

State of Louisiana Louisiana Real Estate Commission

February 24, 2023

Via Email Only

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Hon. Paula P. Davis, Chair Commerce Committee Louisiana House of Representatives apa.h-com@legis.la.gov Hon. Mike Reese, Chair Commerce, Consumer Protection and International Affairs Committee Louisiana Senate apa.s-com@legis.la.gov

SUMMARY REPORT

Real Estate Education and Licensing (LAC 46:LXVII. Part I, Chapters 5,9,15,31,45,53, & 55)

To Whom It May Concern:

In accordance with the Administrative Procedure Act (La. R.S. 49:950 *et seq*) and the Louisiana Real Estate License Law (La. R.S. 37:1430 *et seq*), the Louisiana Real Estate Commission ("Commission") respectfully submits the following summary report, regarding proposed real estate education and licensing rule changes. The Commission's relevant April 20, 2022 *Notice of Intent* resulted specifically from Act 193 (2021 Regular Session) and more generally from Act 454 (2018 Reg. Sess.) and other recent state laws, which encourage licensing agencies to revise or repeal redundant, unnecessary, or overburdensome regulations.

Accordingly, the proposed change(s) seek to do the following:

- <u>LAC 46:LXVII.501</u> The *proposed change* increases an applicant's exam authorization period *from* 90 days *to* 1 year.
- <u>LAC 46:LXVII.507</u> The *proposed change* removes an outdated provision that required applicants who failed an exam to submit a copy of such a "fail notice" to the Commission.
- <u>LAC 46:LXVII.901</u> The *proposed change* clarifies that a real estate licensee may resume real estate activity when he or she "becomes sponsored by a duly-licensed, sponsoring broker," after his or her sponsoring broker has failed to timely renew his/her broker license.
- <u>LAC 46:LXVII.907</u> The *proposed change* clarifies: (i) the requirements to renew a real estate license in the active status; and, (ii) the number of post-license real estate education hours which may be used to satisfy a licensee's annual continuing-education requirements, as statutorily imposed by the Louisiana Real Estate License Law.
- <u>LAC 46:LXVII.1507</u> The *proposed change* clarifies use of a "termination of sponsorship" form prescribed for use in certain circumstances and removes an outdated provision,

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which required licenses be delivered to the Commission, either by hand or certified mail, within 5 days of such a sponsorship termination.

- <u>LAC 46:LXVII.3101</u> The *proposed change* requires written notice to the Commission within 10 days of a change in certain licensing and contact information records.
- <u>LAC 46:LXVII.4501 et seq</u> The *proposed change* repeals Chapter 45, relative to the regulation of "*Franchise Operations*."
- Specifically, due to Act 193 (2021 Reg. Sess.), the *proposed changes* clarify the renewal timelines applicable to certificates of authority (LAC 46:LXVII.5307), pre-license instructor certifications (LAC 46:LXVII.5319), and real estate vendor certifications (LAC 46:LXVII.5505).

The Legislative Fiscal Office approved the Commission's related *Fiscal and Economic Impact Statement* on April 6, 2022. On April 20, 2022, the Commission's initial *Notice of Intent* was published in the April 2022 edition of the State Register. *See* April 2022 Register at page 1194. On Thursday, May 26, 2022, the Commission held a regularly-scheduled, open meeting regarding the rulemaking, in part, and did not receive any opposition either at the hearing or at any time since. Further, on June 29, 2022, the Occupational Licensing Review Commission met in open meeting and unanimously approved the proposed changes.

This *Summary Report* was not delivered to the oversight Committees, in error, at the time the *Notice of Intent* was first submitted for publication. The Commission has not commenced final rulemaking to date; however, the Commission intends to submit a timely insertion order with the Office of State Register and proceed with final publication. I apologize for any unintentional confusion caused by these delayed communications. Please contact me or Ms. Summer S. Mire, Executive Director, with any questions or concerns.

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