



**INDIANA OFFICE OF SMALL BUSINESS AND ENTREPRENEURSHIP**

*Jacob Schpok, Executive Director*

April 21, 2014

Jeanette Langford  
Director  
Indiana Professional Licensing Agency  
402 W. Washington Street, Room W072  
Indianapolis, IN 46204

Dear Ms. Langford,

Pursuant to IC 4-22-2-28, the Indiana Office of Small Business and Entrepreneurship (“OSBE”) has reviewed the economic impact analysis for small business associated with rule changes contained in LSA Document #14-60 proposed by the Indiana Real Estate Commission (“Commission”). The proposed rule adds 876 IAC 5 to add definitions and fee schedule. It will add 876 IAC 6 to add definitions and requirements for real estate schools, establishes the hours of classroom instruction for real estate broker prelicensing education, establishes real estate broker licensing exam requirements, and adds other related miscellaneous provisions. It will add 876 IAC 7 to establish requirements for sponsors of continuing education for real estate licensees, establishes managing broker educational requirements, establishes postlicensing educational requirements, establishes the continuing education requirements for brokers including managing brokers, establishes instructor continuing education requirements, and other related miscellaneous requirements. It will add 876 IAC 8 to establish broker supervision requirements, escrow account requirements, advertising requirements, provisions regarding listing agreements, offers to purchase, closing statements, attendance at closings, licensee interest in property, incompetent practice, fee appraisals conducted by licensed brokers, and other miscellaneous requirements concerning the practice of real estate. It will also add 876 IAC 9 to provide the sellers disclosure form. The proposed rule will repeal 876 IAC 1-1-1, 876 IAC 1-1-3, 876 IAC 1-1-11, 876 IAC 1-1-17, 876 IAC 1-1-18, 876 IAC 1-1-19, 876 IAC 1-1-20, 876 IAC 1-1-21, 876 IAC 1-1-22, 876 IAC 1-1-23, 876 IAC 1-1-24, 876 IAC 1-1-25, 876 IAC 1-1-26, 876 IAC 1-1-30.1, 876 IAC 1-1-33, 876 IAC 1-1-36, 876 IAC 1-1-37, 876 IAC 1-1-39, 876 IAC 1-1-40, 876 IAC 1-1-41, 876 IAC 1-1-42, 876 IAC 1-1-43, 876 IAC 1-4, 876 IAC 2-1, 876 IAC 2-2-1, 876 IAC 2-2-3, 876 IAC 2-2-4, 876 IAC 2-2-6, 876 IAC 2-2-7, 876 IAC 2-2-8, 876 IAC 2-2-9, 876 IAC 2-2-10, 876 IAC 2-2-11, 876 IAC 2-2-12, 876 IAC 2-3, 876 IAC 2-4-1, 876 IAC 2-4-3, 876 IAC 2-4-4, 876 IAC 2-4-5, 876 IAC 2-4-6, 876 IAC 2-4-7, 876 IAC 2-5, 876 IAC 2-6-1, 876 IAC 2-6-2, 876 IAC 2-6-3, 876 IAC 2-6-5, 876 IAC 2-6-6, 876 IAC 2-6-7, 876 IAC 2-6-8, 876 IAC 2-6-9, 876 IAC 2-6-10, 876 IAC 2-7, 876 IAC 2-8, 876 IAC 2-9-1, 876 IAC 2-15.1, 876 IAC 2-16, 876 IAC 2-17, 876 IAC 2-18, and 876 IAC 4.

The economic impact statement prepared by the Commission indicates the total estimated annual economic impact on small businesses is \$357,150. However, this impact is almost entirely as a result of the legislation and not because of the rule. While the total possible annual costs and requirements at estimated at \$357,150, they are reduced by the removal of the requirement of quadruplicate copies and the “Attendance at closing” rule found in 876 IAC 8-2. OSBE does not object to the economic impact to small business associated with the proposed rule. If you have any questions about the comments contained herein please contact me at 232.5679 or [ombudsman@osbe.in.gov](mailto:ombudsman@osbe.in.gov).

Regards,

Jacob Schpok