

**RULES
OF
THE TENNESSEE REAL ESTATE COMMISSION**

**CHAPTER 1260-07
VACATION LODGING SERVICES**

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1260-07-.01 SCOPE. The rules in Chapter 1260-07 only apply to persons who perform vacation lodging services and vacation lodging service firms, as defined and governed under T.C.A. § 62-13-104(b).

Authority: T.C.A. § 62-13-104. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013.

1260-07-.02 DESIGNATED AGENT QUALIFICATIONS.

To obtain a designated agent license, applicants must meet the following prerequisites:

- (1) Applicants must have obtained a high school diploma or general education diploma;
- (2) Applicants must have certified proof of completion of eight (8) hours of pre-licensing education; and
- (3) Applicants shall not be considered for licensure unless two (2) years have passed from the date of expiration of probation, parole or conviction, or from the date of release from incarceration, whichever is longer in time. This restriction shall apply to all felonies, and to misdemeanors which involve the theft of money, services, or property. An applicant who appears before the Commission requesting licensure and who is denied will not be eligible for reconsideration for six (6) months from the date of denial.

Authority: T.C.A. § 62-13-104. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013.

1260-07-.03 DESIGNATED AGENT RESPONSIBILITIES.

- (1) The designated agent shall be responsible for supervising all employees of the firm.
- (2) Designated agents shall be reasonably available to manage and supervise each vacation lodging service office during regular business hours.
- (3) The designated agent shall be responsible for maintaining the vacation lodging service escrow account.

Authority: T.C.A. § 62-13-104. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013.

1260-07-.04 CIVIL PENALTIES.

- (1) The Commission may, in a lawful proceeding against any person required to have a designated agent license and/or a vacation lodging services license, in addition to or in lieu of

(Rule 1260-07-.04, continued)

any other lawful disciplinary action, assess a civil penalty for each separate violation of a statute, rule, or order pertaining to the Commission in the amount of \$0–\$1000.00.

- (2) Each day of a continued violation may constitute a separate violation.
- (3) In determining the amount of a civil penalty, the Commission may consider such factors as the following:
 - (a) Whether the amount imposed will be a substantial economic deterrent to the violation;
 - (b) The circumstances leading to the violation;
 - (c) The severity of the violation and the risk of harm to the public;
 - (d) The economic benefits gained by the violator as a result of non-compliance; and
 - (e) The interest of the public.

Authority: T.C.A. §§ 62-13-104 and 56-1-308. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013. Amendments filed June 25, 2025; effective September 23, 2025.

1260-07-.05 VACATION LODGING SERVICES INSTRUCTOR QUALIFICATIONS.

- (1) To obtain certification as an instructor of vacation lodging services, applicants must meet the following prerequisites:
 - (a) Applicants must have obtained a high school diploma or general education diploma;
 - (b) Applicants must also:
 1. Hold a license as a designated agent under the Vacation Lodging Services Act; or
 2. Possess a minimum of three (3) years experience in vacation lodging services.
 - (i) If a course concerns any other field in which a degree, certification, or other recognized designation is commonly awarded then the instructor must have earned that degree or designation, or have at least three (3) years of relevant experience in the field.
- (2) The Commission may charge a fee of twenty-five dollars (\$25) for each instructor in an education cycle, in order to review that instructor's qualifications.

Authority: T.C.A. § 62-13-104. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013.

1260-07-.06 FEES. The following fees shall apply:

- (1) For the issuance of an original vacation lodging service firm or original designated agent license, a fee to be paid to the Commission of one hundred dollars (\$100.00);
- (2) For each renewal of a license, a fee to be paid to the Commission of eighty dollars (\$80.00);

Authority: T.C.A. § 62-13-104. **Administrative History:** Original rule filed March 4, 2013; effective June 2, 2013.