



BOUNDARY LINES

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Chairman's Corner



In our quest to assist real estate licensees with protecting consumers in real estate transactions, the Louisiana Real Estate Commission initiated two bills in the 2015 legislative session that have now become law.

Act 157 (sponsored by Senator Bodi White - SB 83) amends R.S. 37:31 et seq., which is relative to the issuance of provisional licenses for ex-offenders in certain occupations. The purpose of Act 157 is to include the Louisiana Real Estate Commission among the state licensing agencies that are exempt from issuing such provisional licenses. The Louisiana Real Estate License Law, in §1437.B(2), contains language specific to regular licenses issued to ex-offenders:

§1437. Application for license

B. (1) Licenses shall be granted only to persons or entities who bear a good reputation for honesty, trustworthiness, integrity, and competence to transact real estate activities requiring licensing in this state in such a manner as to safeguard the interest of the public, and only after satisfactory proof of such qualifications has been presented to the commission.

(2) When an applicant has been convicted of forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or theft, or has been convicted of a felony or a crime involving moral turpitude in any court of competent jurisdiction, such untrustworthiness of the applicant, and the conviction, may in itself be sufficient grounds for refusal of a license.

Act 24 (sponsored by Rep. Nancy Landry - HB 468) amends R.S. 9:3893.A(2)(b), relative to agency and the duties of real estate licensees representing clients. The act eliminates the client option to waive the duty imposed on licensees to timely present all offers to and from the client. As a result of Act 24, buyer agents will no longer be placed in the position of having to contact the seller directly to present an offer. Prior to passage of this amendment, buyer agents were frequently forced into the position of dual agency, which resulted in consumer confusion as to who represented whom in the transaction.

The Commission worked closely with Louisiana REALTORS® on drafting and passage of the above legislation and appreciates the effective advocacy of Norman Morris and his team in promoting the Louisiana real estate industry. We have undertaken a comprehensive review of all laws and rules now on the books and will no doubt be initiating further changes to reflect the reality of our dynamically evolving industry.

Sincerely,

Chairman James Gosslee

Investigator's Desk

June 1 - June 30 Citations

The Investigative Division issued 5 citations from June 1, 2015 through June 30, 2015. The list below outlines the specific violations cited. Some citations were issued for multiple violations:

2501.F. – Failure to include the Brokers Name or Phone Number in advertisement	4
2515.C.3. – No City, State, Country in Website Advertisement	2
2515.C.4. – No Jurisdiction Shown in Website Advertisement	2

At an informal hearing on June 17, 2015, Heather Aulds Guillot of West Monroe was censured for engaging in the business of real estate, while acting in the capacity of a salesperson, without first obtaining a license, in violation of LSA-R.S. 37:1436.B., LSA-R.S. 37:1459.D., and LSA-R.S. 37:1455.A.(1). Guillot was ordered to pay a fine in the amount of \$2,500 and a \$75.00 administrative cost for the adjudicatory proceeding. Guillot was also required to complete eight (8) hours of continuing education, an additional four (4) hours of continuing education in Louisiana Licensing Law and an additional four (4) hours of continuing education in Rules and Regulations of the Commission.

At an informal hearing on June 17, 2015, Linda B. Williams of West Monroe was censured for making or allowing payments of commissions or compensation to be made to a person who had not first secured a real estate license under the provisions of the Louisiana Real Estate License Law, in violation of LSA-R.S. 37:1446.A. and LSA-R.S. 37:1455.A.(1). Williams was ordered to pay a fine in the amount of \$2,500 and a \$75.00 administrative cost for the adjudicatory proceeding. Williams was also required to complete eight (8) hours of continuing education, an additional four (4) hours of continuing education in Louisiana Licensing Law and an additional four (4) hours of continuing education in Rules and Regulations of the Commission.

At an informal hearing on June 17, 2015, James Odell Lemon of Blanchard was censured for failing to disclose in the agreement to purchase that buyer broker compensation would be included as part of the closing cost that were paid by the seller, in violation of LSA-R.S. 37: 1455. A. (1). and Chapter 35, Subsection 3503. A. Lemon was ordered to pay a fine in the amount of \$500 and a \$75.00 administrative cost for the adjudicatory proceeding. Lemon was also required to complete eight (8) hours of continuing education, an additional four (4) hours of continuing education in Louisiana Licensing Law and an additional four (4) hours of continuing education in Rules and Regulations of the Commission.

Licensing

Was your license issued on or after November 1, 2014?

If you are a new licensee, whose license was issued on or after November 1, 2014, it is imperative that you complete the correct post-license education course. The old post-license course that is available to anyone licensed on October 31, 2014, or prior, will not fulfill the requirement for an initial license issued on or after November 1, 2014. Don't get caught in an education audit because you took the wrong course!



Audited? Don't Panic!

First, read the notice thoroughly. The notice that you receive will give instructions on what you must do as a result of being audited. Being audited does not necessarily mean you did something wrong. Our system pulls an audit list based on the date renewed and the date and number of continuing education hours on file. The audit program also looks to make sure the four-hour mandatory course was completed on time.

What are the education requirements?

Licensees are required to complete twelve (12) hours each year—four (4) of which must be the mandatory course. If you are a new licensee and subject to the post-licensing education requirement, those hours could fulfill eight (8) of the twelve (12) hours, but you must also have the four-hour mandatory course.

Nobody's perfect. We all make mistakes. You should check your files to see which courses you completed for the year and what dates are on the education certificates. Make sure the license number on your education certificate matches the number on your license. If you verify that you have the necessary hours with your certificates, check the Commission website using the Licensee Search feature to ensure your records match ours. To do this, visit our website (www.lrec.state.la.us) and click Licensee Search. Type your name into the search bar, and click search. Once you find your name on the list, click it and you will see a link to View Education Records. This will show what information has been reported to the Commission. If your records don't match the Commission's records, you will need to contact the vendor who hosted/taught the education course to see why your completed education was not reported. Once you have obtained the reason for your education not being reported, you can use that information as part of your response to the audit notice.

If all of the hours on your education certificates are reflected in the Commission's View Education Records page, make sure the Year Applied does not show a previous year and that the hours show the correct number and not zero. You may have been required to complete education as part of a previous years audit or the hours could have been used as part of a transfer to active status.

If you renewed delinquently and did complete your hours prior to renewing, you may just need to provide copies of the certificates to our office. Education completed online is reported to the Commission with a completion date of the end of the month. If you completed your online education on January 15, 2015, then renewed January 16, 2015, your education will show a completion date of January 31, 2015.

There may be a perfectly good reason why you were audited; we just need to get it figured out. If that reason is because you didn't complete the required number of hours in a timely manner, don't panic. Gather and review all your records so you have a clear understanding of what you have and what you may be missing. Then, make sure you respond to the audit notice. Failure to respond to a Commission request could lead to more serious charges and possible revocation of your license.

Tech Tip

With the education audit approaching, remember that you can sign into the “MyLREC” section of our website in order to check your education record in full. Simply click on the blue “MyLREC” button at the bottom of any page on the LREC website and sign in using your LREC username and password (same credentials used for LREC sponsored e-mail). Once in the member’s section, click “View Education Record” link on the left hand menu.

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