



CHERYL L. DAWSON, CHAIRMAN
HURRICANE

KATHRYN L. MARTIN, VICE
CHAIRMAN
MORGANTOWN

**STATE OF WEST VIRGINIA
REAL ESTATE COMMISSION**

300 CAPITOL STREET, SUITE 400
CHARLESTON, WV 25301
(304) 558-3555
FAX (304) 558-6442
<rec.wv.gov>

DENSIL L. NIBERT
Secretary
SHENANDOAH JUNCTION

Robert D. Kennen
Wheeling

JERRY A. FORREN
EXECUTIVE DIRECTOR

Mr. James Bailey
Office of the Governor
State Capitol, 1900 Kanawha Blvd. East
Charleston, WV 25305

Mr. Bailey,

Pursuant to Executive Order 3-18 (Regulatory Review), I have attached the required review for the West Virginia Real Estate Commission. Should you have any questions, do not hesitate to call or email.

Thank you,

A handwritten signature in cursive script, appearing to read "Jerry A. Forren".

Jerry A. Forren
Executive Director
West Virginia Real Estate Commission

West Virginia Real Estate Commission

Regulatory Review Report

Series 1

174.1.1 through 174.1.20 are the rules set forth that cover items regulated by the Commission. They include the following:

174.1.1 - Scope

174.1.2 – Definitions

174.1.3 – Explanation of License Year and Fees

174.1.4 – Licensure, Exam, Application, Licensure Fee

174.1.5 – Background Checks

174.1.6 – Broker Qualification

174.1.7 – Non-Resident Licensing

174.1.8 - Renewal and Cancellation

174.1.9 – License Certificates Issuance, Cancellation and Transfer

174.1.10 - Special Provisions for Brokers

174.1.11 – Deceased or Incapacitated Responsible Broker

174.1.12 – Trade and Franchise names

174.1.13 – Office Signs

174.1.14 – Branch Offices

174.1.15 – Trust Funds

174.1.16 – Agent Consent and Disclosure

174.1.17 – Advertising

174.1.18 – Rebates, Inducements and Discounts

174.1.19 – Investigations and Complaints

174.1.20 – Licensee's Duty to Report

According to our records, Series 1 was first promulgated in 1964, with modifications taking place in 1973, 1974, 1982, 1990, 1992, 1993, 1995, 1998, 2003, 2007, 2014, 2018.

The Commission made major changes to Series 1 in 2018. The highlights of the changes are as follows:

- Added provisions to clarify and simplify the application and testing process. (174.1.4)
- Included a clarification of the requirement for licensing non-residents related to taking the state portion (WV Law and Regulations) of the licensing examination. (174.1.7)
- Added:
 - Deceased or Incapacitated Responsible Broker (174.1.11)
 - Advertising on Business Cards and other promotional items (174.1.17)
 - Sweep accounts (174.1.15)
 - Licensee's duty to report other actions (174.1.20)

The Commission does not intend to make additional changes in the near future.

Regulatory Review Report

Series 2

174.2.1 through 174.2.5 are the rules set forth to cover the Commissions Fee structure. They are as follows:

174.2.1 – Scope

174.2.2 – Schedule of Fees

174.2.3 – Insufficient Funds

174.2.4 – Refunds

174.2.5 – Non-Compliance

According to our records, Series 2 was first promulgated in 2003, with modifications taking place in 2014 and 2018.

The Commission made major changes to Series 2 in 2018. The highlights of the changes are as follows:

- Licensing, license renewal and examination fees have not been changed, just presented in more logical way
- Some of the fees for changes to the current licensee's and/or company status have been increased to reflect the business environment. This is the first change in many years (since initiation of the fees).
- Fees for initial approval, registration and renewal of pre-license and continuing education providers and instructors
- A fee increase for the approval of continuing education courses which has not been changed since it's initiation
- Insufficient Funds explanation was added

The Commission does not intend to make additional changes in the near future.

Regulatory Review Report

Series 3

174.3.1 through 174.3.5 are the rules set forth to cover the Educational Requirements. They are as follows:

174.3.1 – Scope

174.3.2 – Definitions

174.3.3 – Courses, Course Providers and Instructors

174.3.4 – Audits

174.3.5 – Disciplinary Actions

According to our records, Series 3 was first promulgated in 2003, with modifications taking place in 2018.

The Commission made major changes to Series 3 in 2018. The highlights of the changes are as follows:

- Edits to better reflect the current practice
- Regulations regarding renewal of pre-license and continuing education courses, course providers and instructors to streamline the process.
- Pre-license education: The content outline of the Broker course was changed to reflect the content of the new Broker course outline developed by a task force of stakeholders
- Required attendance and exam passing scores were changed to reflect the changes in national and state education practices

To fulfill the principal purpose of the Commission of protecting the public, regulations are:

- Audit approved education providers, courses and instructors, and
- Disciplinary actions against providers and instructors found in violation of the rules

The Commission does not intend to make additional changes in the near future.

Regulatory Review Report

Series 4

174.4.1 through 174.4.5 are the rules set forth to cover the Investigations of Complaints and Hearings. They are as follows:

- 174.4.1 – Scope
- 174.4.2 – Definitions
- 174.4.3 – Denial of License and Discipline
- 174.4.4 – Disposition of Complaints
- 174.4.5 – Contested Case Hearing
- 174.4.6 – Subpoena Powers
- 174.4.7 – Conduct of Hearing
- 174.4.8 – Disposition
- 174.4.9 – Final Decision
- 174.4.10 – Judicial Review
- 174.1.11 – Reinstatement
- 174.4.12 – Publication of Decisions

According to our records, Series 4 was first promulgated in 2007, with no modifications.

The Commission does not intend to propose changes in the near future for Series 4. We believe that the Series is working well.