

MINUTES OF MEETING
OF
LOUISIANA REAL ESTATE APPRAISERS BOARD

May 19, 2014

The Louisiana Real Estate Appraisers Board held its regular business meeting on Monday, May 19, 2014, at 9:00 a.m., at 9071 Interline Avenue, Baton Rouge, Louisiana, according to regular call, of which all members of the board were duly notified, at which meeting the following members were present:

BOARD

Roland M. Hall, Sr., Chairman
Leonard E. "Pete" Pauley, Jr., Vice Chairman
Gayle A. Boudousquie, Secretary
Clay F. Lipscomb
Gary S. Littlefield
Tommie E. McMorris, Sr.

STAFF

Bruce Unangst, Executive Director
Tad Bolton
Anne Brassett
Mark Gremillion
Marsha Stafford
Jenny Yu

GUESTS

Rebecca Smith, Adams and Reese, LLP
Tim Theriot, Certified Residential Appraiser #R3864

Board members Mike Graham and Butch Landry were unable to attend the meeting.

Call to Order

Chairman Hall called the meeting to order and led the Invocation. Vice Chairman Pauley led the Pledge of Allegiance. Chairman Hall welcomed back Mr. McMorris, who has been recovering from a stroke. On motion made by Mr. Pauley and seconded by Mr. Littlefield, the minutes of the April 21, 2014 meeting were unanimously approved as written and circulated.

Budget Report

Ms. Yu provided the budget report for the period ending April 30, 2014 (*See Attachment A*).

Director's Report

Director Unangst updated members on the appraisal legislation. House Bill No. 1018, otherwise known as the "technical corrections bill" has passed in both houses. House Bill No. 894 expands the number of board members from nine to ten. Senate Bill No. 575 removed additional oversight of the board and is being heard before the House Commerce Committee tomorrow morning.

Director Unangst provided an overview of Senate Bill No. 66, which requires home inspectors to perform an assessment on mold, microbial growth, etc. While he is not an expert on this issue, he believes that home inspectors will likely include verbiage in their reports alluding to the probability of microbial growth to protect themselves from liability. Director Unangst questioned the impact this may have on residential appraisals. Chairman Hall, whose brother is a licensed home inspector, advised that the Environmental Protection Agency has a document that fully explains this issue. He feels this bill has nightmare potential. Mr. Lipscomb stated that this will trigger the requirement of a Phase I Environmental Survey on every transaction. Director Unangst voiced concern that the bill's unintended consequence of mandatory environmental surveys will add time and money to home inspections. Chairman Hall requested that Director Unangst attend the upcoming hearing on this matter.

Director Unangst reminded the Board that it needs to begin deliberating on the future of appraisal continuing education standards, as well as selection of a mandatory course topic for next year. He noted that the LREC selects the mandatory continuing education topic for real estate licensees and develops the course specific to state and federal laws as they pertain to real estate. Vice Chairman Pauley wants to see a mandatory course on how to properly measure a house, something he sees problems with on a regular basis. He stated that Ross Shuffield and Cheryl Bella have developed and currently teach a class on this topic.

Lastly, Director Unangst spoke on the issue of background checks for all incoming appraisal applicants, including AMCs, as mandated by the Appraisal Subcommittee. He advised that the National Mortgage Lenders Association has developed a nationwide search module which would eliminate the need for multiple background checks. This would be an ideal situation if state appraiser regulatory boards were able to have access to NMLA's program for a fee. Director Unangst informed the Board that the ASC has extended the mandatory implementation of background checks for two years because of problems some states are encountering with legislative oversight.

Unfinished Business

Vice Chairman Pauley requested an update on the Peer Review Committee. Mr. Bolton advised that he has already utilized the services of committee members. Vice Chairman Pauley recommended that Board members make themselves available for providing assistance and/or direction to Peer Review Committee members. He suggested that a letter be sent to all members, on Board letterhead, thanking them for giving their time to serve.

There being no additional items to discuss, the meeting was adjourned on motion made by Vice Chairman Pauley and seconded by Mr. Littlefield.

Roland M. Hall, Sr., Chairman

Gayle A. Boudousquie, Secretary