

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

**June 18, 2015**

The Louisiana Real Estate Commission held its regular meeting on Thursday, June 18, 2015, at 9:00 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**

Evelyn Wolford, Secretary – Acting Chairman  
Paul Burns  
Jeffrey Donnes  
Kelly Ducote  
Steven Hebert  
Richman Reinauer  
Frank Trapani

**STAFF**

Bruce Unangst, Executive Director  
Arlene Edwards, Legal Counsel  
Summer Mire  
Debbie Defrates  
Dusty Evans  
Mark Gremillion  
Robert Maynor  
Chad Mayo  
Ryan Shaw  
Marsha Stafford  
Jenny Yu

**GUESTS**

Burk Baker – Burk Baker School of Real Estate & Appraising  
Lisa Baker- Burk Baker School of Real Estate & Appraising  
Brei Delahoussye – Louisiana REALTORS  
Brent Lancaster – Bob Brooks School of Real Estate

Chairman Gosslee, Vice-Chairman Nugent Smith and Commissioner Stafford were absent from the meeting.

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

**MINUTES**

Commissioner Trapani made motion, seconded by Commissioner Reinauer, to approve the minutes of the meeting of May 21, 2015. Motion passed without opposition.

**COMMITTEE REPORTS:**

1. Budget – Ms. Yu reviewed the budget report. Ms. Yu stated the revenue was up by \$100,000 from the last report. Personnel services are up by \$41,000 due to increases in health insurance, merit increases and retirement costs. In relation to last year fiscal year, revenues are up

\$49,000.

(Attachment A)

2. Education/Research/Publication – Commissioner Reinauer stated that his task force has made proposed updates to the Broker 203 outline. (Attachment B)  
Commissioner Burns made motion, seconded by Commissioner Ducote, to approve the updated, proposed Broker 203 course outline. Motion carried without opposition.  
Continuing Education Course Approval Guidelines – Commissioner Trapani stated that the current guidelines do not allow for approval of technology based courses. Mr. Unangst stated that many ever changing technology courses are now available and are often submitted for approval. By tweaking the current guidelines, this allows for courses that improve licensees' technology skills which then benefit the consumer. Mr. Unangst will work with staff on reviewing these submissions for the right decision. Commissioner Trapani stated that his concern is that it should not be limited to just technology courses. The commission already has a four hour mandatory course that covers the need to know topic of the year. Mr. Unangst agreed that the commission needs to be flexible on approving courses of this nature. Commissioner Trapani wants licensees to enjoy going to continuing education courses and not be just because they have to for license upkeep. Mr. Unangst noted that when the CE guidelines were first developed, learning objectives were to be included with each submission. He asked vendors to please be sure to follow course submissions and include the learning objectives. Staff does their best to get these courses approved within 10 days. Commissioner Trapani made motion, seconded by Commissioner Burns, to replace paragraph 2 on page 5 with language to be developed and approved at the next commission meeting. Commissioner Trapani would like to develop language to allow other courses to be considered and not just limit it to technology courses. This would be limited to the 8 hours of elective courses. Motion carried without opposition. (Attachment C)
3. Legal/Legislative/Timeshare –Mr. Unangst reviewed the conclusion of the legislative session. HB 468 restored the commission's ability to hear all felony applicants and the bill is currently awaiting signature from the Governor. SB 83, which pertains to law of agency, will require brokers to present all offers and they cannot waive responsibility (limited service brokers). Mr. Unangst thanked Louisiana REALTORS for their assistance and efforts. Both bills will become effective August 1<sup>st</sup>. Staff will relay this information to licensees in the July issue of the Boundary Lines.
4. Standardized Forms – Commissioner Ducote asked if the sample commercial forms had been placed on the website. Mr. Unangst stated that staff is currently working on the forms and will have them online shortly. Commissioner Ducote noted that Public Information Officer, Ryan Shaw, sent her an email that she received from a licensee regarding mold disclosure. The licensee would like to see language of "Do you have knowledge?" regarding mold. This will be included in upcoming form discussions during revision time.
5. Strategic Planning – No report as the strategic plan is complete.
6. Errors & Omissions – Commissioner Reinauer stated that the commission received a notice from RISC Insurance requesting a year extension for the current group E & O policy. This would extend the agreement for January 1, 2016 – January 1, 2017. Commissioners noted that they have been happy with the coverage and service received from RISC. Commissioner Trapani made motion, seconded by Commissioner Burns, to approve the RISC renewal extension for 2016. Motion carried without opposition.
7. Technology – Commissioner Hebert stated that the committee would like to solicit any ideas or suggested topics of concern for the committee from licensees, Louisiana REALTORS, vendors and other stakeholders.

**DIRECTORS REPORT:**

Mr. Unangst stated that the commission has been upgrading bandwidth, gigabytes, etc. in the technology department and have been saving money per Mr. Endicott's recommendations. Something to be on the lookout in the horizon for the technology committee will be out of state internet activity and how it may be enforced.

Mr. Unangst reported that staff met with the Office of Debt Recovery which was created by the legislature. The agency was mainly created for tax collection purposes but they can also act on behalf of state agencies for collections of fees, fines, etc. They have the power to seize funds from bank accounts. This is a great tool for the commission as it will help to enforce a level playing field.

Commissioner Trapani asked if social security numbers were collected as part of the licensing process. Mr. Gremillion stated that numbers are collected as the commission is required to by law.

Mr. Unangst announced that Ms. Stafford will be retiring next week after many years of service in the Investigative Division. The commission applauded and thanked her for her service.

Mr. Unangst reported that building repairs are now taking place. There has been good progress and administration is happy with the results so far.

In this month's newsletter, there will be a Chairman's Corner article discussing the upcoming changes at the CFPB. Commissioners reported that the changes have been delayed from August 1<sup>st</sup> to October 1<sup>st</sup>.

Mr. Unangst will have an outline for next year's mandatory course ready for review at the July meeting.

**PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

Commissioner Trapani discussed the current concursus procedures and the problems that he sees being faced. He feels that the 90-day allowance for submittal is too lengthy of a time frame for a broker to have to submit a deposit dispute to the court system. He stated the other problem is that many brokers place the deposit into district court which ends up sitting there for multiple years. The deposit amount it held up and then decreased due to court costs. Brokers do not put the deposit into small claims court because they do not feel that they are protected and have liability. Commissioner Trapani would like to add an additional letter "C" to the rules that would allow the deposit to be placed into small claims court where applicable. He would also like to see a dollar limit considered. Mr. Unangst stated that he discussed this issue with Ms. Edwards. Ms. Edwards thinks that the current law and rules allow for this now. She is hesitant to add small claims court because different court systems have different nuances. They may end up paying fees in small claims court and the judge may then decide that there is no jurisdiction and send it to district court. In the past, the commission was hearing the deposit disputes at their meetings which left a huge liability on commissioners. Ms. Edwards has researched small claims court with escrow disputes but can't find any authority on it. That doesn't mean it doesn't exist, though. Ms. Edwards feels it is incumbent upon the broker to notify the parties. The current rule does not tell the broker what to do after they disburse the deposit. She can add language to the current procedure to explain to the broker how to handle after it is placed in the courts. Commissioner Trapani made motion, seconded by Commissioner Reinauer, to reduce the amount of time allowed for disbursement from 90 days to 60 days in concursus procedures. Commissioner Hebert noted that the time period is often used by brokers as a "cooling off" period for the buyer and seller wherein the broker can explain what will occur and to try to have them settle their differences. He feels the time should be no less than 60 days. Motion carried without opposition. Ms. Edwards stated that the dispute is basically a petition once it hits the court system. She stated that she will draft a cover letter to explain the process of the concursus petition. The letter can include language about small claims court where applicable. Commissioners asked that this information be included in the Boundary Lines as well.

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

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JAMES GOSSLEE, CHAIRMAN

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EVELYN WOLFORD, SECRETARY