

DOOR TO DOOR

Tennessee Real Estate Commission Newsletter

SPRING 2022

CURRENT LICENSING STATISTICS

| PROFESSION | COUNT |
|---------------------------------|--------|
| Acquisition Agent Licenses | 103 |
| Acquisition Agent Registrations | 42 |
| Acquisition Representatives | 2,330 |
| Affiliate Brokers | 35,907 |
| Designated Agents | 153 |
| RE Brokers | 8,272 |
| Real Estate Firms | 4,662 |
| Time Share Exempt | 142 |
| Time Share Registrations | 25 |
| Time Share Sales | 825 |
| Vacation Lodging Service | 173 |

For the 2022 Meeting Calendar, click [here](#).

DIRECTOR'S NOTE



It is officially spring, and we have some exciting changes to come this year. In this quarter's newsletter, you will see updates to education with an instructor listing on the website. This will allow licensees and providers to find licensed instructors easily. You will also see information on the bills passed this legislative session and their impact.

This month, the Commission is headed to West Tennessee to meet in Memphis. The meeting will be held at the Germantown Town Hall and all licensees who attend are eligible for free continuing education; just make sure you sign in and out with your license number. For a link to watch, click [here](#).

As always, if there are any questions or concerns, please reach out to trec.info@tn.gov.

Caitlin Maxwell, Executive Director

LICENSE UPDATES

TRANSFER: The TREC 1 Form is used for many of the changes related to your license. The primary issue we have with this form is that agents do not fully complete the form or do not pay for the status change. This can cause issues with the status of your license. We have seen this frequently with errors & omissions insurance. Principal brokers may think an affiliated agent has been released from their firm, when in actuality the affiliated agent never submitted the form or didn't meet all requirements.

As a principal broker and a real estate broker, make sure you are checking in on your license status and the status of agents affiliated with your firm. For more information on license transfer, please see the rules below:

1260-02-.02 TERMINATION OF AFFILIATION.

(1) Any licensee or principal broker wishing to terminate the licensee's affiliation with a firm shall submit to the Commission a completed Transfer, Release and Change of Status Form (TREC Form 1) or submit the required information through an online submission. If the request is made using the TREC Form 1, the form must be hand-delivered, faxed, mailed, or e-mailed to the Commission to be effective. The principal broker's supervisory responsibility for the future acts of the licensee shall terminate upon the Commission's receipt of the release form or online submission. The principal broker shall retain a copy of the executed form or confirmation of online submission, whichever is applicable.

(2) Within ten (10) days after the date of release, the licensee shall complete the required administrative measures for either change of affiliation or retirement. The licensee shall not engage in any activities defined in § 62-13-102 until a change of affiliation is received and processed by the Commission.

(3) With regard to firm transfer requests that are completed through an online submission, the Commission recognizes the transfer of an affiliated licensee to a new firm as having been completed at the time that said transfer request is completed online and the transfer confirmation is printed only if the following conditions are met:

- Prior to the submission of the online transfer request, the principal broker who is receiving the affiliated licensee into his or her firm has verified that the affiliated licensee has an active Tennessee license and current errors and omissions insurance; and
- The online submission is complete, the submission contains an electronic signature, and payment has been received. If the electronic submission is not complete, does not have an electronic signature, or payment has not been received then the transfer shall not be considered by the Commission to be a valid transfer and the affiliated licensee will be placed into broker release status.

(4) When a licensee terminates his affiliation with a firm, he shall neither take nor use any property listings or buyer representation agreements secured through the firm, unless specifically authorized by the principal broker in writing.

(5) Upon demand by a licensee for his release from a firm, it shall be promptly granted by the principal broker and the principal broker shall return the license to the licensee. If the licensee cannot be located, then the principal broker may return the license to the Commission.

(6) If the principal broker is deceased or physically unable to sign the release, or refuses to sign a release, the licensee requesting termination of affiliation must submit to the Commission a notarized Affidavit for Release.

(7) If the affiliated licensee is deceased or physically unable to sign a release or make an online submission or refuses to sign a release or make an online submission, the principal broker requesting termination of affiliation must submit to the Commission a completed TREC Form 1 or make an online submission.

(8) The Commission will not intervene in the settlement of debts, loans, draws, or commission disputes between firms, brokers and/or affiliates.

EDUCATION UPDATES

Based on feedback from education providers, we have created an active listing of all licensed education instructors.

This list will be updated as new providers are licensed and as existing providers renew their license. This is a great resource if you are looking for an instructor to teach a class or to check if the instructor teaching your class is licensed with the Commission.

Click [here](#) to view the list.

Legislative Update: Legislative session is winding down. A few days remain, but we wanted to give all licensees an update on pertinent law changes that impact TREC and passed thus far this legislative session. Please see below for a synopsis of all changes, the effective date of the change, and a link to read the full texts. Many of these bills you will receive more information in the coming weeks, but here is a brief overview of what is known thus far and what is to come.

Bill Number: HB1958/SB1867

Public Chapter: [PC0753](#)

Synopsis: This Act increases the terms "asynchronous course" and "synchronous course" related "distance education" continuing education courses. This removes the requirement that synchronous courses be required to obtain certification from the Association of Real Estate License Law Officials (ARELLO). Additionally, this Act removes the requirement to include one (1) student interaction for every five (5) hours of credit for any distance education course on basic requirements of real estate required for affiliate brokers.

Effective Date: March 28, 2022

Bill Number: HB2288/SB2132

Public Chapter: [PC0835](#)

Synopsis: This Act increases the timeframe for time-share intervals from sixty (60) to sixty-five (65) days when making a prediction or implying immediate increases in the price or value of the time-share intervals. This also applies to making an announcement for price increases prior to the date that the increase will be placed into effect.

Effective Date: January 1, 2023 (This applies to all agreements entered into on or after this date).

Bill Number: HB2864/SB2889

Public Chapter: [PC0856](#)

Synopsis: This Act removes authorization for certain municipalities to hold public meetings in which some members of the governing body are participating electronically; adds requirements for notice, public access, and public participation for public meetings of governing bodies of state boards, agencies, and commissions in which some members are participating electronically; removes a member of such governing body if the member physically attends less than 50 percent (50%) of the body's meetings in a two-year period.

Effective Date: July 1, 2022

Again, these are the legislative changes that are known at this moment. This list is subject to change. Any change impacting licensees will be sent out in a communication explaining how and when this change will occur. Additionally, it is possible that many of these legislative changes will follow with amendments to the rules and regulations for TREC. Any discussion or decisions related to rulemaking will also be announced to licensees.

Anna D. Matlock, Associate General Counsel

DISCIPLINARY ACTION REPORTS

[September 2021](#)

[October 2021](#)

[November 2021](#)

[December 2021](#)

[January 2022](#)

[February 2022](#)

[March 2022](#)

RENEW YOUR LICENSE!

- **Complete all education in advance of your expiration: 16 hours for a standard renewal and 120 hours for post-broker education.**
- **E&O Insurance**
- **Active Firm Affiliation**
- **\$75 renewal fee if requirements are met prior to expiration**

Check out our new Public Search site [here](#) for the most up to date information on your license.

Through the new public search site, you can also check who is the principal broker of a firm by searching the firm and you can also see who is affiliated with each firm.

FOLLOW TDCI ON SOCIAL MEDIA!



ABOUT THE TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE

Fostering fair marketplaces, public safety, and consumer education that promote the success of individuals and businesses while serving as innovative leaders. Our divisions include the State Fire Marshal's Office, Insurance, Securities, Regulatory Boards, Tennessee Law Enforcement Training Academy, Tennessee Emergency Communications Board and TennCare Oversight.

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