

## **IC 25-34.1-5**

### Chapter 5. Educational Courses

#### **IC 25-34.1-5-1**

##### **Approval by commission**

Sec. 1. No person shall conduct, solicit or accept student enrollment for a broker or salesperson course as prescribed in this chapter without approval of the course by the commission.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-2**

##### **Application for approval**

Sec. 2. To obtain course approval, a person must apply to the commission by submitting a bond in the amount of ten thousand dollars (\$10,000) and an application which includes a copy of the accreditation certificate issued by the appropriate accreditation body, if any, a detailed teaching syllabus, a proposed certificate to be issued to students who successfully complete the course, and other information and documents which may be required by the commission. If the course is to be conducted by a corporation, the application shall also include the names and residence addresses of all directors and officers, a copy of the certificate of incorporation, and a certificate of good standing of the corporation issued by the secretary of state of Indiana.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-3**

##### **Bond; obligee; requirements; liability; continuity; cancellation**

Sec. 3. (a) The commission shall be the obligee under the bond.

(b) The bond shall be:

- (1) executed by the person seeking course approval and by a corporate surety, licensed to do business in the state, as surety;
- (2) in such form and with such terms and conditions as the commission may require;
- (3) conditioned upon faithful compliance with all requirements of an approved course as provided by this article and the commission's regulations; and
- (4) effective from its effective date and continue in effect until cancelled.

The total and aggregate liability of the surety on a bond is limited to the amount specified in the bond and the continuous nature of the bond may in no event be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(c) To provide continuous bonding of the school's activities, a school providing an approved course may not cancel a bond without the commission's prior written approval of cancellation and approval of a substitute bond.

(d) The surety on a bond may cancel a bond filed under this article only after ninety (90) days from the date the surety mails a notice of

intent to cancel, by registered or certified mail with return receipt requested, to the commission and to the school.

(e) To provide continuous bond coverage of the school's activities, the school shall give written notice to the commission, not later than thirty (30) days prior to the date upon which a bond cancellation becomes effective, that a new bond has been obtained.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-4**

##### **Grounds for approval of broker or salesperson course**

Sec. 4. (a) To obtain approval of a broker or salesperson course, a school shall:

- (1) provide the curriculum prescribed in section 5 of this chapter;
- (2) have no more than thirty-five (35) students per instructor per classroom;
- (3) provide adequate educational facilities and supportive personnel as is necessary to implement the purpose of this article;
- (4) schedule not more than the maximum number of hours of instruction established by the commission in any twenty-four (24) hour period;
- (5) administer two (2) written examinations during the broker course and three (3) written examinations during the salesperson course which are approved, and passing scores established, by the commission;
- (6) within fourteen (14) days of the end of each course, submit to the commission the names and addresses of those students who successfully complete the course;
- (7) maintain records of students who successfully complete and pass the course of study for a minimum of five (5) years or, in the event the school should cease operation, the owner shall provide a custodian acceptable to the commission to keep those records and provide copies to students at the fee in effect when the school ceases operation; and
- (8) meet any other standards the commission may establish by regulation.

(b) Any instruction conducted in a broker or salesperson office does not apply to the minimum hour requirements of section 5 of this chapter.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-5**

##### **Curriculum**

Sec. 5. (a) The required curriculum for salespersons shall consist of a total of at least forty (40) hours of instruction and shall include the following subjects: Indiana license law and professional standards, law of agency, contracts, interests in real property, evidence of title, deeds, legal property descriptions, mathematics, taxes, valuation of real property, financing, listing contracts and

purchase agreements, settlement procedures, property management, government regulations, and planning and zoning.

(b) The required curriculum for brokers shall consist of a total of at least twenty-four (24) hours of instruction and shall include the following subjects: Indiana license law and professional standards, law of agency, contracts, financing, settlement procedures, escrow responsibility, recordkeeping, government regulations, and appraising.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-6**

##### **Commission's considerations; factors**

Sec. 6. In determining whether to grant approval of the curriculum, the commission shall consider, in addition to the requirements of sections 4 and 5 of this chapter, the following factors: accreditation, administration, ownership, instructors' qualifications, director's qualifications, course records, textbooks and related materials, cost of tuition and materials, and other means of evaluation as the commission establishes by regulation.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-7**

##### **Expiration of approval; renewal**

Sec. 7. The approval of courses expires on the thirty-first day of December of each calendar year. To obtain renewal of approval for the ensuing calendar year, the school must submit to the commission by November 30 of the current year:

- (1) a letter requesting renewal;
- (2) an annual report; and
- (3) a bond in the amount of twenty percent (20%) of the previous year's total tuition, but in no event less than ten thousand dollars (\$10,000) or more than fifty thousand dollars (\$50,000).

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-8**

##### **Inspection of records and facilities**

Sec. 8. Each school conducting an approved course shall allow the commission to inspect its records and facilities. Each school shall report any significant proposed change in curriculum, faculty, or facilities to the commission at least thirty (30) days before the change, if possible. No change is effective unless it is approved by the commission.

*As added by Acts 1979, P.L.248, SEC.1.*

#### **IC 25-34.1-5-9**

##### **Denial, suspension, or revocation of approval**

Sec. 9. The commission may deny, suspend, or revoke approval of any course if it determines the school failed to comply with the standards established in this chapter and the commission's

regulations.

*As added by Acts 1979, P.L.248, SEC.1.*

**IC 25-34.1-5-10**

**Prohibited advertising**

Sec. 10. A school may not advertise that it or its course is endorsed, recommended, or accredited by the commission.

*As added by Acts 1979, P.L.248, SEC.1.*

**IC 25-34.1-5-11**

**Additional fees for review class prohibited**

Sec. 11. Schools conducting approved courses may not charge an additional fee for any review class.

*As added by Acts 1979, P.L.248, SEC.1.*