

UTAH APPRAISER LICENSING AND CERTIFICATION BOARD
HEBER M WELLS BUILDING
Room 250
9:00 a.m.
May 26, 2021
Zoom

MINUTES

DIVISION STAFF PRESENT:

Jonathon Stewart, Division Director
Justin Barney, Hearing Officer
Joy Natale, Division Analyst
Mark Fagergren, Licensing & Education Director
Kadee Wright, Chief Investigator
Maelynn Valentine, Board Secretary
Laurel North, Investigator
Michael Genco, Licensing Specialist
Sydney Joy, Licensing Specialist

BOARD MEMBERS PRESENT:

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

The May 26, 2021 meeting of the Appraiser Licensing and Certification Board began at 9:01 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 May 26, 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 25th day of May, 2021

Jeff Morley-Chair

PLANNING AND ADMINISTRATIVE MATTERS

Approval of Minutes –

A motion was made and seconded to approve the April 28, 2021 minutes. Chair Morley, Yes; Vice Chair Ewell, yes; Board Member Poulsen, yes; Board Member Brown, yes. The motion passes.

Public Comment Period

DIVISION REPORTS

DIRECTOR'S REPORT – Jonathon Stewart

Director Stewart reported that the Heber Wells Building will reopen to the public on June 1, 2021 and Board meetings will resume in person. Director Stewart suggested to the Board a “hybrid Board meeting” which would allow for Board members, Division staff, and members of the public to attend virtually or in person.

Director Stewart gave an update on the Governor’s Executive Order. The Executive Order directed all regulatory and licensing agencies to review all statutes and rules and identify any barriers to entry, barriers to practice, and unreasonable regulation. Division staff has reviewed all statutes and administrative rules and flagged anything that the Division did not have statutory authority for, unnecessary regulations, or barriers to entry. There are very few items for the Appraisal Board to consider, including:

- R162-2g-310(4) – remove reference to crimes of moral turpitude.
- R162-2g-306b(3)(c) – All change forms shall be accompanied by a nonrefundable processing fee. Remove this section.
- 61-2e-401(2)(a) – If a person is found to have violated this chapter...the person shall pay the costs incurred by the division. Remove.

Director Stewart asked Board members for their questions or feedback regarding the recommendations. Chair Morley stated that the changes seem reasonable, all other Board members agree.

Director Stewart informed the Board that the report for the Executive Order is due June 30, 2021 and he would like the Board to consider adding Practical Applications of Real Estate Appraisal (PAREA) to the report. Several Division staff attended the AARO virtual conference this year and one of the sessions dealt specifically with PAREA. The Appraisal Foundation cautioned state regulators to avoid a partial adoption of the program. The main goal behind (PAREA) is to allow for an alternate path to becoming a Licensed or Certified appraiser. The challenges that many appraiser candidates have faced, is finding a supervisory appraiser. The AQB urges and recommends states fully adopt the PAREA program. Director Stewart suggested adopting PAREA fully as the Governors Executive Order asked all regulatory and licensing agencies to reduce barriers to entry, this would be a big move in the right direction and a good solution to a long-term problem.

Board Member Poulsen asked if the role of the mentor was talked about at the conference. Mr. Fagergren explained that at the AARO conference it was mentioned that the standards for a mentor are similar to the standards for a supervisory appraiser. The individual providers would have a requirement to demonstrate sufficient numbers of mentors to adequately train PAREA candidates. Providers will be required to demonstrate to the AQB that they have sufficient mentors before being approved. Board Member Poulsen asked about partial adoption and if that is referring to the trainee process on becoming licensed. Director Stewart explained that in past Board Meetings, the Board mentioned a partial adoption by only allowing 50% of PAREA to count towards becoming licensed and the AQB does not recommend partial adoption.

Director Stewart stated that the Division has statutory authority to draft rules if the Board is inclined to adopt PAREA fully and would like to include the adoption in the report to the Governor's office, Mr. Fagergren stated that the statute indicates that the Division shall be in compliance with AQB requirements and the AQB criteria as of January 1, 2021 allows for PAREA simulated experience training. Vice Chair Ewell stated that he would be in support of full adoption. Chair Morley asked when PAREA will be available to trainees. Mr. Fagergren stated that he was informed in the AARO conference that PAREA courses would likely be available in the fall of 2021. Board Member Poulsen stated that although this is not an action item on the agenda, however if the Board gives the Division direction to move forward with the concept that they were to adopt PAREA, would that be sufficient enough to report to the Governor's office. Director Stewart stated that it would be sufficient enough to add to the report and that PAREA will be added as an action item to the agenda in the near future.

A motion was made and seconded that the Board move forward with full adoption of PAREA and instructed the Division to draft rules to be reviewed by the Board. Vote, Chair Morley, yes; Vice Chair Ewell, yes; Board Member Poulsen, yes; Board Member Brown, yes. The motion passes.

Director Stewart reported on the Data Collection Committee. Some members of the committee that have volunteered are, Jared Preisler from the Utah Chapter of Appraisal Institute, Cheryl Dejno from the Utah Coalition of Appraisal Professionals, John Brennan from Clear Capital, and Jeff Dickstein from Protech. Director Stewart spoke to Howard Headlee, President of the Utah Bankers Association, to ask about volunteers from lending institutions and he will get back to Director Stewart. Vice Chair Ewell and Board member Poulsen have volunteered to serve on the Data Collection Committee.

ENFORCEMENT REPORT – Kadee Wright

Ms. Wright reported that in April the Division received two complaints, closed two cases, leaving 15 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 that the Appraisal licensing staff, Michael Genco and Sydney Joy has been very busy as they work through a backlog of applications. They have expressed some difficulty placing experience review files with members of the experience review committee. Volunteer experience review members have stated that their current work load was making it difficult for them to accept review assignments. Mr. Fagergren explained that PAREA will be a benefit in this area if fully adopted.

Mr. Fagergren reported that in the month of April the Division processed 11 new trainee applications, three licensed appraisers, four certified residential appraisers and eight certified general appraisers. Mr. Fagergren stated that there have been a number of applicants from out of state seeking certified general licenses. There has been a net growth of 20 individual appraiser. Mortgage and Real Estate are seeing a growth of 60-90% increase from last year.

“Yes” answers approved by Division Representatives.

- Matthew J. Hocevar
- Mark Williams
- Eric Jennings
- Michael G. Jones
- Hannah Higgins
- David J. Sangree
- Neal W. Hiltson
- Russell G. Damon
- Equity Solutions USA, Inc.
- Cushman & Wakefield Global Services, Inc
- Home Base Appraisal Management
- Lenders Valuation Services, Inc
- U.S. Real Estate Services
- Axis Approval Management Solutions
- Clear Falls Valuations, LLC
- NationalLink Valuations, LLC
- SWBC Lending Solutions, LLC
- Applied Valuation Services, Inc
- AppraiserVendor.com LLC
- Trident Services, LLC
- Gary McBride

Mr. Fagergren reported there were three candidates approved by both the education and experience review committee to sit for their corresponding exams.

- James Mckell; Approved to sit for the Certified Residential Appraiser exam.
- Nicolas Izatt; Approved to sit for the Certified Residential Appraiser exam.
- Lance Porter; Approved to sit for the Licensed Appraiser exam.
- Wendy Rasmussen; Approved to sit for the Certified Residential Appraiser exam.

Mr. Fagergren reported there was one candidate denied by both the education and experience review committees to sit for the corresponding exam.

- Genette Williams; denied to sit for the Licensed Appraiser exam.

Mr. Fagergren reported on the supervisory trainee course and has spoken to Tammy Melling Education Program Manager with the Utah State Tax Commission and have updated some items in the course. It has been revised to include the current version of The Real Property Appraiser Qualification Criteria, a current copy of the Appraisal Statutes and Administrative Rules, and have updated some of the Division forms which are included in the course. Tammy Melling and Jared Priesler have agreed to review the course and provide additional feedback, if any. Once approved it will be given to the providers to teach the Supervisor Trainee Course.

BOARD AND INDUSTRY REPORT- Justin Barney

Mr. Barney reported that the Division and Board are authorized to discuss certain issues in executive session. Mr. Barney stated that a few years ago the Board authorized the Division to approve applicants for testing who were approved by their experience reviewer to avoid a delay and allowing them to test right away. The reasoning for that is that the Board does not review the appraisal assignments and the decision is based on the appraisal reviewer. The Division feels that this is a similar reason to those that are recommended for denial by the experience reviewer. Authorizing the Division to issue the denial would avoid unnecessary delays for an applicant, possibly several weeks of delays. The Division would like the Board to consider authorizing the Division to issue the denial and the applicant can determine if they want to appeal that decision. Mr. Barney addresses the Board and asks if they would like to take action on this matter today or add to the agenda in the near future.

A motion was made and seconded to give the Division authority to act on the applications from the experience review committee that have denied and applicant to sit for the exam and allowing the Division to inform the applicant. Vote, Chair Morley, yes; Vice Chair Ewell, yes; Board Member Poulsen, yes; Board Member Brown, yes. The motion passes.

Mr. Barney reported on the topic of allowing a supervisor to train more than three trainees and that will be discussed in a committee. There are currently no purposed rule amendments at this time. Vice Chair Ewell asked if a committee needs to be formed to discuss the supervisor trainee details. Mr. Barney stated that it could just be a matter for

the Boards consideration. Vice Chair Ewell would like the topic to be added to next month's agenda. Chair Morley would like to see action taken on the matter and if no action is taken then suggests a committee be formed to discuss further. Chair Morley is not opposed to the idea of allowing a supervisor to train more than three trainees, but if allowed there would need to be more oversight in place.

Experience Review

Jill Tucker Staska
Christian Pate

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; Board Member Brown, yes. The motion passes.

CLOSED TO PUBLIC

An Executive Session was held.

OPEN TO PUBLIC

A motion was made and seconded to allow Jill Tucker Staska to sit for the certified residential appraisal exam. Vote: Chair Morley, yes; Vice Chair Ewell, yes; Board Member Brown; yes; Board Member Poulsen, yes. The motion passes.

A motion was made and seconded to extend the application for Christian Pate and to have him rework his appraisal log to only include properties or professional appraisal services were completed by the trainee and noted within the appraisal report, if the updated log still has the required hours then three additional work samples will be requested for appraisals completed within 90 days of this hearing. If the log has insufficient hours the application will be denied. Vote: Chair Morley, yes; Vice Chair Ewell, yes; Board Member Brown; 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; Board Member Brown; yes. The motion passes. The meeting adjourned at approximately 12:49 p.m.