

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

**COMMISSIONERS:**        **Lina Khan, Chair**  
                                  **Rebecca Kelly Slaughter**  
                                  **Noah Joshua Phillips**  
                                  **Christine S. Wilson**

\_\_\_\_\_ )  
**In the Matter of** )  
                                  )        **DECISION AND ORDER**  
**Louisiana Real Estate Appraisers** )        **Arapte**  
\_\_\_\_\_ )

**DECISION AND ORDER**

The Federal Trade Commission (“Commission”) issued its complaint charging Respondent Louisiana Real Estate Appraisers Board (“LREAB” or “Respondent”) with violation of Section 5 of the Federal Trade Commission Act, as amended. The Commission served Respondent with a copy of the complaint, together with notice of contemplated relief, and Respondent filed its answer to the complaint denying said charges.

The Respondent, its attorney, and counsel for the Commission have executed an Agreement Containing Consent Order (“Consent Agreement”) containing (1) an admission by the Respondent of all the jurisdictional facts set forth in the complaint, (2) a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in the complaint, or that the facts alleged in the complaint, other than jurisdictional facts, are true, (3) waivers and other provisions as required by the Commission duly considered any comments received from interested persons pursuant to Commission Rule 2.34, 16 C.F.R §2.34. Now in further conformity with the procedure prescribed in Rule 2.34, the Commission makes the following jurisdictional findings:

1. Respondent Louisiana Real Estate Appraisers Board is an industry regulatory board of the State of Louisiana with its office and principal place of business located at 9071 Interline Avenue, Baton Rouge, Louisiana 70809.
2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and the proceeding is in the public interest.

## **ORDER**

### **I. Definitions**

#### **IT**

##### **A.**

- I. “Rule 31101” means subparts A, B, and C of Rule 31101 of Title 46 Part LXVII of the Professional and Occupational Standards of the Louisiana Administrative Code, La. Admin. Code tit. 46, pt. LXVII, §31101 (A, B, and C) (2013, 2017).

## **II. Prohibitions**

**IT IS FURTHER ORDERED** that Respondent, in connection with its activities in or affecting commerce, as “commerce” is defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. § 44, shall cease and desist from, directly or indirectly:

- A. Adopting, promulgating, or enforcing any regulation or rule that sets, determines, or fixes compensation or compensation levels for Real Estate Appraisal Services, including enforcing Rule 31101 or any order entered against any person or entity based on an alleged violation of Rule 31101;
- B. Raising, fixing, maintaining, or stabilizing prices or price levels, compensation or compensation levels, rates or rate levels, or payment terms, or engaging in any other action relating to pricing for Real Estate Appraisal Services, including:
1. Adopting, promulgating, or enforcing a fee schedule for Real Estate Appraisal Services;
  2. Requiring, encouraging, or advising an Appraisal Management Company to pay any specific fee or range of fees for Real Estate Appraisal Services, including but not limited to a fee reported in an Appraisal Fee Survey; or
  3. Requiring, encouraging, or advising any Real Estate Appraiser to request a specific fee or range of

### III. Additional Obligations

**IT IS FURTHER ORDERED** that:

- A. No later than 30 days from the date this Order is issued, Respondent shall rescind (1) Rule 31101 and (2) any enforcement order that Respondent has entered against any person or entity based on an alleged violation of Rule 31101.
- B. No later than 60 days after the date of implementation, Respondent shall notify the Commission of a new rule or an amendment to an existing rule relating to compensation or compensation levels for Real Estate Appraisal Services. Respondent shall send the notification electronically to [bccompliance@ftc.gov](mailto:bccompliance@ftc.gov) and include the text of the rule or amendment and a statement of the reasons for adoption of the rule or amendment.

### IV. Notice

**IT IS FURTHER ORDERED** that Respondent shall:

- A. No later than 30 days from the date this Order is issued:
  - 1. Post and maintain for one year on the homepage of LREAB's website a Clear and Conspicuous Notice that states "IMPORTANT: The Federal Trade Commission has ordered LREAB to rescind and cease enforcing the customary and reasonable fee rule, LAC 46:LXVII.31101 (A, B, and C). The Order is available at [hyperlink to Order on ftc.gov];"
  - 2. Send a copy of this Order and the Commission's complaint by first-class mail with delivery confirmation or electronic mail with return confirmation to each LREAB member and each LREAB Employee; and
  - 3. Send a letter on LREAB's official letterhead containing only the text shown in Appendix A of this Order, by first-class mail with delivery confirmation or electronic mail with return confirmation, to each Appraisal Management Company licensed by the state of Louisiana. If sent by first-class mail, the letter shall be placed in an envelope containing only the text shown in Appendix B of the Order. If sent by electronic mail, the subject line of the electronic mail shall contain only "Important Information About Louisiana's C&R Fee Rule."
- B. For a period of 5 years from the date this Order is issued, send a copy of this Order and the Commission's complaint by first-class mail with delivery confirmation or electronic mail with return confirmation to each new LREAB member and each new LREAB Employee, no later than 10 days from the date that such newd( )Tj0.26 0 TdTJ3.08 0r( )Tj han01te han p

## V. Compliance Reports

**IT IS FURTHER ORDERED** that:

- A. Respondent shall submit verified written reports (“compliance reports”) in accordance with the following:
  - 1. Respondent shall submit an interim compliance report 60 days after the date this Order is issued; annual compliance reports one year after the date this Order is issued, and annually for the next 4 years on the anniversary of that date; and additional compliance reports as the Commission or its staff may request; and
  - 2. Each compliance report shall contain sufficient information and documentation to enable the Commission to determine independently whether Respondent is in compliance with the Order. Conclusory statements that Respondent has complied with its obligations under this Order are insufficient. Respondent shall include in its reports, among other information or documentation that may be necessary to demonstrate compliance, a full description of the measures Respondent has implemented or plans to implement to ensure that it has complied or will comply with each paragraph of this Order.
- B. For a period of 5 years after filing a compliance report, Respondent shall retain all material written communications with each party identified in the compliance report and all non-privileged internal memoranda, reports, and recommendations concerning fulfilling Respondent’s obligations under this Order during the period covered by such compliance report. Respondent shall provide copies of these documents to Commission staff upon request.
- C. Respondent shall verify its compliance reports in the manner set forth in 28 U.S.C. § 1746 by the Executive Director of the Board or the Chairman of the Board. Respondent shall file its compliance reports with the Secretary of the Commission at [ElectronicFilings@ftc.gov](mailto:ElectronicFilings@ftc.gov) and the Compliance Division at [bccompliance@ftc.gov](mailto:bccompliance@ftc.gov), as required by Commission Rule 2.41(a), 16 C.F.R. § 2.41(a).

## VI. Change in Respondent

**IT IS FURTHER ORDERED** that Respondent shall notify the Commission at least 30 days prior to:

- A. Any proposed dissolution of Respondent; or
- B. Any other change in Respondent if such change may affect compliance obligations arising out of this Order.

## **VII. Access**

**IT IS FURTHER ORDERED** that, for the purpose of determining or securing compliance with this Order, and subject to any legally recognized privilege, and upon written request and upon 5 days' notice to Respondent made to its principal place of business as identified in this Order, Respondent shall, without restraint or interference, permit any duly authorized representative of the Commission:

- A. Access, during business office hours of the Respondent and in the presence of counsel, to all facilities, and access to inspect and copy all business and other records and all documentary material and electronically stored information as defined in Commission Rules 2.7(a)(1) and (2), 16 C.F.R. § 2.7(a)(1) and (2), in the possession, or under the control, of the Respondent related to compliance with this Order, which copying services shall be provided by the Respondent at the request of the authorized representative of the Commission and at the expense of the Respondent; and
- B. To interview members or employees of the Respondent, who may have counsel present, regarding such matters.

## **VIII. Term**

**IT IS FURTHER ORDERED** that this Order shall terminate on April 1, 2042.

By the Commission.

April J. Tabor  
Secretary

SEAL:  
ISSUED: April 1, 2022

Appendix A  
Notice

[Louisiana Real Estate Appraisers Board Letterhead]

To Appraisal Management Companies licensed in Louisiana:

The Federal Trade Commission has alleged that our customary and reasonable fee rule, 46:LXVII.31101, subparts A, B, and C (“Rule”), and our enforcement of those parts of the Rule violate federal antitrust laws. We deny the charges.

As part of a settlement with the FTC, we are contacting Appraisal Management Companies licensed in Louisiana to tell them that the Rule, and any Order based on an alleged violation of the Rule, have been rescinded and will no longer be enforced.

If you have questions about this lawsuit or the settlement, you can contact Federal Trade Commission staff:

Lisa B. Kopchik, Attorney  
[LKopchik@FTC.gov](mailto:LKopchik@FTC.gov)  
202-326-3139

or

Patricia M. McDermott, Attorney  
[PMcDermott@FTC.gov](mailto:PMcDermott@FTC.gov)  
202-326-2569

Sincerely,

[Signature]

Bruce Unangst, Executive Director

Appendix B  
Envelope

Louisiana Real Estate Appraisers Board  
[Return address or printed text as found  
on the Board's usual business stationery]

[Postage]

**FORWARDING AND RETURN POSTAGE GUARANTEED  
ADDRESS CORRECTION SERVICE REQUESTED**

[Appraisal Management Company]  
Attn: [Contact Name  
Street Address  
City, State and Zip Code]

**IMPORTANT INFORMATION ABOUT LOUISIANA'S C&R FEE RULE**