



EXECUTIVE DEPARTMENT

EXECUTIVE ORDER NUMBER 18-20

**Supervision of the Louisiana Real Estate Appraisers Board
Regulation of Appraisal Management Companies—Amending Executive
Order Number JBE 17-16**

WHEREAS, Executive Order Number JBE 17-16, issued on July 11, 2017, directed the Louisiana Real Estate Appraisers Board (“the LREAB”) to submit to the Commissioner of Administration (or the Commissioner’s designee) for approval, rejection, or modification within 30 days of the submission any proposed regulation related to appraisal management company (“AMC”) compliance with the customary and reasonable fee requirement of La. R.S. 37:3415.15(A), along with its rulemaking record, to ensure that such proposed regulation would serve Louisiana’s public policy of protecting the integrity of the residential mortgage appraisals by requiring that the fees paid by AMCs for an appraisal are customary and reasonable;

WHEREAS, in November 2017, a designee of the Commissioner of Administration reviewed and approved the proposed rule, § 31101 of Part LXVII of Title 46 of the Louisiana Administrative Code, in accordance with Executive Order Number 17-16;

WHEREAS, Act No. 623 of the 2018 Regular Session of the Legislature of Louisiana establishes an Occupational Licensing Review Commission (“the Commission”) beginning January 1, 2019. La. R.S. 37:45 provides that the Commission is responsible for the active supervision of state executive branch occupational licensing boards, including the LREAB, “to ensure compliance with state policy in the adoption of occupational regulations by an occupational licensing board”; and

WHEREAS, active supervision of the promulgation of rules relating to AMC compliance with the customary and reasonable fee requirement of La. R.S. 37:3415.15(A) under Executive Order Number 17-16 remains necessary until the effective date of Act No. 623 of the 2018 Regular Session of the Legislature of Louisiana.

NOW THEREFORE, I, JOHN BEL EDWARDS, Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and laws of the State of Louisiana, do hereby order and direct as follows:

SECTION 1: Section 1 of Executive Order Number 17-16 is hereby amended to read as follows:

Prior to finalization of a settlement with or the filing of an administrative complaint against an AMC regarding compliance with the customary and reasonable fee requirements of La. R.S. 37:3415.15(A), such proposed action and the record thereof shall be submitted to the Division of Administrative Law (DAL) for approval, rejection, or modification. Such review is to ensure fundamental fairness and that the proposed action serves the interests of the State of Louisiana. The LREAB shall maintain a contract with the DAL to establish the procedure for this review.

SECTION 2: Section 2 of Executive Order Number 17-16 is hereby amended to read as follows:

The LREAB is directed to submit to the Commissioner of Administration (or the Commissioner's designee) for approval, rejection, or modification within 30 days of the submission any proposed regulation related to AMC compliance with the customary and reasonable fee requirement of La. R.S. 37:3415.15(A), along with its rulemaking record, to ensure that such proposed regulation serves the interests of the State of Louisiana. The Commissioner (or his designee) may extend the 30-day review period upon a determination that such extension is needed. The authority of the Commissioner of Administration under this section shall continue in effect, including the obligation to approve, reject, or modify any such proposed LREAB regulation and to direct LREAB to comply with such determination, notwithstanding the submission of such proposed regulation to the Legislature by LREAB as provided by R.S. 49:968.

SECTION 3: This Order will become effective upon signature and Section 2 shall continue in effect until January 1, 2019; Section 1 shall continue in effect unless amended, terminated, or rescinded by the Governor.

IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of Louisiana, at the Capitol, in the City of Baton Rouge, on this 17th day of August, 2018.