Louisiana Real Estate Commission State of Louisiana

Office of the Governor

JEFF LANDRY Governor



TAYLOR F. BARRAS COMMISSIONER OF ADMINISTRATION

JANUARY 18, 2024 LEGAL/LEGISLATIVE/TIMESHARE COMMITTEE MEETING MINUTES

On Thursday, January 18, 2024, the Louisiana Real Estate Commission ("LREC" and/or "Commission") conducted its Legal/Legislative/Timeshare Committee meeting in-person and at the Commission's domicile office located at 9071 Interline Avenue, Baton Rouge, LA 70809 in accordance with La. R.S. 37:1430 *et seq* and other applicable law.

Commission Members Present:

Ms. Paula Duncan, Commission Chair (Sup. Ct. Dist. 3)	Mr. Jeff Free, Chair (Sup. Ct. Dist. 2)
Mr. Joseph Pappalardo, Jr., Legal Legislative Committee Chairman (Sup. Ct. Dist. 7)	Mr. Rodney D. Greenup, Sr. (At-Large)
Ms. Synde Devillier, Secretary (Sup. Ct. Dist. 6)	Ms. Doneva Halphen (Sup. Ct. Dist. 1)
Ms. Hanna Chustz (Sup. Ct. Dist. 5)	Mr. Theodore Major (At-Large)
Mr. Tony Cornner (3 rd Congress. Dist.)	Mr. Matt Ritchie (Sup. Ct. Dist. 4)
	Ms. Gladys Smith-Coward (5 th Congress. Dist.)

Commission Members Absent:

None.

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Staff Present:

Ms. Summer S. Mire, Executive Director	Mr. Mark Gremillion
Mr. Thomas E. Devillier, Dep. Dir./Exec. Counsel	Ms. Allison OToole
Ms. Arlene C. Edwards, General Counsel	Ms. Courtney Stafford
Ms. Karen Carey	Mr. Jeremy Travis
Ms. Dusty Evans	Ms. Nikki Wallace
Ms. Malissa Fowler	Ms. Sloane Watts

Others Present:

Ms. Kim Callaway	Ms. Cherrelle Duncan
Mr. Wardell Coward	Fmr. Commissioner, Rick Roberts
Ms. Andrea Duncan	

I. CALL TO ORDER

Chairman Paula Duncan called the meeting to order at or about 9:00 a.m. A roll call was conducted in open meeting. See attendance detailed above.

II. PUBLIC COMMENTARY

None.

III. NEW BUSINESS

1. <u>Consideration of Act 393 (2023 Regular Session, Louisiana Legislature)</u>:

Legal-Legislative Chair, Vice Chair Pappalardo, led a discussion on Act 393 of the 2023 Regular Session and asked Mr. Devillier to present the proposed resolution and rule enactment. Mr. Devillier explained that a part of Act 393 states that all state agencies are required to promulgate rules regarding electronic meetings and providing disability accommodations to individuals who request such accommodations. Mr. Devillier read Resolution No. 2024-001 on the record. Mr. Devillier explained that the resolution was prepared, in part, using model provisions publicly-published by the Division of Administration. Commissioner Halphen made a motion, which was seconded by Secretary Devillier, and unanimously approved to adopt Resolution No. 2024-001. Ms. Mire noted that technology modifications will need to be made to the hearing room in order to adhere to the electronic meetings requirements of Act 393.

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2. <u>Discussion of Regulatory Compliance policy; hearing procedure</u>: Vice Chair Pappalardo invited Mr. Devillier to discuss revised Compliance and hearing procedures. Mr. Devillier stated that given the technical issues with OnBoard during the December 2023 meeting, staff will ensure that the Commissioners are provided physical copies of documents for each meeting in addition to uploading the documents to OnBoard. Mr. Devillier presented a draft "Acknowledgement and Waiver" document that will be presented to license application hearing respondents in advance of their hearings and in conjunction with their Proposed "Findings of Fact, Conclusions of Law, and Order" and related evidence. In the event the applicant signs the Acknowledgement and Waiver and returns it to the Commissioners before their prospective hearings, the Commissioners would be able to review all the proposed documents prior to the hearing date. However, Mr. Devillier underscored that the applicant shall not be required to sign the document. If the applicant refuses to sign the Acknowledgement and Waiver, then the Commissioners would continue with the current process of reviewing the documents in real time during each such hearing.

Mr. Devillier recommended to the Commissioners that Ms. Edwards lead hearings in the future as a "hearing officer" rather than acting in more of an "executive counsel" role. Acting as a hearing officer, Ms. Edwards would effectively lead the hearing proceedings by ensuring the meetings order of operations and directing individuals on what to expect during the hearing. Ms. Edwards indicated her willingness to serve in that capacity and that in such position she would also rule on objections made by the hearing parties. Commissioner Ritchie questioned how the change would impact the role of the Commission chair. After some discussion, the Commission indicated it would like to have Ms. Edwards act in the capacity of a hearing officer relative to license application review and/or disciplinary adjudication hearings.

Mr. Devillier recommended a process by which Commissioners would take a more direct role in deciding which applicants are required to appear for a hearing. Mr. Devillier continued stating that the Commissioners who review the cases in advance of a hearing will be recused if a future hearing is determined necessary. Ms. Mire added that if the Commissioners decided to pursue this recommendation, any necessary review or involvement with staff would take place virtually via Zoom or teleconference and not require their presence at the Commission domicile office. After discussion, the Commissioners decided to implement a procedure by which one Commissioner will assist staff in reviewing application hearing matters on a rotating monthly schedule, beginning with the Commissioners serving in leadership positions and continuing in alphabetical order.

Mr. Devillier continued discussion regarding whether and how the Commission may want to conduct executive sessions relative to license application review and/or disciplinary adjudication hearings. Mr. Devillier explained that, while a final decision may not be made during executive session, conducting an executive session is allowed by law in certain circumstances if the final determination is presented in open meeting. Mr. Devillier also discussed whether license application review and/or disciplinary adjudication hearings should be conducted at a Legal-Legislative meeting – on a separate date – rather than at the Commission's regular meetings. Relative to these two issues, the Commissioners decided to consider the items further and postpone adoption of any new procedure. Mr. Devillier stated he would draft a written compliance policy for Commissioners to consider at a future meeting once all Compliance procedures discussion and actions have been decided.

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3. Discussion of 2024 Regular Session; legislative considerations: Mr. Devillier presented a proposed bill draft for "clean up" legislation, following prior discussion with Chair Duncan and Vice Chair Pappalardo. Mr. Devillier reminded the Commissioners of Act 193 of the 2021 Regular Session, which affected real estate license renewal and expiration dates. The proposed bill seeks to make a change to provide that a broker who fails to timely renew his or her license may become licensed again as a broker, rather than a salesperson, if he or she reapplies within 1 year of the expiration date of his or her most recent broker license. The proposed bill draft also seeks to correct an error from Act 193, which provided an education exception only for reapplying salespersons that should have also been extended for reapplying brokers. The proposed bill draft also makes other technical changes to correct an error related to licenses maintained in the inactive status. Mr. Devillier asked the Commissioners for guidance on the substance of the proposed draft and whether this "clean up" bill should be pursued during this legislative session. After discussion, Commissioner Devillier made a motion, which was seconded by Commissioner Pappalardo, and unanimously approved to authorize the proposed draft and to move forward with finding an author for the legislation.

IV. ADJOURNMENT

Commissioner Pappalardo made a motion to adjourn, which was seconded by Commissioner Chustz, and unanimously approved.