

ACT No. 708

2026 Regular Session

HOUSE BILL NO. 1166

BY REPRESENTATIVE CARVER

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AN ACT

To amend and reenact R.S. 9:3196(introductory paragraph), (2), (4), and (6), 3197(A), (B)(introductory paragraph), (3), (8), (9), and (12), 3198 (A)(1) and (2)(a), 3198.1(A) and (B), and 3199(A), and R.S. 37:1432(A) and 1455(A)(introductory paragraph) and (33), and to enact R.S. 9:3196(7), relative to real estate; to provide for definitions; to require certain disclosures; to provide for the duties of sellers and real estate agents; to provide for applicability and exemptions; to provide for the membership of the Louisiana Real Estate Commission; to provide for penalties; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 9:3196(introductory paragraph), (2), (4), and (6), 3197(A), (B)(introductory paragraph), (3), (8), (9), and (12), 3198 (A)(1) and (2)(a), 3198.1(A) and (B), and 3199(A) are hereby amended and reenacted and R.S. 9:3196(7) is hereby enacted to read as follows:

CHAPTER 8. RESIDENTIAL PROPERTY DISCLOSURE REQUIREMENTS

§3196. Definitions

As used in this Chapter, the following terms have the following meanings ~~hereinafter ascribed to them:~~

* * *

1 §3197. Applicability; exemptions

2 A. The provisions of this Chapter ~~shall~~ apply to the transfer of any interest
3 in residential real property or vacant residential property, whether by sale, exchange,
4 bond for deed, lease with option to purchase, or any other option to purchase,
5 including transactions in which the assistance of a real estate licensee is utilized and
6 those in which such assistance is not utilized.

7 B. The provisions of this Chapter ~~shall~~ do not apply to any of the following:

8 * * *

9 (3) Transfers by a mortgagee who has acquired the residential real property
10 or vacant residential property at a sale conducted pursuant to a power of sale under
11 a mortgage or a sale pursuant to decree of foreclosure, or who has acquired the
12 vacant or residential property by a deed in lieu of foreclosure.

13 * * *

14 (8) Transfers of residential real property or vacant residential property that
15 will be converted by the purchaser into a use other than residential use.

16 (9) Transfers of residential real property or vacant residential property to a
17 spouse or relative in the line of consanguinity.

18 * * *

19 (12) Transfers from an entity that has acquired title or assignment of a real
20 estate contract to a piece of residential real property or vacant residential property
21 to assist the prior owner in relocating, as long as the entity makes available to the
22 purchaser a copy of the property disclosure statement, any inspection reports if any
23 furnished to the entity by the prior owner, or both.

24 * * *

25 §3198. Duties of the seller; delivery of property disclosure document; termination
26 of real estate contract; information contained in document and inaccuracies;
27 required disclosure of information relative to homeowners' associations and
28 restrictive covenants; liability of seller

29 A.(1) The seller of residential real property or vacant residential property
30 shall complete a property disclosure document in a form prescribed by the Louisiana

1 Real Estate Commission or a form that contains at least the minimum language
2 prescribed by the commission. ~~The promulgation of this form shall be conducted in~~
3 ~~accordance with the Administrative Procedure Act no later than April 1, 2004.~~

4 (2)(a) Included with the property disclosure documents required by this
5 Section shall be statements of notification to the purchaser as to whether he is
6 obligated to be a member of a homeowners' association as a homeowner in the
7 community in which he is purchasing property and whether the residential property
8 or vacant residential property he is purchasing is subject to a common regime of
9 restrictive covenants or building restrictions, or both.

10 * * *

11 §3198.1. Duties of governmental entities; contaminated property

12 A. Whenever a state or local law enforcement agency becomes aware that
13 residential real property or vacant residential property has been contaminated by its
14 use as a clandestine methamphetamine drug lab, the agency shall report the
15 contamination to the Department of Environmental Quality, ~~hereinafter~~ referred to
16 in this Section as the "department", and to the local sheriff's office.

17 B. The department shall maintain a listing of residential real property or
18 vacant residential property that has been reported as contaminated, and the list shall
19 be made available to the public through a website.

20 * * *

21 §3199. Duty of real estate licensees; liability

22 A. A real estate licensee representing a seller of residential real property or
23 vacant residential property shall inform the seller of the duties and rights ~~under~~
24 established in this Chapter. A real estate licensee representing a buyer of residential
25 real property or vacant residential property shall inform the buyer of the duties and
26 rights ~~under~~ established in this Chapter.

27 * * *

28 Section 2. R.S. 37:1432(A) and 1455(A)(introductory paragraph) and (33) are
29 hereby amended and reenacted to read as follows:

1 §1432. Louisiana Real Estate Commission; qualifications; terms of office

2 A. The Louisiana Real Estate Commission is hereby created within the office
3 of the governor. The commission shall consist of eleven members appointed by the
4 governor. ~~One member shall be appointed from each of the seven supreme court~~
5 ~~districts. Two members shall be appointed at large. Two members shall be~~
6 ~~appointed from the following districts: one appointee from either the Fourth~~
7 ~~Congressional District or the Fifth Congressional District and one appointee from~~
8 ~~either the First, Second, Third, or Sixth Congressional District. One member shall~~
9 ~~be appointed from each congressional district, and the remaining members shall be~~
10 ~~appointed at large.~~ Each appointment by the governor shall be submitted to the
11 Senate for confirmation.

12 * * *

13 §1455. Causes for censure, suspension, or revocation of license, registration, or
14 certification

15 A. The commission may censure a licensee, registrant, or certificate holder
16 or conditionally or unconditionally suspend or revoke any license, registration, or
17 certificate issued ~~under~~ pursuant to this Chapter, levy fines, or impose civil penalties
18 not to exceed five thousand dollars, or impose continuing education requirements on
19 licensees, registrants, or certificate holders if, in the opinion of the commission, a
20 licensee, registrant, or certificate holder is performing or attempting to perform or
21 has performed or has attempted to perform any of the following acts:

22 * * *

23 (33) Failure by a licensee ~~to provide~~ who represents a buyer or seller ~~with~~
24 ~~a written property disclosure form for sales and certain leases involving residential~~
25 ~~real property pursuant to~~ of residential real property or vacant residential property
26 to inform such buyer or seller of the duties and rights regarding the written property
27 disclosure form requirements pursuant to R.S. 9:3196 et seq.

28 * * *

29 Section 3. R.S. 37:1432(A) as amended and reenacted by Section 2 of this Act shall
30 not be construed to change the existing term of appointment for any member of the

1 Louisiana Real Estate Commission who is serving as a commissioner on the effective date
2 of this Act.

3 Section 4. This Act shall become effective January 1, 2027.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____