

MINUTES OF MEETING  
OF  
LOUISIANA REAL ESTATE APPRAISERS BOARD  
November 20, 2017

The Louisiana Real Estate Appraisers Board held its regular business meeting at 9:00 a.m. on Monday, November 20, 2017, 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**

Clayton F. Lipscomb, Chairman  
Janis M. Bonura, Vice Chair  
Cheryl B. Bella, Secretary  
Seymon S. "Windy" Hartzog  
Robert E. McKinnon, Jr.  
Terry L. Myers  
James R. Purgerson, Jr.  
Margaret K. Young

**STAFF**

Bruce Unangst, Executive Director  
Arlene Edwards, Legal Counsel  
Summer Mire, Confidential Assistant to Mr. Unangst  
Anne Brassett  
Debbie DeFrates  
Mark Gremillion  
Robert Maynor  
Chad Mayo  
Ryan Shaw  
Henk vanDuyvendijk  
Jenny Yu

Board members Kara Platt and Rebecca Rothschild were unable to attend the meeting.

**GUESTS**

Bill Kipf, Certified General Real Estate Appraiser #G368  
Rob Rieger, Adams and Reese, LLP

**Call to Order**

Mr. Lipscomb called the meeting to order and led the Invocation. Ms. Bonura led the Pledge of Allegiance. Ms. Bella called roll to ensure that a quorum was present.

**Approval of Minutes**

On motion made by Mr. Purgerson and seconded by Ms. Bonura, the minutes of the September 27, 2017 meeting were unanimously approved as written and circulated.

Ms. Bonura made motion, seconded by Mr. Myers, to enter into Executive Session. Motion passed without opposition.

**EXECUTIVE SESSION**

On motion made by Ms. Bonura and seconded by Mr. Purgerson, the Board voted unanimously to return to the regular business meeting.

**Budget Report**

Ms. Yu provided the budget report for the period ending October 31, 2017, as well as the revised budgets for fiscal years 2017-2018 and 2018-2019 (*See Attachment A*). Ms. Bonura made motion, seconded by Mr. Myers, to approve the revised budgets as presented. Motion passed by unanimous vote.

## **Director's Report**

Director Unangst addressed the declining number of appraiser licensees. Although this has affected revenue by a \$30,000 to \$40,000 deficit, the Board has been fortunate to have a positive budgetary outcome every year.

As of November 19, 2017, 132 appraisers have renewed their license credentials; 599 are still pending. Statistically, the majority of appraisers wait until the last week of December to renew their licenses.

Based on the failing results of last year's continuing education audit, and ASC requirements, the Board will be conducting a 100% audit of the continuing education records of appraisers renewing for the 2018-2019 license cycle. In addition to a statement on the renewal application, a flyer will be paper mailed to all appraisers notifying them that they must submit their continuing education to the Board. Licensees found in non-compliance with the continuing education requirement will not be reported to the ASC or subject to disciplinary action; however, they will be fined a \$325.00 fee.

**Public Comment** - None

## **Unfinished Business**

Director Unangst provided a history of events that have transpired following Governor Edwards' Executive Order pursuant to proposed Rule 31101. The Board met approximately one week following the July 11, 2017 Order and passed a resolution directing him to follow through and implement the Executive Order which, (a) required the Board to affect a contract with the Division of Administrative Law to review all adjudicative decisions under the Board's future rules (the contract becomes effective today), and (b) to come up with a replacement rule to prior Rule 31101. The replacement rule was presented to and adopted by the Board at its July 31, 2017 meeting. In an effort to minimize disruption in the marketplace, the Board unanimously voted to adopt the exact same language as the prior rule.

Following the Board's resolution, the proposed rule was submitted to the Division of Administration for review and approval, and advertised in the Louisiana Register on August 20, 2017. During the comment period, which ended September 8, 2017, the Board received approximately 70 comments from the public (most of which were certified appraisers), as well as written letters of support from the Louisiana Bankers Association, Louisiana Realtors, Louisiana Homebuilders Association, and the National Appraisal Institute. REEVA submitted comments of concern and opposition to certain segments of the proposed rule and was provided with written response to same.

On September 27, 2017, the Board held an additional public hearing on promulgation of the replacement rule. A transcript of the hearing was made part of the rule-making record, which was then submitted to the Division of Administration for their active supervision and approval. This information was also submitted to the House and Senate Commerce Committees.

In November, the Division of Administration wrote to the Board advising that, based on public policy, interest in Louisiana, and review of written comments, Rule 31101 served the public interest and the industry and was therefore approved. No additional public hearing was held by either house committee.

Proposed Rule 31101 has been formally published in the Louisiana Register and becomes effective today. Director Unangst stated that it is in everyone's best interest to clarify staff and the Board's intent on enforcement and administration of Rule 31101. Again, this should cause minimal disruption in the marketplace since the language is verbatim to the prior rule.

Director Unangst briefly covered the bullet points of the Proposed Statement of Policy by the Board to be enacted upon adoption of the replacement rule (*See Attachment B*). He believes this policy speaks for itself and it will be posted on the Board's website following its adoption.

Ms. Bella made motion, seconded by Ms. Bonura, to open the agenda to add the Proposed Statement of Policy for review and approval. Motion carried by unanimous vote.

On motion made by Ms. Bella and seconded by Mr. Myers, the Board voted to approve the policy statement on implementation of Replacement Rule 31101. Motion was opened for discussion to allow Mr. Rieger to address the Board.

Mr. Rieger requested clarification regarding the adjudicatory process. Director Unangst advised that upon investigating a potential complaint, the Board will forward it to the Division of Administrative Law for review to verify that the complaint warrants moving forward with the adjudicatory process. Once approval has been granted, the Board will revert to the requirements under the Administrative Procedures Act. Any final adjudicatory action, whatever that may be, will be subject to the active oversight review of the Division of Administrative Law. Furthermore, providing the disciplinary action is approved by the Division of Administrative Law, the respondent would still have right to appeal to the 19<sup>th</sup> Judicial District Court.

Mr. Rieger also questioned the lack of any mention relative to legal delays that may arise regarding a respondent facing a potential action by the Board or Division of Administrative Law. Director Unangst clarified that the 30-day appeal provision would begin following the final approval by the Administrative Law Judgment. Mr. Rieger requested that this be put in rule form. Ms. Edwards reminded Mr. Rieger that any decision by the Board must first be reviewed and approved by the Administrative Law Judgment. There is no finality until the matter comes back to the Board and final vote is made in an open meeting. Mr. Rieger again urged the Board to consider putting this in rule form for clarification.

The motion on the table was unanimously approved.

### **New Business**

Ms. Bonura made motion, seconded by Mr. Purgerson, to approve the Stipulations and Consent Order executed in Case No. 2016-1253 – LREAB v. Richard R. Smith (See *Attachment C*). Motion carried with no opposition.

There being no further business to discuss, the meeting was adjourned on motion made by Ms. Bonura and seconded by Mr. Myers.

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Clayton F. Lipscomb, Chairman

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Cheryl B. Bella, Secretary