



ADMINISTRATIVE RULES OF MONTANA



24.210.660 PRELICENSING EDUCATION -- SALESPERSONS AND BROKERS

- (1) Request for approval of a prelicensing education course and instructor approval must be made on forms approved by the board and submitted 60 days prior to the initial course offering date.
- (2) Expiration of course approval or instructor approval is three years from the date of approval, but may be revoked for cause.
- (3) Distance education courses may be approved if the board determines that:
 - (a) an appropriate and complete application has been filed and approved by the board;
 - (b) the distance education course meets the content requirements as established under this rule;
 - (c) the distance education course is certified by the Association of Real Estate License Law Officials (ARELLO) and the course provider has provided appropriate documentation that the ARELLO certification is in effect. Approval will cease immediately should ARELLO certification be discontinued for any reason; and
 - (d) the distance education course meets all other requirements as prescribed in the statutes and rules that govern the operation of approved courses.
- (4) It is the responsibility of the applicant to verify that courses are approved for Montana prior to completing the course for credit.
- (5) Advanced nationally recognized designation courses may be submitted and may be approved, in part, to fulfill specific topics of the broker prelicensing education requirement.
- (6) Instructors teaching more than 25 percent of a prelicensing course must be approved by the board as prelicensing instructors.
- (7) The course provider is responsible for the actions and representations of all instructors who aid or assist in the instruction of the prelicensing education course.
- (8) No more than eight hours of instruction may be offered per day. Examination time does not count as hours of instruction.
- (9) Approved instructors must have one year of experience in real estate education, and:
 - (a) a bachelor's degree in a field traditionally associated with the subject matter being taught; or
 - (b) advanced training on instruction methods and adult learning.

- (10) Prelicensing courses to obtain a sales license must consist of at least 70 hours of instruction of and must include theory and practical application of each of the following topics:
- (a) key steps in a real estate transaction, including listings, contracts for sale, inspections and due diligence, financing, and closing;
 - (b) real estate law, including Title 37, chapter 51, MCA, the board's administrative rules, and federal real estate marketing rules;
 - (c) real estate taxation;
 - (d) property management and leasing, including the Montana Residential Landlord Tenant Act of 1977;
 - (e) ethics and standards of practice;
 - (f) escrow, closing, and settlement practices;
 - (g) real estate financing, including mortgages, trust deeds and indentures, seller financing, commercial financing, mortgage brokers and bankers, and government involvement in real estate financing;
 - (h) environmental issues;
 - (i) agency law;
 - (j) contract law and documents, including listings and contracts of sale;
 - (k) general trust accounting for real estate licenses;
 - (l) forms of real estate ownership, including estates, condominiums, and cooperatives;
 - (m) title and transfer of title, including buyer inspection of title, legal aspects of a deed, methods of property conveyance, clouds on the title, and selling mortgaged properties;
 - (n) recording acts;
 - (o) encumbrances and easements;
 - (p) public and private land use controls, including the police power;
 - (q) fair housing;
 - (r) Regulation Z;
 - (s) land descriptions;
 - (t) appraisal and valuation; and
 - (u) math and financial calculations.
- (11) The 60 hours of board-approved broker prelicensing education will consist of the following modules:
- (a) business management;
 - (b) contracts;
 - (c) financial management;

- (d) liability pertaining to real estate practice;
 - (e) professional conduct;
 - (f) real estate and property management trust accounting; and
 - (g) property management.
- (12) Courses must be designed so that no more than ten minutes per 60 minutes are allowed for breaks in instruction. Break time may be accumulated and used in blocks at the instructor's discretion.
- (13) The applicant must attend 90 percent of the first hour and 100 percent of each additional hour of the approved course time in order to receive credit for attendance. Reasonable accommodations will be made for people with medical conditions.
- (14) A board representative may, at no charge, audit all board-approved courses for rule compliance.

Authorizing statute(s): 37-1-131, 37-51-203, MCA

Implementing statute(s): 37-1-131, 37-51-302, MCA

History: NEW, 1995 MAR p. 2397, Eff. 11/10/95; AMD, 1999 MAR p. 405, Eff. 3/12/99; AMD, 2002 MAR p. 2905, Eff. 10/18/02; TRANS, from Commerce, 2005 MAR p. 2455; AMD, 2007 MAR p. 1329, Eff. 9/7/07; AMD, 2010 MAR p. 532, Eff. 2/26/10; AMD, 2012 MAR p. 1776, Eff. 9/7/12; AMD, 2021 MAR p. 619, Eff. 5/29/21.