives an original salesperson's or broker's license during a licensing biennium is not required to satisfy the continuing education requirement during the biennium in which the person receives that license.

(6) A licensee may attend more than one school in order to complete approved courses which are part of the continuing education program designated by the board under s. 452.05 (1) (d) and (g), Stats.

(6m) A licensee who attends an approved continuing education course and fails the examination given by the school at the end of the course shall retake the course and pass the course examination before being eligible to take the continuing education examination conducted by the department pursuant to s. REEB 25.075.

(7) A licensee may complete less than the complete continuing education program designated by the board under s. 452.05

(1) (d) and (g), Stats., and subsequently take the continuing education examination conducted by the department.

(8) A licensee who acts as an instructor of an approved continuing education program or course may receive credit toward satisfaction of the licensee's continuing education requirement, provided the licensee successfully completes the program or course examination, as specified in s. REEB 25.05. The licensee may not receive credit for teaching a specific course more than one time.

(9) The board may grant an extension of time for completion of the continuing education requirement by a licensee and the licensee may obtain a renewal license for the extension period for one of the following reasons:

(a) Health reasons which prevented attendance at continuing education courses or the continuing education examination;

(b) Active duty in the military service with assignment to a duty station outside Wisconsin; or

(c) Other compelling reasons beyond the control of the applicant while engaged in the real estate business.

History: Cr. Register, January, 1992, No. 433, eff. 2-1-92; am. (6m), r. (4), r. and rec. (5), Register, September, 1993, No. 453, eff. 10-1-93; am. (7), Register, July, 1998, No. 511, eff. 8-1-98; am. (5), Register, August, 1999, No. 524, eff. 9-1-99; correction in (2), (3), (6) to (9) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.066 Requirements for approval of continuing education schools, courses and instructors.

(1) A school seeking approval from the board of a continuing education program or course shall submit its application on a form provided by the department. A school shall submit an application for approval of a continuing education program or course to the board before conducting the continuing education program or course which the board has prescribed for a licensing biennium.

Note: An applicant may obtain a copy of the Request For Approval of Real Estate Continuing Education Program or Courses, Form #1747, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(2) Instructors of continuing education programs and courses shall be approved by the board. Instructors shall be knowledgeable in the subject which they are teaching and shall possess at least one of the following minimum qualifications:

(a) Be an instructor of real estate courses who is or has been engaged in the practice of teaching at an accredited institution of higher education.

(b) Be a properly licensed or certified person by the board or other governmental agency who is engaged in the real estate aspects of appraising, financing, marketing, brokerage management, real property management, real estate counseling, real property law, or other related subjects and has been for at least 5 years continuously engaged in such practice.

(c) Be a member of the state bar of Wisconsin who is engaged in the field of real estate-related law.

(d) Be a person who, in the judgment of the board, is qualified by experience or education, or both, to supervise a course of study.

Note: An applicant may obtain a copy of the Application for Approval of Instructor, Form #831, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(3) An instructor whose real estate license has been limited, suspended or revoked may not instruct in approved programs while the disciplinary action is in effect.

(4) The board may require a school seeking initial approval and reapproval of continuing education programs and courses to describe or furnish its organizational structure, registration policies, fee schedules, promotional materials, detailed outlines of each program with specific allocations of hours to each topic presented as classroom instruction, student records system, the

names and qualifications of administrators and instructors, the method of instruction, a summary of evaluations conducted, information about the school's response to complaints concerning an instructor.

(5) A school shall inform the board of any changes in the information which it provided to the department in an application form within 10 days following the date of the change.

(6) The following are additional criteria for approval of continuing education programs or courses:

(a) Applicants for approval of continuing education programs or courses may not discriminate against anyone on the basis of sex, race, color, sexual orientation as defined in s. 111.32 (13m), Stats., handicap, religion, age, physical disability, or national origin in their educational programs.

(c) A school shall submit to the board with the application for approval at least 15 multiple-choice questions for each course. The school shall clearly indicate the answer to each question and the portion of the course outline to which the question relates. The questions shall comply with reasonable standards of test development and shall relate to the substantive contents of the continuing education program or course. The questions shall be the original work of the writer and not be published. A school may only make questions available to school personnel.

Note: An applicant may obtain a copy of the Continuing Education Question Development Form, Form #1746, and the Instructions for Submitting Continuing Education Questions, Form #1745, from the Wisconsin Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708.

(d) A school shall agree to conduct an examination at the end of each continuing education program or course. The examination shall contain at least 15 multiple-choice questions for each course. The passing score shall be no less than 70%, unless the school provides substantial justification to the board for a lower score and the board approves the lower passing score.

(e) A school shall agree not to make available to students before the students take a specific examination the questions or answers to the questions. A school shall keep tests and answer sheets in a secure location at all times before and after administration of the examination.

(f) A school shall agree to inform students about the number of points of credit for each question in the examination and the passing score. It shall also provide clear instructions to students for recording their responses to the questions.

(g) A school shall agree to provide each student with a certificate of attendance at a program or course. The certificate shall comply with the requirements in s. REEB 25.07.

(j) A school may not count examination time as part of the classroom hours required in a classroom education course.

(k) A school seeking the approval of continuing education programs and courses presented as distance education is not required to designate the number of hours of instruction. However, it shall describe to the board how it will do all of the following:

1. Ensure that instructors approved by the board under sub. (2) are available to the students at reasonable times and by reasonable means.

2. Provide a reasonable level of examination security for the examination given at the end of each distance education continuing education course.

3. Sufficiently cover the subjects specified for continuing education courses.

4. Provide reasonable oversight to ensure that the students who take the examination are the enrolled students.

5. Provide a reasonable opportunity for student self-evaluation of mastery.

History: Cr. Register, January, 1992, No. 433, eff. 2-1-92; am. (2) (intro.), (4), Register, September, 1993, No. 453, eff. 10-1-93; am. (1), r. (6) (h), Register, July, 1997, No. 499, eff. 8-1-97; am. (2) (b), Register, July, 1998, No. 511, eff. 8-1-98; am. (1), (4), and (6) (c) to (f), (j), r. (6) (b), (i), cr. (6) (k), Register, August, 1999, No.

524, eff. 9-1-99; correction in (1), (2) (intro.), (b), (d), (4), (5), (6) (c), (d), (g), (k) (intro.), 1. made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.07 Certification of attendance at pre-license and continuing education programs and courses. (1) ATTENDANCE REQUIREMENTS. A student shall attend all the required hours of a classroom education course and receive all the required contents of a classroom education course or a distance education course before a school may give a certificate of attendance to the student. In addition, for continuing education programs and courses, a student shall also satisfactorily complete the course examination administered by the school, as provided in s. REEB 25.066 (6) (d).

(2) CERTIFICATION OF ATTENDANCE. (a) Schools shall provide an individual certificate of attendance to all students upon satisfactory completion of education programs and courses.

(b) The board may accept an official transcript or student grade report as evidence of satisfactory completion of credit courses.

(c) Certificates for pre-license noncredit programs and all continuing education programs and courses shall meet the following criteria:

1. Clearly state the name of the school.
 2. Clearly state the name of the student.
 3. Clearly state the name of the program or course and whether it satisfies prelicense or continuing education requirements.
 4. Clearly state the number of hours the student has successfully completed in an educational program presented as classroom education.
 5. Clearly state the date of completion of the program or course.
 6. Be signed by an authorized person at the school.
- (d) A school shall maintain attendance records for at least 5 years after a program or course has been conducted.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.07 and am. (1) (a), (b) and (e) and (2), Register, February, 1983, No. 326, eff. 3-1-83; r. (1) (d) and (e) and (2), renum. (3) to be (2) and am. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; am. (1) and (2) (c) 4., Register, August, 1999, No. 524, eff. 9-1-99; correction in (1), (2) (b) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.075 Continuing education examination conducted by the department. (1) The department shall conduct a continuing education examination pursuant to s. 452.12 (5) (c) 2., Stats.

Note: 2011 Wis. Act 32 repealed s. 452.12 (5) (c) 2., Stats.

(2) The department shall conduct the continuing education examination during each biennial licensure period, but not from July 1 to December 31 of each even-numbered year.

(3) The continuing education examination shall cover the subjects required for continuing education approved by the board under s. 452.05 (1) (d) and (g), Stats., and shall have no less than 5 questions for each hour of instruction in classroom education courses or 5 questions for each hour of instruction if the topics presented in a distance education course were presented as a classroom education course or courses in the approved continuing education program or courses.

(5) The board shall require a minimum passing score of 70 on the continuing education examination.

(6) The board shall permit licensees who take the continuing education examination to review the examination and the examination results, as provided in s. REEB 12.025.

Note: 2011 Wis. Act 32 repealed s. 452.12 (5) (c) 2., Stats., invalidating s. REEB 25.075. Section REEB 25.075 will be repealed in future rule making by the board.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.075 and am. (1), Register, February, 1983, No. 326, eff. 3-1-83; r. (2), renum. (1) and am. Register, February, 1987, No. 374, eff. 6-1-87; r. and recr. Register, January, 1992, No. 433, eff. 2-1-92; am. (3), r. (4), Register, August, 1999, No. 524, eff. 9-1-99; correction in (3), (5), (6) made under s. 13.92 (4) (b) 6., 7., Stats., Register November 2011 No. 671.

REEB 25.08 Investigation and review. (1) PERIODIC REVIEW. The board, or its duly authorized representative, shall investigate and review all approved educational programs, courses, and instructors. The method of review shall be determined by the board in each case and will generally consist of the following:

- (a) Consideration of information available from federal, state, or local agencies, private organizations or agencies, or interested persons.
- (b) Conferences with officials or representatives of the school involved or with former students of the school.
- (c) Public hearing respecting the educational program, course, or instructor involved, with adequate written notice to the school and/or instructor.
- (d) Investigation by visitation to the school.

(2) UPON COMPLAINT. In addition to investigation upon its own initiation, the board may investigate any school or instructor upon receipt of a complaint from an interested person.

(3) DENIAL OR WITHDRAWAL OF APPROVAL. (a) The board may limit, suspend or revoke the approval of a school or instructor to conduct any program or course which had been approved pursuant to this chapter when the school or instructor:

1. Has falsified information on any application or certificate of attendance submitted to the department;
2. Has not complied with the conditions for approval;
3. Has given credit to students for an amount of time present in class when the actual amount was less than the credited amount;
4. Has divulged to students before administration of a continuing education course examination questions which will be used in the examination when administered;
5. Has not followed the course outline approved by the board;
6. Has provided instruction on several occasions when not adequately prepared to teach; or

7. Has violated any provisions in this chapter. Violation of subds. 1. to 4. may also be cause for disciplinary action against a licensee, pursuant to s. 452.14, Stats.

(b) If, after investigation, the board deems it proper to deny or withdraw its approval of any school, educational program, course, or instructor, the board shall follow the procedures in ch. SPS 1 for denial of approval and the procedures in ch. SPS 2 for limiting, suspending or revoking approval.

History: Cr. Register, October, 1979, No. 286, eff. 11-1-79; renum. from REB 16.08 and am. (1) (intro.), (2) and (3), Register, February, 1983, No. 326, eff. 3-1-83; am. (3), Register, January, 1992, No. 433, eff. 2-1-92; am. (3) (a), (b), Register, September, 1993, No. 453, eff. 10-1-93; correction in (1), (2), (3) (a) (intro.), 5., (b) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671.