

# BOUNDARY LINES

A Louisiana Real Estate Commission Monthly Newsletter

Volume 44, No. 5

The Annual Education Audit

Regulating the Middleman: A Briefing on  
Act 114, Affecting AMCs

Chairman's Corner: New Checklist Provides  
Guidance for Licensees' Advertisements

# CHAIRMAN'S CORNER

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In response to a plethora of questions, complaints and confusion regarding what constitutes false and misleading marketing, the Louisiana Real Estate Commission has a set of rules to ensure licensees' advertisements are not falling under the label of "false or misleading." Over the course of a few months, documents have been drafted, torn apart, scratched through, rewritten, shortened and lengthened, until finally, we came up with this: The Advertising Guidelines Checklist. The Checklist took a five-page document of ad guidelines and placed them into an easy-to-read bulleted list.

The Checklist points out what can be considered false or misleading advertising in print, signs and conventional media, but it also applies traditional rules to social media, such as Facebook, Craigslist, etc. However, this does not mean licensees shouldn't take a look at the rules and regulations themselves, especially if they're a broker who is overseeing advertising activity.

Further, the Commission has adopted advertising as it relates to social media & teams as the subject of the mandated 2012 CE course. If you have any ideas on how we might improve and enhance a level advertising playing field, please send your suggestions to [info@lrec.state.la.us](mailto:info@lrec.state.la.us).

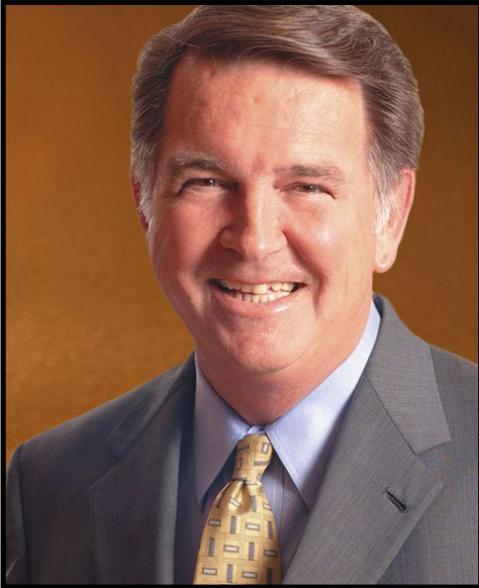
Sincerely,

*Frank A. Trapani*



# The LREC Welcomes New Commissioner

## ROD NOLES



Mr. Rod Noles is no stranger to the commission. In fact, he served on the commission in 1981.

Mr. Noles comes to us from Alexandria, Louisiana. He began his career 40 years ago as an agent for Stephens Realty. He served as a sponsoring broker for Noles-Frye Realty, Inc., and is now an associate broker with Latter & Blum. He also owns Rod Noles Property Management, Inc.

Mr. Noles is married to Marilyn Bruyninckx, from Alexandria, and together they have a son, Jeff Noles, and a daughter, Jenni Lane Hart.

From the LREC commissioners and staff, we say welcome back, Mr. Noles. And thank you for your dedication to Louisiana and the people we serve.

## BEFORE YOU START UNPACKING

**A**ttention all licensees, certificate holders or registrants: If you have a change of address, change of web address or change of telephone number, you must notify the Louisiana Real Estate Commission, in writing, within ten (10) days of the change, according to R.S. 37:1431.

This rule can be referenced on our [website](#).



# AVOID THE EDUCATION AUDIT

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By: Debbie DeFrates

**T**he 2010 LREC education audit is officially underway. And a lot of licensees can avoid being audited if they simply supply education providers with their correct real estate license number.

The audit is composed of a percentage of licensees in our database who have not met the education requirement for 2010.

However, the majority of the audits investigated thus far have originated from incorrect license numbers and/or incorrect names. To ensure licensees receive credit for their attendance at a continuing education course, education providers must be given the correct name and license number as registered with the LREC.

The LREC cannot identify a licensee by their realtor, certified appraiser or social security number.

Upon receipt of their certificates, licensees should check to make sure the correct name and/or license number has been recorded.

As a reminder, in 2006 the LREC incorporated a new numbering system and new license numbers were issued to all licensees. Do you know your license number? Licensees may find the correct license number on their current license or by visiting the LREC website and clicking on the “**licensee search**” link.

## **IMPORTANT:**

You may not be selected for a random audit but the LREC can choose to review your Continuing Education at any time. Make sure your Continuing Education is up to date, and you have the paperwork to prove it.

## **EDUCATION AUDITS**

### **WHY ARE THEY PICKING ON ME?**

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If you are audited, you must respond. Failing to respond to the education department’s audit request only means the request will be transferred to our investigations department after fifteen (15) days. Under R.S. 1453.B, “Every licensee, registrant and certificate holder shall cooperate fully with and answer all questions propounded by commission personnel conducting an investigation, inquiry, or records inspection.” So, when investigations sends someone a certified letter, they have ten (10) days to respond before being subpoenaed. The licensee will then be charged with “Failure to Cooperate.”

However, the education audit does not need to come to a “Failure to Cooperate” charge, if licensees simply check their LREC email or their mail. A certified letter accompanies a regular mailed letter, and these are also sent to sponsoring brokers. This gives licensees at least twenty-five (25) days to respond, and we also ensure that they are contacted by mail, certified mail and email and that their broker is contacted by mail and certified mail.

So, please respond. Not responding to an audit does not mean the audit disappears.



# REGULATING THE MIDDLEMAN

## AMC FEE BILL NOW ACT 114

We reported last month on the trials of the unregulated AMC industry since the Dodd-Frank bill, also known as the “Freedoms and Information Act,” required AMCs to serve as middlemen between appraisers and federal lenders but failed to supply any details as to how funding for regulating such an industry—and therefore, regulation at all—could be accomplished.

Since the Dodd-Frank bill left each state to its own as far as these new requirements are concerned, the Louisiana Real Estate Appraisers Board has worked diligently to provide a set of rules—and a funding mechanism for such rules—to protect the public and appraisers alike from the negative effects of unregulated AMC activity.

Recently, Governor Bobby Jindal signed HB 602, which will effectively be called Act 114, into law, after passing both the House and Senate in the 2011 Regular Session. This bill gives the Louisiana Real Estate Appraisers Board the authority to assess a fee for AMC registration in the state of Louisiana. Beginning next year, a \$1,500 annual fee will be assessed to each AMC wishing to do business in the Pelican State. And this money will go toward funding the proper regulation of these agencies.

The 138 AMCs currently operating in Louisiana (131 of which are out-of-state companies), upon 2012 renewal, will be assessed a pro-rated amount for the remainder of the calendar year. By January 1, 2013, all AMCs will be on the same fee schedule.

Though we still have a long way to go, we are at least taking the first steps necessary to ensure that the Louisiana Real Estate Appraisers Board works efficiently in ending such issues associated with geographic competence, appraisers’ compensation and blurred client-appraiser relationships. In a joint meeting between the House & Senate Commerce Committees, a formal set of rules has also approved for the regulation of these agencies. The official rules will be posted to the State Register next month, and then on our website shortly after.

# THIS BIG OPEN WORLD

## Regina Jackson Williams' Post-Retirement Plans

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REGINA WILLIAMS didn't come straight to work the morning I'd planned to interview her about leaving the LREC. In fact, she was a couple hours late and missed the staff meeting that included glazed donuts and a game of "get to know your coworker." When I finally caught up with her after lunch, Regina said she had to go pick up her daughter from the Port of New Orleans this morning who was returning from a cruise and whose scheduled ride hadn't showed. "She knows I hate driving," Regina said with a smile. But she wasn't complaining. In fact, I've never heard Regina complain. And I've given her a lot of reasons, ranging from breaking a printer to breaking the plastic "push" tab off into a container of coffee creamer. Instead, Regina offers her assistance, prayers, catering specialties and guidance whenever and wherever requested. She's a deaconess at her church, a minister at the West Baton Rouge Women's Prison, the chairman of the church education committee, a caterer and a grandmother.

But as of July 22, 2011, Regina has officially retired from the Louisiana Real Estate Commission after 32 years of service.

She used broad terms, like "dream," "inspiring" and "passion" a lot during our conversation to describe her future as well as her replacement at the LREC. His name is Jeremy Endicott, from Shreveport.

"Jeremy is an inspiring young man that I think would be an asset to the agency. He's already coming with a lot of knowledge, and with wisdom added to it, he'll be what this agency needs for the future to go forward in all their endeavors," Regina said slowly, in a most professional tone. As far as retirement, Regina said she wants to continue her prison ministry, her work in the church and do a little catering. She said she's excited "to be at least able to walk in this big open world that has so much going on in it." But she also hopes to spend time with her grandchildren, and she'd like to travel some. Regina said every time she visits a new place, she likes to catch a baseball game there.



Williams smiles after receiving a certificate of recognition from LREC Executive Director, Bruce Unangst.

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**LEFT:** Williams is pictured again with LREC Executive Director, Bruce Unangst.  
**RIGHT:** Williams opens her first gift from the LREC family, a snow globe celebrating her years of service.

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