

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

December 18, 2014

The Louisiana Real Estate Commission held its regular meeting on Thursday, December 18, 2014, 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

Paul Burns, Chairman
James Gosslee, Vice Chairman
Lynda Nugent Smith, Secretary
Archie Carraway
Jeffrey Donnes
Kelly Ducote
Steven Hebert
Richman Reinauer
Cynthia Stafford

STAFF

Bruce Unangst, Executive Director
Arlene Edwards, Legal Counsel
Summer Mire
Debbie Debrates
Dusty Evans
Chad Mayo
Jeremy Endicott
Mark Gremillion
Robert Maynor
Ryan Shaw

GUESTS

Chris Donaldson – Donaldson Real Estate School
Roy Ponthier – ProEducate
Lisa Baker – Burk Baker School of Real Estate and Appraising
Brent Lancaster – Bob Brooks School
Norman Morris – Louisiana REALTORS
Jean Carraway
Kim Calloway – Louisiana Legislature
Patrick Caffery – Former Commissioner
Jennifer LaNasa Evans – Former Commissioner

Commissioners Trapani and Wolford were unable to attend the meeting.

Commissioner Nugent Smith led the Invocation; Commissioner Hebert led the Pledge of Allegiance.

MINUTES

Commissioner Gosslee made motion, seconded by Commissioner Nugent Smith, to approve the minutes of the meeting of November 20, 2014. Motion passed without opposition.

COMMITTEE REPORTS:

1. Budget – Mr. Unangst stated that Ms. Yu’s mother passed away recently and Ms. Yu is in China for the services. Due to these circumstances, there is no report this month. Commissioners asked that their condolences be extended to Ms. Yu.
2. Education/Research/Publication – Commissioner Hebert stated that the Train the Trainer for the mandatory 2015 course went well but there was one issue that needed to be discussed. He reminded the Commission that a RFP originally went out and the Commission received zero proposals. The Commission contracted with Mrs. Cheryl Bella to develop the mandatory course but BPOs and CMAs needs to be added into the course. Mr. Unangst stated that the original intent to have BPOs and CMAs be included was unintentionally left out of the course. He received criticism and critique from Commissioners Trapani and Nugent Smith who both attended the course. They both asked that these items be added into the curriculum. Mr. Unangst stated that the information can be pulled from the new post licensing course. He has met with Mrs. Roz Allemond to tweak existing content so that it can easily be added to the course. The TILA/RESPA section of the course will be removed to add the requested content. This will be an overall seamless improvement. A total of 84 instructors attended the Train the Trainer sessions and there are currently only two vendors scheduled to teach the course in January. This should be a positive improvement to the course content. Commissioner Nugent Smith stated that she felt the practical real estate content was left out of the course. She did state that the course was fantastic and applauds all for their efforts. Mr. Unangst stated that as soon as the content is updated and finalized, new discs will be burned and distributed to the instructors that attended.

Commissioner Hebert made motion, seconded by Commissioner Stafford to amend the 2015 mandatory course to include BPOs and CMAs in place of the legal updates. Motion carried with no opposition. Mr. Unangst stated that the intent was to have the course completed ASAP so that online vendors can submit to ARELLO for approval.

Commissioner Gosslee stated that he received a request from Ken Von Holland to receive CE credit for teaching hours. Mr. Unangst stated that in the past, CE credit has not been given for the Train the Trainer courses. It was given as CE credit for instructor licenses. Mr. Gremillion stated that currently we have pre-licensing instructors that require CE hours. If you teach, you can get credit for your real estate license. You still need to obtain hours for your pre-licensing instructor license. Commissioner Nugent Smith stated that this is a big misconception among licensees and needs to be clarified to those instructors. Mr. Unangst stated that when he first came on board, it was a desire to make Train the Trainer more of an instructor development workshop. Ms. Edwards stated that there is nothing currently in the rules that allows credit be given for attending Train the Trainer. The item was referred to the Legal/Legislative/Timeshare committee for review at a later meeting.

Commissioner Hebert stated that the Commission received two response RFPs for the Broker 202/203 courses. The two vendors that submitted proposals were Bob Brooks School and ProEducate. Commissioners were given copies of each proposal. Mr. Unangst stated that staff will begin reviewing the RFPs and requested that Commissioners review and forward him any questions that they may have. Discussion and selection will take place in committee meetings in January. Mr. Unangst noted that funds are allotted for whichever RFP is selected. He will compile questions for both Bob Brooks School and for ProEducate and make sure responses are received by January 9th. He would like the Commission to have new Chairman Gosslee, former Chairman Burns, Commissioner Trapani (new Education Chairman) and new Vice-Chairman Nugent Smith to help in the selection process and grading of proposals.

3. Legal/Legislative/Timeshare – Commissioner Gosslee reported that the committee met prior to the regular business meeting. There were 4 items on the agenda.

The first item, “Team Member Compensation LSA – R.S. 37:1446.F” was tabled until a later meeting date.

The second item, “Law of Agency - LSA – R.S. 9:3893.A.2(b)” was discussed and a motion was made to support removing the waiver requirement language “unless the client has waived this duty” from this section of the law. Commissioner Hebert made motion, seconded by Commissioner Nugent Smith, to ratify this motion. Motion carried without opposition.

The third item, "Increase of Penalty Fines for Adjudicatory Proceedings – LSA - R.S.37:1455.A, 1458 & 1459.B" was deferred to legal counsel for further review for possible change.

The fourth item, "License Revocations – 3 Year Time Limit to Return to Commission Requesting License Reinstatement" was deferred to legal counsel for further review for possible change.

4. Standardized Forms – In Commissioner Wolford's absence, Mr. Unangst reported that the final draft of the 2015 mandatory forms were distributed to Commissioners for their review. Commissioner Donnes had sent comments via email to Mr. Unangst but were satisfactorily clarified by legal counsel. Staff will distribute the final changes with areas of highlight to all stakeholders.
5. Strategic Planning – Commissioner Nugent Smith reported that she will be receiving the first draft of the strategic plan in the upcoming month.
6. Errors & Omissions – No report.

DIRECTORS REPORT:

Mr. Unangst stated that he has the Train the Trainer reviews available to any Commissioner that wishes to see.

Mr. Unangst reported that the State is repossessing all state vehicles that drive an average of 15,000 miles or less. The Commission has a 2003 Dodge Caravan that falls into this category and will be turned into State Asset Management no later than December 24th. The commission will now have to reimburse employees for mileage and car rental expenses for state business travel. He is researching additional insurance options for employees that must travel on state business.

Mr. Unangst stated that he spoke with Mr. Norman Morris about a commercial licensee alternative course to the 2015 mandatory course. Mr. Morris reported that there will be a commercial lease course that will be presented at the January 2015 meeting for approval if the Commission agrees. Mr. Unangst has copies of the course for commissioners to review. Mr. Unangst welcomed former Commissioner Pat Caffery. Mr. Caffery stated that he took the commercial alternative last year and it was a fantastic course.

Mr. Unangst thanked Chairman Burns for his service and year as chairman for 2014. He applauded the accomplishments made by Chairman Burns and the commission over the past year.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Arlene Edwards – Commission attorney contract resolution – tabled until June 2015 and the start of a new contract/fiscal year.

2015 Business Calendar – Commissioner Stafford made motion, seconded by Commissioner Gosslee, to approve the 2015 business calendar as presented. Motion carried without opposition. (Attachment B)

Election of 2015 Officers:

- Chairman – Commissioner Nugent Smith made motion, seconded by Commissioner Stafford, to elect Commissioner Gosslee as Chairman for 2015. Motion carried without opposition.
- Vice Chairman – Commissioner Stafford made motion, seconded by Commissioner Donnes, to elect Commissioner Nugent Smith as Vice-Chairman for 2015. Commissioner Carraway asked Ms. Edwards if there was any conflict to having Nugent Smith serve as an officer of the Commission as she serves as an officer in Louisiana REALTORS. Ms. Edwards stated that there is nothing in our law currently that prohibits this but does feel this could be seen as a conflict. This is an issue that the Commission may want to look at in the future. Commissioner Nugent Smith

stated that she is not currently serving in an officer capacity at Louisiana REALTORS. Motion carried without opposition.

- Secretary – Commissioner Nugent Smith made motion, seconded by Commissioner Stafford, to elect Commissioner Wolford as Secretary for 2015. Motion carried without opposition.

Appointment of 2015 Committee Chairs: Newly elected Chairman Gosslee made the following committee appointments for 2015.

- Budget: Cynthia Stafford (Chair) and Jeff Donnes (Vice-Chair)
- Education/Research/Publication: Frank Trapani (Chair)
- Legal/Legislative/Timeshare: Lynda Nugent Smith (Chair)
- Standardized Forms: Kelly Ducote (Chair)
- Strategic Planning: Evelyn Wolford (Chair)
- Errors and Omissions: Richman Reinauer (Chair)
- Technology: Steven Hebert (Chair) and Jeff Donnes (Vice-Chair)

EXECUTIVE SESSION

None

Chairman Burns gave all of his thanks to Bruce, Ms. Edwards, staff and commissioners for their support over the past year.

There being no further business, Commissioner Nugent Smith made motion, seconded by Commissioner Stafford, to adjourn. Motion passed without opposition.

JAMES GOSSLEE, CHAIRMAN

EVELYN WOLFORD, SECRETARY