

Appraiser Certification & Licensure Board

Quarterly Board Meeting - Summary Minutes

April 30, 2008

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

BOARD MEMBERS IN ATTENDANCE

Craig Zell, Chair
Jill Whitlock
John Larsen, Vice Chair
Rick Herman
Doug Nelson
Clifford Houck
Sara Fraser (out at 3:00 pm)

ACLB STAFF IN ATTENDANCE

Bob Keith, Administrator
Karen Turnbow, Programs Manager
Warren Foote, Legal Counsel, DOJ (out at 2:50 pm)
Cyndie Standley, Compliance Analyst

BOARD MEMBERS ABSENT

None

PUBLIC IN ATTENDANCE

Brent Stanger
Helen Honse
Darr Goss
Glen Crouch
Margaret Treat
Kimberly Korbe
Mike Read
Roger Lord
Mark Rasmussen
John Totten
Carl Stillman
Larry Noe (in at 11:00 am)

I: CALL TO ORDER AND VERIFICATION OF QUORUM

Chairperson Zell called the meeting to order at 9:18 a.m. and verified that a quorum was present.

II: PUBLIC INPUT

John Totten, State Certified General Appraiser, 330 Bush Street SE, Salem OR 97302 (representing the Greater Oregon Chapter of the Appraisal Institute) – Expressed concerns requiring licensed/certified appraisers from other states in which the Board does not have reciprocity to meet the new 2008 education requirements when applying for an Oregon license. Lydia Larsen, who is a State Certified General Appraiser from Alaska who wants to obtain a license in Oregon. Asks the

board to create a transitional period of up to three years and, during the interim, continue to accept older education requirements.

Mark Rasmussen (in person) and Richard Malloy (via phone), representing Mason, Bruce and Girard, Natural Resource Consultants – They are trying to replace their appraisers that will be retiring. Richard Malloy, a Certified General appraiser in Birmingham Alabama who obtained certification in Oregon via reciprocity, will soon be moving to Oregon. Roger Lord will be training under Mr. Malloy and obtaining education towards becoming certified as an appraiser. Richard Malloy would like to act as the supervising appraiser for Roger Lord, but he has not been licensed with the Board for the minimum two-year period in order to obtain a Supervising Appraiser Endorsement. They are requesting the Board to amend the administrative rules to allow appraisers who have not been licensed in Oregon for two years with a possible probationary period or allowance of time spent supervising trainees in another state.

Mike Reed, State Certified General Appraiser - Just moved from Seattle, Washington to Salem, Oregon. Wanted to introduce himself to the Board.

Brent Stanger, Idaho State Certified General Appraiser and Chairman of the Education Committee for ASFMRA – ASFMRA specializes in education for farm and rural appraisers. Presented testimony regarding integrated vs. modular education courses. Requesting that the Board accept their beginning, intermediate and advanced approaches to value courses. Also requests that the Board reconsider their administrative rules to allow for integrated courses.

Darr Goss, State Certified General Appraiser, representing the local chapter OSFMRA – Trainees and licensees are required to take their integrated courses in order to get their designation.

III: ACTION ITEMS

Adoption of January 16, 2008 quarterly Board meeting minutes:

MOTION #1

Nelson moved and Herman seconded that:

The Board approve the January 16, 2008 quarterly board meeting minutes as drafted.

Motion passed unanimously.

IV: NEW BUSINESS

Modular vs. Integrated Course Design (Zell): The Board discussed the possibility of amending the administrative rules to allow for integrated courses and the problems with trying to review and approve courses in an integrated manner.

Helen Honse suggested that the specified courses sponsored by ASFMRA be approved in the elective category if only one or two are taken, but if the applicant takes all three or four courses, then the course can be approved for the three general appraiser approaches to value. She stated that an applicant could satisfy the integrated requirement with a specific group of courses.

The Board will postpone further consideration of this issue for a future board meeting. Keith, Honse, and PSU Professor, Gerald Mildner, to meet to explore possible solutions.

24-Month requirement for supervising appraiser endorsement (Zell): The Board discussed amending the administrative rules to allow out-of-state appraisers recently licensed in Oregon to obtain a supervising appraiser endorsement. Recommendation to remove the wording of “with the Board” from OAR 161-010-0085(1).

MOTION #2

Fraser moved and Larsen seconded that:

The Board amend OAR 161-010-0085(1) to read “... be certified for a minimum of 24 months, be in good standing, and not be otherwise prohibited from supervising appraiser assistants.”

Motion passed unanimously.

BREAK: 10:40 a.m. to 10:57 a.m.

Equivalency – Old qualifying education vs. new qualifying education (Zell): Zell introduced a letter from Brian Glanville regarding Lydia Larson, a SCGA from Alaska. Reference made to AQB’s guidenote #5. The Board’s current administrative rules require applicants from states that do not currently have reciprocity with Oregon to meet the current education and experience requirements.

Reciprocity Recommendation (Nelson): Presentation by Nelson regarding current reciprocal contracts, many of which are no longer applicable by the other state. Nelson stated that many states are handling reciprocity on a case-by-case basis. Nelson recommended scrapping all current reciprocity contracts and begin to recognize licenses from other states with specific conditions to be determined by the Board via amendment to the current administrative rules. Board staff will develop amended rule language.

MOTION #3

Nelson moved and Herman seconded that:

The Board rescind all reciprocity contracts effective August 1, 2008. Additionally, Board staff will develop new and/or amend existing rules to grant an Oregon appraiser certification to out-of-state applicants, along with criteria for processing those applications.”

Motion passed unanimously.

Unlocking Signatures / Clients Altering Reports (Zell/Keith): Keith advised that the Appraisal Standards Board (ASB) is working on developing a question and answer to cover this issue. The Board will revise the article in the newsletter draft to identify the ASB’s review of this issue, including the AI Ready plug-in service.

Public Reporting of Appraiser Sanctions (Keith): Discussion by the Board regarding the level of disclosure of disciplinary actions against appraisers in the Board’s newsletters and/or posting on the Board’s website. The Board preferred the summary format that included citing USPAP violations, without going into specifics about what the appraiser actually did to constitute violation.

MOTION #4

Fraser moved and Nelson seconded that:

The Board use a summary format in the newsletter for enforcement cases.”

Motion passed unanimously.

LUNCH BREAK: (12:30 pm to 1:33pm)

IV: NEW BUSINESS (cont):

Authorization of Reserve Fund Reinvestments (Zell):

MOTION #5

Nelson moved and Larsen seconded that:

The Board allow Zell and Keith to reinvest reserve funds at the best rate possible.”

Motion passed unanimously.

Adoption of Proposed Changes to Administrative Rules (Zell):

MOTION #6

Larsen moved and Nelson seconded that:

The Board adopt the changes to the administrative rules, which were the subject of the April 30, 2008 rulemaking hearing, as proposed.”

Motion passed unanimously.

Unlicensed Out-Of-State Reviewers (Zell): The Board discussed issues of out-of-state appraisers conducting reviews of appraisals on Oregon properties wherein the reviewer is not licensed in Oregon, constituting unlicensed appraisal activity. The Board discussed alternative solutions. Keith suggested that the Board contact appraisal management companies, cautioning them against using appraisers that are not licensed in Oregon to conduct reviews of appraisals on Oregon properties. Herman recommended, and Board members agreed, that the Board should refer the individual cases directly for enforcement action.

Cuomo Agreement / Home Valuation Code of Conduct (Zell/Keith): The Board has no jurisdiction or authority in this matter and will therefore take no position.

Rule Review Committee Recommendations (Zell): Discussion regarding the three-year rule review conducted by the Administrative Rules Committee and the proposed changes to the administrative rules as developed by the Committee to be put out to the public and scheduled for an administrative rules hearing.

Zell received a written comment from Brian Glanville regarding proposed language in and changes to OAR 161-025-0060.

MOTION #7

Larsen moved and Houck seconded that:

The Board make public for comment and schedule an administrative rule hearing for July 23, 2008 on the proposed rule changes developed and drafted by the rules committee.”

Motion passed unanimously.

V: OLD BUSINESS

Enforcement Update (Keith): Keith reported the current number of open and closed enforcement cases since the last board meeting. The Board is making significant efforts to ensure that all open enforcement cases are within one year from the filing date by the July 2008 field review by the Appraisal Subcommittee.

Budget Report / Secretary of State Financial Audit (Larsen): Brief report by Larsen on the current budget vs. actual, including large variances. Larsen advised that it was clean audit by the Secretary of State.

Licensing Report (Keith): Brief report by Keith regarding the current number of licensees in each license level and that the total number of licensees has increased by 25 percent since 2004.

Proposed ASC Revision of Policy Statement 10(g) (Zell/Keith): The ASC is proposing to revise Policy Statement 10(g) as a result of input from other states, private organizations and individual licensees. These proposed changes alleviate concerns raised at the January 16, 2008 Board meeting.

Sales Concessions Status with Oregon Assoc of Realtors (Zell): Response from Krista Bolf advising that the realtors do not agree with the Attorney General's legal opinion that concessions are not confidential and continues to counsel licensed realtors not to disclose sales concessions. The Board will take no further action in this regard, and recommends that appraiser professional organizations work with legislators to introduce legislation to correct the problem.

AARO Report (Zell): Brief report by Zell on the Spring AARO conference attended by Keith and Zell and the topics that were covered at the conference.

VI: ADMINISTRATOR'S REPORT

The Board is getting ready to publish the newsletter. Keith personally acknowledged Larry Green for authoring a number of articles in the newsletter. Keith also acknowledged Karen Turnbow for her work in editing and publishing the newsletter.

MOTION #8

Nelson moved and Larsen seconded that:

The Board meeting be adjourned.

Motion passed unanimously.

Meeting adjourned at 3:35 p.m.

Next scheduled meeting: July 23, 2008