

**MINUTES OF MEETING**  
**OF**  
**LOUISIANA REAL ESTATE COMMISSION**

**April 21, 2016**

The Louisiana Real Estate Commission held its regular meeting on Thursday, April 21, 2016, 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:

**COMMISSION**

Lynda Nugent Smith, Chairman  
Evelyn Wolford, Vice Chairman  
Steven Hebert, Secretary  
Jeff Donnes  
Kelly Ducote  
Deanna Norman  
Richman Reinauer  
Cynthia Stafford  
Frank Trapani

**STAFF**

Bruce Unangst, Executive Director  
Arlene Edwards, Legal Counsel  
Summer Mire  
Debbie Debrates  
Mark Gremillion  
Robert Maynor  
Chad Mayo  
Stacy Sharpe  
Jenny Yu  
Henk VanDuyvendijk

**GUESTS**

Lisa Baker – Burk Baker School of Real Estate & Appraisal  
Lynda Butler – Burns and Co.  
Brent Lancaster – Bob Brooks School  
Norman Morris – Louisiana REALTORS  
Dr. Roy Ponthier - ProEducate  
Rick Roberts – Re/Max Elite

Commissioners Burns and Gosslee was unable to attend the meeting.

Commissioner Wolford led the Invocation; Commissioner Trapani led the Pledge of Allegiance.

## **MINUTES**

Commissioner Ducote made motion, seconded by Commissioner Wolford, to approve the minutes of the meeting of March 17, 2016. Motion passed without opposition.

## **COMMITTEE REPORTS:**

1. Budget – Commissioner Reinauer reviewed the budget report with Commissioners. Licensee count is on the increase and are the highest they have been since 2009. Professional services have increased due to the creation of the new licensing database system. E & O premiums have been paid to Rice Insurance which is reflected in the report.

(Attachment A)

2. Education/Research/Publication – Commissioner Ducote began discussion on the 2016 mandatory continuing education topic. There had been prior discussion on the possibility of having a course on the updates to the standardized forms. After the changes were made at committee, it does not appear that there will be enough content to fill a 4-hour course. The topics of flood insurance and other insurances may be a possibility to add to that course. Commissioner Stafford stated that she would like to see a section that includes “how to read a flood map”. Chairman Nugent Smith stated that this is something that the Commissioner of Insurance, Jim Donelon, could maybe assist on. There will also be a course on broker responsibility once it has passed through the legislature.

Commissioner Wolford made motion, seconded by Commissioner Ducote, to accept Standardized Forms and Insurance as the mandatory continuing education topic for 2017. Motion carried without opposition.

Commissioner Wolford began discussion on ARELLO requirements for continuing education topics. She made motion, seconded by Commissioner Trapani, to remove NMLS regulations and only use ARELLO regulations in approving continuing education courses. Restrictions on page timers are causing problems. Dr. Ponthier stated that most students are not spending enough time when taking an online course. ARELLO has no restrictions on guidelines. There are no timing mechanisms. A 90 hour course can be finished in minutes. Many students will skip through the content and go straight to the exam. He proposes that there be some sort of control but is not asking for page timers. Mr. Lancaster noted that page timer academic studies show that students have increased stress and decreased learning when page timers are utilized. It is difficult to give quality education online and find the sweet spot in hours. The longer the hours, the bigger the disparity. He doesn't agree with page timers and recommends removing all encumbrances. Mr. Unangst stated that there are a lot of moving parts in this discussion. Things are happening all over the board. Texas pulled out of ARELLO because they thought the standards were more about word count. Some states oppose it because they think it is too tough. He stated that we need to stop looking at the number of hours and focus on what it is

we want the licensee to know. The goal should be learning objectives. Data has been requested from vendors on the amount of time spend in online courses for the first quarter of the year. That information will be available next month. Commissioner Wolford stated that she is agreeable to researching this information but still would like to see NMLS standards removed from LREC course approvals now. Mr. Gremillion explained to the commission that the only course that LREC requires a method for course timing is on the post license course. Mr. Lancaster agreed that the only course that has these provisions is the post license course. This does not apply to continuing education or pre-license courses. Mr. Unangst explained that page timers are not a requirement but that it is up to the vendor to determine how to keep a student from completing the course in minutes. After the discussion, Commissioner Wolford withdrew her motion and asked Ms. Mire to check in past minutes to determine if there was any discussion on NMLS regulations.

3. Legal/Legislative/Timeshare – Commissioner Wolford stated that a handout was given to commissioners regarding advertising rules in other jurisdictions. She would like to see recommendation from the committee for clarity on the current rule and to have the recommendations sent out to the committee prior to the next meeting. Commissioner Trapani would like everyone to meet a day other than the meeting day. Commissioner Wolford stated that she will get the communication going between commissioners. She would also like to see a summary of complaints that Investigations has received regarding advertising violations. Commissioner Stafford stated that this topic has been reviewed before. She suggested that Nova Scotia’s rules be looked at regarding advertising.
4. Standardized Forms – Commissioner Wolford stated that the committee met prior to the regular business meeting and the proposed forms were reviewed. Commissioner Wolford made motion, seconded by Commissioner Trapani, to accept the changes made at committee to the standardized forms. Motion carried without opposition. (Attachment B)
5. Strategic Planning – No report.
6. Errors & Omissions – Commissioner Norman stated that the commission does not need to go out for a new E & O bid until 2017. Mr. Unangst has been in contact with Rice Insurance to receive additional information on digital coverage.
7. Technology – Commissioner Wolford asked where staff stood on the new database system being up and running. Mr. Unangst stated that the system is being tested during the renewal season and everything is moving along. Implementation will take place during the summer.

#### **DIRECTORS REPORT:**

Mr. Unangst stated that he will be getting with Commissioners Hebert and Donnes to discuss a small surplus in funds that could be used to add additional desktop unit upgrades in this fiscal year. Imaging software upgrades also need to be looked at.

Mr. Unangst publicly thanked Mr. Norman Morris, Mr. Jim Harris and Louisiana REALTORS for all of their hard work and assistance during the legislative season. He also thanked Chairman Nugent Smith as well

as Ms. Edwards and Mr. Gremillion for their assistance. SB 259 (LREC license law update) has passed the Senate and is now in the House Commerce committee. There has been no opposition to the bill. HB 804 (Appraiser & AMC Law Updates) have no opposition as well. HB 679 has been withdrawn at this point but is being monitored closely.

**PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

Commissioner Trapani made motion, seconded by Commissioner Stafford, to approve the stipulation and consent order as follows:

Case No. 2011-7: Deborah Jo Giger

Case No. 2015-173: Betty Pei Ching Sun

Case No. 2015-442: Tim Anthony Tullos (Broker) & Jennifer Waguespack (Salesperson)

Motion carried without opposition.

**EXECUTIVE SESSION**

None

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

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LYNDA NUGENT SMITH, CHAIRMAN

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STEVEN HEBERT, SECRETARY