

PENNSYLVANIA ASSOCIATION OF REALTORS®
LICENSE RECIPROCITY
(ACT 58 OF 2003)

License reciprocity is an agreement between states to license non-resident real estate agents. Reciprocity agreements still require that a non-resident real estate agent acquire a license in the state that they wish to practice. However, most states waive some or all of the licensing requirements such as the licensing exam, pre-licensing educational requirements, and experience requirements for non-residents who are licensed in their state of residence.

In 1995, the National Association of REALTORS® approved a motion supporting license reciprocity, as well as policy recommendations (five recommended elements of reciprocity). The most significant outcome of license reciprocity is the ease with which it will allow REALTORS® to practice with more flexibility between states, leading not only to increased opportunities for REALTORS®, but an easier real estate transaction.

Act 58 of 2003:

- Amends the Real Estate Licensing and Registration Act to provide that any nonresident who holds a current license issued by another state of the type that is issued under the Act may be issued a reciprocal license.
- States that by obtaining a reciprocal license, licensees are subject to Pennsylvania laws, as well as rules and regulations.
- States what material a person seeking a reciprocal license must submit to the Pennsylvania Real Estate Commission when requesting such license.
- Provides that the Commission may enter into written reciprocal agreements with other states.
- Provides that reciprocal agreements will only be granted to those states who also “open doors” to Pennsylvania licensees.
- Provides that the Commission must publish in *The Pennsylvania Bulletin* and make available both upon request and via the internet a list of those states with which the Commission has signed agreements and a summary of the terms of each agreement.
- Requires an applicant for renewal of a reciprocal license to provide proof that the applicant continues to hold a license in the state where the applicant's principal place of business is located.
- Requires a reciprocal applicant to provide a certified copy of a current license issued by the state where the applicant's principal place of business is located and a history of any discipline previously imposed on the applicant by that state. This certified information must come directly from the licensing body.
- Provides that if a reciprocal licensee’s principal place of business becomes located in Pennsylvania, they become a standard licensee rather than a reciprocal licensee.

- Provides that reciprocal licensees will be held to the same criteria as standard licensees except that they will not be eligible to be a member of the Commission, do not have to take continuing education, and do not have to retake the exam after being inactive for five years.
- Provides that a reciprocal licensee must be affiliated with a broker who has either a standard or reciprocal license; also requires that a reciprocal license identify the broker with whom a reciprocal licensee is affiliated.
- Provides that violating provisions of reciprocity is a prohibited act. Those licensees who have been disciplined in another state may also be held accountable to Pennsylvania laws.
- Effective Date = February 28, 2004.

For further information, contact Derenda Updegrave, Director of Government Affairs.

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