



Your Real Estate Resource

2005 | ANNUAL REPORT

2006 | PROGRAM OF WORK

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Louisiana REALTORS®

Your Real Estate Resource

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INTRODUCTION

The information contained in this publication highlights the work that Louisiana REALTORS® performed on its members' behalf during 2005, including a number of successes in the state legislature and the programs and priorities for the state association in 2006. An updated selection of member benefits and discounts available to LR members is also provided.

As we are all too aware, the 2005 hurricane season had a severe impact on the state of Louisiana, and REALTOR® members were not excluded. In the days and weeks following Hurricanes Katrina and Rita, "business as usual" had ceased to exist for many of our members and the Louisiana REALTORS® Association shifted its staff and volunteer resources entirely toward meeting the emerging REALTOR® needs in the wake of these devastating storms.

What follows is an accounting of some of the projects and activities undertaken by LR in response to the displacement and devastation suffered by both REALTOR® members and the general public. LR's work to assist its members in the reestablishment of their operations and livelihood will continue throughout the coming year. Thanks to all of our REALTOR® members for your continued commitment and involvement.

Disaster-Related Actions Undertaken By Louisiana REALTORS®

- LR established the 501(c)3 Louisiana REALTORS® Association Relief Fund (LRARF) and began distributing funds to REALTORS and Louisiana citizens in need within seven days of Katrina's landfall. Over 5,000 applications were processed, with over \$1.1 million paid out.
- LR helped develop and promote the HurricaneHousing.net website, a three-state database portal for affordable rental housing. We also worked with Fannie Mae and other agencies on their efforts to supply affordable housing.
- LR lobbied the Louisiana Real Estate Commission to reduce required continuing education hours for 2005; and worked with LREC to assist in the transition of REALTORS® moving within the state and outside of the state. LREC waived the 2005 CE requirement.
- LR provided assistance and counseling to local associations who suffered the displacement of their volunteer base, and assisted with guidelines for establishing a dues waiver program.
- LR converted its Baton Rouge offices into a communications center for displaced REALTORS®, with wireless/network Internet connections and phone service.
- LR provided temporary housing of operations for the New Orleans (NOMAR) association. LR assisted with financial issues, reestablished the NOMAR website, and coordinated with the National Association of REALTORS® on a temporary housing solution for the NOMAR office in Metairie.
- LR converted the LR website to an information resource on hurricane-related news, relief efforts and disaster funds. Special editions of *eNews Digest* and *Red Stick Report* were published on hurricane-related issues impacting real estate.

- LR assisted in locating commercial properties for members in need that were dislocated from the New Orleans area, and companies seeking to relocate.
- LR delivered clothing and supplies to NOMAR and NABOR Boards for distribution.
- LR assisted with neighboring state licensing commissions to reduce their requirements for entrance.
- LR coordinated the efforts to approve a statewide building code legislation in the wake of the hurricanes.
- LR provided guidance, street maps and other assistance to people that came to the office.
- LR participated in a number of local and state “rebuild” symposiums, and promoted specific relief efforts, including the “Bring New Orleans Back” revitalization project and the “One Voice for New Orleans” awareness campaign.
- LR participated fully in the Special Legislative Session, scoring a key victory by passing a bill that provides for a uniform statewide building code.
- LR extended the 5 year requirement for an additional year for those in the affected areas to complete all GRI and ITI coursework and waived the fee for completing LR’s online professional standards course for those members required through their local association for membership.
- LR convened its Strategic Planning Team to establish an addendum to the organization’s current Strategic Plan in order to address a number of hurricane-related issues impacting the REALTOR® membership.
- LR participated in meetings and site visits with officers and senior staff members of the National Association of REALTORS on the feasibility of New Orleans retaining the 2006 NAR Convention. NAR voted to keep the event as originally scheduled, bringing as much as \$34 million in convention revenues and demonstrating REALTORS®’ commitment to rebuilding the city.

2005 UPDATE & 2006 OUTLOOK

A recap of LR's 2005 activities and information on priority programs for the coming year follows in this section. For more information on any of the issues or programs referenced in this publication, please contact the appropriate Louisiana REALTORS® staff contact listed for each division.

PROFESSIONAL DEVELOPMENT

For more information on activities in this area, contact Sandy Lash at 1-800-266-8538 or sandy@larealtors.org.

2005 Update...

GRI Courses

Despite having to cancel all Graduate REALTOR® Institute (GRI) courses following Hurricane Katrina, LR successfully presented "Listing Skills: Strategies for Success" on December 15 with 27 in attendance. Prior to the storms, 13 GRI courses were held, drawing 319 attendees. Instructors included Gee Dunsten, Adorna Carroll, Terry Watson, Bonnie Sparks, Bill Barrett and other high-profile national speakers.

ABR Courses

LR conducted two offerings of the ABR (Accredited Buyer Representative) designation course in 2005, with 48 REALTOR® members completing the course and an approved elective to earn the prestigious ABR designation.

2006 Mandatory CE Topic

The Louisiana REALTORS workgroup on mandatory Ethics Training was successful in having "Ethics" approved by the LREC as the mandatory topic for 2006. The 4-hour course will include the rules of fidelity, integrity, competency, consumer information and discriminatory practices. This course will also satisfy the mandatory requirement for quadrennial ethics training required by the National Association of REALTORS®.

LR Leadership

In 2005, 23 candidates graduated from LR Leadership, the Louisiana REALTORS® leadership development program. The program's four retreats were based on building a foundation of leading and interacting; political involvement and awareness on the federal, state and local levels; understanding Louisiana; and communication skills. To date, 68 REALTORS® have graduated the program.

2006 Outlook...

Professional Development Courses In 2006

The Graduate REALTOR® Institute (GRI) program provides a strong educational foundation for REALTORS® to better serve and protect their clients. Louisiana REALTORS® has scheduled 15 "in-classroom" GRI courses throughout the state in 2006, covering a variety of topics from marketing and servicing listed properties to real estate law. LR has also scheduled other designations/certificate programming for 2006, such as ABR (Accredited Buyer Representative), ABRM (Accredited Buyer Representative Manager), REBAC one-day elective courses; and a new 2-day designations program titled "Seller Representative Specialist" (SRS). A catalog of courses will again be distributed to members.

REALTOR Expo & Education Day

LR's annual REALTOR® Expo & Education Day event is scheduled for February 22, 2006 in Lafayette. The one-day CE program will feature top national instructors covering professional development topics geared towards residential specialists, brokers and managers. Attendees can also check out the latest real estate-related products and services at LR's third annual REALTOR® Expo.

Risk Management 101

LR will develop a one-day course on legal issues facing brokers on a daily basis, including topic such as misrepresentation, agency, fair housing, antitrust regulations, false/misleading advertising, agent's employment or independent contractor status, environmental issues, RESPA, unauthorized practice of law and ADA liabilities. The program will be taught regionally and also offered through the LR Online Learning Center.

Broker Professional Development

Special broker-oriented professional development sessions geared toward brokers and managers, featuring topics such as strategic business management, how to plan for profit, managing for peak performance, and more will be held in conjunction with the January 2006 Leadership Symposium and another potential offering held later in the year. LR will also present three live classroom "Broker Mentoring" programs in 2006 covering additional topics important to broker members, and release a CD-ROM Transaction Training Kit for brokers.

Online Learning Center

LR will continue to expand its Online Learning Center in 2006, with new 4- and 8-hour courses, including GRI, and NAR and Louisiana Real Estate Commission-required topics. LR also anticipates unveiling online prelicensing courses as well for 2006.

LR Leadership

LR's acclaimed retreat-based leadership development program identifies emerging REALTOR® leaders in the state and provides training to help sharpen their leadership skills. The program's goal is to help potential REALTOR® leaders exert a strong and positive influence on the future of the state association and the real estate profession in their community.

PROFESSIONAL STANDARDS

For more information on activities in this area, contact Sandy Lash at 1-800-266-8538 or sandy@larealtors.org.

2005 Update...

Professional Standards Training

Over 200 participants from across the state attended LR's annual training course for incoming state and local Grievance, Professional Standards and Mediation Committee members, which was held in conjunction with the 2005 Leadership Conference and presented by Alice Martin.

eEthics Newsletter

LR's informative bimonthly electronic communication to state directors, state/local chairs, vice chairs and members of Grievance, Professional Standards & Mediation Committees covers professional standards enforcement, policy/procedure changes, case studies and mediation.

2006 Outlook...

Professional Standards Activities

The strict National Association of REALTORS® Code of Ethics and Standards of Practice bind all REALTORS® to the highest level of professionalism. In 2006, Louisiana REALTORS® will continue to offer training to REALTOR® members on how to integrate those standards into everyday practice, provide mediation and grievance hearing assistance to local boards as necessary, and ensure that state and local professional standards committee members have the necessary procedural training.

LEGISLATIVE, LEGAL & RISK MANAGEMENT

For more information on activities in this area, contact Norman Morris at 1-800-266-8538 or norman@larealtors.org.

2005 Update...

Successful Legislative Sessions

Louisiana REALTORS® once again registered a very active and successful Regular Legislative Session in 2005. LR passed key bills such as the clarification of immovable property components, reform of real estate licensee non-compete agreements, increased education requirements for mortgage lenders and title attorneys, and many more, while successfully amending crucial transfer tax legislation and defeating additional assessors' fees.

LR also scored an important victory for the industry in the Special Session called by Governor Blanco to address hurricane-related issues. We served as part of a large business coalition supporting a uniform statewide building code for residential construction, the legislation for which was successfully passed and signed into law. It will allow for a greater resale value of homes, lower maintenance costs and more durable structures. It also helps assure that insurance companies write policies in Louisiana that are adequate and affordable, and mortgage companies continue to make funding widely available to the state's homebuyers.

For complete information on LR's activities during the 2005 Special Session, see the Legislative Recap section beginning on page 11.

Grassroots Outreaches

Nine Louisiana REALTORS® Legislative Outreaches were conducted throughout the state prior to the 2005 session. These programs offered information on upcoming legislation and helped REALTORS® better understand key issues facing the state's real estate industry. These Outreaches attracted strong attendance statewide among both legislators and REALTORS®.

D.C. Activities

LR worked to establish positive working relationships with the new members of Congress in 2005. Meetings of constituents of Congressmen Charlie Melancon, Rodney Alexander, and Charles Boustany were hosted. LR staff and leadership participated in Washington D.C. Mardi Gras and met with Louisiana's Congressional delegation and staff members. Other Congressional meetings conducted by LR in Washington covered issues such as Do-Not-Fax, association health plans, banks in real estate and Fannie Mae reforms.

Additionally, 65 Louisiana REALTOR® members traveled to Washington D.C. for the National Association of REALTORS® Midyear Meetings. Volunteer and staff participation at such events help REALTORS® strengthen their relationships with Louisiana's elected members of Congress.

Mortgage Loan Letters

LR developed a recommended mortgage loan commitment letter for use by lending institutions. This letter was approved by LR, LREC, the Louisiana Mortgage Lenders Association, and the Office of Financial Institutions. The recommended letter is designed to clarify and help standardize the mortgage commitment process for REALTORS®, lenders and consumers.

Power Tools for Brokers

A CD-ROM for brokers featuring information on topics such as fair housing, funds management, agency, office policies, advertising; self promotion; anti-trust and contracts, along with a multitude of risk management resources has been produced and will be presented at the 2006 Leadership Symposium and mailed to member brokers.

2006 Outlook...

2006 Legislative Session

The 2006 state legislative session is set to kick off on Monday, March 27 in Baton Rouge. Legislation proposed by LR will concern eminent domain, condominium law revisions, standardized purchase agreements and the clarification of independent contractor status.

REALTOR® Day 2006

REALTOR® Day 2006 is scheduled for Wednesday, May 3, in conjunction with LR's Spring Conference in Baton Rouge. Participating REALTORS® will have the opportunity to meet with state lawmakers one on one to discuss the LR legislative agenda and key real estate issues. The activities will conclude with a reception for legislators in the downtown area.

Congressional Relations

Louisiana REALTORS® staff and volunteers will be participating in Washington D.C. legislative events and office visits outside of the NAR midyear meetings in an attempt to advance national and state REALTOR® legislative issues. The goal is to continue developing the relationships with members of Congressmen and their staffs in order to further LR's pro-real estate agenda.

Housing Policy & Real Estate Issues Manual

This manual will provide information on a multitude of real estate issues, including their direct impact to REALTORS/consumers and LR's position. The manual will be used for legislator and regulatory education as well as a resource tool for REALTOR® members to use when articulating a position on a real estate issue, such as homestead exemption, assessment issues, and property rights issues.

MEMBER SERVICES, INFORMATION & TECHNOLOGY

For more information on activities in this area, contact Kevin Calbert at 1-800-266-8538 or kevin@larealtors.org.

2005 Update...

Marketing & Communications

Louisiana REALTORS® began implementation of its marketing and public awareness campaign for the association: "Louisiana REALTORS®: Your Real Estate Resource." Primary objectives of the campaign are to

increase the visibility of LR and LR services to its members and the general public, and to establish the association as the premier source of information on real estate issues in Louisiana. LR participated in a number of tradeshows and expanded its internal and external communications.

Expanded Member Benefits & Discounts

LR expanded its lineup of member discounts and affinity programs again in 2006. Key additions included member savings on DHL shipping, discounted software training through LANtec Computer Training Center, a pilot discount program for Baton Rouge-area REALTORS® with Cox Communications, and personalized “gift cards” for REALTOR® clients through The Gift Assistant. For a complete listing of member discount programs, see page 18.

2006 Outlook...

Online Consumer Information

In early 2006, LR will unveil a new consumer website to replace the current Louisiana Living Network site. The new site will include a REALTOR® database, property listings and improved tools for consumers, and plenty of information on the benefits of using a REALTOR®.

Research Section of Website

Expansion of the LAREALTORS.org site to include Louisiana sales statistics information and economic trends as a resource for members.

Online “Technology How-To” Resource

LR will develop an online resource explaining basic computer concepts, how to get online, and other ground level technology issues.

Disaster-related Information/Communication Resource

Based on workgroup feedback, LR staff will expand the web-based information & communication resource developed in September 2005 to include greater functionality and more information on maintaining their businesses and real estate transactions.

COMMERCIAL BUSINESS & INDUSTRY

For more information on activities in this area, contact Kevin Calbert at 1-800-266-8538 or kevin@larealtors.org.

2005 Update...

Statewide Alliance of Commercial Entities

LR embarked on a concentrated effort in 2005 to improve communication and work cooperatively with local board CIDs and state/regional chapters of other commercial REALTOR® organizations. The goal is to improve services for Louisiana’s commercial practitioners and increase awareness of available programs and services while avoiding a duplication of efforts.

Commercial Development Conference

Over 70 attended the Louisiana REALTORS® Commercial Development Conference on June 15, 2005 in Shreveport. The half-day, free program was sponsored by Morgan Keegan & Company and presented in conjunction with the Commercial Investment Division of the Northwest Louisiana Association of

REALTORS®. Industry experts provided an examination of key issues impacting the commercial real estate market in Louisiana and throughout the country. Attendees received 4 hours of CE credit.

Commercial Contracts Course

Louisiana REALTORS®, in association with the Pelican Alliance of Commercial Real Estate Practitioners (PACREP), conducted offerings of “Commercial Contracts - 2005 Mandatory” throughout Louisiana in 2005. The course was an approved commercial alternative to the Louisiana Real Estate Commission’s mandated 4-hour contracts course for 2005. Students completing the course will receive a CD-ROM containing sample forms and documents that can be used as a guide in developing their own agreements.

Louisiana Business Resources Symposium

Louisiana REALTORS® partnered with the state of Louisiana, the Louisiana Bankers Association and the Society of Louisiana Certified Public Accountants on the 2005 Louisiana Business Resources Symposium, a statewide series of seminars on economic development incentive programs offered through the Louisiana Department of Economic Development. REALTORS® attending one of the sessions earned 3 hours of CE.

2006 Outlook...

Online Course: Introduction to Commercial Real Estate

LR will develop an introductory/orientation course for new commercial practitioners, to be delivered electronically via LR’s Online Learning Center.

Commercial Forms

An update of existing commercial forms and agreements in LR’s online form library will be published in early 2006, and the association plans to release a number of new forms for download by members later in the year.

Statewide Alliance of Commercial Entities

LR will continue its concentrated effort to improve communication and work cooperatively with local board CIDs and state/regional chapters of other commercial REALTOR® organizations. The goal is to improve services for Louisiana’s commercial practitioners and increase awareness of available programs and services while avoiding a duplication of efforts.

Economic Development Issues Involvement

LR will continue its efforts to position the Commercial Business & Industry Team as a statewide advisory group on economic development issues, seek beneficial relationships with state/local government and other economic development entities, and seek LR representation on related boards and committees. This will include building on our relationship with the Louisiana Department of Economic Development through continued involvement in their annual Business Resources Symposium, which offers CE to participating REALTOR® members.

LEGISLATIVE RECAP

Throughout the Regular and Special State Legislative Sessions of 2005, Louisiana REALTORS® sponsored many pieces of legislation and monitored many more to make sure that real estate interests were advanced and protected. What follows is a recap of all legislative activity pertinent to the real estate industry during the 2005 sessions. For more specific information or questions please feel free to contact Norman Morris at 1-800-266-8538 or norman@larealtors.org, or you can visit www.legis.state.la.us to view a specific piece of legislation.

2005 Regular Legislative Session

REAL ESTATE NON- COMPETE LAWS

HB 403 by Representative Waddell & Pinac

Effective Date: January 1, 2006

This legislation was introduced to educate REALTOR® licensees and brokers on non-compete clauses. The new law will require that all non-compete agreements between a broker and a licensee be in writing in bold face lettering not less than ten-point font size. The law also provides for the licensee to rescind the non-compete agreement until midnight of the third business day following the execution of the non-compete agreement or the delivery of the agreement to the licensee, whichever is later. Any disputes arising out of a non-compete agreement shall be resolved in a court of competent jurisdiction. The LREC will be recommending to the real estate schools that non-compete clauses be taught to licensees in pre-licensing classes as well as to licensed real estate professionals in other educational settings.

Impact to REALTORS®:

- A. Educate and disclose more information to REALTOR® licensees and brokers on non-compete agreements.
- B. Provides a REALTOR® with an opportunity to rescind the agreement for three days.
- C. Requires that the non-compete agreement be prominently displayed.

COMPONENT PARTS OF IMMOVABLE PROPERTY

SB 196 by Senator Barham & Representative Greene

Effective Date: EFFECTIVE

This law is intended to clarify article 466 of Louisiana Civil Code. Article 466 deals with the definitions of component parts of immovable property. The law attempts to bring Louisiana back to the previous law prior to the April 2005 court decision of "Willis Knighton vs. Caddo Shreveport Sales". Things such as plumbing, heating, cooling, electrical or other installations are component parts of an immovable as a matter of law. Other things are to be considered to be permanently attached to an immovable if they cannot be removed without causing substantial damage to themselves or to the immovable or if, according to prevailing notions in society, they are considered to be component parts of an immovable. Since the passage of this bill by the Legislature, the Supreme Court has granted a rehearing of the Willis-Knighton case and held that the Supreme Court's previous ruling and interpretation of the law will not be retrospective.

Impact to REALTORS®:

- A. Law will restore component part definition back to where all REALTORS® are used to working with.
- B. Law allows transactions agreed to after the court decision to be resolved under the same scheme transacted for nearly 30 years.

C. Provides that doors, hinges carpet, toilets, etc. are considered to be immovable and part of the sale of the structure.

TAX CREDITS FOR THE REHABILITATION OF HISTORIC STRUCTURES

HB 602 by Rep. Daniel & Thompson, HB 420 by Rep. Marchand & Sen. Jackson

Effective Date: EFFECTIVE

This law extends the credit against income and corporation franchise tax for the amount of eligible costs and expenses incurred during the rehabilitation of a historic structure located in a downtown development district. The tax credit for qualified structures is earned only in the year in which the property attributable to the expenditure is placed into service. Eligible structures must be nonresidential real property or residential rental property and the expenditures must exceed ten thousand dollars and no person shall receive more than 5 million dollars of credit for any number of structures rehabilitated within an area. This act shall remain effective for all taxable years ending prior to January 2009.

Impact to REALTORS®:

- A. Allows a credit against income and corporation tax for costs in the amount of eligible costs for rehabilitating an historic property.
- B. Caps the credit at five million dollars.
- C. Extends credit to 2009.
- D. Persons who are awarded tax credits in excess of their tax liabilities for a given year may choose to sell their unused tax credits twice to taxpayers with a Louisiana liability.
- E. The new law created under HB 420 basically achieves similar results as HB 602. HB 420 includes mix use developments in historic districts and the total credit shall not exceed twenty thousand dollars. The new law in HB 420 also provides for a sliding scale for expenses based on adjusted gross income and the tax credit is divided in five equal parts.

Real Estate Industry — Approved Legislation

RECORDATION OF MORTGAGE & CONVEYANCE

Act # 169 (HB 214) by Representative Gallo

Effective Date: January 1, 2006

This legislation was introduced by the Louisiana State Law Institute to consolidate and expand provisions of Louisiana law presently located in the Code of Civil Procedure and Revised Statutes relative to the recordation of instruments in the mortgage and conveyance records. This lengthy act clarifies and corrects many present laws regarding recordation of original instruments, extracts of lease, cancellation of mortgages, and correction of mortgage and conveyance records to accurately reflect their status or to require the recorder to perform particular duties with respect to records which the law specifically requires.

Impact to REALTORS®:

The new law primarily restates existing laws but may provide some changes which will require title examiners to request additional or different documentation from sellers in examining title.

ELECTRONIC FILING

Act # 125 (SB 153) by Representative Scalise & Senator Michot

Effective Date: June 22, 2005

This act enacts Louisiana Code of Civil Procedure Art. 258 to allow the Orleans Parish Register of Conveyances and Mortgages to implement a published plan which provides for the acceptance of certain electronic records from limited filers. This is the pilot program with the Orleans Clerk for the submittal of electronic documents to the Clerk.

Impact to REALTORS®:

This bill provides a pilot program for electronic filing which will be used as a test program for future electronic filing throughout the state.

QUALIFIED EQUITY INVESTMENTS

HB 356 by Representative Richmond & Senator Jackson

Effective Date: September 1, 2005

This law provides for a Louisiana income or corporation franchise tax credit for a person who holds a qualified equity investment on a credit allowance date of such an investment which occurs during the taxable year equal to the applicable percentage of an adjusted purchase price paid to the issuer of the qualified equity investment for such investment on a credit allowance date.

Impact to REALTORS®:

A. Extends tax credit to August 31, 2013.

B. Gives more latitude on definition of Investment which tracks the Federal IRS Section 45D codes.

C. New law deletes from present law more stringent guidelines for determination of obtaining equity investment.

MORTGAGE LENDING

HB 446 by Representative Trahan

Effective Date: August 15, 2005

This law will require each applicant for licensure for a mortgage lenders license to pass a written examination. The testing will apply to applicants who have not had, in the last three years, twelve months experience in the mortgage lending field, and a bachelor or masters degree in an area related to finance, banking or business. The testing will also apply to those without a degree in a related field and who have not had, in the last three years, twenty-four months of experience in the mortgage lending field.

Impact to REALTORS®:

A. Will ensure that competent lenders and originators understand the entire mortgage lending process by the passage of an examination.

B. Requires testing to be re-instituted in the mortgage lending industry.

CONTINUING EDUCATION FOR TITLE INSURANCE AGENTS

HB 653 by Representative Erdey

Effective Date: Renewal of licensure in 2006

This law will require that title insurance agents complete six hours of continuing education of approved instruction prior to the renewal of their 2006 license.

Impact to REALTORS®:

- A. Provides needed education for title insurance agents.
- B. Helps ensure that REALTORS® are dealing with well informed professionals in the title insurance arena.

HOME WARRANTY/PROTECTION PLANS

Act # 101 (HB 738) by Representative Guillory & Pinac

Effective Date: EFFECTIVE

Will allow lenders to be able to sell and finance home warranty/protection plans for consumers, and will allow the consumer to purchase plans from proceeds from consumer loans.

Impact to REALTORS®:

Will provide consumers of real property with more choices.

STATEWIDE BUILDING CODES FOR RESIDENTIAL CONSTRUCTION

HCR 135 by Representative Johns

Effective Date: July 15, 2005

This study resolution brings all the parties of the housing and insurance industry together to study the issue of implementing a statewide building code. The LR President will serve on the task force and report back to the Board of Directors. *(see the Special Session recap on page 17 for information on the passage of HB 44, which created a uniform statewide building code)*

Impact to REALTORS®:

- A. Places REALTORS® at the table when discussions are underway on building codes.
- B. Will help determine if statewide building codes can lower homeowners' insurance costs and better protect properties.
- C. Task force must report back to the Governor and the legislature no later than March 1, 2006.

TAX ASSESSMENT NOTICES

SB 96 by Sen. Schedler & Nevers, Act # 143 (SB 108) by Sen. Adley

Effective Date: January 1, 2006

This law requires taxing districts that intend to meet to consider increases in millage rates shall have to provide notice by July 15th. The district must also publish twice the intent in the official journal and the notice must be prominently displayed. The district shall also run a press release to newspapers and to area media outlets. This new law also provides that the assessor shall provide notice to a taxpayer of the amount of the assessment of the taxpayer's property in any year where property is reappraised or the property assessment for a tax year increases by 15%. The taxpayer will then be able to rely on the assessment valuation mailed to him by this notice and use that in a defense against any further increases for additional ad valorem taxes. The new law created out of SB 108 accomplishes the same issues as does SB 96 by Senator Schedler & Nevers.

Impact to REALTORS®:

Will provide more notice and safeguards to property owners concerning their tax assessments and will better notify them on when taxing districts meet to discuss millage increases.

Defeated/Amended Legislation**LIVINGSTON PARISH TRANSFER TAX**

HB 826 by Representative Erdey

Effective Date: Upon the signature of the Governor and approval of the majority of voters at an election to be called in Livingston Parish.

This law will allow the Livingston Parish Council to collect a real estate documentary transaction tax of \$300.00 only after an election is held and a majority of residents voting in Livingston Parish approve the tax. LR was successful in placing an amendment requiring a vote of the people.

Impact to REALTORS®:

- A. Provides that no real estate tax can be collected until a majority of voters approve the issue.
- B. The LR-sponsored vote of the people amendment may deter other municipalities from trying to raise taxes on the backs of real estate consumers just by approving it on the local level by a parish or city council vote without Legislature and voter approval.

REAL ESTATE RECORDATION TAX

HB 845 by Representative Hill

Effective Date: DEFEATED

This law would have allowed assessors in 13 parishes to collect \$25.00 per page for all document filed with the clerk of court. This law if passed would have raised the recordation costs for consumers by \$200 - \$500 per transaction.

Impact to REALTORS®:

- A. Would have priced many homebuyers out of the market.
- B. Would have allowed assessors to collect fees for providing no service for the recordation of the real estate/mortgage documents.
- C. Would have placed many clerks of court in a bad situation.

EXCISE TAX ON WIRELESS COMMUNICATION SERVICES

HB 688 by Representative Richmond

Effective Date: DEFEATED

This proposed legislation would have imposed a 2% excise tax on amounts paid for the retail purchase of all communication services which either originate or terminate in this state and which are charged to a service address in their state, regardless of where such amounts are billed or paid. The revenues generated would be used by local governments and could be adopted without a vote of the people.

Impact to REALTORS®:

- A. Would have increased telecommunication costs that REALTORS® depend heavily on.
- B. Legislation would have set bad precedent for a tax to be imposed without a vote of the people.

PRIVATE PROPERTY RIGHTS ISSUE

HB 286 by Representative McDonald

Effective Date: DEFEATED

This proposed legislation would have allowed access to private lakes in the state and the owner of the land with the lake attached to it would have had no say as to who entered the land. This legislation stemmed from a court case on a lake in the northern part of the state. LR worked with several other property rights groups to defeat this legislation and to protect the rights of owners.

Impact to REALTORS®:

A. Legislation would have required REALTOR® clients or REALTORS® themselves to allow the general public onto certain lakes, even if lake was a part of private property.

B. This legislation would have dealt a severe blow to private property rights in Louisiana.

Miscellaneous Legislation**LOUISIANA REAL ESTATE COMMISSION LEGISLATION**

Act #78 (HB 209) by Representative Damico

Effective Date: EFFECTIVE

This law contains several provisions:

- Aligns the LREC Commission with the current Supreme Court Districts,
- Clears a path for the LREC to finalize the completion of a new LREC office building,
- Allows the LREC to police misleading and inaccurate advertising.

HOMESTEAD EXEMPTION ISSUE - ORLEANS PARISH

HB 708 by Representative Arnold

Effective Date: EFFECTIVE

This new law is specific to Orleans Parish only and allows a taxpayer to claim the homestead exemption on the property if it is owned and occupied by December 31st of the calendar year in which the exemption is claimed regardless of its homestead exemption status as of January 1st of the calendar year in which the homestead exemption is claimed.

Impact to REALTORS®:

A. Law will allow REALTOR® clients and to enjoy the homestead exemption for the full calendar year if it is applied for on or before December 31st of the calendar year that it is applied for.

B. Provide another savings to REALTOR® clients enjoying home ownership.

2005 Special Legislative Session

The 2005 special legislative session called by Governor Blanco to address issues brought about by Hurricanes Katrina and Rita adjourned on Tuesday, November 22. Much of the session revolved around ways to streamline and balance the budget until the state can determine what Federal dollars can be obtained. Education and sales tax issues were debated as well as several laws aimed at correcting problems that occurred during the aftermath of the two storms. It is anticipated at the time of this printing that another special session will take place in January of 2006 to further look at budget issues and other disaster items.

Louisiana REALTORS® was very active during the session in several areas, but particularly as part of a large business coalition supporting a uniform statewide building code for residential construction. This legislation was sent to Governor Blanco on Friday of last week and it is anticipated that she will sign the bill into law. HB 44 by Representative Pinac and Senator Hollis would provide for the following:

- Uniform statewide building code (International Residential Code 2003) for all residential construction,
- The new codes would be implemented and enforced by a state Code Council made up of appointments by the Governor,
- The new law takes effect upon the Governor's signature and within 30 or 90 days (depending on which parish or municipality located in) would have to be up and running in the eleven parishes named under the emergency provision of the legislation in the southern part of the state.
- Beginning January 1, 2007 the rest of the state would have to comply with the new code requirements,
- Builders and local governments will have great flexibility in making sure the new inspections needed under the new code will occur timely to ensure that construction is not held up.

This important legislation will allow for greater resale value of homes, lower maintenance costs and more durable structures. It will also help assure that insurance companies write policies in Louisiana that are adequate and affordable, and mortgage companies continue to make funding widely available to the state's homebuyers. To review the final version of the bill sent to Governor Blanco, [click here \(PDF file\)](#).

Louisiana REALTORS® was also involved in legislation that would set up a mechanism for landlords to be able to access/cleanup their properties that were damaged after the storms. LR kept a close eye on measures dealing with price gouging as it related to the real estate industry.

For more information about any of these issues or LR's state legislative involvement, contact Norman Morris at 1-800-266-8538 or norman@larealtors.org

MEMBER SERVICES & BENEFITS

Louisiana REALTORS® works continually to develop new benefits for its membership. Through arrangements with selected vendors, LR has been successful in saving its members money on a number of business and real estate-related products and services. A listing of current LR member discount programs and service benefits are listed below. For details on how to participate in these programs or for the most up-to-date listing, please visit www.larealtors.org/memserv/ms_discounts.asp. Contact Kevin Calbert at 1-800-266-8538 or kevin@larealtors.org for more information.

Business, Financial & Marketing Products and Services

Louisiana REALTORS® Platinum Card - MBNA

Platinum MasterCard with no annual fee, a credit line of up to \$100,000 and 24-hour customer service.

Priority Partners Banking Services for REALTORS® - Regions Bank

Regions Bank offers a special package of banking services designed to help REALTORS meet their financial needs. Includes free checking account, Regions Visa checkcard, full online banking services, and discounts on a variety of banking services from traveler's checks and safe deposit box rental to MasterCard and Visa credit cards and installment loans.

Discounted Shipping for REALTORS® - DHL

Through LR's partnership with DHL, members are eligible for special association member pricing, with discounts up to 25%.

Personalized Gift Cards - The Gift Assistant

Louisiana REALTOR® members have the opportunity to create personalized gift cards to give to their clients, at a discounted rate. Cards are redeemable online for gift cards from a wide variety of merchants.

Health & Insurance

Major Medical Health Coverage - Ins/Mark of America

Two discounted health insurance plans are available for LR members through Ins/Mark of America. The Preferred Medical plan, underwritten by American National and designed for individuals and families, features premiums reduced by 30-40%, five different deductibles to choose from, and \$7,000,000 in maximum lifetime coverage. The Short-Term Major Medical plan provides the next-day issue of a renewable one-year health insurance policy with affordable premiums.

Health Care Benefits - Physicians Mutual

Physicians Mutual Insurance Company offers discounted Hospital/Medical/Surgical and Catastrophic Major Medical coverage to LR members. These policies were specially designed to be an affordable option for your health care needs, can be purchased together or separately, and are available to association members, spouses, parents, and grandparents at discounted rates.

Prescription Drug Discount Card - Ins/Mark of America

A FREE discount prescription drug card that provides discounts of up to 40% on generic drugs and 20% on name brand drugs to LR members. The card, administered through Alliance HealthCard, is honored at CVS, Kroger, Walgreen's, Winn Dixie and many other independent and chain pharmacies.

Discounted Dental, Vision, Other Medical - Louisiana Dental Plan

Through Louisiana Dental Plan, Louisiana REALTORS® is offering discounted dental, vision and other coverage to REALTOR® members. In addition to dental benefits, participating Louisiana REALTOR® members will also receive vision, hearing, massage therapy, cosmetic surgery, chiropractic service and prescription drug benefits. Louisiana Dental Plan is a reduced fee Dental Preferred Provider Network (DPPN). Unlike traditional dental insurance, the program has no waiting periods, no claim forms and no annual or lifetime maximums. Orthodontics and pre-existing conditions are included, and they require no pre-authorization for treatment.

Alliance Dental Plan - Ins/Mark of America

Ins/Mark of America is now offering the brand new alliance dental plan, an inexpensive alternative to a fully insured plan using CIGNA Dental Network Access. Louisiana REALTOR® members and their families can save an average of 41% on routine dental procedures. Monthly costs are as low as \$10 for individual members (or discounted to \$99 annually) and \$20 for families (discounted to \$199 annually).

Long Term Healthcare - Physicians Mutual

LR has partnered with Physicians Mutual Insurance Company on an attractive franchise package of long-term care benefits available to REALTOR® members.

Technology-related & Miscellaneous Products & Services***Discounted Software Training for REALTORS® - LANtec***

Need training for yourself or your office on specific software programs? LANtec Computer Training Center of Baton Rouge has partnered with Louisiana REALTORS® to offer discounted 1-day computer applications courses to all members. REALTORS® save \$50 off the regular course price, and additional quantity discounts are available.

Web Development & Hosting - EATELWEB

EATELWEB's Keelson product is a turn-key, user-managed web development platform that enables REALTORS® to easily and efficiently set up and manage a website. Through the arrangement with LR, Keelson is offered at a 15% discount to REALTOR® members.

Premium Dialup Internet Access - Away2Net

Away2Net provides premium dial-up internet service to members of Louisiana REALTORS® at the very attractive discounted rate of \$16.95/month. In addition, the set-up fee has been waived for members of the association.

Online Do-Not-Call compliance - DNCQuickcheck by PossibleNOW

LR's partnership with PossibleNOW allows members to subscribe to the DNCQuickcheck service for only \$10 per month. DNCQuickcheck is an Internet-based service designed to provide complete compliance with the Do-Not-Call provisions of state and federal law. The system allows a user to check telephone numbers against the State, Federal and specific company Do-Not-Call lists and provides the documentation necessary for a "Safe Harbor" defense from any Do-Not-Call claim. In addition, DNCQuickcheck manages the documentation, reporting, training, policy, and data management associated with the Do-Not-Call regulations.

Online Utility Connection Services - ConnectUtilities.com

Louisiana REALTORS® has an exclusive partnership with the nation's leading outsourced utility connection professional, ConnectUtilities.com. ConnectUtilities.com has consolidated the traditionally burdensome utility connection process, allowing for utility disconnections and/or connections to be taken care of in minutes, not hours. Through our partnership, LR members have access to this convenient online connection service FREE OF CHARGE.

REALTOR Safety Products - SafeShow Inc.

Louisiana REALTOR® members receive 20% off all protection products offered by Safeshow Inc. Safeshow is the first and only company that manufactures safety products specifically for REALTORS®.

High-Speed Internet Access, Digital Cable, Phone Service Offers for REALTORS® - Cox Communications

(NOTE: Currently available to LR members in the 9-parish Greater Baton Rouge area only) Cox Communications of Baton Rouge is extending special introductory offers to Louisiana REALTOR® members and their customers on high speed Internet, digital cable and digital phone service.

In addition to the discount and benefit programs offered by Louisiana REALTORS®, the National Association of REALTORS® offers a variety of special discounts and offers through its REALTOR® Benefits program. Check out their current selection at REALTOR.org.

Louisiana REALTORS®

Your Real Estate Resource

www.LAREALTORS.org

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