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**TITLE 876 INDIANA REAL ESTATE
COMMISSION**

Proposed Rule
LSA Document #02-300

DIGEST

Adds 876 IAC 4-2-3.5 to establish an outline for the mandatory continuing education courses under IC 25-34.1-9-11(a)(1). Effective January 1, 2004.

876 IAC 4-2-3.5

SECTION 1. 876 IAC 4-2-3.5 IS ADDED TO READ AS FOLLOWS:

876 IAC 4-2-3.5 Outline for curricula for salespersons and brokers under IC 25-34.1-9-11(a)(1)

Authority: IC 25-34.1-9-21

Affected: IC 25-34.1-9-11

Sec. 3.5. (a) Except as allowed by subsection (b), the subject areas required in sections 2 and 3 of this rule shall be taught under the following recommended outlines:

(1) The following under the Indiana licensure and escrow law:

- (A) Purpose and basic provisions of licensing statutes and administrative rules.**
- (B) Real estate broker and salesperson licensure requirements.**
- (C) Educational requirements.**
- (D) Enforcement of statutes and rules.**
- (E) Seller agency.**
- (F) Buyer agency.**
- (G) Limited agency.**
- (H) Disclosure issues.**
- (I) Unlicensed assistants.**
- (J) Current topics of importance.**

(2) The following under the agency law:

- (A) General agency law.**
- (B) Agency relationships, including agent's duty to the following:**
 - (i) Principal.**
 - (ii) Third parties.**
- (C) Creation of an agency.**
- (D) Enforcement of agency, including the following:**
 - (i) Intentional misrepresentation.**
 - (ii) Negligent misrepresentation.**
 - (iii) Fraud.**
- (E) Liabilities and consequences of breach of duties, including the following:**
 - (i) Disciplinary action by the Indiana real estate commission.**
 - (ii) Civil liability.**
 - (iii) Criminal liability.**
- (F) Seller agency.**
- (G) Buyer agency.**
- (H) Limited agency.**

- (3) The following under the fair housing and civil rights laws:**
 - (A) Historical context of legislation.**
 - (B) Discriminatory acts and penalties, including the following:**
 - (i) Theories of discrimination.**
 - (ii) Items of specific prohibition.**
 - (iii) Definitions.**
 - (C) Exemptions.**
 - (D) Enforcement.**
 - (E) Testing for compliance.**
 - (F) Advertising.**
 - (G) Protected classes.**
 - (H) Record keeping.**
 - (I) Fair housing procedures.**
- (4) The following under the listing contracts and purchase agreements:**
 - (A) Basic contract law.**
 - (B) Statute of frauds.**
 - (C) Indiana license law.**
 - (D) Essential elements of a contract.**
 - (E) Enforcement and defenses to enforcement of contracts.**
 - (F) Listing contracts, including the following:**
 - (i) Types.**
 - (ii) Seller disclosure.**
 - (iii) Duties and responsibilities of both parties.**
 - (iv) Extension/protection clause.**
 - (G) Purchase agreement, including the following:**
 - (i) Duties and responsibilities of both parties.**
 - (ii) Contingencies.**
 - (iii) Real property and personal property issues.**
- (5) The following under the settlement procedures:**
 - (A) Principles and sources of contract law.**
 - (B) Contract terms and definitions.**
 - (C) Contract essentials.**
 - (D) Legal objective.**
 - (E) Performance and nonperformance.**
 - (F) Sources of contract law.**
 - (G) Listing contract and purchase agreements.**
 - (H) Agent's role in closing, including the following:**
 - (i) Financing.**
 - (ii) Inspections.**
 - (iii) Environmental.**
 - (iv) Insurance.**
 - (v) Appraisal and survey.**
 - (vi) Title.**
 - (vii) Closing and possession.**
 - (I) Escrow deposits and disbursement.**
 - (J) Controlling problems.**
- (6) The following under the antitrust laws:**
 - (A) Sherman act.**
 - (B) Clayton act.**
 - (C) Federal Trade Commission.**
 - (D) Indiana act.**
 - (E) Penalties for antitrust violations.**
 - (F) Potential violations with clients and customers.**
 - (G) Potential violations with competitors.**

- (H) Potential violations with providers and other organizations.
- (I) Enforcement.
- (J) Compliance policies.

(7) The following under environmental issues:

- (A) Historical perspective.
- (B) Federal environmental laws.
- (C) Indiana environmental laws, including the following:
 - (i) Insecticide and pesticide.
 - (ii) Wells.
 - (iii) Water quality.
 - (iv) Sewage disposal systems.
 - (v) Radon.
 - (vi) Asbestos.
 - (vii) Lead.
 - (viii) Storage tanks.
 - (ix) Electric and magnetic fields.
 - (x) Wet lands.
 - (xi) Mold and other biological contaminants.

(8) The following under ethics and standards:

- (A) Ethics, standards, regulations, and laws.
- (B) Business versus personal ethics.
- (C) Ethical considerations, including the following:
 - (i) Management.
 - (ii) Record keeping.
 - (iii) Confidentiality.
- (D) Standards discussions.
- (E) Duties and responsibilities of parties involved.
- (F) Meditation.
- (G) Arbitration.
- (H) Litigation with regulations.

(b) As an alternative to following the outlines in subsection (a), the subject areas required in sections 2 and 3 of this rule may be taught under outlines substantially similar under subsection (a). (Indiana Real Estate Commission; 876 IAC 4-2-3.5)

SECTION 2. SECTION 1 of this document takes effect January 1, 2004.

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on February 27, 2003 at 11:00 a.m., at the Indiana Government Center-South, 402 West Washington Street, Conference Center Room 12, Indianapolis, Indiana the Indiana Real Estate Commission will hold a public hearing on proposed amendments to establish an outline for the mandatory continuing education courses under IC 25-34.1-9-11(a)(1). Copies of these rules are now on file at the Indiana Government Center-South, 302 West Washington Street, Room E012 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

Gerald H. Quigley
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