



**North Dakota Real Estate Commission**  
**1120 College Dr Ste 204**  
**Bismarck ND 58501-1225**  
701.328.9749

[www.realestatend.org](http://www.realestatend.org)

June 9, 2026

Ms. Liz Fordahl  
Assistant Code Revisor  
North Dakota Legislative Council  
State Capitol  
600 East Boulevard, 2nd Floor  
Bismarck, ND 58505-0360

Dear Ms. Fordahl:

The Notice of Intent to adopt, amend, and repeal Administrative Rules Chapter 70 and a copy of the proposed rules are enclosed as required by N.D.C.C. § 28-32-10(1).

Sincerely,

A handwritten signature in cursive script that reads "Jeanne Prom".

Jeanne Prom  
Executive Director

Enclosures

Letter and attachments sent by email to [lcouncil@nd.gov](mailto:lcouncil@nd.gov).

## FULL NOTICE OF INTENT TO ADOPT, AMEND, AND REPEAL ADMINISTRATIVE RULES

TAKE NOTICE that the North Dakota Real Estate Commission will hold a public hearing to address proposed new rules, amendments to rules, and repeal of rules in N.D. Admin. Code Title 70 (Real Estate Commission), Articles 70-01 (General Administration) and 70-02 (Real Estate Licensure) at 8:30 a.m. on Thursday, July 9, 2026, at 1120 College Dr. #204, Bismarck, ND 58501. The purposes of the proposed rules, amendments, and repeals is to add clarity and simplicity, to remove burdensome and unnecessary requirements, to be consistent with current commission practices. The proposed rules, amendments, and repeals address:

**Section 70-01-01-01. Organization of real estate commission** is partially repealed to remove the details of commission membership and member terms, which are unnecessary as they merely restate the provisions of N.D.C.C. §§ 43-23-01 and 43-23-02.

**Section 70-01-02-02. Public hearing** is amended to clarify that hearings are conducted by the commission, not by commission employees, to be consistent with current practice.

**Section 70-01-02-05. Conduct of hearing** is amended to clarify that hearings may be conducted and presided over by any individual as may be designated by the commission, and the designee is not required to be a "subordinate." The section is also amended to remove unnecessary language for clarity.

**Section 70-01-02-09. Service of process** is amended to allow service of complaints, notices, orders or other processes of the commission through the email address of the licensee on file with the commission, or by another method consented to in writing.

**Section 70-02-01-01. Application and purpose of title** is amended to remove the reference to ethics from the commission's statement of purpose. The commission encourages and requires the maintenance of high standards of practice, but does not enforce a code of ethics.

**Section 70-02-01-02. Application for license** is amended and partially repealed as follows:

- The rule that no application for either a broker's or salesperson's license will be accepted from a person under the age of eighteen years is repealed. The rule is unnecessary as it merely restates the provisions of N.D.C.C. § 43-23-08(2).
- The words "before an examination" are removed to clarify that applications are not required to be filed before an examination, to be consistent with N.D.C.C. § 43-23-08(4).
- The rule regarding broker applicant requirements is amended for clarity and to be consistent with current commission practice. Broker applicants do not submit a letter, but instead complete a form created by the commission. They are required to submit completed form, not a letter. Also removed is the language: "The foregoing shall be certified by a licensed real estate broker." This certification language is duplicative and unnecessary.
- The rule regarding denial of an application for licensure is amended to add that, in addition to violations of North Dakota Century Code chapter 43-23, or title 70 (Real Estate Commission) of the North Dakota Administrative Code, an application may also be denied based on violations of other laws and regulations of the State of North Dakota, any other state, the United States of America or any of its territories, or any other country.
- The rules regarding financial responsibility are amended to add clarity, specifying that inquiry and investigation may be made by the commission as to the financial responsibility of each applicant for licensure, including but not limited to credit and bankruptcy history. Additionally, the amendments clarify that the commission may deny an application for licensure if the inquiry and investigation made by the commission as to the financial responsibility of the applicant revealed that, for the protection of the public, the application should be denied.
- Reference to "good reputation" is amended to "fair dealing" to make the rule consistent with the language of N.D.C.C. § 43-23-08(1).
- The limit of three hundred dollars on the license fee of an organization of a salesperson, broker, or broker associate is removed to give flexibility to the commission to potentially increase the fee in the future.

**Section 70-02-01-03. Examinations** is partially repealed to remove burdensome and unnecessary requirements, and to be consistent with current commission practices. All rules in this section are repealed except one rule, which is amended for clarity to state that "If the salesperson or broker applicant passes one portion of the examination, national or state, the applicant may not be required to repeat that portion of the examination if that applicant later passes the remaining portion, unless otherwise directed by the commission." Additionally, the section is amended

to add the requirement that, “Unless otherwise provided in these rules, all applicants shall be required to pass both the North Dakota and national examinations.”

**Section 70-02-01-04. Renewal of license** is partially repealed to remove specific license renewal dates and other license renewal requirements, which will be set by the commission in the future through policy rather than administrative rules. All rules in this section are repealed except one rule, which is amended for clarity to state that, “No license renewal fees are refunded after the beginning of the new license period if a licensee cancels their license or is deceased.” The title of this section is also amended to “**Renewal fees refund.**”

**Section 70-02-01-05. Inactive licenses** is amended for clarity to make the language consistent for both salespersons (subsection 1) and brokers (subsection 2).

**Section 70-02-01-06. Nonresident brokers and salespersons** is partially repealed to remove all rules relating to nonresident brokers and salespersons. North Dakota law does not have a residency requirement for real estate licensees and the commission does not have a separate class of licenses for nonresident brokers or salespersons. The following rule remains unchanged: “North Dakota will not recognize the licensee from another state for a reciprocal license unless an agreement granting reciprocal privileges to North Dakota licensees has been made by the commission with the proper regulatory authorities of that state. The agreement shall set out the terms and the regulations to be followed.” The following rule is amended for clarity and to be consistent with current commission practice: “An applicant currently licensed in a nonreciprocal state who has successfully passed the real estate licensing examination given in another state may be required to take the North Dakota portion of the examination. Prelicensure course is not required if the applicant is already licensed in another nonreciprocal state.” The title of this section is also amended to “**Licensees from reciprocal and non-reciprocal states.**”

**Section 70-02-01-08. Salesperson and broker associate transfer or release** is amended and re-written in its entirety to provide a clearer process with more flexibility to transfer or release a connection with a designated broker.

**Section 70-02-01-09. Broker associates** is amended for consistency of term usage and clarity.

**Section 70-02-01-11. Branch office** is amended for consistency of term usage and clarity. The rule is also amended to allow the commission to set and charge a fee associated with a change address of a branch office or change of supervisor of the branch office.

**Section 70-02-01-13. Prevention of same or deceptively similar real estate firm names** is amended to prohibit real estate firms from using more than one trade name.

**Section 70-02-01-15. Trust account requirements - Handling of funds - Records** is amended to clarify that a broker shall maintain a separate trust account for each firm.

**Section 70-02-01-16. Complaints - Answer - Dismissal - Hearing** is amended to clarify that answers must be notarized, rather than certified. Additionally, the rule is amended to allow the commission's investigator to summarily dismiss complaints without prejudice when investigator determines the alleged facts in a complaint, if true, are not grounds for disciplinary action. At any time, upon finding there may be grounds for disciplinary action, the commission may either issue an order reviving a summarily dismissed complaint, or may initiate a new complaint.

**Section 70-02-01-22. Duplicate licenses** is a new rule stating, "The holder of a broker or salesperson license may be affiliated with one firm and one branch in North Dakota. So long as the license remains active, the broker or salesperson may also hold duplicate licenses for affiliation with additional firms and branches. A salesperson may only hold duplicate licenses for firms or branches associated with the same broker. Duplicate licenses must be renewed concurrently with the broker or salesperson license. A fee as set by the commission shall accompany an application for a duplicate license and all renewals."

**Section 70-02-01-23. Requirement to attempt resolution of disputes prior to commission involvement** is a new rule stating, "A licensee who believes that another licensee has violated the commission's rules or statutes must make a good-faith effort to resolve the matter directly with the other licensee or the other licensee's supervising designated broker before submitting a complaint or report to the commission. The attempt at resolution shall be made in writing, which may include email, text, or other verifiable written correspondence, and shall identify the nature of the alleged violation and request corrective action. Any complaint or report submitted to the commission by a licensee alleging violations of the commission's rules or statutes must include a summary and documentation of the licensee's attempt to resolve the matter with the other licensee or supervising designated broker, including copies of written correspondence."

**Section 70-02-02-02. Application for prelicensure course approval** is amended and partially repealed for clarity and simplicity, and to remove burdensome and unnecessary requirements.

**Section 70-02-02-03. Qualifications for classroom instructors** is partially repealed to remove the following rule: "Instructors who, in the estimation of the school administration, are deemed inadequate or do not satisfy the school's standards of quality should have their services terminated by the school."

**Section 70-02-02-05. Commission review of all real estate courses** is amended to give the commission flexibility to set by policy the regular interval, not to be less than annual, for schools to submit applications and for the commission to review the schools to determine if they meet the requirements of law and the commission for certification.

**Section 70-02-02-08. Withdrawal of approval** is amended to give the commission flexibility to set by policy the number of days a school's approval shall continue from the date of the commission's written notice to the school that it is not meeting the requirements for continued approval.

**Section 70-02-02-13. Certification of completion** is amended for clarity and to be consistent with commission practice, to the following: "Each school shall issue to the students successfully completing a course of instruction an official certificate or letter of completion which reflects the school's name, course title, and number of classroom hours (or other recognized educational unit) involved in the course, and the student's date of successful completion of the course. Such certificate or letter, or copies thereof, shall serve as evidence when presented to the commission of successful completion of the course of instruction." The following rules in this section are repealed: "Letters of other official communication may also be provided the student, which may be utilized by the student for submission to the commission as evidence of satisfactory completion of the course. The letters will fully reflect the school name, the course title and number, educational units, and be dated and signed by an official of the school."

**Section 70-02-03-02.1. Advertising** is amended as follows:

- The definition of the terms "advertise", "advertising", and "advertisement" are clarified to mean any communication whether written, printed, digital, audio, video, or by any other medium, made, authorized, or distributed by a real estate licensee or real estate brokerage firm for solicitation of business relating to any licensed activity contemplated under North Dakota Century Code chapter 43-23. However, the terms "advertise", "advertising", and "advertisement" do not include:
  - Sponsorship of groups or events, or sponsorship of information about groups or events;
  - Promotional items bearing the name or logo of a licensee or brokerage firm;
  - News, features, publicity content, directories, or any other content, originating from a source not directly associated with or under the control of the licensee or brokerage firm;

- Signage located on the building of a brokerage firm or its branch offices; and
  - A sign not on marketed real estate that directs the public to the marketed real estate.
- The rule regarding trade names is amended to remove language delaying discipline for failure to meet size and visibility requirements until January 1, 2023. This language is no longer necessary. The rule regarding trade names is also amended to specify that, “Size and visibility of the trade name does not include the real estate brokerage logo that is not the trade name or brokerage contact information. The name of any salesperson, associate broker, or team can be smaller than, in size and visibility, the trade name.
  - The rule regarding contact information is amended to specify that, “Contact information may be accessible through a QR code, URL, digital link, or web link.”
  - The rules regarding advertising of a broker or broker associate’s own property and regarding advertising of a salesperson’s own property are amended for clarity.
  - The rule regarding deception and misrepresentation is amended to remove reference to the undefined term “promotion.”
  - The section is amended to add a rule regarding inducements to potential clients, such that, “The details of inducements to potential clients must be fully disclosed to the potential clients. Full disclosure must include all details of the inducements with every mention of the inducement, and the information must be easily accessible.”

**Section 70-02-03-03. Commission split - Out of state** is repealed in its entirety. It is unnecessary as it merely restates the provisions of N.D.C.C. § 43-23-06.01(9)(h) with similar but not identical language.

**Section 70-02-03-04. Listings** is amended for simplicity, being re-formatted in a numbered style that is easier to understand.

**Section 70-02-03-13. Personal interest** is amended for internal consistency and clarity. Additionally, the rule that a real estate broker or salesperson who sells property in which the broker or salesperson owns an interest must make such interest known to the purchaser, is amended to specify that it must be made known “in writing.”

**Section 70-02-04-01. Continuing education defined** is partially repealed to remove the specific list of acceptable course topics.

**Section 70-02-04-02. Hours required** is partially repealed to remove the specific list of areas. Additionally, the rule is amended to give the commission flexibility to set by policy the number of required hours of continuing education and to set by policy the continuing education period.

**Section 70-02-04-05. Nonqualifying courses** is repealed in its entirety, as it is unnecessary and may be addressed by commission policy.

**Section 70-02-04-06. Criteria for course approval** is repealed in its entirety, as it is unnecessary and may be addressed by commission policy.

**Section 70-02-04-07. Application for approval of courses** is partially repealed to remove all specific requirements for the application form, except the specific requirement to pay a fee, which has been amended to remove the limit of one hundred dollars, to give the commission flexibility to potentially increase the fee in the future.

**Section 70-02-04-08. Filing deadline for course approvals** is repealed in its entirety, as it is unnecessary and may be addressed by commission policy.

**Section 70-02-04-10. Material change** is partially repealed to remove the rule that, "Changes shall be deemed acceptable to the commission if no action has been taken after fourteen days from the date received by the commission."

**Section 70-02-04-11. Suspension, revocation, or denial of course approval** is partially repealed to remove the rule that, "If disciplinary action is taken a written order of suspension, revocation, or denial of approval will be issued." The commission does not have jurisdiction to take disciplinary action against education providers unless the provider is a licensee.

**Section 70-02-04-13. Substantively identical courses** is amended for clarity, adding the word "credit" after the words "continuing education".

**Section 70-02-04-15. Exemptions from continuing education requirement** is amended to clarify that a salesperson, broker, or broker applicant who completed the prerequisite course of study to obtain a license is exempt from the continuing education requirement for the first license renewal after completing the prerequisite course of study.

**Section 70-02-04-19. Certificate of accreditation** is amended to give the commission flexibility to set by policy the periods of time a certificate of accreditation remains valid.

**Section 70-02-04-21. Continuing education certificate of completion** is repealed in its entirety, as it is unnecessary and may be addressed by commission policy.

**Section 70-02-05-01. Definitions** is amended for clarity and to specify that there is a review process, not a competitive bidding process, for selecting the insurance carrier for the group plan to provide the errors and omissions insurance contemplated by the rules.

**Section 70-02-05-03. Minimum standards** is amended to specify that the annual aggregate limit of not less than five hundred thousand dollars insurance coverage per licensee does not include the costs for investigation or defense. Additionally, the rule is amended to remove the requirement that the covered individual must be domiciled in North Dakota.

The proposed rules, amendments, and repeals are not expected to have an impact on the regulated community in excess of \$50,000.

The proposed rules, amendments, and repeals may be reviewed at the office of the North Dakota Real Estate Commission, 1120 College Dr. #204, Bismarck, ND 58501. A copy of the proposed rules and/or a regulatory analysis may be requested by writing the above address, or calling 701-328-9749. Written or oral comments on the proposed rules sent to the above address or telephone number and received by July 20, 2026 will be fully considered.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the North Dakota Real Estate Commission at the above telephone number or address at least three days prior to the public hearing.

Dated this 4th day of June, 2026

A handwritten signature in cursive script that reads "Jeanne Prom".

Jeanne Prom, Executive Director