

THE LREC – A HISTORICAL PERSPECTIVE

By former Commissioner Pat Caffery

The legislation that created the framework of our real estate industry in Louisiana, Act No. 236, was actually introduced as Senate Bill No. 43 by one “Mr. Johnness.”

Senator Allen Henry Johnness, Sr. served in the State Senate from 1920 to 1924, representing St. Charles, St. John, and Jefferson Parishes. He was “the dean of the real estate profession in Louisiana,” according to the *Encyclopedia of American Biography*.

Mr. Johnness entered the real estate field in 1908 and in 1910 founded the Johnness Realty and Securities Company. Under his guidance, the firm became one of the South’s most outstanding forces in land reclamation and development.

Some of his projects included developing what is now the city of Harahan along with Bridgedale, Pontchartrain Gardens, Pontchartrain Shores, and Elmeer Place. He donated a majority of the right-of-way for the construction of the Jefferson Highway. In addition, he founded the Colonial Golf Club in Jefferson Parish and developed projects in Baton Rouge, Covington, Gulf Port, Bay St. Louis, and Mobile.

Mr. Johnness was elected to the Senate in 1920, and in his first year authored and was successful in passing the Louisiana Real Estate Licensing Act, which governs our industry today. He served on the State Licensing Committee until his death in 1966. When he wasn’t working he enjoyed hunting and fishing.

Senate Bill No. 43 defined, regulated, and licensed not only real estate brokers and real estate salesmen but also included and regulated “business chance brokers and curb brokers.” The Louisiana Real estate Commission was referred to at that time as the “State Board of Real Estate” and listed among its powers and duties “to provide for the trial and punishment of violators of the provisions of this act.”

Research indicates that a “curb broker” was actually an operator in stocks who conducted business on the street or went from office to office to conduct business. A “business chance broker” either bought or sold or offered for sale businesses or business opportunities and or the good will of an existing business.

The first Board of Real Estate consisted of only five members “who shall be styled Louisiana Real Estate Board and as such are hereby constituted and created a body politic with needful succession and corporate powers.” The Board was authorized to meet quarterly and more often if necessary.

Each application for a license was made in writing to the Board and “such applications shall also be accompanied by the recommendation of at least two citizens, real estate owners, who have owned real estate for a period of one year or more of an assessed value of \$1,000.00 or more in the parish or city in which the applicant resides.”

The first annual fee for a real estate broker license was ten dollars and the renewal fee was five dollars; the first annual fee for a salesperson license was five dollars, as was the renewal fee. Confederate veterans engaged in the real estate business, at that time, were not required to pay an initial fee or renewal fee.

We can look back on our humble beginnings with pride and know that we have come a long way. We have accomplished much in our history and we have much to accomplish. The present “Board of Real Estate” is working hard to improve the real estate industry in Louisiana, as did our dean of real estate, Allen Henry Johnness, Sr. We thank him for both his effort and his accomplishment for Louisiana.