



# Montana Department of LABOR & INDUSTRY

## MONTANA BOARD OF REALTY REGULATION

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Summer 2017 Edition

### CURRENT BOARD MEMBERS

**Ric Smith, Industry Member, Chair**  
Polson, MT Term 5/12/2017 to 5/1/2021  
**Dan Wagner, Industry Member**  
Billings, MT Term 7/24/2015 to 5/1/2019  
**Eric Ossorio, Industry Member**  
Big Sky, MT Term 7/24/2015 to 5/1/2019  
**Cindy Lanier, Industry Member**  
Lakeside, MT Term 7/24/2015 to 5/1/2019  
**Josh Peck, Public Member**  
Butte, MT Term 7/24/2015 to 5/1/2019  
**Julie Gardner, Industry Member**  
Missoula, MT Term 5/12/2017 to 5/1/2020  
**Harry Freebourn, Public Member**  
Butte, MT Term 5/19/2017 to 5/1/2021

### DEPARTMENT STAFF

**Rhonda Morgan** – Executive Officer  
**Gene Allison** – Board Counsel  
**Jennifer Stallkamp** – Department Counsel  
**Rita Reichert** – Compliance Specialist  
**Tiffany Huss** – Auditor

### BOARD MEETING DATES

AUGUST 24th - HELENA  
OCTOBER 26th - HELENA

### In this Issue:

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### Executive Officer Report

By Rhonda Morgan, Executive Officer

Thank you for all of the positive feedback received in regard to bringing back the newsletter! It is good to know that the information is felt to be useful and helpful.

We have an extensive number of licensees in our database that have not provided an email address or that have an old email address listed with us; therefore, those licensees will not receive the newsletter distribution email or it is returned to us as undeliverable. Please help to make sure you, your supervised salespersons, and peers know to provide us with an updated email address. You can submit that from our website or from your online licensing account.

#### Current active licenses:

- Broker - 2107
- Salesperson - 2991
- Property Manager - 631

#### New licenses issued for FY17:

- Broker - 100
- Salesperson - 559
- Property Manager - 105

#### Administrative Rules Update:

- The Board proposed new Administrative Rules changes, and a hearing was held on April 18<sup>th</sup>. The Rules have been published and have an effective date of July 22, 2017. The Final Rules Notice can be found at <http://boards.bsd.dli.mt.gov/rre#8?3>
- An additional package of proposed Administrative Rules changes has been approved by the Board to proceed. A notice of hearing should be available in September.



## Mandatory Trust Account Course

By Rhonda Morgan, Executive Officer

The Board of Realty Regulation has adopted a new Administrative Rule requiring all active property manager licensees to complete a property management trust account course within the next year. The effective date of this new Rule is 7/22/2017; therefore, all licensees have until 7/22/2018 to complete this course in order to avoid their license being administratively suspended. This is in addition to the yearly renewal required continuing education credits.

### **NEW RULE II (24.210.820) TRUST ACCOUNT COURSE REQUIREMENT**

- (1) Except for new licensees as provided in ARM 24.210.829, all active property manager licensees must complete a four-hour property management trust account course as approved by the board within 12 months of the effective date of this rule.
- (2) Inactive licensees returning to active status who have not taken this course must take it by the next renewal date after they become active.

## What is the Recovery Account?

By Rhonda Morgan, Executive Officer

The Real Estate Recovery Account is to compensate consumers who suffer financial losses as a result of the actions of a real estate licensee. It is used to provide payment of claims based on unsatisfied/unpaid judgements against licensees. Whenever a person obtains a final judgement in any court against a real estate licensee, the person may file an application for payment from the account of not more than \$25,000.

It is stated in statute that with each new application, a \$35 Recovery Account fee is also collected and deposited into the account, therefore, providing the funding.

The application to apply for a claim against the account is found on our website. The application instruction page also includes some additional detailed information about the account and process to apply. [Recovery Account Application](#)

Here is a link to the Recovery Account statutes: [http://leg.mt.gov/bills/mca\\_toc/37\\_51\\_5.htm](http://leg.mt.gov/bills/mca_toc/37_51_5.htm)

## Renewal Starts

### **REMINDER!**

The renewal period begins on September 1<sup>st</sup>. You are required to renew by October 31<sup>st</sup> in order to avoid a late fee. You can renew online or via paper renewal form. All links and information can be found on the website.

Please renew early. We have many licensees who wait until the last minute, literally, to start their renewal. At this point, the system becomes very busy, and many times a licensee is unable to complete their renewal. This is not a reason to avoid the late fee. Please renew in plenty of time!



## Rule Addition for Supervising Brokers

By Rhonda Morgan, Executive Officer

All supervising brokers should be actively supervising their salespeople at all times. The Board has added a Rule to Unprofessional Conduct in order to hold supervising brokers more accountable for their supervising responsibilities.

Administrative Rule definitions:

### 24.210.301 DEFINITIONS

(25) "Supervising broker" is a broker who is responsible for supervision and training of one or more licensed salespersons pursuant to 37-51-302, MCA.

(26) "Supervision" shall include substantially day-to-day, active overseeing.

New Administrative Rule:

### 24.210.641 UNPROFESSIONAL CONDUCT

(5) In addition to all other provisions contained in the statutes and rules administered by the board, the following are considered unprofessional conduct:

(ay) failing as a supervising broker to adequately supervise his or her salespeople. A supervising broker endorsement may be limited or revoked as a consequence of violating this subsection.

## UPCOMING COURSES

September 7, 2017  
Rookie Course

[Missoula Organization of Realtors](#)

September 19, 2017  
Trust & Security Deposits  
[NMAR](#)

September 21-22, 2017  
Rookie Course

[Billings Association of Realtors](#)

October 24, 2017 – Property Management  
Trust Account Course  
Contact [Tiffany Huss](#) to register

October 26-27, 2017  
Rookie Course

[Helena Association of Realtors](#)

October 27, 2017  
Supervising Broker Pre-Endorsement Course  
[Helena Association of Realtors](#)

Scheduled upcoming courses can always be found on our website home page.  
[www.realestate.mt.gov](http://www.realestate.mt.gov)

