

WHAT'S INSIDE

CONT	NUING	EDUCA	TION
		ITS	

LICENSE RENEWAL 2

REAL ESTATE APPRAISERS BOARD .. 4

BACKGROUND CHECK AND FINGERPRINTING FAQS

FROM THE COMPLIANCE DESK 6

MEET YOUR COMMISSIONERS 7



May 18
June 15
July 20
August 17
September 21

All Commission meetings will take place at the LREC office in Baton Rouge. Please check the LREC website for times.

Chairman's Corner

It is an honor to have been selected by my fellow members of the Louisiana Real Estate Commission as your chairman for 2023. As chairman, I look forward to continuing the LREC mission to serve and protect the public interest in real estate transactions and other real estate related activities. At its very core, that mission



profoundly compels us as Commissioners to proactively monitor and respond to changes in our industry as well as changes in pertinent laws, rules, and orders.

As such, in my inaugural message as chairman, I have the responsibility to remind you of a significant change to the LREC licensing process that will impact current and future licensees. In accordance with Act 553 (effective as of January 1, 2023) of the 2022 Regular Legislative Session, all initial license applicants will be required to complete a felony criminal history background check prior to receiving their license. The new law, which will be implemented beginning Monday, July 3, also includes a fingerprinting requirement for submission to Louisiana State Police and the Federal Bureau of Investigation.

This change to the licensing process will help further the LREC mission by ensuring the protection of consumers in real estate transactions and also provide

for a more thorough and precise background check for licensees. For more details on the impending change, check out page 5 of this edition of Boundary Lines.

Sincerely,



Jeff Free, Chairman

Beginning July 3, 2023...

- All applicants must complete a Background Check Authorization Form and Rapsheet Disclosure. Both forms and any corresponding fees should be submitted to Louisiana State Police, not the LREC.
- Once all forms have been submitted to LSP, the background check and fingerprinting process may take up to 21 business days to complete, so please plan accordingly.
- The criminal background history is only one part of the licensing process. Please review the applicant checklists on the LREC website for more information.



Licensing, Education, & More



Reminder: License Renewal Changes

We're gearing up for year two of the new license renewal period. However, before we dive into details on year two, let's take a look back at the success we had during the 2023 renewal cycle.

Act 193 of the 2021 Regular Legislative Session made several changes to the annual license renewal period including the introduction of timely and delinquent renewal periods. The new law (effective as of April 1, 2022) essentially encourages licensees to complete the renewal process as soon as possible and also removes the stress of last-minute renewals during the busy holiday season.

During the 2023 renewal period, nearly 90 percent of licenses were renewed during the timely renewal period (*August 1 - September 30*). An additional 6 percent of licenses were renewed by the end of the year. For comparison, during the previous 15 years of renewal cycles, only about 50 percent of licenses had been renewed by December 25.

Overall, year one of the new license renewal period proved to be a success with 99.12 percent of licenses being renewed.

More License Renewal Info

All licenses expire December 31 of each calendar year. Licenses may be renewed online or by completing the paper renewal form. Renewal notices will be emailed in August of each year. For licensees renewing the active status, all education requirements must be completed prior to December 31.

Inactive Status

A license may be placed in the inactive status at any time. Transferring to inactive status at the end of a calendar year does not renew the license for the coming year. Licensees who desire to go inactive for a coming year must use the renewal form, checking the box to renew and transfer to inactive. An inactive license must be renewed each year.

SEE MORE LICENSE RENEWAL FAQS ONLINE AT LREC. GOV/RENEWAL-FAQS.

Breakdown of 2024 License <u>Renewal Period</u>

- Timely Renewal Period: August 1 - September 30
- First Delinquent Renewal Period:

October 1 - November 15 (\$50 delinquent fee for active and inactive licensees)

 Second Delinquent Renewal Period:

November 16 - December 31 (\$50 delinquent fee for inactive licensees; \$200 delinquent fee for active licensees)

Continuing Education Requirements

REMINDER: All licensees renewing in the active status must complete 12 hours of approved continuing education coursework, including any LREC mandatory course topic(s), on or before December 31 each year. Failure to complete the required continuing education by the December 31 deadline will be considered a violation of LREC law and rules and subject to a fine citation. Continuing education courses are available through **LREC-certified continuing education vendors**.

Mandatory Course Topics

*BE AWARE: There is a BROKER-specific mandatory course requirement for 2023.

2023 Mandatory Course - Four one-hour subject areas: Contract Forms Review; FEMA Flood Insurance; Advertising; and Misrepresentation (this course must be taken by <u>BOTH</u> active salespersons and brokers)

2023 Commercial Mandatory Alternate - Successful Strategies for Tenant Representation: this course may be taken by both active salespersons and brokers as a substitution for the 2023 Mandatory Course. There is NO substitution for the 2023 BROKER Mandatory requirement.

CLICK HERE TO VIEW PAST MANDATORY COURSES

LREC 2023 BROKER MANDATORY COURSE

FOUR ONE-HOUR SUBJECT AREAS:

- Agency Relationships; Personnel Hiring, Training, & Staffing; Use of Technology; Legal & Administrative - Rules Compliance

(In addition to the 2023 Mandatory Course, this course must be taken by all individual brokers and associate brokers renewing in the active status. There is NO substitution for the 2023 BROKER Mandatory requirement).



IS YOUR EMAIL ADDRESS UP TO DATE?

Pursuant to law, LREC may send notices or other forms of communications via email only. Please make sure that you have an email address on file that you check regularly to ensure you receive important updates regarding your license and education.

HOW TO UPDATE YOUR EMAIL ADDRESS

You can easily check or update the email address you have on file in your MyLREC Portal. Here's how you do it:

- Visit your MyLREC Portal at www.portal.irec.gov
- Once logged in, click
 "View" next to the license you want to check
- On the sidebar, choose "Update Contact Information"
- Click "Email Address"
- Edit, add, or delete addresses on this menu

Please note that the email you mark as "Primary Email" will be used for important alerts and updates.



Continuing Education Continued...

For Initial Licensees Only... (Salesperson & Broker Upgrade)

- 1. Post-license Education is a specific 45-hour requirement that must be completed within 180 days from your initial/upgraded license date.
- 2. Continuing Education is an annual 12-hour requirement that includes hours in mandatory course topic(s) specified by the Commission.
- 3. In the year completed, post-licensing education hours may be used to satisfy a portion of the 12 -hour annual continuing education requirement. Post-licensing education hours <u>SHALL NOT</u> satisfy any mandatory course topic(s) specified by the Commission.

Failure to complete education requirements timely is a violation of the LREC law and rules. Questions regarding post-licensing education and/or continuing education may be directed to the LREC Education Division at education@lrec.gov.

Louisiana Real Estate Appraisal Board - 2023 USPAP Courses

For Real Estate Appraisers...



for 2023 are quickly approaching. Act now to reserve your space and earn eight (8) hours of appraiser continuing education.

If you've already taken the USPAP course during this renewal cycle, LREAB is allowing you to take the course again in 2023 to earn an additional eight (8) hours of continuing education credits towards your required continuing education coursework. Why? Because this year's USPAP courses contain new information not covered in previous sessions.

Register now for the 2023 USPAP

LREAB has four courses scheduled across Louisiana, two in the spring and two more in the fall. Course registration costs \$175 and includes the USPAP book, student manual, and reference manual.

2023 Uniform Standards of Professional Appraisal Practice (USPAP) Course Locations

- •Bossier City Thursday, April 13
- •Kenner Wednesday, April 19
- •Lafayette Thursday, September 7
- •Baton Rouge Tuesday, October 17

More information on course offerings and a link to register can be found on the LREAB website at www.lreab.gov/uspap.html.

PLEASE NOTE: You must register online. There will be no in-person registration allowed on the day of the course.

If you have any questions about the upcoming USPAP courses, please email Appraisers Board Assistant Allison Burnette at aburnette@lreab.gov.

Fingerprinting FAQs

THE NEW BACKGROUND CHECK AND FINGERPRINTING PROCESS WILL BE EFFECTIVE AS OF JULY 3, 2023.

I'm a current license holder, do I need to complete the new background check and fingerprinting requirement?

No. The new rule only applies to applicants completing the initial license process. However, current salespersons who will be upgrading to a broker license will be required to complete the background check and fingerprinting requirement as part of their initial broker application process.

How much does it cost to complete the process?

The current cost for a background check with Louisiana State Police and the FBI is \$39.25. If an applicant chooses to visit Louisiana State Police Headquarters in Baton Rouge to be fingerprinted, an additional \$10.00 fee (\$49.25) will be assessed.

What forms of payment are accepted?

Applicants may visit Louisiana State Police Headquarters in Baton Rouge to pay with a debit or credit card (convenience fee applies). Money orders, business checks, and cashier's checks are also accepted; however, two separate checks/money orders will be needed for applicants choosing this payment option. One check/money order for the criminal history background check (\$39.25) and another check/money order for the fingerprinting fee (\$10.00) if the applicant chooses to have their fingerprints processed at Louisiana State Police.

Please note: All checks/money orders should be made payable to Louisiana State Police. Cash and personal checks are NOT acceptable forms of payment.

<u>Can I visit another location to have my</u> fingerprints processed?

Yes. Louisiana State Police recommends applicants contact their local law enforcement office to inquire about their fingerprinting process. The fingerprinting card will still need to be submitted to Louisiana State Police along with the Background Check Authorization form, Rapsheet Disclosure, and any applicable fees.

How long does it take the LREC to receive results from the background check and fingerprinting process?

Once all the forms and required information have been submitted to the Louisiana State Police, it can take up to 21 business days to receive the results. The LREC recommends all applicants plan accordingly in their timeline for licensure.

I started my application process months ago and already performed a background check through ClearBox. Do I still need to complete the new background check and fingerprinting process?

No, the ClearBox background check is good for one year. If that background check expires before you obtain your license, you will be required to complete the new process.

Where should I submit my background check forms and payment?

Once completed, the following items should all be submitted to the Louisiana State Police Bureau:

- Background Check Authorization Form
- Rapsheet Disclosure
- Fingerprinting fee (\$10.00) OR fingerprinting card (if not being processed by Louisiana State Police)
- Background check fee (\$39.25)

Please note: No money or forms relating to background checks or fingerprinting should be sent to the LREC.

Physical Address: 7919 Independence Blvd. Baton Rouge, LA 70806 Mailing Address: P.O. Box 66614, #A-6 Baton Rouge, LA 70896-6614



Get more details by visiting the LREC website.

Compliance Desk



The Regulatory Compliance Division issued 1,461 citations from March 25, 2022 to February 20, 2023. The list below outlines the specific violations cited:

RULE	VIOLATION	NO.
La. R.S.37:1442(A)	Conducting real estate activity after the expiration of the license	55
La. R.S. 37:1449	Broker to insure provision of contract; retention of records	2
La.R.S.37:1455(A)(21)	Disclosure; failure to provide agency disclosure pamphlet or dual agency form	2
La.R.S.37:1455(A)(33)	Failure to provide property disclosure form	1
LAC 46:LXVII.705 (B)	Check returned for insufficient funds	2
LAC 46:LXVII.907(A)	Continuing Education Hours Required for Renewal	954
LAC 46:LXVII.907(B)	Failure to complete required 45 PL hours within 180 days of the initial license date	386
LAC 46:LXVII.2501(B)	Broker Failure to supervise and/or approve advertising of their sponsored licensee	21
LAC 46:LXVII.2501(F)	Failure to identify listing broker in advertisement	9
LAC 46:LXVII.2503	Owner Authorization	3
LAC 46:LXVII.2505 (A)	Using misleading or inaccurate advertising	6
LAC 46:LXVII.2511	Agent Owner-Licensed Agent	2
LAC 46:LXVII.2515	Improper Internet Advertising	4
LAC 46:LXVII.2701	Escrow and Trust Accounts: Resident Broker Requirements	1
LAC 46:LXVII.2717	Escrow and Trust Accounts: Deposits	4
LAC46:LXVII.2901	Disbursement of Escrow Deposits; failure to properly disburse	2
LAC 46:LXVII.3101	Reporting Change of Address and/or Telephone Number	1
LAC 46:LXVII.3501	Licensee as Principal in a Real Estate Transaction	1
LAC 46:LXVII.3705	Dual Agency Disclosure	1
LAC 46:LXVII.3901	Timely Presentation of Offers and Counter Offers	2
LAC46:LXVII.3905(A)	Failure to annotate written offer	1
LAC 46:LXVII.3907	Rejection of Offers and Counter Offers	1

Meet Your 2023 Commissioners



Jeff Free - Chairman **Bossier City**





Joe Pappalardo, Jr. - Secretary **New Orleans**



arreau



Cornner Lake Charles Tony (



Ted Major Baton Rouge

Synde Devillier



2023 **Commission Committees**

Budget

Joe Pappalardo Paula Duncan

Education/Publication/ Research

Synde Devillier **Tony Cornner**

Legislative/Legal/ **Timeshare**

Hanna Chustz Joe Pappalardo

Standardized Forms

Dee Halphen **Ted Major**

Technology

Rodney Greenup Gladys Smith-Coward

www.lrec.gov/commissionmembers



Greenup Rodney D. Gree New Orleans



Gladys Smith-Coward Monroe

LREC Seeks Feedback on Mandatory Forms!

The Commission is actively seeking feedback from all salespersons, brokers, and companies on revisions to the *Residential Agreement to Buy or Sell* and the *Residential Property Disclosure* forms. Your valued input will greatly assist the Standardized Forms Committee later this year and

will help ensure that your concerns are properly addressed.

We Want to Hear from You!

The comment and feedback period is now open for all brokers and agents to submit any revisions they would like to see discussed. Make sure your voice is heard by submitting your opinions <u>using the form available on the LREC website</u>.



Find us on 🚯

Connect with LREC on social media!

Commissioners & Contributors

Jeff Free (Bossier City)

Chairman

Paula Duncan (Lafayette)

Vice Chair

Joe Pappalardo, Jr. (New Orleans)

Secretary

Hanna Chustz (Jarreau)

Commissioner

Tony Cornner (Lake Charles)

Commissioner

Synde Devillier (Houma)

Commissioner

Rodney D. Greenup (New Orleans)

Commissioner

Dee Halphen (Madisonville)

Commissioner

Ted Major (Baton Rouge)

Commissioner

Matt Ritchie (Alexandria)

Commissioner

Glady Smith-Coward (Monroe)

Commissioner

Summer S. Mire

Executive Director

Jeremy Travis
Public Information Director