

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE COMMISSION

October 20, 2016

The Louisiana Real Estate Commission held its regular meeting on Thursday, October 20, 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:

COMMITTEE

Lynda Nugent Smith, Chair
Evelyn Wolford, Vice Chair
Steven Hebert, Secretary
Lacy Baaheth
Jeff Donnes
Eloise Gauthier
James Gosslee
Richman Reinauer
Patrick Roberts, Jr.

STAFF

Bruce Unangst, Executive Director
Arlene C. Edwards, Legal Counsel
Summer Mire
Ryan Shaw
Mark Gremillion
Chad Mayo
Dusty Evans
Stacy Sharpe
Jenny Yu

GUESTS

Norman Morris – Louisiana REALTORS

Commissioners Ducote and Norman were unable to attend the meeting.

Commissioner Gauthier led the Invocation; Commissioner Donnes led the Pledge of Allegiance.

MINUTES

Commissioner Wolford made motion, seconded by Commissioner Gauthier, to approve the minutes of the meeting of September 15, 2016. Motion passed without opposition.

COMMITTEE REPORTS:

1. Budget – Commissioner Reinauer reviewed the budget report with Commissioners. He brought the Commissioners attention to the revenue being down due to a decrease in fines.

(Attachment A)

2. Education/Research/Publication – Commissioner Gauthier brought the Commissioners attention to an issue that had been discussed in September regarding giving CE hours for pre licensing education.

Commissioner Wolford made motion, seconded by Commissioner to add the discussion to the agenda.

Commissioner Wolford stated that she thinks it is a good idea because it will encourage people to join the industry in the later months of the year.

Mr. Gremillion asked the Commission how far back the Commission would want to grant credit following the completion of the pre licensing course. Commissioner Nugent Smith stated that it would be only in the year that the license was issued. Mr. Gremillion stated that he is fine with giving the eight hours of credit in the year the license is issued no matter when the course was taken.

Commissioner Wolford made motion, seconded by Commissioner Roberts, to allow eight hours of continuing education credit if the course and test were passed in the same year as the license was issued.

Commissioner Donnes asked if it was fair that someone who took the course in November but did not test until January would not receive credit for the course.

Mr. Unangst stated that the easiest thing would be that no matter when the applicant gets their license, they will be required to take the test, which proves that they are competent and should, therefore, get the eight hours of credit. He stated that he does not see any harm in giving the credit to anyone who receives their license.

After discussion, Commissioner Wolford amended her motion, seconded by Commissioner Roberts, to state that eight hours of continuing education credit will be granted in the year that the licensee became licensed, regardless of the year the pre-licensing course was taken. Motion carried without opposition.

Commissioner Gauthier stated that Norman Morris of Louisiana REALTORS had a presentation for the Commission. Mr. Morris stated that his organization will be rolling out an app to promote agent safety. He stated that there will be a safety course held in conjunction with the release of the app. He requested the Commission give approval, pending staff approval of the course materials, for the course to be held for continuing education credit.

Commissioner Nugent Smith thanked Mr. Morris for his focus on agent safety. Mr. Unangst stated that staff will fast track review of the course to hopefully have it approved quickly.

(Attachment B)

3. Legal/Legislative/Timeshare – Commissioner Wolford stated that the Committee has agreed to hold off on moving forward with advertising rule changes to give staff time to prepare language and advertising guidelines. Commissioner Nugent Smith requested that Ms. Mire read back the motion made in the Committee meeting. Commissioner Hebert stated that rather than holding another taskforce, the Commission should await input from staff before moving forward. Commissioner Reinauer asked what staff will be presenting. Mr. Unangst stated that staff will determine if what Commissioner Donnes’ original motion aimed to do can be done without making a rule change. He also stated that whatever staff comes up with, whether it’s a rule change or an administrative approach, the Commission needs to strengthen broker rules to hold brokers more accountable. Ms. Edwards stated that she would like to come up with two options to present. The first would be definitions of language accompanied by guidelines. The second would be to change the language and rely on the guidelines for decisions regarding citations. She stated that she would get these options to the Commission two weeks prior to the next meeting. Commissioner Wolford stated that the Commission needed to ratify the motion from the Committee meeting. Motion was made in committee to reconsider the previous motion made by Commissioner Donnes regarding advertising rules. The motion was made based on opinion of counsel but with the Commission continuing to discuss and work on the issue. Motion was further made to table the discussion and to ask staff to provide suggestions and guidelines regarding advertising for review. Motion was ratified and passed without opposition.

Regarding a previous request from Herb Gomes with GBRAR concerning listing agreements, Commissioner Wolford stated that the Commission needed to ensure that there were no unintended consequences with his request. Ms. Edwards stated that he would discuss the issue with Mr. Gomez and will give her legal opinion on the pros and cons of the issue.

4. Standardized Forms – Commissioner Wolford stated that she has received suggestions for amendments to the Property Disclosure. She stated that there is an issue with number 45 under Miscellaneous where it asks for the Length of Ownership. Commissioner Wolford made motion, seconded by Commissioner Hebert, to amend the language to read “how long have you owned the property?” Motion carried without opposition.
5. Strategic Planning – Commissioner Gosslee suggested that the Commission needs to discuss pre and post licensing requirements before the end of the year.
6. Errors & Omissions – No report.
7. Technology – No report.

DIRECTORS REPORT:

Mr. Unangst stated that the redesign of the database has been a massive undertaking. He stated that the vendor has fallen behind on completing tasks. He stated that over the last couple of weeks he has met every Thursday with staff and the vendor to address deficiencies. He stated that he is not overly concerned because there is a focus on getting the issues fixed.

Mr. Unangst stated that staff is currently working on creating a new website. He asked Ryan Shaw, Public Information Director, to discuss the progress. Ms. Shaw stated that the project is moving along smoothly with Jeremy Endicott, Information Technology Liaison, working to integrate the database into the new site while she is working to migrate the content of the site. She stated that the goal is to send out a preview of the site to the Commissioners prior to the next meeting for their comments.

Mr. Unangst stated that there were 664 cases opened which actually gives an almost 97% compliance rate. Over 400 licensees have responded to the audit. 246 are outstanding and have not responded. Their license will be blocked for renewal which should hopefully get their attention to deal with their issue.

PUBLIC COMMENT:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Commissioner Hebert asked what happens if a current licensee receives a felony charge. Ms. Edwards stated that individuals who are already licensed are not required to give up their license if they receive a felony charge. The licensee can only be penalized for failure to notify of his felony. She cautioned that if the Commission wanted to take away the license of an individual who committed a felony they would have to follow due process, open another investigation and hold a formal hearing. She cautioned against this as it is different to take away a license than to not allow someone to obtain a license.

Commissioner Hebert made motion, seconded by Commissioner Reinauer, to approve Stipulation & Consent Order: Case No. 2015-1340: LREC vs. Janine Z. Raymond. Motion passed without opposition. Commissioner Roberts recused himself from voting Case No. 2015-1340: LREC vs. Janine Z. Raymond because they work in the same office.

Commissioner Hebert made motion, seconded by Commissioner Reinauer, to approve Stipulation & Consent Order: LREC vs. Travis Paul Griffin. Motion passed with Commissioner Donnes voting in opposition.

Commissioner Hebert made motion, seconded by Commissioner Reinauer, to approve Stipulation & Consent Order: Case No. 2015-899: LREC vs. Ryan Haro. Motion passed without opposition.

Commissioner Hebert made motion, seconded by Commissioner Reinauer, to approve Stipulation & Consent Order: Case No. 2015-941: LREC vs. Nicole Jeansonne. Motion passed without opposition.

Commissioner Hebert made motion, seconded by Commissioner Reinauer, to approve Stipulation & Consent Order: Continuing Education Audit Cases (2nd time CE offenders). Motion passed without opposition.

(Attachments C 1-5)

EXECUTIVE SESSION

None

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

LYNDA NUGENT SMITH, CHAIRMAN

STEVEN HEBERT, SECRETARY