

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building

Room 210

9:00 a.m.

May 28, 2014

MINUTES

DIVISION STAFF PRESENT:

Jonathan Stewart, Division Director
Mark Fagergren, Education and Licensing Director
Jeffery Nielsen, Chief Investigator
Justin Barney, Hearing Officer
Elizabeth Harris, Assistant Attorney General
Renda Christensen, Board Secretary
Carla Westbroek, Appraisal Licensing Coordinator
Jim Bolton, Investigator
Craig Livingston, Investigator
Theron Case, Investigator

BOARD MEMBERS PRESENT:

Daniel Brammer, Chair
Paul W. Throndsen, Vice Chair
Kristin Coleman, Board Member
John E. Ulibarri, Board Member
Jim Bringhurst, Board Member

GUESTS:

Terry Coon	Jeff Jorgensen
Jake Parkinson	Matt Frentheway
Vern Meyer	

The May 28, 2014 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 March 26, 2014 meeting. Vote: Chair Brammer, yes; Vice Chair Throndsen, yes; Board Member Ulibarri, yes; Board Member Coleman, yes; Board Member Bringhurst, yes. The motion passes.

DIVISION REPORT

DIRECTOR'S REPORT – Jonathan Stewart

Director Stewart reported to the Board that the recent changes to the statutes by legislation have gone into effect on May 13, 2014.

Director Stewart gave an update on the Customary and Reasonable Fee Survey. The last survey went out yesterday. He received an email from Barrett Slade who informed Director Stewart that he had 652 lenders complete the survey, and 63% of the appraisers have completed the survey that have started it. There have been 703 appraisers start the survey, and only 443 have completed it.

Director Stewart shared a letter that he had received from Valuation Partners. The letter states in part, "It is our understanding that BYU has been commissioned by the Utah Association of Appraisers to collect data on 'customary and reasonable' appraisal fees paid for services on various residential appraisal products. We believe the survey is flawed and will chiefly serve to raise closing costs to consumers for typical residential loans." Director Stewart will send copies to all the Board members for their review.

Chair Brammer brought up changing the requirement for background checks. Director Stewart said the Division did disagree with the ASC changing the date from 2015 to 2017. The Division will remain with the 2015 date for background checks.

INVESTIGATIONS REPORT – Jeffery Nielsen

Mr. Nielsen reported in April the Division received 1 complaint; opened 11 cases; referred no new cases to the Attorney General's office; closed 3 cases; leaving the balance of cases at 47.

Mr. Nielsen brought up what was discussed in the meeting last month regarding Statutes 6102e-102(10), 61-2e-104, and 61-2e-201. The statutes cover AMC and other definitions to make the meanings more clear. The Board decided to table the discussion until next month.

There are no stipulations for review this month.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren said the NUMBER OF Utah appraisers has dropped in the past 11 months as shown on this report. There have been 43 appraisers who have left the profession, which is 4% of the total number.

Director Stewart said the Department was asked to testify before the Business and Labor Interim Committee. The Committee asked several Departments in the state to come and talk about future concerns. Director Stewart talked about the appraiser industry and how there are few trainees entering the profession, appraiser licensees leaving the industry, qualifying criteria continuing to increase, and changes happening in the industry. He isn't sure what the Committee can do about the situation, but Director Stewart gave them the information regarding concerning trends affecting to this industry.

Mr. Fagergren said the Division has finished the Caravan. They visited nine different locations in the state. There was real growth in the number of appraisers attending this year. The mass appraisers attending said they talked about for upcoming years

possibly piggy-backing their additional training when the Division has the Caravan so they can maximize the time for their people.

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:

Aubri Buehler, LA candidate
Jacob T. Jacobsen, CR candidate
Glenn W. Jackson, CG candidate
Roxann Johnson, CR candidate

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

Michael J. Shaw

Discipline List

Jim Allen, CR renewal
Elizabeth Fehrmann, CE Instructor application
Kyle C. Hansen, CR renewal
Jared Jackson, CG temporary practice permit
Robert Bradley Neff, CE Instructor application
Neil F. Salzgeber, CG temporary practice permit

There are no stipulations for review this month.

Discussion: Experience Rule 304-d and Appendices' 1, 2, 3 – Board Member Coleman and Board Member Ulibarri

Board Member Ulibarri and Board Member Coleman have analyzed the suggested changes from the state experience schedules and noticed a common theme. The rule, they are currently written, do not encompass all assignment types. They propose creating experience tables with each specific task in the appraisal assignment, and the hours it would take to complete the assignment.

Proposed changes to the increase the time ad valorem appraisers are required to work before they can take their licensed or certification exams by twelve months. This would mean that an ad valorem employee would have to be a trainee for a minimum of 24 months.

Modify the experience time awarded for an appraisal that does not include an interior inspection. The bulk of the report is in the analysis and report, not in walking through and performing an interior inspection.

Strike 2g, segmented applications have expired.

Modify 5e that deals with ad valorem appraisers. As it stands now, an ad valorem appraiser can achieve 100% of their hours without developing any appraisal reports. The proposal would be to have a combined maximum of 60% of the hours.

Add/Modify the Tax Appeal hearing preparation, many hours are spent preparing for tax appeal hearings.

Chair Brammer suggested the discussion be added to the agenda for further discussion next month.

A comment from Vern Meyer said these rules were not meant to change everything in the industry. He said the National Association of Independent Fee Appraisers and the Appraisal Institute have a designation program where they do narrative reports to show what the person knows. He suggested that points be given for writing narrative reports by demonstrating their knowledge of the industry.

COMMISSION AND INDUSTRY ISSUES

Rule Updates – Justin Barney

Mr. Barney said the language was clarified through the rule amendment process to make sure that the rule change that was done previously some of those requirements will not take place until January 1, 2015. This rule became effective last week.

Some of the rules that were presented by Board Members Ulibarri and Coleman may affect the rule again. The State says that typically by the 10th of June should have the new language but they are currently behind on their schedule.

OPEN TO PUBLIC

INFORMAL HEARING:

10:24 Nancy McGuire – Appeal of Order
Michael McGuire, husband

This hearing was conducted by phone.

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 Thronsen, yes; Board Member Ulibarri, yes; Board Member Coleman, yes; Board Member Bringhurst, yes. The motion passes. Executive Session was held from 10:57 a.m. to 11:47 a.m.

OPEN TO PUBLIC

RESULTS OF DELIBERATIONS

Aubri Buehler, LA candidate - Approved
Jacob T. Jacobsen, CR candidate - Approved
Glenn W. Jackson, CG candidate - Approved
Roxann Johnson, CR candidate - Approved

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

Michael J. Shaw - Denied

Discipline List

Jim Allen, CR renewal – Approved with conditions

Elizabeth Fehrmann - CE Instructor application - Approved

Kyle C. Hansen - CR renewal - Approved

Jared Jackson - CG temporary practice permit - Approved

Robert Bradley Neff - CE Instructor application - Denied

Neil F. Salzgeber - CG temporary practice permit - Approved

Nancy McGuire will be notified by letter of the outcome of her hearing.

A motion was made to adjourn the meeting. . Vote: Chair Brammer, yes; Vice Chair Thronsen, yes; Board Member Ulibarri, yes; Board Member Coleman, yes; Board Member Bringhurst, yes. The motion passes. The meeting adjourned at 11:53 a.m.