



New NYS licensing regulations and other laws

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Continuing Education

Effective July 1, the New York State requirements for maintaining a Real Estate license were modified. It has been and still is required that 22½ hours of continuing education be taken every two years to renew one's license. However it is now required that the 22½ hours include 3 hours of fair housing and/or discrimination education.

Agents in their current license renewal cycle, who took the 22½ hours which did not include the 3 hours of fair housing/ discrimination education, must now take the additional three hours prior to license renewal. All renewals after July 1, require that 3 hours of fair housing/discrimination education has been taken.

However, such continuing education requirement shall not apply to any licensed real estate broker who is engaged full-time in the real estate business and who has been licensed prior to July 1, for at least 15 consecutive years immediately preceding such renewal.

Prior to July 1, brokers who had been sales agents/brokers for 15 years or more were exempt from the continuing education requirements. As of July 1, this exemption for required continuing education has been eliminated, there will be no more new exemptions.

Salespersons License

Now 75 hours of instruction (previously 45 hours) is required to qualify to take the NYS real estate salespersons examination.

Of note this instruction now includes:

- * 10 hours commercial and investment

- * 3 hours income tax issues

- * Capital gains

- * 1031 Exchanges

Brokers License

The education now required to take the real estate brokers examination is 120 hours of instruction; the 75 hour sales course plus the 45 hour broker course.

For those of you who wish to take the brokers course but took only the 45 hour sales course (before the 75 hours was required) you must take an additional 30 hour course known as the "GAP" course which includes the new material added to the current salespersons course. 45 hour sales + 30 hour GAP + 45 hour broker course

In addition, previously to apply for a brokers license you had to be a salesperson for one year, now

you have to have been a salesperson for two years to apply for broker.

Commission Escrow Act

Signed into law 8/8/08, effective 1/1/2009

The Commission Escrow Act provides that when a contractually agreed upon commission has not been paid the disputed amount will be taken from the proceeds of the sale and placed in escrow, pending an impartial review and determination.

This currently pertains to residential property only. Note there is a specific procedure and definitive timetables involved. Check with NYSAR, your local Board of Realtors or an attorney for details.

NYS Lien Law

There is a current law that provides an opportunity to create a lien for an unpaid lease commission.

The law states:

"...shall also include the performance of real estate brokerage services in obtaining a lease for a term of more than three years of all or any part of real property to be used for other than residential purposes pursuant to a written contract of brokerage employment or compensation."

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