

APPRAISER LICENSING AND CERTIFICATION BOARD

Heber M. Wells Building

Room 210

9:00 a.m.

June 24, 2009

MINUTES

STAFF MEMEBERS PRESENT:

Thad Levar, Acting Director

Mark Fagergren, Education/Licensing Director

Dee Johnson, Enforcement Director

Renda Christensen, Board Secretary

Carla Westbroek, Appraiser Education/Licensing Coordinator

BOARD MEMBERS PRESENT:

Ronald M. Smith, Chair

Craig Morley, Vice Chair

Paul W. Throndsen, Board Member

Debra Sjoblom, Board Member

Jeanette Payne, Board Member

GUESTS:

Darrin Liddell

The June 24, 2009 meeting of the Appraiser Licensing and Certification Board began at 9:00 a.m. with Chair Smith conducting.

The Oath of Office was administered to Jeanette Payne by Administrative Law Judge Masuda Medcalf.

Mr. Johnson announced to the Board that he has withdrawn his nomination for Division Director. Department of Commerce, Deputy Director Levar will be Acting Director until a new Director has been found.

Elections for new Officers were held. The Board Members have nominated and approved to have Ronald Smith and Craig Morley retain their positions of Chair and Vice Chair for another year.

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes

The Minutes for the May 27, 2009 were reviewed and found to have a couple of corrections needed. The word "commission" was used where it should have made reference to "board." On page 3 the reference to "Standard 6 review" should be corrected to read "Standard 3 review." On the last page, the notation needs to be

added to have James Tippetts approved. A motion was made to accept the Minutes with these corrections. The motion was unanimously passed.

DIVISION REPORT

DIRECTOR'S REPORT – Thad Levar

Acting Director Levar gave an update on R162-150, Appraisal Management Companies. The rule was published in the July 1, 2009 state bulletin. The earliest date this rule could be made effective after the public comment period is August 7, 2009. There has been some discussion of additional AMC rules that would go on top of these rules. Acting Director Levar said the easiest way to make any changes would be to wait until the public comment period was over and the rule was in place before any changes would be made. There has been discussion of the Broker Price Opinion (“BPO”) issue that is still on-going, and Vice Chair Morley raised the issue of appraiser fees in subsection (h).

Vice Chair Morley said a concern in the industry is that Broker Price Opinions are a large active vehicle in the financial world right now. The question the Board needs to consider is whether an Appraisal Management Company be able to provide BPO's to their clients? Vice Chair Morley said if the Board is comfortable with this, that this type of activity should be listed as a prohibited behavior of an Appraisal Management Company. Vice Chair Morley suggested if this is included in an amendment to the AMC rule, that this would not allow AMC's to provide BPO's.

Vice Chair Morley said the BPO Committee has been in communication. They would like to finalize their findings and present it to the appraisal and real estate groups for their feedback. Chair Smith asked Ms. Christenen to add this to the agenda for the next meeting.

Board Member Throndsen mentioned that Nevada has changed their law to deal with BPO's. Vice Chair Morley said he has three articles dealing with Nevada's BPO issue. The Appraisal Institute was involved in the development of the new law. Nevada's civil penalty is \$5,000.00 if a realtor provides a BPO outside the scope of what is prescribed within the statute. The word “value” can't show up, and the intended use has to be for only listing and selling a property. There is no other intended use. Acting Director Levar said he would check into what can be done by rule versus statute and let the Board know by the next meeting.

INVESTIGATIONS REPORT – Dee Johnson

Mr. Johnson said there are two stipulations to present today for the Board's review. Both of the people were informed they could appear today, but both have chosen not to appear.

Stipulations for Review

Scott M. Parkinson

M. Trenton Bodell

Mr. Johnson said for the month of May the Division received 5 complaints; screened 8 complaints; opened 7 cases; closed 15 cases; leaving a total number of cases at 90.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren said the Division has sent out 225 letters to Appraisal Management Companies to inform them of the recent legislation. This information was obtained from a list purchased by the Division. When we become aware of more names the same letter will be sent. It will take some time to get everyone informed. There will be something in the newsletter referencing this issue, and encouraging them to seek additional information. When people call in to see if they are exempt from the legislation, the Division will tell them where they can find the information. The person will need to defend their decision as to why they believe they are exempt. Mr. Johnson said that any information the Board may have on names and/or phone numbers, the Division will be able to follow up to see if they are registered.

Board Member Thronsdon asked Mr. Liddell if the Appraisal Institute and the UAA could send out a list of those AMC's who are currently doing business in Utah.

Mr. Fagergren said the Division is trying in good faith to get the word out, so if those who are working now are doing so intentionally. As an example, on the mortgage side, it took a period of time to get everyone informed. There were 2,000 people registered as mortgage officers almost two years after we had mortgage licensing, and finally through some efforts of our Commission and Enforcement staff, they went out and hit the streets to visit the offices. The word spread and the Division got a big rush of people that finally got licensed. There were 10,000 licensed in the course of one year. Utah is the second state in the country to require AMC registration so it will take some time before people realize the new legislation.

Mr. Fagergren said the AMC applications state that an owner needs to be fingerprinted. Some of these AMC's are owned by corporations, so the question is who should be the one fingerprinted?

Another issue is now that the Division provides for an appraiser to renew on-line, the Appraisal Subcommittee has told us we need to audit a certain portion to see if they are in compliance. If they are not in compliance, there will be sanctions. Mr. Fagergren said an issue has come up where a person who renewed on-line was audited and had self-assessed for 14 hours based on a previous Board approval. The procedure should be that they seek on an application for non-certified CE, and it is brought before the Board for their approval. Mr. Fagergren said the Appraisal Subcommittee will pick this up in our next audit. Mr. Fagergren is asking the Board for their guidance on this situation. A suggestion was made to have this topic in the next newsletter.

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

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

Monte Scott Nyman, CR Candidate
Larry D. Jensen, LA Candidate
Troy Van Hassell, LA Candidate

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

John Jeffrey May, LA Candidate
Matthew S. McCleary, LA Candidate

A motion was made and accepted to close the meeting to the public for hearings.

CLOSED TO PUBLIC

INFORMAL HEARINGS

10:15 Scott F. Paulsen – Experience Review
Chair Smith said that he knows Mr. Paulsen as a former student. He is not familiar with his work. There was no objection to Chair Smith sitting in on this hearing.

11:10 Cameron C. Wright – Experience Review

Chair Smith said he recently attended several meetings at the legislature, and it appears they do not require a formal second when a motion is made. If there is no further discussion on the issue in the public session, the motion is passed. Board Member Thronsen made a motion that on procedural matters in public meetings that we dispense with the formal second on motions. Those in favor were: Chair Smith, Vice Chair Morley, Board Member Thronsen, and Board Member Payne. The motion was opposed by Board Member Sjoblom. The motion passed.

A motion was made to go into Executive Session from 12:15 p.m. to 12:52 p.m.

OPEN TO PUBLIC

Results of Executive Session

Results of Stipulations:

Scott M. Parkinson - Approved
M. Trenton Bodell - Approved

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

Monte Scott Nyman, CR Candidate - Approved
Larry D. Jensen, LA Candidate - Approved
Troy Van Hassell, LA Candidate - Approved

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

John Jeffrey May, LA Candidate - Approved
Matthew S. McCleary, LA Candidate – Approved

Ms. Westbroek asked the Board for their decision on who was to be fingerprinted when the AMC is a corporation, and the decision was that the Operating Managers.

A motion was made and accepted to adjourn the meeting at 12:53 p.m.