

Regular Session, 2010

HOUSE BILL NO. 593

BY REPRESENTATIVE PUGH

REAL ESTATE/COMMISSION: Authorizes the La. Real Estate Commission to conduct criminal background checks

1 AN ACT

2 To amend and reenact R.S. 37:1437(B), (C), (D), and (E) and to enact R.S. 37:1437(F), (G),  
3 (H), and (I), relative to licensing requirements for real estate brokers and  
4 salespersons; to authorize the Louisiana Real Estate Commission to conduct a  
5 criminal history background check on applicants for licensure; and to provide for  
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 37:1437(B), (C), (D), and (E) are hereby amended and reenacted and  
9 R.S. 37:1437(F), (G), (H), and (I) are hereby enacted to read as follows:

10 §1437. Application for license

11 \* \* \*

12 B. In addition to any other requirements established by regulation, as a  
13 condition for license eligibility, the commission may require an applicant to:

14 (1) Submit a full set of fingerprints in a form and manner prescribed by the  
15 commission.

16 (2) Permit the commission to request and obtain state and national criminal  
17 history record information on the applicant.

18 (3) Submit such amount as may be incurred by the commission in requesting  
19 and obtaining state and national criminal history record information on the applicant,  
20 in addition to all other applicable fees and costs.

1           C. In accordance with the provisions and procedures prescribed by this  
2           Section, the commission may request and obtain state and national criminal history  
3           record information from the Louisiana State Police Bureau of Identification and  
4           Information and the Federal Bureau of Investigation relative to any applicant for  
5           licensing whose fingerprints the commission has obtained, pursuant to this Section,  
6           for the purpose of determining the applicant's suitability and eligibility for licensing.

7           D. Upon request by the commission and upon the commission's electronic  
8           submission of an applicant's fingerprints, and such other identifying information as  
9           may be required, the Louisiana State Police Bureau of Identification and Information  
10          shall conduct a search of its criminal history record information relative to the  
11          applicant and report the results of its search to the commission. The bureau may  
12          charge the commission a processing fee pursuant to R.S. 15:587 for conducting and  
13          reporting on any such search.

14          E. Any and all state or national criminal history record information obtained  
15          by the commission from the Louisiana State Police Bureau of Identification and  
16          Information or the Federal Bureau of Investigation, which is not already a matter of  
17          public record, shall be deemed nonpublic and confidential information restricted to  
18          the exclusive use of the commission, its members, officers, investigators, agents, and  
19          attorneys in evaluating the applicant's eligibility or disqualification for licensing. No  
20          such information or records related thereto shall be released or otherwise disclosed  
21          by the commission or any other person or agency, except with the written consent  
22          of the applicant or by order of a court of competent jurisdiction.

23          F.(1) Licenses shall be granted only to persons or entities who bear a good  
24          reputation for honesty, trustworthiness, integrity, and competence to transact real  
25          estate activities requiring licensing in this state in such a manner as to safeguard the  
26          interest of the public, and only after satisfactory proof of such qualifications has been  
27          presented to the commission.

28          (2) When an applicant has been convicted of forgery, embezzlement,  
29          obtaining money under false pretenses, larceny, extortion, conspiracy to defraud, or

1 theft, or has been convicted of a felony or a crime involving moral turpitude in any  
2 court of competent jurisdiction, such untrustworthiness of the applicant, and the  
3 conviction, may in itself be sufficient grounds for refusal of a license.

4 (3) When an applicant has made a false statement of material fact on his  
5 application, such false statement may in itself be sufficient grounds for refusal of a  
6 license.

7 (4) Grounds for suspension or revocation of a real estate license in Louisiana  
8 or any other jurisdiction, or the previous suspension or revocation, of a real estate  
9 license in Louisiana or any other jurisdiction shall also be grounds for refusal to  
10 grant a license.

11 ~~€. G.~~(1) No individual real estate broker or salesperson's license shall be  
12 issued to any person who has not attained the age of eighteen years. No individual  
13 real estate broker or salesperson's license shall be issued to any person who is not a  
14 high school graduate or the holder of a certificate of high school equivalency.

15 (2)(a) All applicants for an initial individual real estate broker's license shall  
16 have first served actively for four years as a real estate salesperson and shall show  
17 evidence satisfactory to the commission that they have satisfactorily completed at  
18 least one hundred fifty hours or its equivalent of instruction in real estate courses  
19 approved by the commission prior to licensure. Satisfactory completion includes  
20 passage of an examination on course contents.

21 (b) At least thirty hours of the broker educational requirement shall be  
22 obtained in coursework emphasizing broker responsibilities.

23 (c) Each person obtaining an initial real estate broker's license shall complete  
24 forty-five post-license education hours within one hundred eighty days after the  
25 initial license date. Such hours shall be in subjects required by the commission,  
26 including but not limited to laws, rules and regulations changes, finance, and the  
27 handling of funds. Post-license education hours may be used to satisfy eight hours  
28 of the twelve-hour annual continuing education requirement; however, post-license

1 education hours shall not satisfy the four-hour mandatory continuing education topic  
2 specified by the commission.

3 (3) The commission, through its education division, may accept real estate  
4 related credit hours from an accredited college or university as partial substitution  
5 of the broker licensing educational requirement.

6 (4) The commission shall have the authority to accept experience in the real  
7 estate business or related fields as credit toward fulfillment of the education  
8 requirements set forth herein.

9 (5)(a) All applicants for a salesperson's license shall show evidence  
10 satisfactory to the commission that they have completed ninety hours or its  
11 equivalent of instruction in real estate coursework approved by the commission prior  
12 to licensure. Satisfactory completion includes passage of an examination on course  
13 contents.

14 (b) Each person obtaining an initial salesperson's license shall complete  
15 forty-five post-license education hours within one hundred eighty days after the  
16 initial license date. Such hours shall be in subjects required by the commission,  
17 including but not limited to laws, rules and regulations changes, finance, and the  
18 handling of funds. Post-license education hours may be used to satisfy eight hours  
19 of the twelve-hour annual continuing education requirement; however, post-license  
20 education hours shall not satisfy the four-hour mandatory continuing education topic  
21 specified by the commission.

22 (6)(a)(i) In addition to all other education requirements set forth in this  
23 Chapter, the license of an individual real estate broker or salesperson shall not be  
24 renewed unless the broker or salesperson shall furnish proof of completion of twelve  
25 hours per year of continuing education pertaining to matters, including but not  
26 limited to laws, rules, and regulations relative to licensing, appraisal, finance, taxes,  
27 zoning, environmental quality, and the United States Department of Housing and  
28 Urban Development. Four of the required annual continuing education hours shall  
29 be in subjects specified by the commission. Post-license education hours may be

1 used to satisfy eight hours of the twelve-hour annual continuing education  
2 requirement; however, post-license education hours shall not satisfy the four-hour  
3 mandatory continuing education topic specified by the commission.

4 (ii) The commission shall promulgate rules and regulations necessary to  
5 implement the continuing education requirement and may mandate the completion  
6 of courses in specific real estate-related subjects. Such rules and regulations may  
7 require passage of an examination in order to satisfy the continuing education  
8 requirement.

9 ~~D. H.~~ Every applicant for a license shall submit a sworn statement attesting  
10 that he has knowledge of and understands the provisions of the Fair Housing Act of  
11 1968 and the Louisiana Equal Housing Opportunity Act, and any amendments  
12 thereto or any successor legislation subsequently following, and that he shall not  
13 induce or attempt to induce any person to sell or rent any dwelling by representations  
14 regarding the entry or prospective entry into an area, subdivision, or neighborhood  
15 of a person or persons of a particular race, color, religion, or national origin.

16 ~~E. I.~~ A nonresident may obtain a broker's or salesperson's license and engage  
17 in the real estate business in this state under conditions prescribed by the  
18 commission.

19 Section 2. This Act shall become effective upon signature by the governor or, if not  
20 signed by the governor, upon expiration of the time for bills to become law without signature  
21 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
22 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
23 effective on the day following such approval.

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#### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Pugh

HB No. 593

**Abstract:** Authorizes a criminal background check on applicants for real estate broker or salesperson's licensure.

Present law provides licensing requirements for an applicant for a real estate broker or salesperson's license to be issued by the La. Real Estate Commission.

Proposed law retains present law.

Proposed law provides that the commission may also require an applicant to:

- (1) Submit a full set of fingerprints in a form and manner prescribed by the commission.
- (2) Permit the commission to request and obtain state and national criminal history record information on the applicant.
- (3) Submit such amount as may be incurred by the commission in requesting and obtaining state and national criminal history record information on the applicant, in addition to all other applicable fees and costs.

Proposed law authorizes the commission to request and obtain state and national criminal history record information from the La. State Police Bureau of Identification and Information and the F.B.I. relative to any applicant for licensing whose fingerprints the commission has obtained for the purpose of determining the applicant's suitability and eligibility for licensing.

Proposed law provides that upon request by the commission and upon the commission's electronic submission of an applicant's fingerprints, and such other identifying information as may be required, the La. State Police Bureau of Identification and Information shall conduct a search of its criminal history record information relative to the applicant and report the results of its search to the commission. The bureau may charge the commission a processing fee for conducting and reporting on any such search.

Proposed law provides that any criminal history record information obtained by the commission from the La. State Police Bureau of Identification and Information or F.B.I., which is not already a matter of public record, shall be deemed nonpublic and confidential information restricted to the exclusive use of the commission, its members, officers, investigators, agents, and attorneys in evaluating the applicant's eligibility or disqualification for licensing. No such information or records related thereto shall be released or otherwise disclosed by the commission or any other person or agency, except with the written consent of the applicant or by order of a court of competent jurisdiction.

Effective upon signature of governor or lapse of time.

(Amends R.S. 37:1437(B), (C), (D), and (E); Adds R.S. 37:1437(F), (G), (H), and (I))