

**MINUTES OF MEETING**  
**OF**  
**LOUISIANA REAL ESTATE COMMISSION**  
**AUGUST 20, 2009**

The Louisiana Real Estate Commission held its regular business meeting on Thursday, August 20, 2009, at 10:00 a.m., at 9071 Interline Avenue, 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**

Cynthia Stafford, Chairman  
Judy Songy, Vice Chairman  
Mike Bono, Secretary  
Paul Burns  
Pat Caffery  
Gretchen Ezernack  
Tim Flavin  
Jennifer Lanasa  
Frank Trapani

**STAFF**

J. C. Willie, Executive Director  
Arlene C. Edwards, Legal Counsel  
Stephanie Boudreaux  
Shawn Davis  
Debbie DeFrates  
Mark Gremillion  
Ann Major  
R. C. McCormick  
Summer Mire  
Al Rowe  
Marsha Stafford

**GUESTS**

Brent Lancaster, Bob Brooks School of Real Estate

Keitha Avant, member, was unable to attend the meeting.

Commissioner Caffery gave the invocation; Commissioner Songy led the Pledge of Allegiance.

Newly appointed commissioner, Paul Burns, was welcomed by the Chairman and asked to make a brief statement.

On motion made by Commissioner Trapani and seconded by Commissioner Songy, the Minutes of Meeting of July 16, 2009, were unanimously approved as written and circulated.

**INVESTIGATIVE MATTERS:** Stipulations and Consent Order

Commissioner Ezernack made motion, seconded by Commissioner Flavin, to approve the Consent Order proposed as a result of an informal adjudicatory proceeding in Case #2009-

147 (LREC v. Nicholas C. Nesbit), and that the Executive Director be authorized to execute the Consent Order in the name of the LREC.

After a brief discussion regarding how to handle repeat offenders who practice with an expired license, a vote was taken on the motion to approve the Consent Order. Motion passed by a majority vote, with Commissioner Trapani voting in opposition.

Commissioner Trapani made motion that in the future any second offenders must appear before the Commission and the fine, based upon the offense, would be levied by the Commission at that time. Motion was seconded by Commissioner Caffery. After discussion of commissioners setting fines for specific cases, Trapani withdrew motion; Caffery withdrew second.

The matter of repeat offenders and a fine schedule for such was referred to the Legislative/Legal Committee for study and review. Legal Counsel volunteered to poll other jurisdictions regarding fine schedules.

### **COMMITTEE REPORTS:**

1. Budget - Commissioner Songy referred report to Al Rowe. Mr. Rowe presented report for period ending July 31, 2009, as printed.

At this point, Mr. Willie gave his director's report. Willie reported the loan closing for the new building was delayed by Regions Bank because debt services numbers had fallen. This decline was due to (1) reduction in licensees; (2) unfunded liability requirement; and (3) reduction in time allowed to renew expired license.

Based on this, Regions Bank prepared an alternate loan proposal which staff, along with bonding attorney, Meredith Hathorn, feels is unacceptable. Willie stated he plans to seek advice from the state offices of Facility Planning and Control and Office of Financial Management Corporation. Willie advised he will keep Commissioners apprised of this matter.

Another issue that needs to be addressed is how to generate more revenue. Administrative staff will prepare proposals for Commission's review prior to the 2010 Legislative Session.

2. Education/Research/Publication - Commissioner Trapani thanked Ms. Boudreaux for the timely publication of Boundary Lines. Trapani requested a meeting of the committee be scheduled for September.
3. Legislative/Legal/Timeshare - Commissioner Flavin reported committee met prior to meeting and discussed the following:
  - a) Agency - Commissioners Trapani, Ezernack, Caffery and Lanasa formed committee in coordination with Louisiana REALTORS to review agency law;
  - b) electronic licensing update; and
  - c) parole licensing procedure to remain in place until further study by committee.

Flavin scheduled meeting for September.

4. Standardized Forms - Commissioner Ezernack reported by the September or October meeting proposed changes to the Purchase Agreement and Disclosure Form should be available for review.
5. Strategic Planning - no report.
6. Reception - Commissioner Caffery reported the committee is making decent progress. Mr. Willie provided an update.

**OLD BUSINESS** - none.

**NEW BUSINESS** -

Commissioner Trapani discussed advertising law/rules and problems associated with enforcement of such - particularly franchise names, teams, etc.

Ms. Boudreaux advised that the Legislative/Legal Committee passed a motion at its July 16, 2009 meeting to accept any advertising complaint as long as it is accompanied by proof of the violation. The motion also gave staff authorization to investigate.

The committee also approved a motion at the July meeting authorizing the Executive Director to issue a Cease and Desist Order upon documented probable cause. Additionally, the committee discussed issuing warning letters and agreed staff would determine whether or not a hearing was necessary.

After further discussion, Commissioner Trapani made motion for the staff to investigate possible advertising violations submitted by himself and Commissioner Lanasa at this meeting. Motion was seconded by Commissioner Lanasa and passed by unanimous vote.

There being no further business, Commissioner Ezernack made motion, seconded by Commissioner Songy, to adjourn.

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CYNTHIA STAFFORD, CHAIRMAN

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MIKE BONO, SR., SECRETARY