

IDAHO REAL ESTATE APPRAISER BOARD
Bureau of Occupational Licenses
700 West State Street, P.O. Box 83720
Boise, ID 83720-0063

Board Meeting Minutes of 10/26/2015

BOARD MEMBERS PRESENT: Brad Janoush - Chair
Eric Brinton
H. Scott Calhoun
Douglas D Vollmer
Paul J Morgan

BUREAU STAFF: Tana Cory, Bureau Chief
Dawn Hall, Administrative Support Manager
Lori Peel, Investigative Unit Manager
Maurie Ellsworth, General Counsel
Mitchell Toryanski, Legal Counsel
Roger Hales, Attorney
Cherie Simpson, Management Assistant
Deborah Sexton, Management Assistant

OTHERS PRESENT: Tim Sullivan – CRA-32

The meeting was called to order at 8:30 AM MDT by Brad Janoush.

APPROVAL OF MINUTES

Mr. Vollmer made a motion to approve the minutes of August 17, 2015. It was seconded by Mr. Morgan. Motion carried.

WELCOME

Mr. Janoush introduced and welcomed the new members to the Board.

LEGISLATIVE REPORT

Ms. Cory gave the legislative report. She said any proposed law changes for 2016 needed to be in by the first of August and proposed rule changes needed to be submitted by the third week of August for the 2016 session. The proposed laws and rules are posted to the Board's webpage under the proposed laws and rules tab and postcards were sent out to all licensees.

FINANCIAL REPORT

Ms. Hall gave the financial report, which indicated that the Board had a cash balance of \$124,566.63 as of September 30, 2015.

DISCIPLINE

INVESTIGATIVE REPORT

Ms. Peel gave the investigative report, which is linked above.

FOR BOARD DETERMINATION

Mr. Vollmer made a motion to approve the Bureau's recommendation and authorize closure in case I-REA-2016-3. It was seconded by Mr. Calhoun. Motion carried. Mr. Morgan recused himself in this matter.

Mr. Vollmer made a motion to approve the Bureau's recommendation and authorize closure in case I-REA-2016-4 with a warning letter. It was seconded by Mr. Brinton. Motion carried.

Ms. Peel presented a Notice of Violation and Settlement Order in case REA-2016-1. Mr. Morgan made a motion to approve the Settlement Order and allow the Board Chair to sign on behalf of the Board. It was seconded by Mr. Vollmer. Motion carried.

The Board reviewed a request from Paul Dubinicka to be removed from probation in case REA-2014-10. Mr. Morgan made a motion to approve the request. It was seconded by Mr. Vollmer. Motion carried.

The Board reviewed the probation log.

PRESENTATION – REGULATORY BOARDS

Mr. Toryanski discussed with the Board members their role when serving on the Board.

OLD BUSINESS

To Do List – The Board reviewed the to do list and no action was taken.

Mr. Janoush discussed correspondence from Matt Simmons in regard to opting in or out of Appraisal Management Company (AMC) regulation.

Mr. Hales reviewed with the Board the most recent AMC draft legislation from Mr. Brassey. The Board had additional comments and Mr. Hales will follow-up with Mr. Brassey regarding the comments.

Mr. Hales reviewed the proposed laws and rules with members of the Board.

The Board reviewed a comment from Sarah Miles in regard to the proposed Uniform Standards of Professional Appraisal Practice (USPAP) rule change. The Board said it only regulates the appraisal of real property, not the business valuation aspect. Mr. Janoush will draft a response to Ms. Miles and for the frequently asked questions link.

NEW BUSINESS

Mr. Janoush gave an update from the Appraiser Qualifications Board (AQB) Public Hearing and Association of Appraiser Regulatory Officials (AARO) conference he attended. Some of the highlights included:

Alternative Experience Options: Should experience in other professions (e.g., real estate brokerage, assessor, building contractor) qualify toward a real property appraiser credential? If so, how is it measured?

Practicum Courses: Since 2008, the *Criteria* has allowed applicants to obtain up to half the required experience via completion of practicum courses, yet none exist as providers find them to be uneconomical. Can the AQB assist in reducing costs by developing an “off-the-shelf” outline for practicum courses?

Number of Hours Required for Experience: Is the number of hours required for a credential still relevant? With advances in technology is 2,500 hours of experience as meaningful today as it was many years ago? Is there a better way to measure an applicant’s experience?

Lack of Incentive for Supervisors to mentor Trainees: Many independent fee appraisers are reluctant to bring on Trainees. Concerns include cost versus reward, potentially training the competition, and possible liability issues. Is this model broken or are there ways to properly incentivize Supervisors and maintain public trust?

Board Immunity Presentation

Mr. Toryanski provided information in regard to Board immunity and discussed a recent U.S. Supreme Court case which may affect state regulatory boards that are controlled by active market participants.

2016-17 USPAP BOOKS

Mr. Vollmer made a motion to order the new 2016-17 USPAP version for members of the Board and staff. It was seconded by Mr. Brinton. Motion carried.

EXECUTIVE SESSION

Mr. Morgan made a motion that the Board go into executive session under Idaho Code § 74-206(1)(d) to consider records that are exempt from disclosure under the

Idaho Public Records Law. The purpose of the Executive Session was to consider license application materials. It was seconded by Mr. Calhoun. The vote was: Mr. Janoush, aye; Mr. Vollmer, aye; Morgan, aye; Mr. Brinton, aye; and Calhoun, aye. Motion carried.

Mr. Calhoun made a motion to come out of executive session. It was seconded by Mr. Brinton. The vote was: Mr. Janoush, aye; Mr. Vollmer, aye; Morgan, aye; Mr. Brinton, aye; and Calhoun, aye. Motion carried.

APPLICATIONS

Mr. Morgan made a motion to approve Thomas Jeffries for licensure as a Certified General Appraiser. It was seconded by Mr. Vollmer. Motion carried.

Mr. Vollmer made a motion to approve Paul Jensen to take the Residential Appraisal exam. It was seconded by Mr. Morgan. Motion carried.

Mr. Vollmer made a motion to approve the following applicants pending receipt of additional documents:

901140989
901140845

It was seconded by Mr. Brinton. Motion carried.

The Board reviewed a request from Ryan Turner to allow him to renew his license prior to paying off his fine and costs in full in case REA-2011-7. Mr. Calhoun made a motion to deny the request. It was seconded by Mr. Morgan. Motion carried.

JURISPRUDENCE EXAM

The Board discussed the passing rate of the jurisprudence exam. Mr. Vollmer made a motion that applicants who do not receive an 80% or better on the jurisprudence exam be asked to retake it. It was seconded by Mr. Morgan. Motion carried.

NEXT MEETING was scheduled for December 7, 2015 at 8:30 AM MST.

ADJOURNMENT

Mr. Morgan made a motion to adjourn the meeting at 1:30 PM. It was seconded by Mr. Vollmer. Motion carried.

Brad Janoush, Chair

Eric Brinton

Douglas D Vollmer

Paul J Morgan

H. Scott Calhoun

Tana Cory, Bureau Chief