

# Appraiser Certification & Licensure Board

## Quarterly Board Meeting - Summary Minutes

April 12, 2010

ACLB Office, 3000 Market Street NE, Suite 541, Salem, Oregon

### BOARD MEMBERS IN ATTENDANCE

Craig Zell, Chair  
Phil Johnson  
Daneene Fry  
Rick Herman  
Brad Armbrust  
Jill Whitlock, Vice Chair  
John Larsen

### ACLB STAFF IN ATTENDANCE

Bob Keith, Administrator  
Karen Turnbow, Programs Manager  
Warren Foote, Legal Counsel, DOJ  
Cyndie Standley, Compliance Analyst  
Chuck Fisher, Compliance Analyst

### BOARD MEMBERS ABSENT

None

### PUBLIC IN ATTENDANCE

Roxanne Gillespie  
Laurie Egan  
Carl Royer

## I: CALL TO ORDER AND VERIFICATION OF QUORUM

Chairperson Zell called the meeting to order at 9:10 a.m. and verified that a quorum was present.

## II: PUBLIC INPUT

Roxanne Gillespie: People are requesting the meeting minutes be posted soon after a board meeting. Also numerous people want to know when the Board will be issuing another newsletter. Gillespie proposed that the Board appoint a Governmental Affairs committee to address legislative issues that may arise next legislative session.

Carl Royer: A small number of people have formed an appraiser coalition who are monitoring proposed legislation regarding broker price opinions and broker price values.

Keith stated that Board would be producing its next newsletter no later than the end of May. He identified a number of items that will be included in this newsletter. The enforcement section in the next newsletter will be grouped together by type of discipline imposed; i.e., revocations, suspensions, education, etc. Keith also advised that enforcement actions will be available on-line once the new database is set up to allow for these types of updates to the website.

### **III: ACTION ITEMS**

Outgoing Board Chair Recognition (Keith): Keith thanked Zell for eight years of dedicated service as a Board member and as Board Chair.

Acknowledgement of New Board Vice-Chair (Zell): Zell acknowledged Whitlock as the new vice-chair of the Board.

The Board also wanted to recognize the contributions made by Rick Herman

Election of Board officers:

Zell nominated and Fry seconded to elect Jill Whitlock as Board Chair effective July 1, 2010. Approved unanimously.

Armbrust nominated and Larsen seconded to elect Rick Herman as Vice-Chair effective July 1, 2010. Approved unanimously.

Zell offered to be the Board's liaison with the Department of Finance and Corporate Securities to enact legislation regarding Appraisal Management Companies.

#### **MOTION #1**

Johnson moved and Herman seconded that:

***The Board adopt as permanent the proposed repeal/amendment of the administrative rules as drafted.***

Motion passed unanimously.

#### **MOTION #2**

Johnson moved and Larsen seconded that:

***The Board approve the January 11, 2010 quarterly board meeting minutes as drafted.***

Motion passed unanimously.

#### **MOTION #3**

Fry moved and Whitlock seconded that:

***The Board approve the February 16, 2010 special board meeting minutes as drafted.***

Motion passed. Johnson abstained, as he was absent from the February 16, 2010 board meeting.

### **IV: NEW BUSINESS**

Division of Finance and Corporate Securities – Status of HB 3624:

Keith introduced David Tatman, the Administrator of Division of Finance and Corporate Securities (DFCS), Rick Blackwell, senior policy analyst with DFCS, and Lou Savage, Senior Policy Advisor for the Director's office of Department of Consumer and Business Services. Keith advised that the Board would do everything in its power to assist DFCS in development of the appraisal management company (AMC) regulatory program.

Lou Savage thanked Keith. DCBS has significant experience regulating various programs. Savage anticipates a very open process in development of the AMC regulatory program along with determining whether the legislation may need some “tweaking” during the 2011 legislative session.

David Tatman said that DFCS regulates 13 different programs, including banks and mortgage companies. Tatman provided the most recent stakeholder report for DFCS. The legislature provided DFCS with three full-time equivalent positions to support the new AMC regulatory program. They anticipate having robust requirements for dispute resolution.

Rick Blackwell provided a quick summary of the status of development of the AMC regulatory program. DFCS has begun scheduling roundtable meetings with stakeholders. Lou Savage will facilitate the roundtable meetings. Stakeholders who will be attending the roundtable meetings include mortgage brokers, AMC companies both large and small, Representative Holvey, appraisers, banks, etc. A rulemaking committee will meet several times between June and August. Temporary rules should then be adopted and in place by the end of August, followed by permanent adoption of the rules around the beginning of December 2010.

**BREAK: 10:45 am to 11:02 am**

Alternative Valuation Products (Keith):

Discussion regarding new types of valuation products/services including “Comp Cruncher”, Wells Fargo’s desk-top valuation, and broker price values. Are there any circumstances in which a licensed/certified appraiser can provide these services?

**LUNCH BREAK: 12:00 pm to 1:12 pm**

**IV: NEW BUSINESS (Continued)**

Personnel Policy Manual Development (Zell):

No discussion.

Qualifications to Upgrade to Certified Residential (Keith):

Discussion regarding qualifications to become certified residential appraiser. Currently, applicants for certified residential appraiser are not required to have any experience appraising complex 1-4 family residential appraisals, even though their scope of practice as a certified residential appraiser will allow them to appraise these complex properties. USPAP requires that appraisers be competent to appraise the property that is the subject of the assignment. Therefore it is not necessary to require applicants to complete a certain number of complex appraisals before being allowed to become certified. After further discussion, the Board took no action.

**V: OLD BUSINESS**

Update on Board’s AMC Task Force (Larsen):

Brief summary by Larsen regarding the AMC Task Force and what was accomplished.

Keith reported that the Governor’s office is considering not appointing a new board member on July 1, 2010 to fill’s Zell’s expiring term to accommodate transitional needs resulting from the Board having a new chair and because of the status of the implementation of the AMC bill. Zell would continue to serve as a board member until a new appointment is made which would likely be the fall of 2010 or the winter of 2010-11. Zell will work with DFCS as the Board’s liaison in development of the AMC regulatory program.

Update on Secretary of State's Financial Audit (Keith):

Keith thanked Cyndie Standley for her work in preparing and assisting with the audit. Keith requested that the Board approve a financial review rather than undergoing a financial audit in the future.

MOTION #4

Larsen moved and Johnson seconded that:

***The Board, in the future, shall undergo a financial review, rather than a financial audit.***

Motion passed unanimously.

Update on 2010 Report to Governor and Legislature (Keith/Zell):

Because of the delay in getting the financial audit report, the Board delayed issuing its Report to the Governor and Legislature. Keith handed out a copy of the report for Board members to peruse.

Update on Reciprocal Agreement Amendments (Keith):

Keith sought approval by the Board to rescind the reciprocal agreements for those states not agreeing to the amendment.

MOTION #5

Fry moved and Larsen seconded that:

***The Board rescind the reciprocal agreements with those states having chosen to reject the amendment.***

Motion passed unanimously.

Enforcement Report / Ratifications (Keith/Zell):

Keith gave a brief summary on the status of enforcement cases.

Johnson expressed concern that the Final Consent orders do not include any summary or detail as to what the appraiser did that resulted in violations of USPAP. Foote stated that the Board could negotiate to a brief synopsis of facts to be included in the final consent orders. Foote stated that the drawback to this would be to extend the amount of time and effort by Board staff to negotiate a settlement. Further discussion.

After reviewing the information submitted as part of their board packet, the Board moved to ratify enforcement cases:

MOTION #6

Johnson moved and fry seconded that:

***The Board ratify the seven cases identified in the board packet that were dismissed with counsel.***

Motion passed unanimously.

MOTION #7

Johnson moved and Whitlock seconded that:

*The Board ratify the following final consent orders; 09-1726, 09-1713, 09-1731, 09-1722, 09-1663, 09-1691, 09-1742, 10-1774, 09-1728, 09-1697, 09-1701, 09-1696, 09-1720, 09-1723, 09-1679, 10-1787, and 10-1773. Additionally, one case where the proposed notice was withdrawn; 09-1748.*

Motion passed unanimously.

Licensing Report (Keith):

Brief review of Licensing Report.

Budget Report (Larsen/Standley):

Brief summary of the current status of the Board's budget.

Legislative Report (Zell):

Keith and Zell noted two issues the Board may want to be involved in for the 2011 legislative session: BPOs (see BPOSG Handout), and reducing the number of exclusions from the requirement to be licensed or certified.

Rules Committee Report (Johnson):

Johnson advised that he was recently provided draft model rules regarding criminal background checks. The committee will work on translating the model rules into something that will apply directly to the Board's ability to conduct criminal background checks.

**VI: ADMINISTRATOR'S REPORT**

At the chair's discretion and in the interest of time, no administrator's report was given.

**VII: ADJOURNMENT**

MOTION #8

Fry moved and Whitlock seconded that:

*The Board meeting be adjourned.*

Motion passed unanimously.

Meeting adjourned at 3:08 pm

Next scheduled meeting – July 15, 2010