

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

March 15, 2018

The Louisiana Real Estate Commission held its regular meeting on Thursday, March 15, 2018, 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:

COMMITTEE

Steven Hebert, Chairman
Richman Reinauer, Vice Chairman
Deanna Norman, Secretary
Lacy Baaheth – Arrived at 9:10 am
Jeffrey Donnes
Jeff Free
Eloise Gauthier
Lynda Nugent Smith
Matt Ritchie
Patrick Roberts, Jr.
Evelyn Wolford

STAFF

Bruce Unangst, Executive Director
Arlene Edwards
Summer Mire
Ryan Shaw
Mark Gremillion
Robert Maynor
Nikki Senegal
Debbie DeFrates
Dusty Evans
Jenny Yu
Vanda Araujo
LaKeisha Duhon
Lakiesha London

GUESTS

Kim Calloway – Louisiana REALTORS®
Tim Tullos – Keller Williams Realty
Lisa Baker – Burk Baker School of Real Estate and Appraisal

Commissioner Donnes led the Invocation; Chairman Wolford led the Pledge of Allegiance.

MINUTES

Commissioner Gauthier made motion, seconded by Commissioner Wolford, to approve the minutes of the meeting of February 15, 2018. Motion passed without opposition.

(Attachment A)

COMMITTEE REPORTS:

1. Budget – Commissioner Reinauer reviewed the budget report with the Commissioners. He directed the Commissioners’ attention to the actuals and stated that licensee count and renewals are both up, leading to a surplus. He stated that the E&O collections number is misleading as we have collected the premiums during renewals, but have not yet paid the premium to RISC.

(Attachment B)

2. Education/Research/Publication – Commissioner Gauthier stated that the Education taskforce met and is close to making recommendations. She stated that the committee reviewed the recommendations for the 2019 mandatory course, the 2019 broker mandatory course, and suggestions for post-license education.
3. Legal/Legislative/Timeshare – Commissioner Ritchie stated that the taskforce has not had a chance to meet since the last meeting. He stated that the taskforce will be scheduling a meeting to discuss potentially moving the renewal date to a different time of year. Commissioner Nugent Smith stated that she recalls discussing the moving of the renewal date and deciding that it was not a good idea. She stated that it can be discussed again and requested that the next meeting be held at the LREC office to avoid downtown traffic. Commissioner Ritchie requested that a meeting be held on April 18th, the day prior to the next commission meeting, in the afternoon at LREC offices.

Commissioner Ritchie asked Mr. Unangst to discuss the item agenda regarding license expirations and MLS Boards. Mr. Unangst stated that there is an issue due to the LREC posting license status updates on the LREC website. He stated that the MLS Boards are attempting to charge brokers for licensees who are still listed under their supervision, even if they have not renewed. He stated that the status of a licensee does not change unless a termination form is turned in or a licensee does not renew before March 31. On April 1, those that have not renewed will change to Archive status in the LREC database. He stated that the boards are threatening to cut off the entire brokerage’s access to the MLS if the broker does not pay for these outlying agents, regardless of whether they are renewed or not. They are requiring the broker to send in termination of sponsorship forms to LREC to update the record which is more work on brokers and LREC staff.

Commissioner Wolford stated that she believes that this is a board issue. She stated that she has, personally, had issues with this with a licensee under her supervision who had announced his retirement. She stated that the problem is not with the Commission, but with the rules being imposed by the boards throughout the state.

Chairman Hebert agreed that it seems like a board issue. Mr. Tullos stated that he is a member of several boards throughout the state and has had issues with this as well. He stated that he also agreed that it is a board issue and an inconvenience. Mr. Gremillion stated that the problem is that the LREC staff is contacted frequently by boards to process terminations faster. He stated that the boards should rely on the word of the brokers as to a licensee's status instead of relying on the status posted on the LREC's website.

Commissioner Wolford stated that she believes that the boards are overstepping their bounds and she believes that the boards need to address their rules to fix the issue. Commissioner Nugent Smith stated that it is a local board issue and that all of the Commissioners should go back to their local boards and address this.

Mr. Tullos suggested that there could potentially be updates to the statuses used to clarify the issue. Commissioner Hebert stated that this might be an issue that could be addressed in the future with technology.

4. Standardized Forms – Commissioner Roberts stated that the Standardized Forms taskforce will meet on May 1 to discuss updates to the Mandatory forms. Chairman Hebert asked if there has been any push back to the updated property disclosure. Ms. Shaw stated that she has received several calls from agents complaining that there is not a “no” option for questions where they know for sure that the answer is “no.” She stated that she is letting these agents know that about the Supreme Court decision that led to these changes and not receiving much push back after explaining the reason for the change.
5. Strategic Planning – Commissioner Baaheth inquired about a planned social media presentation. Ms. Mire explained that the presenter was unable to make the meeting due to a family health emergency. Mr. Unangst stated that he, Ms. Mire, and Ms. Shaw have met with Mr. Ryan Cross and discussed what his company can offer with social media managing. He stated that Mr. Cross requested to move his presentation to the April meeting.

Ms. Mire updated all key issue charts from each strategic plan task force. Commissioner Baaheth reviewed the charts.

(Attachment C)

6. Errors & Omissions – No report
7. Technology – Commissioner Donnes asked Ms. Shaw to give an update on the progress of the new website. Ms. Shaw stated that she has begun populating content to the new website and that IT Director Damien Smart is working with the website company to get the database access issues ironed out. She stated that there should be a beta version of the site available for testing in 2-3 weeks.

DIRECTORS REPORT:

Mr. Unangst stated that the LREC has been operating short-staffed for the past several months. He stated that the LREC has hired a new front desk receptionist, Lakiesha London. He stated that she has been very quick to learn the front desk procedures and has already become an asset to the LREC.

He also stated that the accounting section is back up to full staff with the hiring of a new accountant, Vanda Araujo. He welcomed her aboard on her first day with the LREC.

Mr. Unangst stated that the Federal Trade Commission has been investigating the Louisiana Real Estate Appraisers Board for over a year in relation to setting customary and reasonable fees. He reviewed proposed bills that he discussed yesterday with the Attorney General's office and the chairs of the house and senate.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Commissioner Gauthier made motion, seconded by Commissioner Donnes, to approve the stipulation and consent orders for second-time CE offenders. Motion passed with no opposition.

Commissioner Gauthier made motion, seconded by Commissioner Nugent Smith, to approve the stipulation and consent orders for informal hearings, 2016-1460: Steven R. Davis and 2017-1629: Mark Dupont. Motion passed with no opposition.

(Attachments D1, 2a & 2b)

EXECUTIVE SESSION

None

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

STEVEN HEBERT, CHAIRMAN

DEANNA NORMAN, SECRETARY