

# BOUNDARY LINES

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## INTRODUCING A NEW LREC PROGRAM

In late 2008, the Louisiana Real Estate Commission began a new initiative to develop a more advanced technologically capable mode of communicating and conducting business with licensees, registrants, and certificate holders. Our goal was to provide a faster, more productive licensing system that would eliminate paperwork, reduce time and expenses, and enhance our electronic communication capabilities. There is still work to be done and more to come in the very near future, but for now, we are eager to get started and share our progress with you.

- Beginning with the 2009 renewal season, which begins in October, we are pleased to introduce a new distribution system that will put information, choices, and control in the hands of licensees.
- As part of the new system, the LREC has created a permanent, static email address for each licensee, registrant, and certificate holder, including those in the inactive status. Henceforth, and in the future, unless required by law or rules to do otherwise, communication from the LREC will be distributed via the assigned email addresses.
- Using an assigned user identification and password, access to your email account must be obtained through the easily identifiable link on the new and improved LREC website at [www.lrec.state.la.us](http://www.lrec.state.la.us).
- The LREC will no longer mail paper licenses via the United States Post Office. In an effort to expedite the

issuance of licenses, and to assist brokers in tracking the license status of sponsored licensees, all active licenses will be emailed to the sponsoring broker, who may print them for distribution to sponsored licensees. Inactive licenses will be emailed directly to the inactive licensee.


- An initial email blast relative to renewals is scheduled to be sent on or near October 15. Contact the LREC at [info@lrec.state.la.us](mailto:info@lrec.state.la.us), if you do not receive it by the end of the month.

These changes were made as the result of input from licensees, registrants, and certificate holders. As previously stated, this is just the beginning – there's more to come! We hope that you are pleased to know that we heard you, understood you, and have developed a new procedure to assist you. We know you'll find it an improvement!





# ACCESSING YOUR LREC EMAIL ACCOUNT

## STEP-BY-STEP INSTRUCTIONS

1. Go to the Commission website at [www.lrec.state.la.us](http://www.lrec.state.la.us) .
2. Look for the LREC program logo: 
3. Click on *My LREC Email* to view correspondence from the Commission.
4. You're in the right place when you see the email server logo: 
5. Enter your assigned user id and password and click *Login*.
6. That's it! You're finished! That's all there is to it!

If you would like to have your LREC email forwarded to your personal email account or another account that you use, that is no problem. Just complete the following steps:

7. Look for *Options* on the left side of your screen: 
8. Scroll down to *Auto Forward*  and click.
9. You will be prompted to enter the email address to which your LREC email will be forwarded. Remember to click *Save*!

# DON'T FORGET

**All communications from the LREC will be sent to your assigned email address, unless otherwise required by law or rules , This includes the electronic distribution of your license, which will be sent to your sponsoring broker for further distribution.**

Bobby Jindal  
Governor

Cynthia Stafford, Chairman  
Gonzales

Judy Songy, Vice-Chairman  
LaPlace

Keitha Avant  
Shreveport

Mike Bono, Secretary  
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## DISCIPLINARY ACTION



Formal and informal adjudicatory hearings conducted by the Louisiana Real Estate Commission and the Louisiana Real Estate Appraisers Board resulted in the following sanctions against real estate brokers and salespersons and licensed real estate appraisers:

**Willie Matthew Robinson**, a Salesperson from Gonzales, was censured, ordered to pay a fine of \$250.00 and the \$75.00 cost of the adjudicatory proceeding for conducting real estate activity authorized by his 2008 real estate license after the expiration of the license and before the license was delinquently renewed for 2009, in violation of LSA-R.S. 37:1442.A. and LSA-R.S. 37:1455.A.(1). Consent Order approved July 16, 2009.

The Louisiana Certified Residential Real Estate Appraiser's license issued to **Charles T. Walsten** of Metairie was suspended for sixty days (July 20, 2009 thru September 18, 2009). In addition to the suspension, the licensee was ordered to pay a fine of \$750.00 and the \$75.00 cost of the adjudicatory proceeding for failing to provide sufficient information in an appraisal report to enable the intended users to understand the report properly (Standards Rule 2-1(b); failing to prominently state which of the three approved options he was using in preparation of an appraisal report (Standards Rule 2-2); failing to include the classification "Certified Residential Real Estate Appraiser" in an appraisal report; and, performing an appraisal outside the certification issued to him, in violation of LSA-R.S. 37:3392 (12), 3406.B. and LSA-R.S. 37:3409.A. (1). Consent Order approved July 20, 2009.

**John J. Bernard**, a Salesperson from Natchitoches, was censured and ordered to pay a fine of \$750.00 and the \$75.00 cost of the adjudicatory proceeding for offering real estate as being for sale without the written consent of all owners of the real estate (LSA-R.S. 37:1455.A. (11); failing to obtain the signature of all parties to a real estate transaction on a Disclosure and Consent to Dual Agency form or provide the form to all parties to the real estate transaction (LSA-R.S. 37:1455.A.(21); failing to provide buyers with a written property disclosure form (LSA-R.S. 37:1455.A.(33); and, failing to insure that the time of day and date an offer was accepted in a purchase agreement, in violation of Section 3901.C. of the Rules and Regulations of the Commission and (LSA-R.S. 37:1455.A.(2). Consent Order approved July 16, 2009.

**Nicholas C. Nesbit**, a Salesperson from New Orleans, was censured, ordered to pay a fine of \$500.00 and the \$75.00 cost of the adjudicatory proceeding for conducting real estate activity authorized by his 2008 real estate license after the expiration of the license and before the license was delinquently renewed for 2009, in violation of LSA-R.S. 37:1442.A. and LSA-R.S. 37:1455.A.(1). Consent Order approved August 20, 2009.

**Sandra M. Rousselle**, a Salesperson from Gretna, was censured, ordered to pay a fine of \$250.00 and the \$75.00 cost of the adjudicatory proceeding for conducting real estate activity authorized by her 2008 real estate license after the expiration of the license and before the license was delinquently renewed for 2009, in violation of LSA-R.S. 37:1442.A. and LSA-R.S. 37:1455.A.(1). Consent Order approved September 17, 2009.

The Louisiana Real Estate Salespersons license issued to **Charmaine U. Sciortino**, a Broker from Meraux, was revoked for failing to account for money coming into her possession belonging to others (LSA-R.S. 37:1455.A.(4); filing a document with the Commission which was false and which contained a material misstatement of fact ( LSA-R.S. 37:1454); and, for conducting real estate activity authorized by her 2006 real estate license after the expiration of the license and before the license was delinquently renewed for 2007, in violation of LSA-R.S.

*(Continued on page 4)*

## DISCIPLINARY ACTION

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37:1442.A. and LSA-R.S. 37:1455.A.(1). Consent Order approved September 17, 2009.

The Louisiana Real Estate Salespersons license issued to **Frank Vincent Cordaro**, a Salesperson from Ruston, was revoked for entering a plea of guilty to a felony charge, in violation of LSA-R.S. 37:1455.A.(29) . Consent Order approved September 17, 2009.

**Jeremiah Alanson Gooding**, a Broker from Lafayette, was censured, ordered to pay a fine of \$500.00 and the \$75.00 cost of the adjudicatory proceeding for conducting real estate activity authorized by his 2008 real estate license after the expiration of the license and before the license was delinquenty renewed for 2009, in violation of LSA-R.S. 37:1442.A. and LSA-R.S. 37:1455.A.(1). Consent Order approved September 17, 2009.

## GOVERNOR APPOINTS TWO

Governor Bobby Jindal has appointed two new members to the Louisiana Real Estate Commission, increasing the membership from nine to eleven members. Real Estate, Inc., and president-elect of the Northeast Louisiana Association of REALTORS®. Carraway will serve as a representative of the 4th and 5th Congressional Districts.

**Paul Burns**, of Baton Rouge, is the president of Burns & Co., Inc., and a member of the board of directors for the National Association of REALTORS®. Burns will serve as a representative of the 1st, 2nd, 3rd, 6th, and 7th Congressional Districts.

**Archie Carraway**, of Oakgrove, is an affiliated broker with Century 21/Shakelford-French

Historically a nine-member panel, the make up of the commission was changed by Act 104 of the 2009 Regular Session to include two additional at-large members. In keeping with provisions of the amended law, the current commission is comprised of nine members appointed by supreme court districts and two members appointed by congressional districts.

## CHINESE DRYWALL PROBLEM LINGERS, STATE/FEDERAL AGENCIES INVESTIGATE

Since we first reported the emerging Chinese drywall problem in the U.S. (*Boundaries*, April 2009), related health, fire safety and property damage complaints are rising and have now been received from homeowners in 24 U.S. jurisdictions. New, related websites opened by the U.S. Consumer Product Safety Commission (CPSC) and the U.S. Centers for Disease Control and Prevention (CDC) may be useful to real estate regulatory jurisdictions that are monitoring the problem.

Publicly available reports regarding the building material shipped from China began to arise in early 2009. Initial information was sketchy and based on reports of foul odors, alleged health problems and potential fire

safety issues arising from the drywall used in construction and remodeling projects between 2004 and 2008 in homes located in Florida, California, Arizona, Ohio, Texas, Louisiana, Nevada, North and South Carolina, Georgia, Mississippi and Virginia. At the time, there was little available information about whether or not a particular drywall product was shipped from China or might actually pose health or other risks to homeowners. The only generally accepted fact was that some of the imported materials emitted a foul odor, especially when exposed to heat and/or humidity.

The UCPSC has now received close to

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## OUR NEW WEBSITE DESIGN

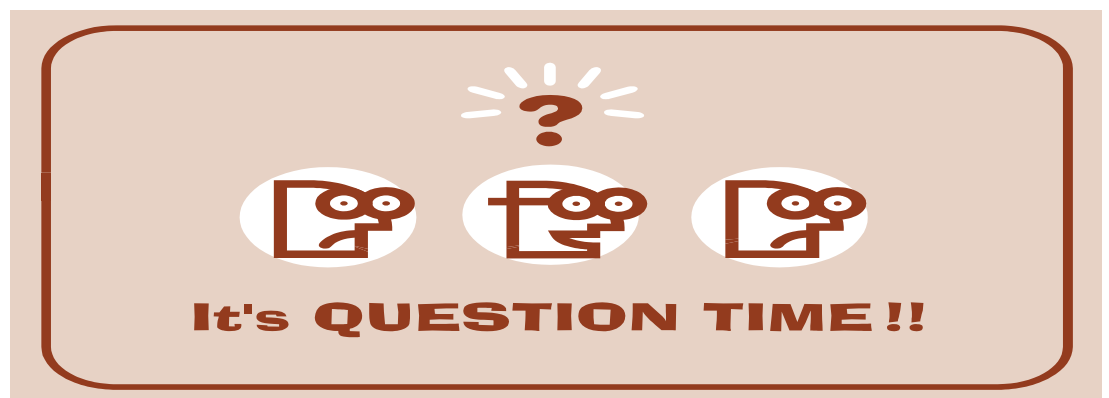
[www.lrec.state.la.us](http://www.lrec.state.la.us)

If you haven't visited the LREC website recently, you might be surprised to find that things have changed! After unveiling our new and improved website, we are happy to report positive feedback, indicating that licensees are pleased with the new layout and design. Included among the many changes are:

- Better organization, with easy navigation throughout each page
- Larger, easy to read side navigation, with more options
- Cleaner, more uniform look on each page and throughout the site
- Updated graphics, including pictures of the new LREC building design
- Updated color scheme

**Don't take it from us! Take a tour of our new site and let us know what you think.**

*(Site design and maintenance by Keith A. Horton, LLC)*



### LICENSE RENEWALS — Did you know?

- A salesperson's renewal license cannot be issued prior to the renewal of the sponsoring broker's license.
- It is the responsibility of the licensee to ensure that his/her license has been renewed, regardless of whether it has been submitted to the sponsoring broker for that purpose.
- It is the responsibility of the sponsoring broker to ensure that the agents he/she employs have obtained a license and continue to maintain it through annual renewal.
- The status of all real estate licensees can be viewed via the *Licensee Search* provided on the commission website at [www.lrec.state.la.us](http://www.lrec.state.la.us).

## ONE MORE TIME . . .

Renewal season is here, and it won't be long before the end of the year descends upon us. All renewal applications have been sent, and licensees should have received them at their new, commission-assigned email address.

In light of the daily inquiries received by the Commission, the following list of license deadlines and "don't forget" items bears repeating, again:

- The continuing education requirement has increased from 8 to 12 hours.
- The post-license education requirement has increased from 30 to 45 hours.
- Post-license education must be completed within 180 days of the initial license date.
- The 2009 mandatory topic is *Residential Agreement to Buy or Sell*.
- All licensees must complete the 4-hour mandatory topic to be eligible for license renewal.
- December 31 remains the deadline for license renewal.
- Licenses and renewal forms will be sent via assigned email accounts and will no longer be sent via U.S. mail.



## E & O INSURANCE

### FAQ about the state group policy is answered

#### *What does "claims made" mean?*

The Louisiana group errors and omissions insurance is a **Claims Made and Reported** policy. The Claim must be made and reported to the Company during the Individual Policy Period or any applicable Extended Reporting Period. An Automatic Extended Reporting period is provided in the event the Insured Licensee's license is retired, placed on inactive status or allowed to expire. This allows the policy to apply to Claims first made and reported up to 90 days after the effective date of the cancellation or non-renewal so long as the negligent act, error or omission is committed subsequent to the Retroactive Date and prior to the effective date of cancellation or non-renewal of the license.

Optional Extended Reporting Period Coverage, commonly known as "Tail Coverage" may be purchased to cause the policy to apply to Claims first made and reported up to three (3) years after the effective date of the cancellation or non-renewal so long as the negligent act, error or omission is committed subsequent to the Retroactive Date and prior to the effective date of cancellation or non-renewal. Tail Coverage can only be purchased within 90 days after the Licensee's policy has terminated. Tail Coverage is important because so many professional liability Claims are not made until months after the subject transaction occurs, and some may even be made years after the transaction.

For more answers to your group errors and omissions questions, go to  
[http://www.risceo.com/Louisiana/la\\_home.htm](http://www.risceo.com/Louisiana/la_home.htm)

## CHINESE DRYWALL

*(Continued from page 4)*

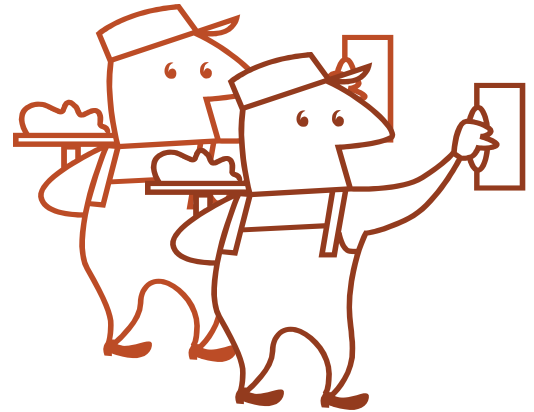
1,200 reports from residents in 24 states and the District of Columbia who are reporting to state and federal health authorities that the drywall is causing:

- a “rotten egg” smell or smell of matches or fireworks in their homes;
- blackened and corroded metal components in their homes and frequent replacement of metal components in air conditioning units;
- irritated and itchy eyes and skin;
- difficulty breathing;
- persistent cough;
- bloody noses;
- runny noses;
- recurrent headaches;
- sinus infections; and
- asthma attacks.

Many consumers have reported that their symptoms lessen or go away when they are away from home, but return upon re-entry, leading to the conclusion that the symptoms are related to something in the house. CPSC and numerous other federal and state health and environmental agencies are studying the question of whether the reported symptoms are related to the drywall and not to other environmental factors or pollutants.

CPSC staff has now confirmed that 6,211,200 sheets of the potentially problematic drywall were imported into the U.S. from China, plus 28,778 sheets that were shipped to Guam, Saipan, and American Samoa. CPSC is also continuing its efforts to identify shipments that may have included the suspect materials, where it came from and where it has been installed.

According to the CDC, low levels of carbonyl sulfide and carbon disulfide gases were detected in some samples of the drywall. Exposure to high levels of carbonyl sulfide and carbon disulfide may result in eye, nose, and throat irritation and exacerbation of respiratory problems. Less is known about chronic exposure to lower levels (1-30 ppb), such as



those found in the limited indoor testing conducted in homes reported to contain the imported product. Testing conducted by federal and state agency radiation laboratories found no radiation safety risk in homes in which the material has been installed.

CPSC is also investigating potential electrical and fire safety issues in homes containing the drywall, including the corrosion of components such as fuel gas piping and fire safety devices, and any other fire and safety concerns.

In addition, CPSC recently hosted a conference call among attorneys general of impacted states to coordinate and exchange information about state-level efforts to study the problem. CPSC has also received approval from the Chinese government for an investigative visit to China and is continuing efforts to collect and analyze the suspect materials.

Unfortunately, consumers still do not have a readily available way to determine whether or not their recently built or remodeled home contains the suspect materials. CPSC says that there is currently no definitive test to determine if a home contains drywall that may pose a problem. Early reports indicated that some of the materials were shipped without any labeling that would identify the origin of the product. However, photos posted on the agency's website indicate that at least some of the drywall is stamped with the logo "Made in China" which, of course, consumers cannot see once the project is completed.

Updated information regarding the Chinese Drywall issue, with links to developing information and other resources, is available at <http://www.cpsc.gov/info/drywall/index.html> and/or <http://www.cdc.gov/nceh/drywall>.

LOUISIANA REAL ESTATE COMMISSION QUARTERLY REPORT

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# It's Renewal Time!

All licenses expire 12-31-09