

APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building

Room 210

9:00 a.m.

January 26, 2011

MINUTES

STAFF MEMEBERS PRESENT:

Deanna D. Sabey, Division Director
Dee Johnson, Enforcement Director
Mark Fagergren, Education/Licensing Director
Xanna Hardman, Assistant Attorney General
Jennie Jonsson, Hearing Officer
Renda Christensen, Board Secretary
Jim Bolton, Investigator
Craig Livingston, Investigator

BOARD MEMBERS PRESENT:

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

GUESTS:

Mike Carter	Jake Strickland
Brenda Pierce	Austin Christensen
Vern Meyer	Shawn Railson
Heather Fox	

The January 26, 2011 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Morley conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

There are three sets of minutes to review today. In the month of December there were meetings held on December 8, 2010; December 13, 2010; and December 22, 2010. A motion was made to approve each set of minutes as written. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Sjoblom, yes; Board Member Payne, yes; Board Member Brammer, yes. The motion carries.

DIVISION REPORT

DIRECTOR'S REPORT – Deanna Sabey

Director Sabey mentioned HB-185, Information Disclosure for Commercial Real Property Transaction, being sponsored by Representative Gage Froerer. The bill

proposes that sales information be reported to a multi-county appraisal trust for commercial property. A second bill sponsored by Representative Froerer is HB-225, Condominium and Community Association Amendments. This bill requires a registration for homeowners associations through the Division of Corporations.

Director Sabey said the Division's bill has not been numbered yet, but that as soon as any progress is made she will inform the Board.

Director Sabey wanted to express the Division's thanks to the Utah Appraiser Association's for inviting the Division to participate last Thursday in the meeting.

Ms. Hardman gave a brief oral report on Appraiser Price Opinions that was sent out to the Board members a few days ago. Ms. Hardman addressed two questions in general. The first is "May a licensed or certified appraiser give a price opinion regarding real estate and, in the course of doing so, not comply with USPAP?" The short answer is probably not. In the context of this question, the term "price opinion" is a misnomer. It is likely that a "price opinion" would be considered an opinion of value given to enable a person to determine a probable list or purchase price of real estate, which would qualify as an appraisal if given by a licensed or certified appraiser, and would therefore require compliance with USPAP.

The second question is "Is it permissible for a licensed or certified real estate appraiser to provide an opinion of value that does not comply with USPAP if the licensed or certified appraiser is also a licensed real estate broker or sales agent?" Again, the short answer is no. The Utah Code does not provide an exemption from the USPAP requirement for licensed or certified appraisers who are also licensed real estate brokers.

INVESTIGATIONS REPORT – Dee Johnson

Mr. Johnson said in the month of December the Division received 6 complaints; screened 3 complaints; opened 2 cases; closed 2 cases; leaving the total number of appraisal cases at 82.

Stipulations for Review

William V. Bate

Andrew J. Schofield

Both individuals were offered the opportunity to be here today, but both declined.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren said that 548 appraiser trainees were required to renew their registrations by January 1, 2011, 474 failed to renew their registrations by the December 31, 2010 deadline. Of those, the remaining amount next month, the Board will notice that only 50 of those trainee licensees have renewed in Group "A". Groups "B" and "C" include 74 trainees. There should be somewhere in the number of 125 trainees next month.

In the eleven months included in this statistical report, the changes in Licensed Appraisers show that there are 13 fewer licensees; Certified Residential Appraisers show an increase of 15 licensees; and Certified General Appraisers show an increase of 15 licensees. There are 1,358 licensed or certified appraisers and approximately 125 trainees in addition to that number.

In last month's meeting, Chair Morley sent the Division an e-mail inquiring about the inconsistency between what was reported in terms of discipline on the Appraisal Subcommittee roster, versus what the Division's website shows. Ms. Westbroek reviewed the numbers over the last ten years of discipline, and ultimately she determined there were six instances where inconsistencies appeared between what the Division had done (either by Ms. Westbroek or by her predecessor) and what was reported on the Appraiser Subcommittee disciplinary website. On five of those six instances, the Division had submitted the information to the Subcommittee, but the information was not accurately represented at the federal level. In one instance, the information submitted by the Division was incorrect. In all of these cases those records have been changed, and going forward the Division will follow up with the Appraiser Subcommittee to ensure that the reporting is accurate.

Chair Morley said that some appraisers he knows in Nevada didn't have their disciplinary actions entered on the Appraiser Subcommittee roster either. It raises the concern about those who are applying through reciprocity, because it is possible that an applicant will have had disciplinary actions in another state that for some reason aren't being shown by the ASC.

Mr. Fagergren said that deadline for segmented applications has not passed. 283 individuals initially made a segmented application. Of that number, 196 (51%) never turned in any additional information to complete their applications. There were 19 people who did not pass the test, who were approved for their experience and approved for testing by the Board. Some people were approved now fall under the 2008 educational criteria, so they will have to meet that new educational criteria moving forward. In terms of the segmented applications, there were 168 people who completed that process.

A previous Board Member is concerned about the 19-individuals whose education and experience are approved, but who didn't pass the exam. He is wondering how the Division is going to treat these individuals going forward. He feels there is no need to have the experience review committee re-review experience that has already been approved. Mr. Fagergren said that he believes that the public has the right and the Board has the obligation to insure that any new licensee meets the minimum competency requirements. If there is a significant lapse of time between approval of experience and successful completion of the exam, we might be licensing people whose experience is stale. Mr. Fagergren believes this will set us up for a potential problem without having some standard for how long is fair and reasonable? Mr. Fagergren suggested that six months from the date of experience approval would be an

appropriate time to allow an applicant to turn in the completed application without re-reviewing their education and experience.

Mr. Fagergren said he did not receive any phone calls from individuals stating they could not find a place to take the test under the December 31, 2010 segmented deadline. Ms. Westbrook called each trainee subject to the January 1, 2011 deadline to make sure they understood the situation. There were no calls after the deadline passed.

The Board would like Mr. Fagergren and Ms. Jonsson to draft a rule on the suggested time limit and current experience. Currently, experience credits will expire five years from the date of application.

Mr. Fagergren reminded the Board that the Appraisal Subcommittee auditors will be here the week of February 22 through 24, 2011.

Mr. Fagergren submitted the following lists to the Board for their review:

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committee
Matthew Hurst, CG Candidate

Certified Appraiser Applicant Approved by Experience Review Committee As Per Board Order Dated 08/05/2010 Education Approved Previous Application (Not Segmented Education)
Dwight Anjewierden, CR Candidate

Licensed Appraiser Applicant Denied for Segmented Education (Past Deadline) and Denied by Experience Review Committee
Tyler Forsythe, LA Candidate

Discipline List for Board's Consideration
Heather Fox, CR Candidate
Jean-Pierre Lomonaco, CG Appraiser
Ms. Fox was in attendance to address any questions asked by the Board.

COMMISSION AND INDUSTRY ISSUES
Rule Updates – Jennie Jonsson

Ms. Jonsson said public comments from the AMC rules were previously on the agenda in December, but we were not able to review all of those comments at that time. She would like to continue reviewing these comments after the hearing today.

A short break was taken from 10:12 a.m. to 10:20 a.m.

OPEN TO PUBLIC

INFORMAL HEARINGS

10:00 Rich Chiniquy – Application for Renewal
Mr. Chiniquy did not appear for the hearing.

Rule Updates – Jennie Jonsson (Continued)

Each public comment received by the Division regarding AMC rules was reviewed today. There was discussion from the public, Board, and Division. The comments and suggestions were noted by Ms. Jonsson, and she will have a draft for review at the next meeting.

CLOSED TO PUBLIC

Motion to hold an Executive Session. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Sjoblom, yes; Board Member Brammer, yes; Board Member Payne, yes. Chair Morley read into the Minutes, “I hereby affirm that the sole reason for closing part of the meeting was to discuss the character, professional competence, or physical and mental health of an individual.” An Executive Session was held from 11:16 a.m. to 12:06 p.m.

Review of Lists
Deliberation on Hearing

OPEN TO PUBLIC

The Board has **approved** the following lists:

Certified and Licensed Appraiser Applicants Approved by both Education and Experience Review Committee

Matthew Hurst, CG Candidate - approved

Certified Appraiser Applicant Approved by Experience Review Committee As Per Board Order Dated 08/05/2010 Education Approved Previous Application (Not Segmented Education)

Dwight Anjewierden, CR Candidate - approved

Licensed Appraiser Applicant Denied for Segmented Education (Past Deadline) and Denied by Experience Review Committee

Tyler Forsythe, LA Candidate - approved

Discipline List for Board's Consideration

Heather Fox, CR Candidate - approved

Jean-Pierre Lomonaco, CG Appraiser - approved

Results of Stipulations

William V. Bate - approved

Andrew J. Schofield - approved

A motion was made to adjourn the meeting. Vote: Chair Morley, yes; Vice Chair Throndsen, yes; Board Member Sjoblom, yes; Board Member Brammer, yes; Board Member Payne, yes. The meeting adjourned at 12:08 p.m.

