

# Rules of Department of Commerce and Insurance

## Division 2250—Missouri Real Estate Commission Chapter 7—Schools

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## Title 20—DEPARTMENT OF COMMERCE AND INSURANCE

Division 2250—Missouri Real Estate Commission Chapter 7—Schools

### 20 CSR 2250-7.010 Standards for Real Estate School Accreditation and Renewal

PURPOSE: This rule establishes standards for Real Estate Accreditation and Renewal.

- (1) A school wishing to offer a Salesperson Pre-Examination Course, a Broker Pre-Examination Course, a Missouri Real Estate Practice Course and/or continuing education course(s) in Missouri will be accredited by the commission upon compliance with the following requirements:
- (A) Each person involved directly or indirectly in the sponsorship of a school or who participates or has an interest, financial or otherwise, in its operation, shall be at least eighteen (18) years of age and a person of good moral character and bear a good reputation for honesty, integrity and fair dealings;
- (B) Each school shall be supervised by an administrator, who shall be in charge of its operations and programs;
- (C) The school shall be responsible to see that the school's instructors have the specialized preparation, training and experience in the subject matter to be taught to ensure competent instruction;
- (D) The school shall advise all students, prior to contractual obligation, that certain criminal convictions may prevent the student from receiving or retaining a real estate license;
- (E) The school shall enter into a contract with each student enrolling to take a Salesperson Pre-Examination Course, Broker Pre-Examination Course, or the Missouri Practice Course of study. This contract shall identify the tuition to be charged, the school's policy regarding refund of unearned tuition when a student is dismissed or withdraws voluntarily or through hardship, any additional fee to be charged for supplies, materials or books which become the property of the student upon payment, the standard for the issuance of a certificate of satisfactory completion and such other matters as are material to the relationship between the school and the student:
- (F) The Salesperson Pre-Examination Course, Broker Pre-Examination Course, and Missouri Real Estate Practice Course offered shall include the subjects set forth in 20 CSR 2250-6.060;

- (G) In the case of classroom delivery courses, each area of study shall be conducted and supervised by an instructor who shall be present in the classroom at all times;
- (H) In the case of distance delivered courses, an instructor must respond to each student's inquiries by the end of the next regular business day;
- (I) The school shall issue to each student who satisfactorily completes the prescribed course of study a certificate of satisfactory completion on a form prescribed by the commission;
- (J) For any continuing education classroom course attended by more than twenty-five (25) students, the sponsor shall have a person other than the instructor present to assist in administrative duties including, but not limited to, keeping records of attendance, preparing and distributing certificates and assuring that the physical facilities meet the requirements of this section;
  - (K) Record Maintenance.
- 1. Each school shall maintain for each student a record which shall include the course of instruction undertaken, dates of attendance and areas of study completed satisfactorily.
- 2. Each school shall maintain a copy of the attendance records for each date and time a particular course is offered.
- 3. A school shall supply duplicate certificates to the individuals upon request. A reasonable charge may be made for duplicate certificates.
- 4. Schools approved to offer courses by distance delivery, in addition, shall maintain records of all final examinations and examination administration.
- 5. Each student's records shall be maintained by the school for a minimum of four (4) years and shall be available for inspection by the student or by the commission or its authorized agent during regular business hours or shall provide them to the commission by certified mail within thirty (30) days of written request.
- 6. If a school closes, within ten (10) days, the school owner must provide in writing to the Missouri Real Estate Commission the contact information for the custodian of records for the previous four (4) years. If the school is closed due to a merger or sale, the records shall be turned over to and become the responsibility of the new school;
  - (L) Advertising and Publicity.
- 1. No school shall use any name for advertising or publicity purposes other than the name shown upon its application for accreditation.
- 2. No school shall advertise or imply that it is recommended, endorsed or approved

by the commission, but an accredited school may indicate what courses it has been approved to teach by the Missouri Real Estate Commission.

- 3. No school shall permit its administrator, staff, instructor(s), or any person associated in any way to provide any misleading information to the public or prospective students.
- 4. No school shall permit its administrator, staff, instructor(s), or any person associated in any way approved to teach the preexamination courses to make any warranties or guarantees that a student will pass the real estate license examination by taking its courses.
- 5. Each school shall advertise any approved course in clear and unambiguous terms, which includes a statement indicating the number of hours of education credit for which the course is approved and the correct title of the course as it is stated in the course approval letter provided by the commission.
- 6. No real estate education course shall be announced or advertised until it is approved by the commission, in writing, for credit; and
- (M) Physical facilities used to teach any approved classroom course shall:
- 1. Be designed primarily for classroom purposes or designed for multipurpose use in the case of meeting halls and convention facilities:
- 2. Contain proper seating and writing surfaces;
  - 3. Be properly lighted;
  - 4. Be properly ventilated;
- 5. Be reasonably free from distracting pedestrian traffic;
- 6. Be reasonably free of sound and light disturbances; and
- 7. Not contain recruiting material and be free of reference to individual real estate firms, groups of firms or franchises, unless the course is restricted to only licensees of the referenced firm or franchise and the notice submitted by the school to the commission is clearly marked as a restricted class.
- (2) When the commission has accredited a school based upon its application and submissions, a letter of accreditation shall be issued to the school. Accreditation is granted and limited to the specific ownership as shown on the application.
- (3) A school must notify the commission of any change of administrator within ten (10) days.



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- (4) Each school shall report to the commission, in writing within ten (10) days, any changes in the information contained in the application for accreditation or the exhibits appended to the application. Changes will not be deemed accepted until such time as acknowledgement of the changes is provided by the commission.
- (5) Initial accreditation of a school shall be valid for no more than one (1) year and shall expire on March 31. Accreditation shall be renewable upon submission of an accepted renewal application as provided by the commission no earlier than sixty (60) days prior to and no later than the accreditation expiration date. If renewed before expiration, the accreditation shall expire on March 31 of the second odd-numbered year to follow the renewal date. Failure to renew prior to accreditation expiration shall void all course approvals and the school shall no longer be deemed accredited and will be required to submit the appropriate applications and documents as a new school.

AUTHORITY: section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007.\* This rule originally filed as 4 CSR 250-7.010. Original rule filed Feb. 7, 1979, effective May 11, 1979. Amended: Filed March 12, 1982, effective June 11, 1982. Amended: Filed March 14, 1984, effective June 11, 1984. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed March 17, 1986, effective June 28, 1986. Amended: Filed June 16, 1989, effective Sept. 28, 1989. Amended: Filed Nov. 15, 1991, effective June 25, 1992. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994. Amended: Filed Oct. 13, 1995, effective March 30, 1996. Rescinded and readopted: Filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.010, effective Aug. 28, 2006. Amended: Filed Oct. 12, 2007, effective April 30, 2008.

\*Original authority: 339.045, RSMo 1978, amended 1981, 1983; 339.090, RSMo 1941, amended 1978, 2001; and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004.

## 20 CSR 2250-7.020 Application for Accreditation

PURPOSE: This rule identifies the requirements to seek accreditation or renewal of accreditation for a school offering real estate prelicense or continuing education in Missouri.

- (1) Any person or entity seeking accreditation or renewal of accreditation for a school offering a real estate classroom course of study in Missouri shall submit a completed application on a form prescribed by the commission and accompanied by supporting documents specified in the application.
- (2) Any person or entity seeking accreditation or renewal of accreditation for a school offering any real estate course of study by distance delivery must submit the following:
- (A) A completed application on a form prescribed by the commission and accompanied by supporting documents specified in the application; and
- (B) An acknowledgement that the school has the means to reasonably capture the average time each student took to complete each distance delivered course.
- (3) The commission reserves the right, at its discretion, to hold any application for a reasonable length of time for investigation and review.

AUTHORITY: sections 339.045, RSMo 2000 and 339.090 and 339.120, RSMo Supp. 2005.\* This rule originally filed as 4 CSR 250-7.020. Original rule filed Nov. 14, 1978, effective March 11, 1979. Amended: Filed Oct. 2, 1985, effective Dec. 26, 1985. Amended: Filed Oct. 26, 1987, effective July 1, 1988. Amended: Filed June 16, 1989, effective Sept. 28, 1989. Amended: Filed Feb. 2, 1994, effective Aug. 28, 1994. Amended: Filed June 28, 2002, effective Dec. 30, 2002. Rescinded and readopted: Filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.020, effective Aug. 28, 2006. \*\*

\*Original authority: 339.045, RSMo 1978, amended 1981, 1983; 339.090, RSMo 1941, amended 1978, 2001; and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004.

\*\*Pursuant to Executive Order 21-07, 20 CSR 2250-7.020, subsection (2)(B) was suspended from April 17, 2020 through April 12, 2021.

#### 20 CSR 2250-7.060 Instructor Standards

PURPOSE: This rule outlines standards for instructors.

(1) Each school is responsible for hiring only appropriately trained instructors with practical experience or formal education/training on the subject matter being presented.

AUTHORITY: sections 339.090 and 339.120, RSMo Supp. 2005.\* This rule originally filed as 4 CSR 250-7.060. Original rule filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.060, effective Aug. 28, 2006.

\*Original authority: 339.090, RSMo 1941, amended 1978, 2001 and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004.

#### 20 CSR 2250-7.070 General Requirements

PURPOSE: This rule establishes general requirements that each real estate school must meet.

- (1) Any school offering a Salesperson and/or Broker Pre-Examination Course, Missouri Real Estate Practice Course and/or continuing education course(s) must be accredited to teach real estate courses in Missouri before offering or advertising such course(s) for credit.
- (2) For the purpose of the course offerings by accredited real estate schools, an hour means sixty (60) minutes, at least fifty (50) minutes of which shall be devoted to actual instruction and no more than ten (10) minutes of which shall be devoted to a recess. Times allotted for supervised examinations may be regarded as hours of instruction.
- (3) A student enrolled in a Salesperson Pre-Examination Course shall not receive credit for attending any portion of a Broker Pre-Examination Course.
- (4) A student enrolled in a Broker Pre-Examination Course shall not receive credit for attending any portion of a Salesperson Pre-Examination Course.
- (5) Course approval will be for the duration of the license period for which approval is sought.
- (6) All applications for course approval shall be submitted by the originating school at least ninety (90) days prior to the date the course is initially expected to be offered. Applications shall include a complete course outline showing all subjects covered in the course. In the case of a continuing education course no fewer than three (3) unique learning objectives per course hour shall be identified and included in the application prescribed by the Missouri Real Estate Commission. The commission will respond in writing to all requests for course approval within forty-five (45) days of receipt of a properly completed application. The commission will either assign a course number or other identification to a course when it is approved or will notify the

applicant of the grounds for the course not being approved.

- (7) If the commission determines that a proposed course does not meet prescribed standards or if the proposed course does not adequately reflect and present current real estate knowledge toward the goal of public protection and service, notice in writing specifying the deficiencies will be provided to the school. The school shall have no more than sixty (60) days to correct the deficiencies or the course will be deemed denied.
- (8) With prior written permission on file from the original school, other accredited schools may offer a currently approved course and must be able to present the written permission upon request to the commission.
- (9) Courses that are substantially unchanged that have been approved in the immediately preceding license period may make application, prior to the expiration date of that course, as a course renewal on a form prescribed by the commission.
- (10) No classroom Salesperson Pre-Examination Course, Broker Pre-Examination Course, or Missouri Real Estate Practice Course may exceed eight (8) hours in length per day and must provide for at least a half-hour break after four (4) hours.
- (11) No part of any approved education course shall be used to solicit membership in organizations, recruit licensees for affiliation with any organization, or advertise the merits of any organization.
- (12) Dates, times, and location(s) of classroom course offerings must be electronically submitted to the commission at least ten (10) days prior to each course offering. Should changes occur in this information, the school must submit the changes immediately via the reporting method prescribed by the commission.
- (13) Advertising for an approved distance delivered course shall clearly describe all course requirements that must be met by the licensee/student, including satisfactory completion of a final examination.
- (14) The student must be physically present in the classroom during one hundred percent (100%) of the actual classroom instruction unless there is good cause as determined by the school and then the school, at its discretion, may allow a student to be absent up to ten percent (10%) of the required hours and

still be issued a certificate of attendance. Documentation of duration of absence must be maintained in the school's records.

- (15) No school shall allow anyone to use the school's premises or classroom to recruit new affiliates for any company one (1) hour before, one (1) hour after, during break periods, lunch periods, or during an instruction period, nor shall any school provide lists of students attending classes to any broker for the purposes of recruiting.
- (16) The school, at the close of any class-room course, shall hand to each individual who has satisfactorily completed the course, a certificate of course completion in a form prescribed by the commission. For licensees who register for the continuing education course on-site without pre-registration, the certificate of course completion must be sent to the licensee within five (5) days of the course completion and the school must have an adequate sign-in/sign-out procedure to ensure attendance and certificate issuance.
- (17) Within no more than ten (10) days of the completion of a course, the school shall electronically submit to the commission in a format prescribed by the commission, a complete and accurate list of attendees who have satisfactorily completed the course.
- (18) All courses of study must be taught in adherence to the outline on file with the commission. In the event a substantive change is proposed, the school must file a revised course outline on a form prescribed by the commission at least thirty (30) days in advance of the scheduled course offering. Approval in writing from the commission must be received prior to implementation of any substantive course change. The commission must respond to any proposed changes within twenty (20) days of receipt.

AUTHORITY: section 339.045, RSMo 2000, and sections 339.090 and 339.120, RSMo Supp. 2011.\* This rule originally filed as 4 CSR 250-7.070. Original rule filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.070, effective Aug. 28, 2006. Amended: Filed Oct. 27, 2011, effective April 30, 2012

\*Original authority: 339.045, RSMo 1978, amended 1981, 1983; 339.090, RSMo 1941, amended 1978, 2001; and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004, 2008.

# 20 CSR 2250-7.080 Additional Requirements for Approved Schools Offering Distance Delivered Courses

PURPOSE: This rule outlines additional requirements for real estate schools offering prelicense or continuing education courses by distance delivery.

- (1) Schools desiring to offer the Salesperson and/or Broker Pre-Examination Course, the Missouri Real Estate Practice Course and/or continuing education course(s) by distance delivery must provide, in addition to the properly completed application, the following:
- (A) An exact copy or access to the entire course as it will be offered to the student to demonstrate how the student will interact and acquire knowledge of the required subjects;
- (B) For each three (3) hour course, two (2) final examination forms (primary and alternate) of thirty (30) multiple choice items each, with no duplication of items and a key showing correct responses. For each preexamination course. Missouri Real Estate Practice Course, or continuing education course of more than three (3) hours, two (2) final examination forms (primary and alternate) of at least fifty (50) multiple choice items each, with no duplication of items and a key showing correct responses. Examinations must reflect sound test development practices and must measure knowledge of the subject matter of the entire course as set out in the learning objectives as well as reflect the level of knowledge presented in the pro-
- (C) A copy of all examination questions and answer key, and if any question pool is used, an explanation as to how pooled exam questions are selected:
- (D) A statement setting out the methods the school will use to assure that examinations are maintained securely; and
- (E) A statement attesting that within ten (10) days following administration of the final examination, the school shall deliver to the student who achieves a score of at least seventy-five percent (75%) a certificate of course completion on a form prescribed by the commission.
- (2) For each continuing education course, a complete outline must also be provided to the commission showing all subjects covered in the course and no fewer than three (3) unique learning objectives per course hour.
- (3) A course introduction statement must be provided to the student setting out the dates during which the course is approved by the



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commission, the terms and conditions under which the final examination will be administered, including review of the completed workbook, and a list of specific learning objectives referenced in the final examination

(4) By July 31 and January 31, statistical information on completion times for the preceding period must be provided to the Missouri Real Estate Commission. If statistics indicate that at least fifty percent (50%) of real estate students took less time to complete the course than identified on the course submission, the school shall have ten (10) days to either withdraw the course offering or to provide an amended course outline to remedy the course deficiency.

AUTHORITY: section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007.\* This rule originally filed as 4 CSR 250-7.080. Original rule filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.080, effective Aug. 28, 2006. Amended: Filed Oct. 12, 2007, effective April 30, 2008. \*\*

\*Original authority: 339.045, RSMo 1978, amended 1981, 1983; 339.090, RSMo 1941, amended 1978, 2001; and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004.

\*\*Pursuant to Executive Order 21-07, 20 CSR 2250-7.080, section (1) was suspended from April 17, 2020 through April 12, 2021.

#### 20 CSR 2250-7.090 Investigation and Review of Accredited Schools and Approved Courses

PURPOSE: This rule outlines additional requirements for approved schools offering distance delivered courses.

- (1) The commission may, upon its own motion, or upon written complaint filed by any person, investigate the school, courses, course delivery and/or records maintained by an accredited school.
- (2) In conducting such investigation, the commission shall have the power to hold an investigatory hearing to determine whether there is a probability that the school, or any person acting on its behalf, has performed or attempted to perform any act or practice in violation of the statutes and regulations.
- (3) The commission may also investigate approved or proposed course offerings by conferring with sponsors and instructors, by visiting (with or without prior notice), or by surveys to participants, instructors and/or the school administrator.

- (4) The commission may deny, suspend, revoke or place on probation the accreditation of any school if it is determined that the school, administrator, staff, instructor(s) or any person associated in any way have violated any of the requirements of Chapter 7 of these regulations or have performed or attempted to perform any acts identified in 20 CSR 2250-7.090(5).
- (5) The commission may cause a complaint against the school to be filed with the Administrative Hearing Commission as provided by law when the commission believes there is a probability that a school or any person acting on its behalf has performed or attempted to perform any of the following acts:
- (A) Fails to maintain the standards set out in Chapter 7 of these regulations;
- (B) Is a party to any falsification of any document or other information provided to, or maintained at the request of the commission;
- (C) Makes any false statement or substantial misrepresentation in applying for accreditation:
- (D) Submits an application or supporting material that contains false or misleading statements or substantial misrepresentations;
- (E) Has an accumulative pass rate for first-time examinees taking the school's Salesperson Pre-Examination Course or Broker Pre-Examination Course that falls below forty percent (40%) for three (3) of the last six (6) months;
- (F) Causes, permits or otherwise encourages the communication of any advertising or solicitation of any kind, whether written or oral, designed to induce or encourage students, enrolled or to be enrolled at the school to enter into employment with any broker;
- (G) Permits any person or entity to recruit students enrolled at the school by means of coercion, pressure tactics, free offerings, rebates or similar means;
- (H) Engages in conduct which constitutes or demonstrates dishonest dealings, bad faith or untrustworthiness;
- (I) Engages in inappropriate conduct in the classroom including but not limited to the use of profanity, telling of offensive jokes, and making inappropriate remarks unrelated to the subject matter;
- (J) Fails to file with the commission, accurate, timely, and complete records;
- (K) Awards credit to any student who has either not taken the course or who has failed to satisfactorily complete the course;
- (L) Makes false statements regarding and/or promotes specific real estate related business models, organization structures, or organizations and fee structures; and/or

(M) As a real estate licensee violates the statutes or regulations that govern the practice of real estate in this state.

AUTHORITY: section 339.045, RSMo 2000 and sections 339.090 and 339.120, RSMo Supp. 2007.\* This rule originally filed as 4 CSR 250-7.090. Original rule filed April 6, 2006, effective Sept. 30, 2006. Moved to 20 CSR 2250-7.090, effective Aug. 28, 2006. Amended: Filed Oct. 12, 2007, effective April 30, 2008.

\*Original authority: 339.045, RSMo 1978, amended 1981, 1983; 339.090, RSMo 1941, amended 1978, 2001; and 339.120, RSMo 1941, amended 1963, 1967, 1981, 1988, 1993, 1995, 1999, 2004.