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DIGEST

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SB 259 Reengrossed

2016 Regular Session

White

Present law provides wide powers for the Louisiana Real Estate Commission regarding licensing and certification and the duties of those involved in the real estate business in Louisiana.

Proposed law provides that the commission may grant the following credentials: real estate broker license, real estate salesperson license, real estate school or vendor certification, timeshare interest salesperson registration and real estate instructor approval/certification.

Present law provides for the granting of general commission powers as to brokers and timeshare developers.

Proposed law includes all licensees, registrants, and certificate holders.

Present law provides prohibitions for individual licensees, registrants, and certificate holders.

Proposed law provides that partnerships, limited liability companies, associations, corporations are prohibited from conducting any real estate activities for valuable consideration without a license.

Present law provides that certain actions taken in the area of timeshare interests are prohibited without a license.

Proposed law adds the creation of a timeshare plan to the list of proscribed actions.

Present law requires four years experience as a real estate salesperson as a prerequisite for licensing.

Proposed law provides that experience required for a broker's license shall include two of the four years immediately precede the application for a broker's license.

Present law provides relative to liability of a timeshare developer for actions of brokers and timeshare salespersons.

Proposed law disallows a previous waiver of liability of timeshare developers for actions of brokers and timeshare salespersons on the basis that they operate as independent contractors.

Present law provides with respect to the dissolution of a legal entity engaged in timeshare development.

Proposed law provides that upon dissolution of any legal entity in possession of a broker's license to notify the commission within five days of the dissolution.

Present law provides for the categories of active and inactive license.

Proposed law provides requirements for moving from an inactive license to active, including continuing education requirements.

Present law provides that provisions of the licensing law shall not apply to certain unlicensed entities.

Proposed law provides specific guidelines for unlicensed entities not bound by the Louisiana Real Estate Licensing Law.

Present law provides relative to the issuance of a real estate broker license.

Proposed law provides for individual, partnership, limited liability company, association, corporation and other legal entities in the provisions regarding issuance of licenses.

Present law provides relative to timeshare sales registrant and timeshare developer requirements as they relate to real estate licensing law.

Proposed law adds requirements regarding the licensing of brokers and salespersons as they function in the area of timeshare properties.

Present law provides for the return of licenses or registrations upon transfer or termination.

Proposed law provides requirements particularly regarding the termination of sponsorship of associate brokers and salespersons.

Present law provides for a fee schedule.

Proposed law revises fee schedule and adds certain fees, particularly as to active and inactive licenses and real estate schools, vendors, and pre-license instructors.

Present law provides relative to the death of a sponsoring broker.

Proposed law provides that the commission may appoint an active license broker to complete transactions pending at the time of the death.

Present law provides that the commission may promulgate and enforce rules and qualifications relative to applications for licenses or registration.

Proposed law deletes this language and provides that the commission may adopt all necessary rules and by-laws for the administration and enforcement of the law.

Effective August 1, 2016.

(Amends R.S. 37:1433, 1435(C)(1) and (2), (D), (E), (F) and (H), 1436, 1437, 1437.1(A), (B), (C), (D), (F), and (G), 1437.2, 1437.3, 1438, 1439, 1441, 1443(1)(f) and (4), 1446, 1449, 1451, 1465, 1466(F); repeals R.S. 37:1435(C)(3) and 1443(3)(g))

#### Summary of Amendments Adopted by Senate

##### Committee Amendments Proposed by Senate Committee on Commerce, Consumer Protection, and International Affairs to the original bill

1. Revised language relative to persons and entities desiring to conduct real estate activity applying for license.
2. Lowered fee relative to certain inactive licensees from \$200 to \$50.

##### Senate Floor Amendments to engrossed bill

1. Technical amendments.

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the reengrossed bill:

1. Make technical changes.