

**APPRAISER LICENSING AND CERTIFICATION BOARD
HEBER M. WELLS BUILDING
ROOM 210, SECOND FLOOR**

February 28, 2007

9:00 a.m.

MINUTES

STAFF MEMBERS PRESENT

Derek B. Miller, Division Director
Dee Johnson, Enforcement Director
Mark Fagergren, Education and Licensing Director
Shelley Wismer, Assistant Attorney General
Renda Christensen, Board Secretary
Carla Westbroek, Appraiser Licensing
Jim Bolton, Investigator

BOARD MEMBERS PRESENT

Craig Morley, Chair
Lynn Christensen, Vice Chair
Holly Christensen, Board Member
Ron Smith, Board Member
Ambria Spencer, Board Member

GUESTS

Vicki Ledbetter, Appraisal Policy Manager, Appraisal Subcommittee
Jenny Tidwell, Appraisal Policy Manager, Appraisal Subcommittee
Kristi Klamut, Appraisal Policy Manager, Appraisal Subcommittee
Cindy Rogers

The February 28, 2007 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Morley conducting.

The minutes for the January 24, 2007 meeting were found to have four misspellings on names. These names were Darrin Liddell, Sheldon Killpack, Randall Skeen, and Bill Rosqvist.

The minutes for the February 7, 2007 meeting were found to have two errors. On page 2, paragraph 3, the "...number of residential properties from 200 to 75..." The number is incorrect and should be changed to 100 instead of 200. There is a spelling error on the name of Trenholm Bartlett. The minutes were approved with these changes.

DIVISION REPORTS

DIRECTOR'S REPORT, Derek B. Miller

Director Miller welcomed the guests from the Appraisal Subcommittee and asked if they would introduce themselves to the Board and guests. They are Vicki Ledbetter, Jenny Tidwell, and Kristi Klamut.

Director Miller gave an update on the legislative session. Today is the last day of the session which concludes at midnight tonight. Yesterday the Division's bill, SB199, was enrolled, signed by the President of the Senate and the Speaker of the House. The Division fully expects that the bill will be signed by the Governor and the changes to the law will become effective on April 30, 2007.

Another bill of interest to the Division is HB25, which is a mortgage fraud bill, deals with getting a special prosecuting attorney from the Attorney General's office to prosecute mortgage fraud from a criminal aspect. It also gives two new investigators to the Department of Public Safety. That bill has passed the House and has not passed the Senate. The main question with this bill is where the money will be coming from. The cost would be approximately \$450,000 per year.

The Division's budget was approved which will include an increase of two new employees on the licensing side. The one change we did not get were the changes to the fees. The decision was made that there will be no changes in fees at the Department of Commerce.

ENFORCEMENT REPORT, Dee Johnson

Mr. Johnson said in January the Division received 2 written complaints, screened and closed 3 complaints (no cases opened), no new cases were opened, closed 1 investigative case, leaving 115 open case files. These were all residential cases. On the commercial side, there were no changes and there are 4 open case files.

EDUCATION/LICENSING, Mark Fagergren

Mr. Fagergren said the statistics continue to grow upward, and it shows a 17% growth pattern from last three years. The numbers on the national side also show a growth pattern.

Mr. Fagergren said the Board has chosen to use the segmented approach. He suggested the Board put a deadline on using this approach to get the entire application completed. Currently, someone could wait for years to complete the entire application. Chair Morley asked Mr. Fagergren to suggest a reasonable time frame for the next Board meeting.

REVIEW OF LISTS:

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

- Gregory Christensen, LA Candidate
- Dax Gurr, CR Candidate
- Sam Mast, LA Candidate
- Tyler Free, LA Candidate
- Christian Hancock, LA Candidate

Alisyn Sanderson, LA Candidate

Discipline List for Board Consideration

Jessica Blair
Frank A. Fehribach
Zach Griffith
Eric J. Madsen
Victor L. Peters, Jr.

OTHER BUSINESS

Ms. Wismer discussed the proposed changes to R162-102, Application Procedures. This came about during a 5-year review of all rules. There are some housekeeping issues needed to clean up the wording in the rule. It will delete things that are no longer needed. A motion was made and passed to begin the proposed changes of the rule and to begin the rulemaking process.

In R162-104, Experience Requirement, R162-104-5 delete the word “Compliance” from the title. In a meeting yesterday with the Appraisal Subcommittee, it was found there are some necessary changes to be made. It is not acceptable to give experience points for either text book authorship or teaching courses. This section will need to be eliminated. There is also a reference on Table 1, (k) and (l) make reference to points for authorship that will need to be changed. Similar changes will need to be made throughout the rule. Ms. Ledbetter suggested that something be kept in the work files as to how the number of points were determined. Typically it is 1 point for 5 hours worked, but she suggested to make a note somewhere in the file as to how the determination was made.

LICENSE APPLICATION HEARING – CLOSED TO PUBLIC

9:55 Cameron Cisneros – Experience Review
John Carter, Licensed Appraiser

OPEN TO PUBLIC

10:55 Vicki Ledbetter, Appraisal Policy Manager, Appraisal Subcommittee
Jenny Tidwell, Appraisal Policy Manager, Appraisal Subcommittee
Kristi Klamut, Appraisal Policy Manager, Appraisal Subcommittee

Ms. Ledbetter brought up the topic of Division investigators getting credit for investigative work. Currently, the points are determined on the degree of difficulty of the assignment. In addition, they would be made to provide a sample of the report. With respect to certification, which requires 2500 hours of experience for residential or 3000 hours for certified general, what the Division has in place currently is fine. What is required by the AQB is that the individual needs the hours (2500 or 3000) experience requirements. That experience needs to be USPAP compliant.

Ms. Ledbetter gave an overview of the Appraisal Subcommittee. They have come to do a field review of the Appraisal regulatory program in Utah. This review is done on a regular visit of every state and territory. The field reviews have been done on a 3-year cycle, and that has currently been changed to a 2-year cycle. Title 11 was enacted by

Congress in 1989 and it provides an oversight entity to protect lending institutions. Every state is required to establish an Appraisal Regulatory program. The Appraisal Subcommittee is the entity that oversees all of these programs. Ms. Ledbetter and associates will draft a report of their findings and present it to the Appraisal Subcommittee upon their return. The Subcommittee will entertain this report in their March or April meeting, and the Division will receive a letter from them by the end of May as to their decisions and considerations.

Ms. Ledbetter complimented the Division on how they are handling reciprocity applications, how continuing education is being evaluated, and how applications are being handled. Ms. Ledbetter also complimented the Board and staff on how responsive they are to their requests. She said the staff was excellent and the Division should be very proud of them. Ms. Tidwell said Utah has a great program in examining the experience review of all applicants.

CLOSED TO PUBIC

A motion was made to go into Executive Session from 12:30 p.m. to 1:30 p.m.

RESULTS OF EXECUTIVE SESSION

Board Member Smith recused himself from the Executive Session.

Hearing Results

Cameron Cisneros – Approved his Experience credit.

Discipline List for Boards Consideration

Jessica Blair – Approved for reciprocity.

Frank A. Fehribach – Approved for a 6-month temporary license.

Zach Griffith – Approved to reapply for a Certified Residential license.

Eric J. Madsen – Application for renewal will be scheduled for a hearing.

Victor L. Peters, Jr. – Approved for reciprocity.

The Board has agreed with the Division's recommendations on the following list:

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

Gregory Christensen, LA Candidate - Approved

Dax Gurr, CR Candidate - Approved

Sam Mast, LA Candidate - Approved

Tyler Free, LA Candidate - Approved

Christian Hancock, LA Candidate - Approved

Alisyn Sanderson, LA Candidate - Approved

OTHER BUSINESS (Continued)

Ms. Wismer handed out a revised draft of R162-104 for review. A motion was made and passed to approve the changes to the draft and authorized the start of the rulemaking process.

A motion was made to adjourn at 1:33 p.m.