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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

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## DIGEST

Proposed law prohibits any person from giving or accepting any of the following:

1. Any fee, kickback, or thing of value pursuant to any agreement or understanding that business incident to or a part of a settlement service involving a federally related mortgage loan shall be referred to any person.
2. Any portion, split, or percentage of any charge made or received for the rendering of a settlement service in connection with a transaction involving a federally related mortgage loan other than for services actually performed.

Proposed law prohibits any contract to sell or purchase residential real estate executed in this state from containing any provision requiring the purchaser, as a condition of such sale, to use a specific provider of settlement services.

Proposed law prohibits any person from depriving, impairing, diminishing, or otherwise limiting the access of a purchaser of residential real estate to any service, discount, rebate, or other economic incentive by making such access contingent on that purchaser's use of a specific provider of settlement services.

Proposed law prohibits any person from imposing upon a purchaser of residential real estate an economic disincentive or penalty based on the failure or refusal of such purchaser to use a specific provider of settlement services.

Proposed law provides that proposed law shall not be interpreted or construed to prohibit any of the following:

1. The payment of attorney fees for services actually rendered.
2. The payment of a fee by a title company to its duly appointed agent for services actually performed in the issuance of a policy of title insurance.
3. The payment by a lender to its duly appointed agent for services actually performed in the making of a loan.
4. The payment to any person of a bona fide salary or compensation or other payment for goods or facilities actually furnished or for services actually performed.
5. Payments made pursuant to cooperative brokerage and referral arrangements, or agreements between real estate agents and brokers.

Proposed law provides that any violation of proposed law shall be a deceptive and unfair trade practice and shall subject the violator to any and all penalties provided for in the Unfair Trade practices and Consumer Protection Law.

Effective August 15, 2011.

(Adds R.S. 51:1428)