

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building

Room 210

9:00 a.m.

January 23, 2013

MINUTES

STAFF MEMEBERS PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Manager
Judith Jensen, Assistant Attorney General
Jennie Jonsson, Administrative Law Judge
Ben Jensen, Hearing Officer
Renda Christensen, Board Secretary
Carla Westbroek, Appraiser Licensing

BOARD MEMBERS PRESENT:

Daniel Brammer, Chair
Paul W. Throndsen, Vice Chair
Jeanette Payne, Board Member
John Ulibarri, Board Member
James Bringham, Board Member

GUESTS:

Ron Smith	Chris Coleman
Neil Jensen	Dan Dixon
Heather Fox	Joel Smith

The January 23, 2013 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Brammer conducting.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes -. A motion was made to approve the minutes from the December 12, 2012 meeting as written. Vote: Chair Brammer, yes; Vice Chair Throndsen, yes; Board Member Ulibarri, yes. Motion carries.

DIVISION REPORT

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart introduced Ben Jensen who is the new Hearing Officer for the Division. Mr. Jensen replaced Michael Palumbo who has returned to the Division of Consumer Protection.

Director Stewart presented certificates from the Governor's Office to Board Member Bringham and Board Member Ulibarri. The certificate officially confirms these two as new Board Members.

Director Stewart said the Appraisal Subcommittee ("ASC") will be attending our next meeting in February. This audit takes place every two years. The ASC will send the Division a list of the files and other documents they want to review. They will also issue a report on the Division's activities over the past two years.

The Division received a copy of the first draft of the Division's bill yesterday, and is expecting it to be numbered by the end of the week. The Division has reviewed the first draft and has only found a few minor issues that need to be corrected.

INVESTIGATIONS REPORT – Jonathan Stewart

Mr. Nielsen is out sick today and Director Stewart is giving the Enforcement report.

Director Stewart reported in December the Division received 4 complaints; opened 8 cases; closed 6 cases; leaving 70 appraisal cases.

There are no stipulations to review today.

EDUCATION AND LICENSING REPORT – Mark Fagergren

There are no stipulations for review today.

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

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

Bradford B. Dyreng, LA Candidate

Joshua Richards Nielsen, LA Candidate

Joshua Kelley Green, LA Candidate

Ashley Wolthuis, CR Candidate

Discipline List for Board's Consideration

Ronald K. Owens, Jr., Temporary CG from Texas

Mr. Fagergren brought up the topic of an out-of-state company performing desk reviews previously mentioned in the meeting last month. Ms. Jensen was asked to review the Division statutes and rules to determine if the company needs a license. Ms. Jensen reported to the Board and Division that her findings were the company would need to be licensed with the Division. If a company were performing desk reviews without being

licensed it would be considered unlicensed activity, and would be turned over to enforcement to take action against the company.

COMMISSION AND INDUSTRY ISSUES

Rule Updates – Ben Jensen

There were no updates to be discussed this month.

Industry Issues – Mark Fagergren

Mr. Fagergren brought up the remaining topics listed on the Agenda for discussion.

These topics will need rules written and in place by January 1, 2015.

■ *Expanding Continuing Education Topics:*

Three new authorized topics have been approved by the AQB: developing opinions of real property value in appraisals (personal property or business value); seller concessions and impact on value; and, energy efficient items and green building appraisals. Mr. Jensen was asked to prepare a rule that addresses the expanded CE categories.

■ *Inactive licenses:*

Currently, the Division does not have any vehicle for an inactive appraiser license. To renew a license (whether you are active or inactive) the licensee still needs to complete the CE.

Military Duty: The Division's policy is that the CE will be waived while inactive, but will need to be completed upon return. The change would be that the Division is authorized to issue a deferral of CE would be issued for military duty. These would have an active license up to 90 days upon return from duty.

Mr. Jensen was asked to prepare a rule addressing active military. The second issue is if the Division should create an inactive license status. It was decided to wait to make a decision on this topic.

■ *Background Checks for License Upgrades*

All candidates for new credentials must obtain a set of fingerprints. It is strongly encouraged to run background checks on existing credential holders. State agencies must take proper steps to insure these applicants ability to maintain public trust is not issued a credential.

State agencies shall not issue a credential if:

--The applicant has had a license or certification revoked in any government jurisdiction within the five year period immediately preceding the date of application.

--The applicant has been convicted of or pled guilty or nolo contendere to a felony or domestic or foreign court during the five year period immediately preceding the date of application.

--The applicant has failed to demonstrate character and general fitness such as to confidence of the community. The appraiser shall operate honestly, fairly, and efficiently.

--Additional background checks shall evaluate and consider prior issuing or taking disciplinary action shall include, but not limited to, convictions of any criminal offense involving: dishonesty; breach of trust; money laundering; civil judgments with financial-related activity; dismissals with settlements or judicial findings that the individual violated financial-related statutes or regulations.

--Actions or orders by a state or federal agency that found the individual to have a false statement or omission or being dishonest, unfair or unethical.

--The applicant has had a license or credential denied, suspended, or revoked for financial-related activities.

--Disciplined the individual by Order preventing him from association with financial-related services or business.

--A revocation or suspension of the individual's authorization to act as an attorney, accountant, or state or federal contractor.

--Customer initiated financial services related to arbitration, civil action against the individual that required action.

Mr. Jensen was asked to prepare a rule for background checks on new credential holders.

■ *Supervisor Appraisers*

--Supervisor appraisers shall have been state-certified for a minimum of three years prior to being eligible.

--The supervisor appraiser must comply with the competency rule of USPAP for the property type and geographical location the trainee appraiser is being supervised.

--Supervisor appraisers shall not have more than three trainees at one time.

--Supervisor appraisers shall be required to complete a course at a minimum that complies with the specifications for the course content established by the AQB. The course is to be completed by the supervisor appraiser prior to supervising trainee appraisers.

Mr. Fagergren said he would like the education providers are required to attend a seminar taught by the Division regarding this new course. He suggested the course should be four hours in length.

Mr. Jensen was asked to prepare a rule requiring supervisor appraisers attend this new class. All trainee appraisers are required to take a combined 4-hour course.

■ *Disciplined Supervisors Prohibited from Supervising*

If a trainee's supervisor has been disciplined, how will it affect the trainee? The AQB states that a supervisor must wait for three years before he can supervise any trainees.

Mr. Fagergren and Mr. Jensen will work together to draft some language for a rule on this topic.

A brief recess was taken from 10:35 a.m. until 11:00 a.m.

The meeting resumed after the break and discussion on the course objective and content for the new supervisor appraiser and trainee course were discussed.

1. Who filled out the log? Was it a clerk or the trainee?
2. Filling out the log and the actual time taken. One point equates to five hours.
3. The supervisor needs to stress USPAP components. Ownership history, Utah state-specific rules and a history of listings.
4. Reconciliation or analysis?
5. Language on licensing information in signature boxes, and on work products.
6. What should be in a file?
7. Most trainees only use the 1004 basic family form. They are not familiar on how to fill out other forms or what they are used for.
8. Market conditions form not transferred to the grid.
9. Seeking the AMC's and underwriter's approval.
10. There are no explanations as to what was done.
11. Don't forget the qualifying education courses and what you learned.
12. Summary or quiz? After discussion, the quiz was optional and not required.
13. Train on principles, not just rules.
14. A suggestion for trainees was to take the 2-day USPAP course before taking this course.

A lunch break was taken from 12:00 p.m. – 1:00 p.m.

OPEN TO PUBLIC

INFORMAL HEARING

1:00 Daniel Dixon – Experience Review
Joel Smith, CR, Mr. Dixon’s Trainer

Board Member Bringhurst had a previous meeting at this time and was excused from this hearing.

2:12 Adam Coccimiglio – Experience Review
Tiffeny Coccimiglio, Wife

Board Member Payne knows Mr. Coccimiglio and recused herself from the hearing.

Board Member Bringhurst returned and participated in this hearing.

CLOSED TO PUBLIC

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 Brammer, yes; Vice Chair Throndsen, yes; Board Member Bringhurst, yes; Board Member Ulibarri, yes. An Executive Session was held from 2:55 p.m. to 3:21 p.m.

OPEN TO PUBLIC

RESULTS OF DELIBERATIONS

Certified and Licensed Appraiser Applicants Approved by both Education and

Experience Review Committees:

Bradford B. Dyreng, LA Candidate - Approved

Joshua Richards Nielsen, LA Candidate - Approved

Joshua Kelley Green, LA Candidate - Approved

Ashley Wolthuis, CR Candidate - Approved

Discipline List for Board's Consideration

Richard K. Owens, Jr. - Approved

A motion was made to adjourn the meeting. Vote: Chair Brammer, yes; Vice Chair Throndsen, yes; Board Member Payne, yes; Board Member Ulibarri, yes. The meeting was adjourned at 3:22 p.m.