

**MINUTES OF MEETING**  
**OF**  
**LOUISIANA REAL ESTATE COMMISSION**  
**JUNE 16, 2011**

The Louisiana Real Estate Commission held its regular meeting on Thursday, June 16, at 11:00 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:

**COMMISSION**

Frank Trapani, Chairman  
Tim Flavin, Vice Chairman  
Patrick T. Caffery, Jr., Secretary  
Mike D. Bono  
Paul Burns  
Archie Carraway  
James Gosslee  
Judy Songy  
Cynthia Stafford

**STAFF**

Bruce Unangst, Executive Director  
Arlene C. Edwards, Legal Counsel  
Stephanie Boudreaux  
Mark Gremillion  
Robert Maynor  
Summer Mire  
Lester Patin  
Al Rowe  
Ivy Stringer  
Sara Wheeler

**GUESTS**

Jean Carraway, Century 21 Shackelford French  
Joe Pappalardo, Latter & Blum Property Management, Inc.  
Jennifer LaNasa Evans, HGI Realty  
Lucy Jane McCormick  
Michael & Evelyn McCormick  
Kathy Kedroske  
Aimee Kedroske

Commission member Gretchen Ezernack was not present for the meeting. The current membership on the commission has been reduced from eleven to ten voting members until such time that a replacement for former commissioner Jennifer LaNasa Evan has been named.

Commissioner Flavin led the Invocation; Commissioner Songy led the Pledge of Allegiance.

**RECOGNITION OF R.C. MCCORMICK:**

Commissioner Trapani recognized the family of Hearing Examiner R.C. McCormick, who recently succumbed to a battle with cancer. On motion by Commissioner Caffery, second by Commissioner Stafford, the commission voted unanimously to pass a resolution recognizing Mr. McCormick's 25 years of service to the Louisiana Real Estate Commission. Ms. Mire read the resolution into the record after which it was presented to the family by Commissioner Trapani. Ms. Mire read a second resolution passed by the Louisiana Legislature to acknowledge Mr. McCormick's public and civic service to his community, state and nation. Commissioner Flavin presented a commemorative copy of the resolution

to the family. On behalf of the commission and staff, Commissioner Caffery presented a plaque, which will hang outside the Louisiana Real Estate Commission Hearing Room, as a permanent testament to the dedication and service of R.C. McCormick. (Attachments A & B)

Commission members individually addressed Mr. McCormick's family to share their own personal ties to Mr. McCormick and to express how much he will be missed. Mrs. Boudreaux, Mr. Unangst and Mr. Rowe thanked the family for coming to the meeting and expressed their gratitude for Mr. McCormick's friendship and years of service. Mr. Trapani called for a 10 minute recess.

Commissioner Songy made motion, seconded by Commissioner Carraway, to approve the Minutes of Meeting of May 19, 2011, as written and circulated. Motion passed without opposition.

**PERSONAL APPEARANCES:**

1. Brandin Learson – Mr. Learson appeared before the Louisiana Real Estate Commission in connection with his request to sit for the real estate sales exam.

On October 22, 2009, Mr. Learson pled guilty to trafficking in a motor vehicle with removed and altered identification. For this offense, Mr. Larson was ordered to pay \$42,121.89 in restitution, placed in 6 months home detention, and five (5) years probation. The restitution order has been satisfied and Mr. Learson completed the six (6) months home detention. Mr. Learson is in compliance with the probation conditions and is scheduled to complete his probationary period on October 21, 2014.

After answering Commissioners' questions, Commissioner Caffery made motion, seconded by Commissioner Carraway, to deny Mr. Learson to sit for the real estate sales exam. Motion passed without opposition.

2. Ron Douglas – Mr. Douglas appeared before the Louisiana Real Estate Commission in connection with his request to sit for the real estate sales exam.

On September 19, 2000, Mr. Douglas pled guilty to possession of Scheduled II Controlled Drug Substance. For this offense, Mr. Douglas was fined \$500.00 in court cost, and he was to be confined at hard labor for a period of five (5) years. The court ordered that the hard labor sentence be suspended, and he was placed on supervised probation for three (3) years. On September 19, 2003, Mr. Douglas received a first offender pardon.

After answering Commissioners' questions, Commissioner Gosslee made motion, seconded by Commissioner Stafford, to allow Mr. Douglas to sit for the real estate sales exam. Motion passed, 7-1, with Mr. Caffery dissenting.

**COMMITTEE REPORTS:**

1. Budget – Commissioner Stafford discussed the budget report prepared by Al Rowe. Mr. Rowe presented the report as printed and entertained any questions. Mr. Rowe outlined a few budget transfers. Mr. Rowe also informed the Commission that the agency will be audited next month. Commissioner Stafford made motion, seconded by Commissioner Songy, to approve the budget revision. Motion passed without opposition. (Attachment C)
2. Education/Research/Publication – No report.
3. Legislative/Legal/Timeshare – Commissioner Flavin yielded to Commissioner Burns, who is heading the Advertising Task Force. Commissioner Burns stated that the Task Force met at 9 a.m. to review documents designed by the Commission staff to enhance and expedite the process for reviewing guidelines for advertising. Former Commissioner, Jennifer LaNasa Evans, led the review.
4. Standardized Forms – No report.
5. Strategic Planning – No report.

6. Errors & Omissions – Commissioner Songy stated that Ms. Grissom with RISC was not able to attend the June meeting. Commissioner Songy stated the Commission’s intention to renew the contract with RISC and suggested that Commissioners email her any questions they have for Ms. Grissom so that she might contact Mr. Grissom and report back to the Commissioners at a later date. Commissioner Songy also offered that Commissioners could meet with Ms. Grissom when they attend a meeting in mid-August in Orange Beach, Florida.

Commissioner Flavin expressed concerns about the Louisiana Real Estate Commission’s minimum rates. Commissioner Burns requested a review of the tail-end coverage. Commissioner Songy stated that she would have to ask Ms. Grissom about altering the contract.

**DIRECTORS REPORT:**

Mr. Unangst announced the retirement of Public Information Director Stephanie Boudreaux, effective June 1, 2011. However, Mr. Unangst stated that Mrs. Boudreaux is returning part time.

Mr. Unangst also introduced two new employees to the Commission: Dusty Evans, an addition to the education division; and Lester Patin, the new student intern.

Mr. Unangst announced that Ms. Mire posted an advertisement for the replacement of Information Technology Liaison Regina Williams, who will be retiring later in the summer.

Mr. Unangst also announced the formal appointment of Mr. Rod Noles to replace Commissioner Gretchen Ezernack on the Commission panel.

Last month the Commissioners approved a plan to assess issues with the Commission building. Mr. Unangst reported that Mr. Michael LeBas inspected the building. A final report by Mr. LeBas will be presented at next month’s meeting.

Although not directly under the jurisdiction of the Louisiana Real Estate Commission, Mr. Unangst announced an AMC fee bill has been passed by the legislature and is on Governor Jindal’s desk. Mr. Unangst discussed the relevance of this announcement as it will allow for the Louisiana Real Estate Appraisers Board to better fund itself, including the staff members and building it shares with the Louisiana Real Estate Commission. Further, this bill will allow the Louisiana Real Estate Appraisers Board to improve the appraisal industry in Louisiana, which affects all other real estate business, as Mr. Unangst explained.

Mr. Unangst recommended that the Commission begin to require licensees to notify the Louisiana Real Estate Commission within ten (10) days of a primary email address change. Commissioner Songy recommended that licensees be required upon renewal to give a current email address. Commissioner Flavin stated that the Commission will be willing to take this up in the Legal/Legislative/Timeshare Committee.

**PUBLIC COMMENT:**

None

**UNFINISHED BUSINESS:**

None

**NEW BUSINESS:**

Commissioner Flavin acknowledged audience member Joe Pappalardo whom he acknowledged for his years of service as a former commission member.

On motion by Commissioner Flavin, second by Commissioner Stafford, the commission voted unanimously to authorize Executive Director Bruce Unangst to execute consent orders on behalf of the commission for the cases named in his June 7, 2011 memorandum (Attachment D).

After reviewing a written inquiry from staff (Attachment E) relative to specific sections of the proposed rule package previously approved by the commission, the following motions were made:

**§307. Names on Licenses, Registrations and Certificates: Trade Names**

*C. Names on licenses, registrations and certificates issued by the commission shall not include a trade name unless the trade name is registered with the Secretary of State and a copy of the registration is on file at the commission.*

Mr. Unangst informed the commission that current procedure allows real estate brokers to practice using multiple trade names issued under the auspices of a single license. After discussion, on motion by Commissioner Stafford, second by Commissioner Burns, the commission voted unanimously for counsel to draft a rule clarifying that a separate license is required for each trade name.

**§907. Education Hours Required for Renewal**

*C. Licensees shall not receive duplicate credit for attending the same continuing education course from the same vendor in the same year.*

On motion by Commissioner Flavin, second by Commissioner Caffery, the commission voted unanimously to insert “duplicate,” as shown herein.

**§2501. Disclosure and Representations**

*A. Agreements between brokers to allow property data to be shared and disseminated to clients, customers, or prospective clients, including but not limited to web-based or email multiple listing service property data, IDX or VOW property data does not constitute advertising or advertisement as to the property data shared; ~~however, §2515 of this Chapter, shall apply to the area of such electronic communication that displays the property data on websites or email communications.~~*

On motion by Commissioner Caffery, second by Commissioner Stafford, the commission voted unanimously to leave this section as originally approved in the proposed rule package, as shown herein.

**§2515. Internet Advertising** (As indicated in Attachment E, only Part "A" is shown as an example of the revisions proposed in **Parts A-D.**)

*A. A real estate broker advertising or marketing on a site on the Internet must include the following data on each page of the site on which the advertisement appears:*

- 1. The broker's name or trade name as registered with the Commission;*
- 2. The city, and state ~~and country~~ in which the broker's main office or branch office is located;*
- 3. ~~The regulatory jurisdiction(s) in which the broke holds a real estate brokerage license.~~*

**§5529. Continuing Education Courses**

*D. Licensees shall not receive duplicate credit for attending the same continuing education course from the same vendor in the same year. It shall be the responsibility of the real estate education vendor to advise licensees that credit shall not be awarded for completing duplicate courses within the same license period.*

On motion by Commissioner Flavin, second by Commissioner Burns, the commission voted unanimously to leave **Section 2515.A-D**, as approved in the proposed rule package, and to insert “duplicate” in **Section 5529.D**, as shown herein.

**§2501. Disclosure and Representations**

*D. A group or team name may be used in an advertisement only with the approval of the listing sponsoring broker. Any person listed as a group or team member in the advertisement must be a licensee sponsored by the listing sponsoring broker.*

On motion by Commissioner Flavin, second by Commissioner Stafford, the commission voted unanimously to change “listing” broker to “sponsoring” broker, as shown herein.

**Section 2501. Disclosures and Representations**

**Parts E - H(4)**

Commissioner Caffery made a motion, seconded by Commissioner Flavin, to include Chapter 25, former Sections E, F, G, and H (1-4) in its entirety. During the discussion, the committee took a short recess.

After the recess, during more discussion, the original motion was rescinded. Commissioner Caffery then made the following motion, seconded by Commissioner Flavin:

(1) To reaffirm the previous motion on Chapter 25, Section 2501.A.;

(2) To include all of **Section 2501.B**, as proposed:

*~~B. All advertising, disclosures, or representations by any licensee shall include the phone numbers and the identity of the sponsoring broker or firm through the use of the identical name under which the sponsoring broker or firm is licensed or a registered trade name that is a clearly identifiable entity which will distinguish the sponsoring broker or firm from other licensees, registrants, or certificate holders for property listed by or services performed by a licensed individual real estate broker or a licensed corporation, limited liability company, or partnership, and any advertising for property listed by or services performed by a licensed individual real estate broker or a licensed corporation, limited liability company, or partnership by sponsored licensees or employees, shall be under the direct supervision of and approved by the licensed individual real estate broker or designated qualifying broker of the licensed corporation, limited liability company, or partnership.~~*

(3) To reinsert **Section 2501.C** proposed for deletion:

*~~C. Any trade name used by a licensee, registrant or certificate holder in advertising shall be a trade name that is a clearly identifiable entity that will distinguish itself from other licensees, registrants or certificate holders.~~*

(4) To insert "associate broker" in **Section 2501.D**:

*~~D. All advertising of by a licensed salesperson, associate broker, individual real estate broker, or licensed partnership, firm, or corporate broker corporation, limited liability company, or partnership shall include their licensed business name, which for the purpose of these rules shall mean the name in which that individual, partnership, firm or corporation salesperson, associate broker, individual real estate broker, or licensed corporation, limited liability company, or partnership is on record with the commission as doing business as a real-estate broker licensee of the commission or, in the case of a trade name, that which is registered with the Secretary of State and on record with the commission.~~*

(Note: Although marked to receive a new letter part, this shall remain Part D because of the reinsertion of Part C.)

(5) To include all of **Section 2501.D, E, F, G, and H(1-4)** as proposed, with the addition of the words "must include the broker's name and phone number" in H.1:

*~~D. A group or team name may be used in an advertisement only with the approval of the listing broker. Any person listed as a group or team member in the advertisement must be a licensee sponsored by the listing broker.~~*

(Note: This shall now become Part E because of the reinsertion of Part C.)

*~~E. A salesperson or associate broker is prohibited from advertising under only his or her name.~~*

*~~F. All advertising by a salesperson or associate broker must be under the direct supervision of his or her sponsoring broker.~~*

(Note: Parts E and F, as shown above, are covered in Parts B and ~~D~~ and are to remain deleted)

*~~G. E. In all advertising, the salesperson or associate broker must include the name and telephone number of his or her the sponsoring broker as defined in this Section. The broker's name and telephone number must be conspicuous, discernible, and easily identifiable by the public.~~*

(Note: This shall now become Part F because of the reinsertion of Part C.)

*H. If allowed by the sponsoring broker, the salesperson or associate broker may include in the advertisement:*

- 1. The salesperson's or associate broker's personal logo or insignia, which cannot be construed as that of a company name, and which must include the name and telephone number of the sponsoring broker;*
- 2. The salesperson's or associate broker's contact information;*
- 3. A group or team name, as long as the name(s) of the salesperson(s) and/or associate broker(s) are included near the team reference and cannot be construed as that of a company name; and*
- 4. A slogan that may not be construed as that of a company name.*

(Note: This shall now become Part G because of the reinsertion of Part C.)

Ms. Boudreaux informed the commission that an inadvertent omission of Chapter 55, Section 5539.A (1-3) had occurred; however, the language will be reinserted in the final draft sent to the Fiscal Office and the Louisiana Register:

*§5539. Non-certified real estate education vendors*

*A. Non-certified real estate education vendors may request commission approval to offer continuing education courses under the following conditions:*

- 1. Non-certified real estate education vendors shall comply with the course approval and course reporting procedures specified in Section 5537.A-C of this Chapter.*
- 2. No more than two (2) course approvals may be granted to each non-certified real estate education vendor within a one (1) year period.*
- 3. Each course approval issued to a non-certified real estate education vendor shall be limited to a maximum of three presentations in locations that shall be specified in the request for approval. The commission shall not grant credit for any course presentation that exceeds the maximum specified in this Part.*

Motions were not made as this section was previously approved by the commission during the rule review process.

Commissioner Trapani discussed the possibility of performing online background checks on applicants. Mr. Unangst promised a proposal concerning background checks at next month's meeting.

Commissioner Flavin recognized Ms. Boudreaux for her years of service and thanked her for a job well done.

Mr. Burns made a motion, seconded by Mr. Caffery, to adjourn. Motion passed without opposition.

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FRANK TRAPANI, CHAIRMAN

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PATRICK T. CAFFERY JR., SECRETARY