



# BOUNDARY LINES

First Quarter 2019 Volume 52, No. 1

## Chairman's Corner



I have been honored by my fellow members of the Real Estate Commission to serve as your LREC Chairman for 2019 and am committed to continuing the work of the Commission in fulfilling our mission to protect the public interest in all real estate transactions. The foundation of this mission compels us to proactively respond to changes in our industry due to evolving technology, changing business models, as well as impacts of changes in relevant laws, rules, and court decisions.

Notable objectives to be accomplished in 2019 include implementation of online “paperless” capability for our licensees to complete virtually all transactions electronically. Gone will be the days when a licensee would have to depend on “snail mail” or hand deliver hard copy documents to the Commission for processing.

Continuing to streamline our oversight responsibilities in pre-licensing, post licensing, and continuing education remains a priority. Your Commission recently partnered with StateReporting.com to enhance the speed and accuracy of vendor reporting of your continuing education credit earned. Through the MyLREC Portal on our website, you can now view your CE status that is immediately and continuously updated from electronic reports submitted by schools and vendors.

In addition, you may now choose from over 1,500 approved continuing education courses listed by vendor on StateReporting.com, including class schedules posted by those offering courses.

We remain committed to getting your input and ideas on ways we can better serve the public and our industry. Please reach out to your Commissioner, our Executive Director, or our staff with any ideas or thoughts you may have. Our job in becoming the best we can be does not have a final destination but remains a journey!

Sincerely,

**Richman Reinauer, Chairman**

# Licensing

## Final Notice!

March 31 is the final deadline date to delinquently renew a real estate license. Delinquent renewals for an active real estate license require the submission of a delinquent affidavit to complete the renewal process.

Any renewal submitted by the deadline date that did not meet all renewal requirements will be error coded and a paper notice will be mailed to the licensee to correct the error. Failure to respond to any error code notice, "FINAL NOTICE," or to submit a delinquent affidavit by the date printed on the notice will result in the loss of your real estate license. If you receive this type of notice and have any questions, please contact the LREC Licensing Division.

Don't risk your license, renew by March 31, 2019!

- To renew your license(s) online, check your past payments, education record, or print out a paper renewal, you can log in to your MyLREC Portal by visiting the [LREC website](#).
  - Click on Current Licensees
  - Select your license type from the sidebar
  - Click on MyLREC Portal
  - Log on with your User ID and Password, which can be found at: <https://lrec.gov/lrec-userpassword/>

## Sponsoring Brokers: Did Your Agents Renew?

Renewals are almost over and multiple reminder notices have been sent to ensure that all licensees renewed. Brokers who sponsor licensees or who are the qualifying broker for a company license should check the status of all licensees who are listed under their supervision. If a license was not renewed or if a renewal has not been fully completed that individual can no longer practice real estate. It is the broker's responsibility to ensure all individuals are properly licensed before any real estate activity is conducted. For a quick and easy method of checking your sponsored licensees' statuses log on to the MyLREC Portal for the license, either personal broker or broker company, and click on the list of sponsored licensees. Here, you will find all licensees you or your company sponsor with a status description. While some license status categories are self-explanatory, further explanation is required of some, as indicated below:

- **Pending enforcement** means that the renewal is blocked until you clear up an enforcement issue. Licensees can email [enforcement@lrec.gov](mailto:enforcement@lrec.gov) to address issues.
- **2019 Renewal application emailed to licensee** means that the renewal has been sent to the licensee for completion.
- **Renewal application NOT processed due to ERROR** means that a renewal has been processed, but the license has not been issued due to errors such as missing documentation or fees
- **Ready to print** means that a renewal application has been received and processed by the LREC, and the license is in the queue to print.
- **Sponsor not renewed** means that the licensee's sponsoring broker has not completed their renewal.

**Practicing licensees who have a status other than "Active" cannot practice real estate until they finish their renewal. Any licensee not listed as Active or Inactive has until March 31, 2019 to complete their renewal and avoid losing their license.**



## 2019 Mandatory Course Topics and Requirements

The LREC approved two mandatory course topics for 2019. The titles of the two courses are:

- 2019 Mandatory – LREC Updates & Addenda
- 2019 Broker Mandatory

As part of the annual twelve (12) hour continuing education requirement, all active licensees (sales and broker) are required to complete the four-hour mandatory course titled, 2019 Mandatory – LREC Updates & Addenda.

In 2019, the LREC will also require all active brokers (individual and associate) to complete an additional four-hour mandatory course titled 2019 Broker Mandatory as part of their annual twelve (12) hour continuing education requirement. The only difference is the number of mandatory hours required for brokers.

In an effort to accommodate licensees, both mandatory courses will be offered live and online. Licensees can select the delivery method of choice.

If you have any questions, please contact the LREC Education Division.

***Note: Any salesperson who upgrades to a broker is also required to complete both four-hour mandatory course topics in order to satisfy the mandatory portion of their continuing education requirement.***

### IT'S NEVER TOO EARLY TO START YOUR CONTINUING EDUCATION!

With the first quarter of 2019 in the rearview mirror, the LREC would like to remind licensees that their annual 12-hour continuing education requirement (including mandatory courses; see mandatory article above) can be completed at any time during the year. Save yourself some time, money and added stress during the busy holiday season by completing your CE requirement in advance of the December 31, 2019 deadline or prior to renewing your license.

## Code of Ethics

Completion of a course in ethics is not a requirement for license renewal; rather, it is a requirement implemented by the REALTOR® organization for its membership. Questions regarding your fulfillment of this requirement must be addressed by your local board or Louisiana REALTORS®. The LREC does not track this course and cannot assist you with this information.

While the LREC may accept an ethics course toward the 12-hour continuing education requirement, it must be completed through a LREC certified vendor. Under no circumstance, however, will ethics fulfill any mandatory topic requirement.

# CHECK YOUR FORMS

It has come to the attention of staff that many people are still using old forms with the now closed P.O. Box address on them. Any forms sent to the old P.O. box address are not being forwarded by the post office and it is taking a month or longer for these forms to be returned to sender.



To avoid these long delays, the LREC suggests that you check any saved or pre-printed forms to ensure that they are current versions with our physical address. All forms are available on our website [Forms Page](#).

## Is Your Mailing Address Up to Date?

As stated in Chapter 31 of the LREC Rules and Regulations: The commission shall be notified in writing within 10 days of any change in the mailing address, physical address, and/or telephone number of a licensee's, certificate holder's, or registrant's business or residence.

It is important that you make sure your mailing address is current with LREC! We use this address to send out important notices and updates.

If you need to change your address with the LREC, use the [Change of Address form](#), which can be used by all licensees to update their contact information.

## REAL ESTATE AGENT vs. REALTOR®



People use the terms REALTOR® and real estate agent interchangeably, but that is incorrect. There are differences between REALTORS® and real estate agents. They are not the same!

Although both are licensed to sell real estate, the basic difference between a real estate agent and a REALTOR® is that a REALTOR® is a member of the National Association of REALTORS®. The term "REALTOR®" is a registered collective membership mark that identifies a real estate professional as a member of the NATIONAL ASSOCIATION OF REALTORS®. All REALTORS® are real estate agents, but NOT all real estate agents are REALTORS®.

# WHEN IN DOUBT, FILL IT OUT!

When a licensee re-lists a recently expired listing should the seller complete a new Property Condition Disclosure form? If nothing has changed there is no law or rule requiring a new form be completed, however, there are good reasons a licensee should advise the seller to do so:

- The condition of the property could have changed since the original form was executed.
- The seller's knowledge of the property condition may have changed.
- The Property Condition Disclosure form itself may have changed.
- You, as the licensee, have a fiduciary responsibility to protect your seller! There is no downside in having a new form completed and you may save your seller and yourself from trouble down the road.

## Updated Buy/Sell Agreement Deposit Section

The Standardized Forms Committee updated the Residential Agreement to Buy or Sell last year, updating the section pertaining to deposits. The LREC has added a section for agents to notate who will hold the deposit during a contract negotiation.

The LREC has created a [Deposit Addendum](#) that can be used if a third party, other than the listing or selling broker, holds the deposit. While it is necessary to use the form created by the LREC, the new section requires that an addendum be attached if a third party holds the deposit.

If either the listing or selling broker holds the deposit, they must follow LSA-R.S 37:1455.A.(17), which reads: "Failure by an associate broker or salesperson to place, as soon after receipt as practicable, in the custody of his licensed broker any deposit money or other money or funds entrusted to him by any person dealing with him as the representative of his licensed broker or in connection with any transaction involving the sale, lease, or management of real property."

## Property Management Rules

The LREC has added a new chapter to the Rules and Regulations that govern Louisiana licensees. The purpose of the rule change is to create a new chapter where all existing rules related to residential property management can be found in one place. This includes the authorization required for licensees to engage in property management on behalf of another, the handling of the security deposit and rental trust funds, and the responsibility of licenses to retain property management records such as bank statements, deposit slips, lease agreements, and other documents pertaining to the property for five years.

The new rules can be found on our website under [Chapter 26](#) of the Rules and Regulations.

Note: Licensees who plan to manage property may find it helpful to review the [Guide to Louisiana Landlord and Tenant Laws](#) created by Louisiana's Attorney General.

# Know the Laws - Drone Photography

Drone photography has recently become a tool used to show listed properties from all angles, but agents should be aware that there are laws in Louisiana that protect neighboring properties. Below is an overview of sections of Louisiana Law that reference the use of unmanned aircraft:



## **LSA-R.S. 14:338. Unlawful use of an unmanned aircraft**

(1) No person shall operate an unmanned aircraft in the airspace directly above privately owned immovable property up to a height of three hundred fifty feet from the ground without the express or legal consent of the property owner.

(a) No person shall operate an unmanned aircraft to conduct surveillance of, gather evidence or collect information about, or photographically or electronically record an individual or privately owned immovable property without the express or legal consent of the individual or the property owner.

(b) If privately owned immovable property is occupied by a person other than the property owner, no person shall operate an unmanned aircraft to conduct surveillance of, gather evidence or collect information about, or photographically or electronically record the property without the express or legal consent of both the property owner and the person occupying or residing upon the property.

B. For purposes of this Section, “unmanned aircraft” means an aircraft that is operated without the possibility of direct human intervention from within or on the aircraft.

## **LSA-R.S. 14:63. Criminal trespass.**

B.(1) No person shall enter upon immovable property owned by another without express, legal, or implied authorization.

For purposes of this Subsection, the phrase “enter upon immovable property” as used in this Subsection, in addition to its common meaning, signification, and connotation, shall include the operation of an unmanned aircraft system as defined by R.S. 14:337 in the air space over immovable property owned by another with the intent to conduct surveillance of the property or of any individual lawfully on the property.

(1) No person shall remain in or upon property, movable or immovable, owned by another without express, legal, or implied authorization.

For purposes of this Subsection, the phrase “remain in or upon property” as used in this Subsection, in addition to its common meaning, signification, and connotation, shall include the operation of an unmanned aircraft system as defined by R.S. 14:337 in the air space over immovable property owned by another with the intent to conduct surveillance of the property or of any individual lawfully on the property.

## **LSA-R.S. 14:284 states:**

B. “Peeping Tom” as used in this Section means one who peeps through windows or doors, or other like places, situated on or about the premises of another or uses an unmanned aircraft system for the purpose of spying upon or invading the privacy of persons spied upon without the consent of the persons spied upon. It is not a necessary element of this offense that the “Peeping Tom” be upon the premises of the person being spied upon.

For purposes of this Section, “unmanned aircraft system” means an unmanned, powered aircraft that does not carry a human operator, can be autonomous or remotely piloted or operated, and can be expendable or recoverable.

# Drone Photography continued

**LSA-R.S. 2:2. Regulation of unmanned aerial systems and unmanned aircraft systems; preemption**  
Subject to the provisions of Subsection C of this Section and except as otherwise provided by law:

The state shall have exclusive jurisdiction to regulate all unmanned aircraft systems and all unmanned aerial systems.

State law shall supersede and preempt any rule, regulation, code or ordinance of any political subdivision or other unit of local government.

## Investigator's Desk

The Investigation Division issued 7 citations from December 1, 2018 through February 28, 2019. The list below outlines the specific violations cited:

2501.A. - Failure To Identify Listing Broker in Advertisement	3
2501.D. - Failure to Advertise as Licensed (Name or Brokerage)	2
2509 - Advertising Violations by Franchises	2

## Thank You for Your Service!



*LREC Chairman Richman Reinauer (right) presents Steven Hebert (left) with a plaque commemorating his service to the commission as 2018 Chairman during the LREC January Regular Business Meeting.*

*The LREC thanks Commissioner Hebert for his remarkable tenure as Chairman and his dedication and service to the Louisiana real estate industry.*

# Tech Tip

In today's workplace we are online constantly and with that comes threats from malicious websites, e-mails, and much more! Remember to never open any e-mail that seems vague or suspicious, even if it is from someone you know.

If you do find yourself with an infected computer, one quick and easy way to fix it is to roll back your computer to an earlier restore time with the "System Restore" feature (on Windows machines). Simply open the "Control Panel", click on "Recovery" and Select the "System Restore" option and follow the instructions. Keep in mind that you will lose any and all files that you have saved to your computer after the specific restore time. Remember to always back up your files and be safe on the internet!

If you have any questions, feel free to e-mail [IT@lrec.gov](mailto:IT@lrec.gov).



*Follow us for updates*

## Commissioners & Contributors

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