

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD
HEBER M WELLS BUILDING
Room 250
9:00 a.m.
February 24, 2021
Zoom

MINUTES

DIVISION STAFF PRESENT:

Jonathon Stewart, Division Director
Justin Barney, Hearing Officer
Joy Natale, Division Analyst
Mark Fagergren, Licensing Director
Kadee Wright, Chief Investigator
Maelynn Valentine, Board Secretary
Laurel North, Investigator
Stephen Gillies, Assistant Attorney General
Amy Goodlett, Licensing Specialist

BOARD MEMBERS PRESENT:

Jeffrey T. Morley, Chair
Keven Ewell, Vice Chair
Kris Poulsen, Board Member

The February 24, 2021 meeting of the Appraiser Licensing and Certification Board began at 9:02 a.m. with Chair Jeff Morley conducting.

Determination Regarding Holding Meeting Without Anchor Location

Public Body: Utah Appraiser License and Certification Board

Chair Name: Jeff Morley

The public meeting scheduled for February 24, 2021 will be conducted electronically and without an anchor location. I have determined meeting with an anchor location presents a substantial risk to the health and safety of those who may be present at the anchor location.

Facts upon which my determination is based:

The Heber Wells Building is closed to the public due to Covid-19 and the state and local municipality's response to the pandemic. The prior virtual meetings have provided an adequate means of holding this meeting and facilitates all relevant parties, including the general public, division staff and board members.

Signed this 17th day of February, 2021

Jeff Morley-Chair

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes –

A motion was made and seconded to approve the January 27, 2021 minutes. Chair Morley, Yes; Vice Chair Ewell, yes; Board Member Poulsen, yes. The motion passes.

Public Comment Period

None

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathon Stewart

Director Stewart reported on the legislative session, there is a week and a half left of the session. The Division has one bill for the session and that is House Bill 234, the bill was heard in a Senate Committee last Monday and there were no questions or concerns and passed unanimously to the Senate floor where its currently on the 2nd reading calendar. The bill will be heard two more times on the Senate floor, assuming there are no concerns raised regarding the bill, the bill should pass early next week.

ENFORCEMENT REPORT – Kadee Wright

Ms. Wright reported that in January the Division received two complaints, closed five cases, leaving 9 appraisal cases open with the Division. There is one case pending with the AG's office.

EDUCATION AND LICENSING REPORT – Mark Fagergren

Mr. Fagergren reported on statistics for the month January. The number of trainees has declined by 3 and the number of licensed appraisers has grown by four. Over the last 11 months the growth for each is a net figure of, 22 trainees, 12 licensed appraisers, 6 certified residential, and 6 certified general. There are currently 11 applications for review, 9 certified residential and 2 certified general appraisers. There has been a steady growth over the last 11 months with 22 applications in process and 2 that still need to be reviewed by reviewers of residential work. Historically, the Division has utilized the volunteers of the experience review committee a few times a year. Those individuals that are on the list have been used more as the industry grows.

Mr. Fagergren informed the Board that experienced residential review committee members are needed. Once the application is received by the Division and the samples have been received, the licensor then reaches out to reviewers in attempt to get the samples reviewed and has become more of challenge to find reviewers. The Board and Appraisal organizations in the state need to be aware of this issue and hope they can offer a willingness to participate.

Mr. Fagergren reported there were four candidates approved by both the education and experience review committees to sit for the corresponding exam.

- Scott Byington; approved to sit for the Licensed Appraiser exam.
- Kaleb Ian Zohner; approved to sit for the Licensed Appraiser exam.
- Brycen Williams; approved to sit for the Licensed Appraiser exam.
- David Bodtcher; approved to sit for the Licensed Appraiser exam.

“Yes” answers approved by Division Representatives.

- Andrew Mark Dyson

Mr. Fagergren reported on PAREA courses. Since the last Board meeting a national regulator Q & A session and conference was held to discuss the PAREA courses. The Appraisal Qualifications Board (AQB) has published their new real property appraiser qualifications criteria. This is the Bible by which state regulators administer appraisal application reviews and course reviews. This has been changed as of the first of the year to include the PAREA courses and is federally recognized. Mr. Fagergren and other regulators are trying to contact their Boards to find out if they are on board with the change that has been passed nationally and if they are behind it and of so are they willing to support it. There are a number of states that have adopted PAREA courses at this point. The AQB will nationally be approving the providers of the courses.

Mr. Fagergren stated that another concern that he had was the concept of mentors. The number and location of the mentors will be approved by the AQB depending upon the course providers, course application and the number of students they have. This has been an issue for years where a trainee is unable to find a supervisor. The PAREA course would give trainees an alternative methods of learning and according to the AQB they believe this method is superior than the traditional way of training. Mr. Fagergren believes this is great concept and urges the Board to consider adopting the PERIA equivalency course as this would require a rule change. The AQB indicates that a student that passes the PAREA courses receive a certificate with no expiration. Mr. Fagergren also hopes there will be PAREA reciprocity as some states may require hands on experience.

Vice-Chair Ewell asked if this is only for licensing and not for certification? Mr. Fagergren explained that the PERIA courses are for licensed and or certified residential and that there are currently no courses available for certified general, although an individual that would like to become licensed for certified general they can get up to 1500 hours of their 3000 hours waived by taking both PAREA modules. Vice-Chair Ewell asked in the modules, is there education as he knows that there taught into PAREA experience, does the experience class include the appraisal classes or do they have to take appraisal classes and then the PERIA experience? Mr. Fagergren explained that before a student can enroll in a module they have to take and complete all of the qualifying education. If an individual was licensed and didn't take the PAREA module and wanted to upgrade to certified residential they could take the certified residential second module if they have completed all of the qualifying education before they enroll.

Mr. Barney asked what the cost is for the experience classes. Mr. Fagergren explained that he does not know what the cost is as of yet. Chair Morley asked in the current model students submit sample reports of actual properties that they have appraised, is there direction of what the application will look like in the PAREA courses. Mr.

Fagergren explained that before an individual can receive a certificate of completion of module one or two they will have to have had a mentor and pass off on 3 USPAP compliant appraisals and three additional for certified residential. It's very similar to what the Division uses for mass appraisers in Utah where they are required to do four or eight USPAP complaint reports which are sent out for review. So the mentor will have to sign off on the report that the student is able to do them. Mr. Fagergren emphasized that the course education for PAREA is much more time spent on the appraisal process and development than reporting.

Chair Morley stated that now the requirement is for an applicant to become licensed before they become certified. The reasoning for that is that when they become certified there is a better likelihood of reviewing work that they have actually performed as opposed to what the supervisor has performed. Chair Morley suggests to the Board to consider whether they want to continue that and approve PAREA courses for licensure but perhaps not for certification or only for certification but also submit samples of actual assignments. Mr. Fagergren stated that when the AQB took over testing and education, the standards have increased. PAREA program has been in the works for over five years.

Chair Morley asked what the timeframe will be? In the current model there is a minimum amount of time in the apprenticeship program, if they will have minimum timeframes or if the student just works through the courses or if they give any direction on the time it will take for a student to become licensed or certified? Mr. Fagergren stated that they have not given any timeframes or any length of time it will take to complete the program.

Board member Poulsen stated that the AQB made this effective on January 1, 2021 and that was based on their October meeting and then they added an implementation policy on December 15, 2020. Board member Poulsen asked if there are other pieces that the AQB needs to adopt or provide or is everything done on their side to move forward? Mr. Fagergren explained that the AQB is done on their end and it's up to providers and states to approve. Vice-Chair Ewell stated that he attended an AQB meeting last week and they stated that they are ready to go with the program and there were one or two course providers that are ready as well. Smaller states may opt out as it may be too costly.

Board Member Poulsen asked if they are licensed in a larger state would they be able to become licensed in Utah through reciprocity? Director Stewart stated that the state of Utah has reciprocity through statute, so the Division would grant them a license through reciprocity. The Division cannot require something from an individual that we do not require from our own licensees and we cannot exceed another states requirements per the Appraisal Sub Committee.

Vice-Chair Ewell asked if Mr. Fagergren could put a list together of all of the rule changes that are needed so the Board is able to review the wording? Mr. Fagergren will work with Mr. Barney on the outline and criteria and bring the proposed change to the

Board for their review at next months meeting. This topic will be added to next month's Agenda for further discussion.

Mr. Fagergren reported that the Standards Board extended the 20-21 USPSP by an additional year, which means they will not be publishing a new book this year.

BOARD AND INDUSTRY REPORT- Justin Barney

Mr. Barney reported that the proposed rule amendment has been submitted to the Division of Administrative Rules and is currently under review. Mr. Barney sent an email for a status update and was told that the filing is set to be published in the March 1st bulletin. If published on March 1st, the proposed amendment would be available for public comment for 30 days. That allows for consideration of the public comment, if any, at the April Board meeting.

Experience Review

Jeremy Hardman

A motion was made and seconded to close the meeting for the sole purpose of discussing the character, professional competence or physical or mental health of an individual: Chair Morley, yes; Vice Chair Ewell, yes; Board Member Poulsen, yes. The motion passes.

CLOSED TO PUBLIC

An Executive Session was held.

OPEN TO PUBLIC

Vice-chair Ewell made a motion that the Board continue the action against Jeremy Hardman for 60 days during which time he obtain additional experience and resubmit his log of work for reconsideration to sit for the exam, the motion was seconded. Vote: Chair Morley, yes; Vice Chair Ewell, yes; Board Member Poulsen; yes. The motion passes.

A motion was made and seconded to adjourn the meeting. Vote: Chair Morley, yes; Vice Chair Ewell, yes; Board Member Poulsen, yes. The motion passes. The meeting adjourned at approximately 11:55 a.m.