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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 01/28/11  
**LAST UPDATED** 02/24/11    **HB** \_\_\_\_\_

**SPONSOR**    Boitano

**SHORT TITLE**    Licensing of Real Estate Brokers over 65    **SB** 112/aSCORC/aSPAC

**ANALYST** Sanchez, C.

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NA		

(Parenthesis ( ) Indicate Expenditure Decreases)

Conflicts with SB105

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)  
 Regulation and Licensing Department (RLD)

### SUMMARY

#### Synopsis of SPAC Amendment

The Senate Public Affairs Committee's Amendment to Senate Bill 112 strikes the previous SCORC amendment which required licensees sixty-five years of age or older to successfully complete eight classroom hours of instruction every three years in courses approved by the commission.

#### Synopsis of SCORC Amendment

The Senate Corporations & Transportation Committee's Amendment to Senate Bill 112 provides that licensees who are sixty-five years of age or older shall, as a condition of license renewal, successfully complete eight classroom hours of instruction every three years in courses approved by the commission. This is a change from the original proposal: (a) which focused on those who are 65 years and had 20 years of experience (b) which required 0 classroom hours.

#### Synopsis of Original Bill

Senate Bill 112 would repeal a provision in NMSA 1978, §61-29-4.1 that exempts real estate brokers who are sixty five years of age or older and who have been continuously licensed for twenty years from the requirement to complete thirty hours of continuing education as condition of license renewal.

## **FISCAL IMPLICATIONS**

There are no significant fiscal implications.

## **SIGNIFICANT ISSUES**

The Real Estate Commission has long supported a repeal of the exemption from continuing education on the grounds that the increasing complexity of real estate transactions and state and federal laws governing real estate transactions requires brokers to stay current in order to protect the public. Repeal of this provision has been vigorously opposed by those brokers already exempt by virtue of age and years of licensure.

## **ADMINISTRATIVE IMPLICATIONS**

According to the Real Estate Commission, the primary administrative implication of SB112 would be the difficulty of bringing brokers who are already exempt from continuing education, some of them for many years, back into the continuing education reporting and monitoring system.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Senate Bill 105 sponsored by Senator Tim Eichenberg would also repeal the exemption, but allow those exempt on the effective date of the act to remain exempt.

## **ALTERNATIVES**

According to the Regulation and Licensing Department (RLD), SB112 should be amended to coincide with the language in SB105 which reads, “The regulations shall require that every licensee except licensees who ~~are sixty five years of age or older and who have a minimum of twenty years’ continuously licensed experience in the selling, leasing, or managing of real property~~ were already exempted from continuing education requirements on the effective date of this 2011 act, as a condition of license renewal, successfully complete thirty classroom hours of instruction every three years in courses approved by the commission.”

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The exception will remain and licensees who are age 65 or older will still be able to renew their broker licenses without complying with the minimum continuing education requirements that apply to other licensees.

## **POSSIBLE QUESTIONS**

How are exempted real estate brokers over 65 staying up to date with updated state and federal regulations?

CS/mew:svb