

**APPRAISER LICENSING AND CERTIFICATION BOARD
HEBER M. WELLS BUILDING
ROOM 2B
December 14, 2011
9:00 A.M.
TELEPHONIC MEETING**

MINUTES

STAFF MEMBERS PRESENT

Jonathan Stewart, Division Director
Mark Fagergren, Education/Licensing Director
Kent Nelson, Chief Investigator
Dee Johnson, Assistant Chief Investigator
Xanna Hardman, Assistant Attorney General
Jennie Jonsson, Hearing Officer
Renda Christensen, Board Secretary
Carla Westbroek, Appraisal Education/Licensing Specialist
Craig Livingston, Investigator
Ken Wamsley, Investigator

BOARD MEMBERS PRESENT

Craig Morley, Chair
Paul Throndsen, Vice Chair
Debra Sjoblom, Board Member
Jeanette Payne, Board Member
Daniel Brammer, Board Member

GUESTS

Carol Owens
Kevin Emerson

The December 14, 2011 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Morley conducting.

PLANNING AND ADMINISTRATIVE MATTERS

A motion was made to accept the minutes from the November 9, 2011 meeting as written. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Payne, yes; Board Member Brammer, yes; Board Member Sjoblom, yes. Motion carries

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart said he and Ms. Jonsson met with Representative Froerer last month and talked with him about our 2012 bill. He has agreed to sponsor the bill for the Division.

As mentioned previously, the Division started a new Chat Function on our website. In the month of November, Division staff chatted with 118 people. So far, we have received positive

feedback from the public. We hope that it will continue to be a successful tool to communicate with the public and industry members.

The Division is scheduling a USPAP class for Division staff, tentatively scheduled for the week of February 5, 2012. Those attending will be: Director Stewart, Kent Nelson, Jennie Jonsson, Xanna Hardman, Mark Fagergren, Jim Bolton, Craig Livingston, and Ken Wamsley.

It has been brought to the Division's attention that the Technical Panel is out-of-date, and we are looking at updating the list. The Board Members should have received resumes for two potential Technical Panel members: J. Daniel Wall and Jeffrey S. Williams. Director Stewart said we are also looking at adding additional Technical Panel members. Mr. Wamsley said there are three main groups: Education Review, Experience Review, and Technical Panel. The Technical Panel members review desk readings, not a Standard 3 Review, and see if there are any violations of USPAP or any enforcement violations. Mr. Fagergren said the normal Experience Review Committee is different. The licensing arm of the Division uses the Experience Review Committee for the monthly review and approval of experience applicants. The Technical Panel is used primarily by the Enforcement arm at the Division. If they have a complaint or issue that is quite complex and they need a sounding board on how to move forward, Enforcement uses the Technical Panel as a resource to help them in their investigations. Mr. Wamsley said both commercial and residential appraisers are needed on the Technical Panel.

Director Stewart said last month AMC issues were discussed. There were some members from the public that said they would come back with recommendations, and Director Stewart received one phone call from an owner of an AMC that heard about our discussions. This person said he doesn't want the Division to implement the requirement of the use of bonds or a recovery fund. Director Stewart spoke with the Department head and they feel comfortable about not doing any changes this with year with AMCs for two reasons. One is because of the lack of time, and the second reason is because we don't want to make a quick decision and have it be the wrong one, and then have to live with it for a year. The Division would like to wait until the next legislative session, talk about it over the next year as to what the best option is to deal with the AMC issues.

Director Stewart discussed the article on tax appeal that will address a specific issue and problem that has been brought to our attention. Ms. Hardman said the purpose of the article was to put people on notice that this isn't just an unregulated area and that people need to be aware of those regulations. Vice Chair Throndsen said the problem is that unlicensed people will not have access to the article in the newsletter. Chair Morley suggested the Division put a tab for "Tax Representation" on their website and put the article along with statutes and rules in there to help the consumer. Board Member Sjoblom suggested another article be written to let realtors know what they can and can't do.

Mr. Fagergren said that there is no standard of performance in our rules that define BPOs in real estate. He said there is no defined clarity in real estate with respect to BPOs. Chair Morley said the intent of the article is to tell people to call with any questions first before acting if they are not clear.

Chair Morley said there is a trend in AMCs acting as an appraisal company and a management company. The management company assigns the appraisals to themselves unless it happens to be in an area where they don't have a staff appraiser working, and then they will contact the third-party appraiser. There is a real potential conflict because the appraiser is now hired and employed by the management company. Ms. Jonsson said currently she does not see anything in our statutes or rules that would prohibit a management company performing in both capacities. We would have an issue if an AMC represented to a client that it would act as a third-party broker. If that is what the lender thought it was hiring, and the AMC represented that it would perform that duty, and then it assigned its own staff appraiser to perform the assignment so that it was not operating as a third-party AMC, then she believes that we potentially would have some sort of violation. If an AMC clearly discloses to the lender that a staff appraiser would be doing the job and there was no third-party broker involved, then there is currently nothing in law right now that would prohibit the AMC from functioning as an appraisal firm.

ENFORCEMENT REPORT – Kent Nelson

Mr. Nelson said in November the Division received 8 complaints; opened 8 cases; closed 10 cases; leaving the number of appraiser active complaints at 66.

There is one stipulation before the Board today, Richard W. Koplin. Mr. Koplin is not present today and did not express any interest in being here.

Mr. Nelson said there is a problem with licenses expiring on/during investigations.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren said in reviewing the statistical report, there is a 2% drop in appraisers from the prior month.

Director Stewart mentioned the Live Chat feature. At any given time, there are two people who are available for chats. The topics can cover real estate agents, appraisers, or mortgage licensees. There are staff who are assigned to that area of specialty, yet we are asking them to be able to respond to basic questions for anything dealing with the Division.

The newsletter should be out at the end of the month. There are several articles included in this issue:

- All licensees have had a six-week window to renew their licenses. We have heard the frustrations for appraisers. If they don't renew within the first two weeks, they get notified. If they wait until the last month of their license term, it only gives the Division a few days to get the assessment of how many people this covers. Ms. Westbroek sends a disc to the Appraisal Subcommittee showing the changes in licensing. They then send an invoice to us asking to be paid. During that interim time period an appraiser could fall off the national registry. This is a recurring problem. We have solved this problem by doing two things. The first is opening the window for renewal from six weeks to three months for appraisers only. The second is having Ms. Westbroek send a submission to the Appraisal Subcommittee about licensing changes every two weeks.

- The National Registry Fee is going up from \$50 to \$80 on the first of the year. To renew the license at the first of the year it will be \$430 for an on-time renewal.

Mr. Fagergren presented the following list to the Board:

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:

Marcy Babcock

Certified and Licensed Appraiser Applicants Approved by Education Review Committee and Denied by Experience Review Committee:

Don Chavis

Discipline List for Board's Consideration:

Matt Martin

COMMISSION AND INDUSTRY ISSUES

Discussion: Update on Proposed Rules – Jennie Jonsson

Ms. Jonsson said there are no rules out for public comment.

There will be hard copies of the rules and statutes handed out at the next meeting. The Division of Administrative Rules website is up-to-date and the newly approved and active rules are available. These are also available on our website.

A motion was made to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Sjoblom, yes; Board Member Payne, yes; Board Member Brammer, yes. An Executive Session was held from 10:22 a.m. to 10:37 a.m.

CLOSED TO PUBIC

Consideration of Stipulation

Review of Lists

OPEN TO PUBLIC

The Board agreed with the Committee on their decisions:

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committees:

Marcy Babcock - Approved

Certified and Licensed Appraiser Applicants Approved by Education Review Committee and Denied by Experience Review Committee:

Don Chavis - Approved

Discipline List for Board's Consideration:

Matt Martin – An Order will be issued

Results of Stipulation

Richard W. Koplín – Approved

A motion was made to adjourn the meeting. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Sjoblom, yes; Board Member Payne, yes; Board Member Brammer, yes. The motion carries. The meeting adjourned at 10:38 a.m.