



Real Estate Bulletin

DEPARTMENT OF REAL ESTATE

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**Real Estate Commissioner
Douglas R. McCauley**

Commissioner's Update

The gateway into many occupations is a licensing exam. In real estate, this right of passage is the culmination of having taken required coursework and engaging in rigorous preparation.

Department of Real Estate exams are scientifically (actually, psychometrically) designed to measure a very precise point at which an examinee is sufficiently competent to provide real estate services consistent with Real Estate Law. This standard is often described as “entry level competence.” A valid exam will be sufficiently surgical to identify that point between those who possess the minimum level of competency and those who are close, but fall short.

Often exams are simply considered a tool to measure whether examinees have adequate knowledge, skills, and abilities. But, ultimately, the entire basis for regulating a profession and offering a licensing examination is to protect consumers.

A typical model of consumer protection relies on a robust enforcement program. And, our talented team of investigators and attorneys work tirelessly to collect and review evidence, interview parties to transactions, and prepare for and advocate in hearings. All of this crucial work takes place subsequent to consumer harm.

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New Pre-License Education Requirements Coming January 2024

Senate Bill 1495 (SB 1495), signed by Governor Gavin Newsom in September 2022, makes changes to the course content of the real estate practice class required of new real estate license applicants. SB 1495 takes effect on January 1, 2024.

Currently, all applicants for the salesperson or broker examination must complete a three semester or quarter equivalent course in real estate practice to qualify for the exam. Beginning January 1, 2024, these applicants will need to complete a revised course in real estate practice that includes the following content:

- A component on implicit bias, including education about the impact of implicit bias, explicit bias, and systemic bias on consumers, the historical and social impacts of those biases, and actionable steps students can take to recognize and address their own implicit biases.
- A component on the application of federal and state fair housing laws to the practice of real estate. The fair housing component must include an interactive participatory component, during which the applicant engages in role-play as both a consumer and a real estate professional.

These new requirements effect individuals who submit an application received by DRE on or after January 1, 2024, to take either the real estate broker or the salesperson examination.

Over the next year, DRE will work with California state colleges and universities, as well as with DRE course providers, to ensure that the new course meets the legislative requirements. We will post further updates about this topic on the DRE website. ■