

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

May 2, 2019

The Louisiana Real Estate Commission held its regular meeting on Thursday, May 2, 2019, at 10:00 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

Richman Reinauer, Chairman
Patrick Roberts, Jr., Vice Chairman
Lacy Baaheth, Secretary
Jeffrey Donnes
Jeff Free
Eloise Gauthier
Rodney Greenup
Deanna Norman
Matt Ritchie
Evelyn Wolford

STAFF

Bruce Unangst, Executive Director
Summer Mire
Ryan Shaw
Mark Gremillion
Robert Maynor
Debbie DeFrates
Damien Smart
Nikki Senegal
Telly Hollis
Jenny Yu
Santana Morris

GUESTS

Kim Calloway – Louisiana REALTORS®
Chris Donaldson – Donaldson Educational Services
Tim Tullos – Keller Williams
Lisa Baker – Burk Baker School of Real Estate and Appraisal

Commissioner Hebert was unable to attend.

Chairman Norman led the invocation; Commissioner Reinauer led the Pledge of Allegiance.

MINUTES

Commissioner Norman made motion, seconded by Commissioner Greenup, to approve the minutes of the meeting of February 20, 2019. Motion passed without opposition.

(Attachment A)

COMMITTEE REPORTS:

1. Budget – Commissioner Free reviewed the budget report with the Commissioners. He stated that revenues are down because delinquent fees are down from prior years, which is good news because it means licensees are renewing on time. He stated that the budget is in good shape.

(Attachment B)

2. Education/Research/Publication – Commissioner Gauthier stated that the Education Committee met this morning. She stated that the recommendation from the Committee is that the Commission engage Ms. Cheryl Knowlton for development of the 2020 Mandatory Course.

Commissioner Gauthier made motion, seconded by Commissioner Norman, to accept the Committee's recommendation. Motion passed without opposition.

3. Legal/Legislative/Timeshare – Mr. Unangst reviewed legislation that could affect the real estate industry if passed. He discussed HB 503 (Edmonds), SB 187 (Milkovich), and HB 353 (Emerson).

Commissioner Roberts made motion, seconded by Commissioner Norman, to oppose SB 187. Motion passed without opposition. Mr. Unangst stated that he would have Ms. Shaw put the opposition into formal resolution format and send it on to the legislative committee.

He stated that he will update the Commission if any of these bills move forward to become law.

Commissioner Ritchie stated that he had an idea that he would like for the Commission to consider. He stated that he would like to form a work group to look into creating a dual license track for residential and commercial license. He stated that he would be willing to head the task force.

Commissioner Wolford stated that she has heard the idea discussed in the past and she thinks that a work group or task force could be beneficial to explore the idea.

Mr. Unangst stated that he is aware of other states that have these types of license designations and it works for them. He stated that it is worth looking into to help protect the public.

Commissioner Wolford agreed that it would be a good step to take toward the protection of the public and that it is a good idea to discuss the idea even if a resolution cannot be agreed upon.

Mr. Tullos stated that he supports the idea as a broker. He believes that it is important to have agents in the field who are specifically trained to handle complex commercial transactions.

Commissioner Ritchie made motion, seconded by Commissioner Greenup, to form a work group to discuss the creation of a commercial license designation. Motion passed without opposition.

4. Standardized Forms – Commissioner Roberts stated that the Standardized Forms Committee will be meeting again soon now that the Valobra case has been settled to review the Property Condition Disclosure form.
5. Strategic Planning – No report
6. Errors & Omissions – Commissioner Norman reviewed the quarterly report from RISC Insurance.
7. Technology – Commissioner Greenup requested that Ms. Shaw and Mr. Smart update the Commission on technology.

Mr. Smart reviewed State Reporting statistics with the Commission. He state that the error rate has fallen to .0029%, which is almost non-existent. Commissioner Donnes asked how the system is working for the vendors.

Mr. Unangst stated that based on what he has heard it has been a good implementation with only a few issues that have been addressed and corrected.

Ms. Shaw stated that staff has been working with Louisiana Interactive to create online versions of forms to streamline the processing of forms. She stated that staff has already launched the online Change of Address form to test how data is received from the form to the database. She stated that the next step in testing is to release the License/Certificate Verification Request because it has a payment component. She stated that staff receives 15-20 of these per week which will allow staff to test the collection of fees. She stated that once staff feels comfortable with the fee collection process then more digitized forms will be released.

DIRECTORS REPORT:

Mr. Unangst stated that staff has engaged Cox Communications to install fiber internet cable to improve staff connection and speed. He stated that moving to Cox will also lower the monthly internet fee that the Commission currently pays. Mr. Unangst introduced staff member Santana Morris. He stated that Ms. Morris is the Commission's newest staff member and has joined the Licensing Division.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Commissioner Wolford made motion, seconded by Commissioner Roberts, to deny the stipulation and consent order for Case No. 2017-878: Scott Leggett. Motion passed without opposition.

Commissioner Wolford made motion, seconded by Commissioner Norman, to approve the stipulation and consent order for Case No. 2017-1557: Michael Paul Salter. Motion carried without opposition.

Commissioner Gauthier made motion, seconded by Commissioner Wolford, to approve the stipulation and consent order for Case No. 2017-312: Bobbie R. Almond. Motion carried without opposition.

Commissioner Gauthier made motion, seconded by Commissioner Wolford, to approve the stipulation and consent order for Case No. 2017-1553: Christopher Lee Laniek. Motion carried 9-1 with Commissioner Donnes voting in opposition.

Commissioner Ritchie stated that the Mid-Year ARELLO meeting was a good opportunity to discuss issues with Commissioners from other states. He stated that important topics that came up included virtual brokerages, regulation of single-broker models, virtual sellers, independent contractors vs. employees, salesperson trainings, wholesalers, etc.

Commissioner Gauthier stated that an important issue she heard about at the ARELLO meeting was tail insurance. She stated that she believes this would be a good issue for a newsletter article or Facebook post. She wants to make sure licensees are aware of the issue. She stated that another issue she believes needs to be discussed is wholesaling.

Commissioner Wolford stated that she thinks that the dispersion of funds by team members should also be addressed in a publication.

Commissioner Roberts stated that he is appreciative of the past Commissioners who implemented the funding for Commissioners to attend ARELLO meetings. He stated that he thinks it is very important for the Commissioners to stay up-to-date on ongoing issues in the industry.

Commissioner Norman stated that she has not been impressed with the job done by Multiply Marketing. She stated that she thinks that staff or Commissioners could do what the company is doing without the monthly contract cost of Multiply Marketing. Ms. Shaw explained that while she is able to make content posts that she is not skilled in the areas of Multiply Marketing such as Facebook analytics, peak posting times, reaching targeted demographics, etc. Mr. Unangst agreed with Ms. Shaw and further explained the benefits to the Commission. Mr. Cross will attend the July Commission meeting to update the Commission on an annual report and the benefits of the Facebook postings. Ms. Shaw also reminded the Commissioners that they may provide input on posting/blog topics that they would like to see discussed and included.

EXECUTIVE SESSION

None

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

RICHMAN REINAUER, CHAIRMAN

LACY BAAHETH, SECRETARY