

# Appraiser Certification & Licensure Board

## Quarterly Board Meeting - Summary Minutes

October 21, 2009

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

### 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

John Larsen, Vice Chair (excused)

### PUBLIC IN ATTENDANCE

Max Smith  
Diane Forsberg

## I: CALL TO ORDER AND VERIFICATION OF QUORUM

Chairperson Zell called the meeting to order at 9:04 a.m. and verified that a quorum was present.

## II: PUBLIC INPUT

Max Smith, State Certified Residential Appraiser, representing the Appraisers Union Coalition. --- Smith testified to unacceptable pressure being placed on Oregon appraisers by clients and appraisal management companies. The coalition is requesting the Board issue emergency rules as outlined in a packet submitted to the Board.

Diane Forsberg, State Certified Residential Appraiser, and President of Southern chapter of NAIIFA -- Forsberg raised a question regarding the Board's authority to regulate USPAP. The Board clarified that its rulemaking process can only extend to implementation and clarification of Oregon Revised Statute.

## III: ACTION ITEMS

Adoption of July 22, 2009 quarterly Board meeting minutes:

\*MOTION: Fry moved and Johnson seconded to approve the July 22, 2009 quarterly board meeting minutes as drafted. Motion approved unanimously.

MOTION #1

Fry moved and Johnson seconded that:

***The Board approve the July 22, 2009 quarterly board meeting minutes as drafted.***

Motion passed unanimously.

**IV: NEW BUSINESS**

Deliberation and/or Adoption of Proposed Administrative Rules (Zell):

Discussion regarding proposed budget. Keith thanked Standley for the many hours she worked preparing the proposed 2009-2011 biennium budget.

Whitlock found one error in the proposed rules; the word “of” left out of paragraph (4)(i) in OAR 161-010-0035. Staff will amend the language to include “of” in that paragraph to make it grammatically correct.

MOTION #2

Fry moved and Johnson seconded that:

***The Board adopt the administrative rule, including the budget, as proposed with one amendment to OAR 161-010-0035(4)(i) as outlined by Whitlock.***

Motion passed unanimously.

Zell proposed a moratorium on staff step increases for one year. Discussion by the Board.

Armbrust suggested that the issue be tabled. Herman reminded Board members that the agency has always stayed within the allotted budget, and never ended a biennium with a deficit, due in major part to staff’s diligence. Following a lengthy discussion, the Board took no action on the proposal.

Temporary Rule Authorization Adopting 2010-2011 Edition of USPAP (Zell):

MOTION #3

Fry moved and Whitlock seconded that:

***The Board adopt a temporary rule to be effective January 1, 2010 adopting the new 2010-2011 Edition of USPAP.***

Motion passed unanimously.

Permanent adoption of the new 2010-2011 Edition of USPAP will follow an administrative rules hearing to be held in January 2010.

Schedule 2010 Quarterly Board Meetings (Zell):

Monday, January 11, 2010

Monday, April 12, 2010

Thursday, July 15, 2010

Monday, October 18, 2010

All Board meetings will commence at 9:00 am

**BREAK: 10:15 am to 10:30 am**

**NEW BUSINESS (Continued):**

Zell passed out some information from the 2009 Fall AARO conference.

2007-2009 Secretary of State Financial Audit (Keith):

Keith advised the Board of the upcoming financial audit scheduled for October 26<sup>th</sup> and 27<sup>th</sup>. Keith thanked Standley who has been working diligently to provide documentation requested by the auditors. Keith stated that the Board should have the results of the audit by the end of the year.

**V: OLD BUSINESS**

Update on Semi-Independence Model of Governance (Keith):

The Governor has appointed a commission to look at State government, how it operates and does business, primarily in regard to education, corrections and public safety. The Governor is recommending reduction of State government that would include elimination, consolidation or suspension of a number of state boards and commissions. As part of that consolidation, the Governor is recommending the Board be consolidated with the Real Estate Agency into the Department of Consumer and Business Services. A group is requesting that the commission meetings be open to the public. Zell requested Keith create a “white paper” report that would include the pros and cons of maintaining the Board as a semi-independent agency. This report should be available for the January 2010 board meeting.

Enforcement Report (Keith):

Zell ran a meeting at the AARO conference with 29 other Board members. None of the other Board members leave enforcement entirely up to staff, as this Board has done previously. Zell recommended Board members to have more direct involvement with enforcement. Zell appointed himself and Armbrust to provide oversight to enforcement cases. Keith stated that staff fully supports Zell’s initiative.

Keith gave a brief presentation to the Board on the status of individual enforcement cases and sought ratification by the Board. Keith personally acknowledged the stellar work and efforts by Chuck Fisher in reducing and resolving the number of enforcement cases.

**MOTION #4**

Johnson moved and Whitlock seconded that:

***The Board ratify all enforcement cases identified by Keith that have been dismissed. In addition, the Board ratify the one identified by Keith that was closed with no action.***

Motion passed unanimously.

MOTION #5

Johnson moved and Whitlock seconded that:

***The Board ratify the Final Consent Order of Kambiz Moradi, Case No. 08-1640.***

Motion passed unanimously.

MOTION #6

Herman moved and Johnson seconded that:

***The Board ratify the Final Consent Order of Robert Bond, Case No. 08-1647.***

Motion passed unanimously.

MOTION #7

Johnson moved and Fry seconded that:

***The Board ratify the Final Consent Order of William Marical, Case No. 08-1649.***

Motion passed unanimously.

MOTION #8

Whitlock moved and Herman seconded that:

***The Board ratify the Final Consent Order of Kevin Cooper, Case No. 08-1635.***

Motion passed unanimously.

MOTION #9

Armbrust moved and Whitlock seconded that:

***The Board ratify the Final Consent Order of Justin Kiesz, Case Nos. 08-1625, 08-1631 and 08-1632.***

Motion passed unanimously.

MOTION #10

Fry moved and Herman seconded that:

***The Board ratify the Final Consent Order of Connie Clemons, Case No. 08-1634.***

Motion passed unanimously.

Licensing Report (Keith):

Brief presentation by Keith regarding the number of licensees. Keith noted that the number of active licensees has dropped over this last year, while the number of inactive licensees has increased. No substantive increase in the number of licensees is anticipated in the immediate future. Keith anticipates that a number of inactive licensees will reactive their licenses once the economy improves.

Budget Report (Standley):

The Board reviewed the most recent quarterly budget report.

AARO Report (Zell):

Zell gave a presentation on the 2009 Fall AARO conference. Much of the conference pertained to appraisal management companies (AMCs). Six states have instituted legislation for regulation of AMCs. Other topics discussed at AARO include: Board member training, implementation of an enforcement matrix, the HVCC, the independent board overseeing enforcement of the HVCC, Broker Price Opinions and lender-related issues.

Keith stated that he received many compliments from other state Board members regarding Zell’s facilitation of the Board member breakout session. Zell encouraged Board members to attend the AARO conferences.

**VI: ADMINISTRATOR’S REPORT**

Brief presentation by Keith regarding a number of speeches he has given recently to Realtors, mortgage brokers, and appraisers.

A state regulator advisory committee has been created that allows state regulators to come and discuss issues and ask questions. It is a great source of information.

An interpretation of college equivalency requirements was provided by the AQB at the AARO conference. The AQB is working on additional clarification regarding the new education requirements for licensing.

Keith provided a handout of excerpts from the Appraisal Subcommittee’s annual report for 2008, including the 10 policy statements.

**VII: ADJOURNMENT**

MOTION #11

Johnson moved and Fry seconded that:

***The Board meeting be adjourned.***

Motion passed unanimously.

Meeting adjourned at 11:48 a.m.

Next scheduled meeting – January 11, 2010