

**UNITED STATES OF AMERICA
BEFORE THE FEDERAL TRADE COMMISSION**

COMMISSIONERS: **Joseph J. Simons, Chairman**
 Maureen K. Ohlhausen
 Noah Joshua Phillips
 Rohit Chopra
 Rebecca Kelly Slaughter

_____)	
In the Matter of)	
)	
Louisiana Real Estate Appraisers Board,)	Docket No. 9374
Respondent)	
_____)	

ORDER DENYING STAY PENDING APPELLATE REVIEW

On April 10, 2018, the Commission issued an Opinion and Order denying Respondent’s Motion to Dismiss Complaint and granting Complaint Counsel’s Motion for Partial Summary Decision regarding Respondent’s state action defenses (“April 10 Order”). Respondent filed a Petition for Review of the April 10 Order with the United States Court of Appeals for the Fifth Circuit and submitted to the Commission a Motion to Stay Proceedings Pending Appellate Review (“Motion to Stay”).¹

The administrative proceeding that Respondent seeks to stay involves allegations that the Louisiana Real Estate Appraisers Board (“the Board”) violated Section 5 of the Federal Trade Commission Act by unlawfully restraining price competition for real estate appraisal services. The adjudication has now proceeded through the close of most discovery and the exchange of witness lists, most exhibits, and expert reports. The evidentiary hearing

Commission Rule of Practice 3.41(f)(1), 16 C.F.R. § 3.41(f)(1), states, in relevant part:

The pendency of a collateral federal court action that relates to the administrative adjudication shall not stay the proceeding: (i) Unless a court of competent jurisdiction, or the Commission for good cause, so directs

For the reasons explained below,

a way that tends to raise prices paid by appraisal management companies for real estate appraisal services. Complaint ¶¶ 3, 44. In the April 10 Order, the Commission found a controlling number of Board members were Board-licensed real estate appraisers. If the Complaint's allegations are substantiated, a Board controlled by real estate appraisers has been regulating appraisals in a manner that tends to raise appraisal fees. Until these allegations are resolved, the Board could continue to act in a manner that may be found anticompetitive. Accordingly, granting a stay could undermine the public interest in maintaining competition.

The public interest also favors the expeditious resolution of the Commission's complaints. Cf. Commission Rule of Practice 3.1, 16 C.F.R. § 3.1 (stating the Commission's policy to conduct its adjudicatory proceedings expeditiously). Commission opinions resolving competition issues provide valuable guidance not only to respondents, but also to third parties in similar circumstances. Here, resolving the Complaint's allegations may have particular utility for other states considering mechanisms to ensure that lenders and their agents compensate appraisers at "customary and reasonable" rates, given the backdrop of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, 15 U.S.C. § 1639e(i)(1). A stay could delay substantially such guidance.

Accordingly,

IT IS ORDERED that the Motion of Louisiana Real Estate Appraisers Board to Stay Proceedings Pending Appellate Review is hereby **DENIED**.

By the Commission.

Donald S. Clark
Secretary

SEAL:

ISSUED: June 6, 2018