

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

October 18, 2018

The Louisiana Real Estate Commission reconvened its regular meeting on Thursday, October 18, 2018, at 9:00 a.m., at 9071 Interline Ave, Baton Rouge, Louisiana, according to regular call, of which all members of the Commission were duly notified, at which meeting the following members were present:

COMMITTEE

Steven Hebert, Chairman
Richman Reinauer, Vice Chairman
Deanna Norman, Secretary
Jeffrey Donnes
Jeff Free
Rodney Greenup
Matt Ritchie
Patrick Roberts, Jr.
Evelyn Wolford

STAFF

Arlene Edwards
Summer Mire
Ryan Shaw
Mark Gremillion
Robert Maynor
Telly Hollis
Nikki Senegal
Debbie DeFrates
Dusty Evans
Jenny Yu
Barbara Lusk

GUESTS

Norman Morris – Louisiana REALTORS
Kim Calloway – Louisiana REALTORS
Amy Fennell – Louisiana REALTORS
Brent Lancaster – Bob Brooks School of Real Estate and Appraisal
Chris Donaldson – Donaldson Educational Services

Commissioners Baaheth and Gauthier were unable to attend the meeting

Commissioner Roberts led the Invocation; Commissioner Reinauer led the Pledge of Allegiance.

CALL TO ORDER

Meeting was called to order at 9:06 a.m.

MINUTES

Commissioner Free made motion, seconded by Commissioner Wolford, to approve the minutes of the meeting of September 13, 2018. Motion passed without opposition.

(Attachment A)

COMMITTEE REPORTS:

1. Budget – Commissioner Reinauer reviewed the budget report with the Commissioners. He stated that personnel services are up, but everything else is down. He stated that the budget is right where it should be for the year and that there is only a \$3,000 difference from the proposed budget.

(Attachment B)

2. Education/Research/Publication – Commissioner Norman stated that the 2018 Train the Trainer sessions are going well so far. She stated that there are still two sessions coming up, one on October 24 in Baton Rouge and one on October 26 in Kenner.

She also stated that StateReporting.com feedback has been mostly positive and that staff is working to resolve the few issues that have been reported by vendors and schools. She stated that Customer Service has been excellent thus far.

Commissioner Wolford made motion, seconded by Commissioner Ritchie, to approve Louisiana REALTORS Commercial Alternative Mandatory course. Motion passed without opposition.

Mr. Unangst stated that the Education Division is not currently assessing fines for reporting issues while glitches are being worked out with StateReporting.com. He stated that vendors can take a webinar every Wednesday to learn how to use the site for course scheduling, reporting, etc. He requested that the Commission approve beginning to use StateReporting.com for pre-licensing education.

Commissioner Wolford asked for input from the vendors present on moving forward with the moving of pre-licensing to StateReporting.com. Mr. Lancaster stated that he believed that the burden of reporting course completion to PSI would be shifted from the Commission staff to the vendors.

Mr. Unangst stated that his understanding from discussions with StateReporting.com is that there would be no additional burden to the vendor as they would still be reporting how they are now, just to another entity.

Mr. Gremillion stated that this system, once fully automated, will make the process easier on vendors and will speed the approval process up for licensees.

Commissioner Wolford stated that she would like to give another 30 days to make sure that the glitches are worked out with the first phase of moving to StateReporting.com before committing to moving forward with adding pre-licensing to the service.

Mr. Gremillion stated that even if the Commission does not move forward with fully automating the entire pre-licensing process, he believes it will still be beneficial to both the public and the vendors to add pre-licensing course scheduling to StateReporting.com so that class schedules are available to the public.

Chairman Hebert asked Mr. Unangst if there was a way that the Commission could authorize staff to begin working on developing the pre-licensing system with StateReporting.com but not have the switch flipped until the Commission feels more comfortable with moving forward. Mr. Unangst stated that he would rather not ask StateReporting.com to begin working on the system until the Commission is ready to move forward. He is hesitant to ask StateReporting.com to dedicate resources to building out this system until the Commission is ready to move forward.

Mr. Morris asked if the use of advertising on StateReporting.com could possibly cause RESPA violations when title companies advertise free courses. Chairman Hebert stated that he agrees that this is something that the Commission should ask StateReporting.com.

Ms. Fennell stated that she believes that the vendors need to have more time to learn the system before moving forward with adding pre-licensing reporting.

The Commission decided to table this issue for future discussion once StateReporting.com has been live for a while longer.

3. Legal/Legislative/Timeshare – Commissioner Ritchie brought the Commissioners’ attention to two handouts in their packets regarding the felony applicant process. He stated that the handouts show sample reports that legal counsel would prepare showing information about felony applicants who are and are not required to appear before that commission. He stated that Commissioners would still have access to the full packet of information related to the applicants’ charges if they wanted to review it. Commissioner Ritchie stated that this is an effort to streamline the process.

Commissioner Norman asked that the applicants’ addresses be added to the handouts. She also asked that the Commissioners still have the information packets on each applicant required to appear before the Commission emailed out prior to the meeting for their review.

(Attachments C & D)

Commissioner Ritchie stated that the Commissioners were provided with a draft of rule proposals for a chapter on Property Management. He asked if any Commissioners had questions regarding the drafted rules.

Mr. Maynor stated that he was not expecting the Commission to vote on the draft today, but instead to take the draft for review.

Mr. Unangst stated that he would like to see a decision made by next month because the rule promulgation process is going to become more cumbersome/longer beginning the first of the year.

Mr. Morris stated that Louisiana REALTORS wholeheartedly support adding a chapter on property management to the rules and regulations and will help in any way that they can to tailor this draft of rules.

Chairman Hebert inquired about the section of the rules that discusses the loophole wherein an employee can be hired by a company that owns multiple complexes, etc. and not be required to have a license. Ms. Edwards and Mr. Maynor explained that this is covered in another section of our rules. Commissioner Ritchie suggested that it be added to the proposed section as well so that it is reiterated and clear. Ms. Edwards will get with staff to add that section to the proposal.

Commissioner Ritchie stated that he recently attended the ARELLO conference in Saint Louis. He read the Commissioners a list of five hot topics that were discussed at the conference, including 1) prepaid commissions, 2) paying at the closing table, 3) instant offers on property, 4) commercial/residential licenses, and 5) virtual offices.

4. Standardized Forms – Commissioner Roberts stated that he has received some feedback on the deposit addendum that the Commission recently created and approved. He stated that he would like to add a line to the non-mandatory addendum that reads “Deposit held by _____” so that the name of the licensee, company, etc. can be listed on the form. Commissioner Reinauer made motion, seconded by Commissioner Wolford, to add the requested line to the addendum. Motion passed without opposition.
5. Strategic Planning – No Report
6. Errors & Omissions – No Report
7. Technology – Commissioner Donnes brought the Commissioners’ attention to a statement of work from Louisiana Interactive. Mr. Unangst stated that this is the company that staff has been working with on digitizing forms. He stated that Louisiana Interactive develops digitized forms and licensing software and collects a convenience fee from transactions as their payment. He stated that the Commissioners have a chart in their packets showing how the convenience fees will change the end charges to licensees. This will be used for online license applications, renewals, transfers, etc.

(Attachments E & F)

Commissioner Wolford made motion, seconded Commissioner Greenup, to approve the Louisiana Interactive statement of work. Motion passed without opposition.

DIRECTORS REPORT:

Mr. Unangst introduced new staff member Barbara Lusk who recently joined the accounting staff. He also stated that the previous front desk receptionist, Lakeisha London, has left the LREC for another opportunity and her replacement will be starting next week.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

None

EXECUTIVE SESSION

None

There being no further business, Commissioner Roberts made motion, seconded by Commissioner Reinauer, to adjourn. Motion passed without opposition.

STEVEN HEBERT, CHAIRMAN

DEANNA NORMAN, SECRETARY