

Halsey Beshears, Secretary

Ron DeSantis, Governor

**Amended Minutes of
THE FLORIDA REAL ESTATE APPRAISAL BOARD
April 1, 2019
General Meeting**

Chair Cristy Conolly called the general meeting of the Florida Real Estate Appraisal Board to order at approximately 9:25 a.m., in Orlando, Florida, on this Monday, the 1st day of April, 2019.

The following Board members were present: Chair Cristy Conolly, Vice-Chair Armando del Valle, Members Fran Oreto, Janet Rabin, Justin Recca, Joann Rooney and Michael Roy. Member Dawn Warren was absent. Assistant Attorney General Deborah Loucks appeared as counsel for the Board. Executive Director McDonald declared a quorum present.

Department and Division staff present at the meeting: Katy McGinnis, Director; Amrita Singh, Deputy Director; Allison McDonald, Executive Director; Al Cheneler, Chief Attorney; David Aring, Assistant General Counsel; Jocelyn Pomales, Operations Management Consultant; Dana Chapman, Investigations Specialist; Thomas Jones, Administrative Assistant II; Whitley Ward and Beverly Ridenauer, Government Analysts. American Court Reporting, Inc. (407.896.1813) provided court reporter services.

General Session
Approval of Minutes

Ms. Oreto moved, seconded by Ms. Rooney to approve the minutes of the February 4, 2019, General Meeting minutes as submitted. The motion carried without dissent.

General Session
Reports

The Board reviewed the Education Course, Exam Performance, Financial, and License Count reports. The Board had no questions.

Legal Case Report

Mr. Cheneler reported that there are no cases over 365 days to place on the Year Old Case Report. He stated that Mr. Aring is diligent about moving any appraiser cases forward without delay.

Legal Appearance Docket

The Board addressed the Legal Appearance Docket, hearing 3 docket items with the following results:

Ronald J. Bianco, Jr. – 2018017836 – Settlement Stipulation

Respondent was present and was represented by counsel, John R. Samaan. Ms. Conolly was recused due to participation on the probable cause panel.

Mr. Aring represented the Department and presented the case to the Board. The Board granted the informal hearing and entered into discussion. Following discussion, Mr. Roy moved; Mr. Recca seconded; motion carried without dissent to accept the proposed Settlement Stipulation as follows:

Penalty imposed: Fine: \$2,500.00; costs: \$1,118.70; Education courses: 15-Hour National USPAP, Appraisal Foundation corrective courses entitled “Appraiser Self Protection: Documentation and Record Keeping”, “Report Certifications: What Am I Signing and Why?”, “Residential Report Writing vs. Form filling”, and “Scope of Work: Appraisals and Inspections”; attend one complete FREAB meeting; probation for a period of twelve (12) months with early termination language

Violation: Florida Statutes 475.624(4) by violating Rule 61J1-9.001, Florida Administrative Code, through violations of USPAP Standard Rules; Section 475.624(15), Florida Statutes, for failing or refusing to exercise reasonable diligence in developing an appraisal or preparing an appraisal report.

Shawn Dana Blackburn – 2018042757; 2018042762 – Voluntary Surrender for Permanent Revocation

Respondent was not present and was not represented by counsel. Ms. Warren and Mr. Roy were recused due to participation on the probable cause panel.

Mr. Aring represented the Department and presented the case to the Board. The Board granted the informal hearing and entered into discussion. Following discussion, Mr. del Valle moved; Ms. Rabin seconded; motion carried without dissent to accept the voluntary surrender of license for permanent revocation.

Action Taken: Accepted Voluntary Surrender

Violation: Florida Statutes 475.624(4) by violating Rule 61J1-9.001, Florida Administrative Code, through violations of USPAP Standard Rules; Section 475.624(15), Florida Statutes, for failing or refusing to exercise reasonable diligence in developing an appraisal or preparing an appraisal report.

General Session Continued
Summary of Applicants

Informal Hearing

U S Real Estate Services, Inc. – The applicant was represented by counsel, Mr. Tyler Mesmer, who addressed the Board. Following discussion, Ms. Oreto moved; Mr. Roy seconded; motion carried unanimously to vacate the Notice of Intent to Deny and approve the renewal application.

New Applications – Agenda A

John J. Farah – The applicant was present to address the Board. Following discussion Ms. Oreto moved; Mr. Roy seconded; motion carried unanimously to approve the application.

Robert Dan Fuller – The applicant was present to address the Board. Following discussion, Ms. Rabin moved; Ms. Rooney seconded; motion carried unanimously to approve the application.

David Jeffrey Smith – The applicant was not present to address the Board. Following discussion, Ms. Oreto moved; Mr. Recca seconded; motion carried unanimously to approve the application.

Alexander William Szedsodi – The applicant was present with his Supervisor, Rick Logan, to address the Board regarding experience. Following discussion, Ms. Rabin moved; Mr. del Valle seconded; motion carried with a split vote of 4 yea and 3 nay votes to approve the application.

James Anthony Vega – Withdrawn.

New Applications – Agenda B

Thomas W. Hudlow – The applicant was not present to address the Board. Following discussion, Ms. Oreto moved; Mr. Roy seconded; motion carried unanimously to approve the application.

Rick Andrew Kenny – The applicant was not present to address the Board. Following discussion, Mr. del Valle moved; Ms. Rabin seconded; motion carried unanimously to approve the application.

Rick Salisbury – The applicant was not present to address the Board. Following discussion, Ms. Oreto moved; Ms. Rooney seconded; motion carried unanimously to approve the application.

General Session Continued

Real Estate Appraisal Education Courses for Approval or Denial – *Jocelyn Pomales, Education Coordinator*

2019 Appraisal Summit, Day 2 – New Course (7 hours classroom, post licensing) – application number 7429–
Corelogic Valuation Solutions DBA The Columbia Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Mr. del Valle moved to deny approval because the provider failed to submit required elements of the course; Ms. Rabin seconded; motion carried without dissent.

2019 Appraisal Summit, Day 1 – New Course (7 hours classroom, post licensing) – application number 74230 –
Corelogic Valuation Solutions DBA The Columbia Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion Mr. del Valle moved to deny approval because the provider failed to submit required elements of the course; Mr. Roy seconded; motion carried without dissent.

How to Raise Appraisal Quality and Minimize Risk – New course (7 hours distance, specialty) – application
number 7414 – OREP Education Network

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Mr. Roy moved to deny the course due to lack of course materials, only one exam submitted and improper exam questions. Mr. del Valle seconded and the motion carried without dissent.

FHA Trial Components: Recipe for Success or Disaster – New Course (3 hours classroom, specialty) – application
number 7395 – Region X of the Appraisal Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Ms. Rabin moved; Mr. del Valle seconded; motion carried without dissent to grant conditional approval of the course.

Appraisal Aerial Inspections Using a Drone – New course (7 hours classroom, specialty) – application number 7416
– Region X of the Appraisal Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Mr. Roy moved; Mr. del Valle seconded; motion carried without dissent to approve the course.

Client Requested Evaluations – Appraisal Assignments: Welcome to the 21st Century – New Course (4 hours classroom, specialty) – application number 7431 – Region X of the Appraisal Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Ms. Rabin moved to deny the course because the course contains conflicting information; Ms. Rooney seconded; motion carried without dissent.

Rules Report and Rules Discussion – *Deborah Loucks, Board Counsel*

Rules Report

Board Counsel Loucks presented the Rules Report for January 2019 and provided a brief update, commenting that the rules on the report have not been completed by the Board. She noted that in addition to those rules, the Board is being asked to consider certain rules and forms that need to be completed prior to August 10, 2018 for compliance with the effective date for Appraisal Management Company regulation.

Rules Discussion

Executive Director McDonald provided a brief summary of the various federal guidelines that have been implemented for the regulation of Appraisal Management Companies (AMCs) and the Appraisal Management Company National Registry. Participating States are required to have their programs established and fully operational not later than August 10, 2019.

Rule 61J1-2.0025 Appraisal Management Company Annual Report

Board Counsel Loucks presented the proposed language for new Rule 61J1-2.0025. Following discussion, Ms. Oreto moved; Ms. Rabin seconded; motion carried unanimously to adopt the proposed language.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Ms. Oreto moved; Mr. Roy seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Mr. Roy moved; Ms. Rabin seconded; motion carried unanimously to find that if there is a violation of the rule based upon the changes to the rule, the violation would not be identified as a minor violation.

Rule 61J1-8.001 Citation Authority

Counsel Loucks introduced proposed language to update the disciplinary guidelines. The Board discussed the changes. Following discussion, Ms. Oreto moved; Ms. Rabin seconded; motion carried unanimously to adopt the changes as presented and notice the rule for rulemaking.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Ms. Oreto moved; Ms. Rabin seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Mr. Roy moved; Ms. Rabin seconded; motion carried unanimously to maintain the status of any violations that may be considered as minor violations.

Rule 61J1-8.002 Disciplinary Guidelines

Counsel Loucks introduced proposed language to update the disciplinary guidelines. The Board discussed the changes. Following discussion, Ms. Oreto moved; Mr. del Valle seconded; motion carried unanimously to adopt the changes as presented and notice the rule for rulemaking.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Ms. Oreto moved; Ms. Rabin seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Ms. Rabin moved; Ms. Rooney seconded; motion carried unanimously to maintain the status of the any violations that may be considered as minor violations.

61J1-11.001 Definitions

Ms. Loucks introduced the discussion about the current language, noting that the Board may want to consider adding the definition of "annual report" to this rule. Ms. McDonald asked the Board to consider the content of Rule 61J1-2.0025 and the AMC guideline information she had presented earlier to determine if there is terminology in those rules that may need to be included in the definitions for AMCs. The Board took no action at this meeting.

Rule 61J1-9.002 Standards of Professional Practice for Appraisal Management Companies; Development and Communications of Real Estate Appraisal

Counsel Loucks introduced proposed amendments to the text of the rule. The Board discussed the changes. Following discussion, Mr. Roy moved; Ms. Oreto seconded; motion carried unanimously to adopt the changes as presented and notice the rule for rulemaking.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Mr. Roy moved; Ms. Rabin seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Ms. Rabin; Mr. Roy seconded; motion carried unanimously to find the status of any violations will not be minor violations.

Department Rules

Board Counsel Loucks explained to the Board that Department Rules 61-6.043 Renewal Process for Appraisal Management Company and 61-35.026 Florida Real Estate Departmental Forms were presented as information only and required no action from the Board at this meeting.

Rule 61-6.043 Renewal Process for Appraisal Management Company

Executive Director McDonald provided an update about the rule, which is tied to the Appraisal Management Company (AMC) renewal process and responded to questions from the Board. The Board reviewed the rule, but took no action.

Rule 61-35.026 Renewal Process for Appraisal Management Company

Ms. McDonald explained that this rule incorporates the forms used for AMC regulation. She identified the changes to the rule text to incorporate the Annual Report form that will be used to report AMCs registered in Florida to the Appraisal Subcommittee for the AMC National Registry and specifies certain forms for appraiser and education applicants. Ms. McDonald responded to questions from the Board, which reviewed the rule, but took no action.

Rule 61J1-4.003 Continuing Education

Counsel Loucks introduced the rule. Ms. McDonald provided the background for the proposed changes to the text. The Board discussed the changes. Following discussion, Ms. Oreto moved; Mr. Roy seconded; motion carried unanimously to adopt the changes as presented.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Mr. del Valle moved; Ms. Rooney seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Ms. Rabin moved; Mr. del Valle seconded; motion carried unanimously to find the status of any violations will not be minor violations.

Rule 61J1-4.008 Continuing Education for School Instructors

Counsel Loucks introduced the rule. Ms. McDonald explained that Staff is seeking guidance from the Board regarding instructor course renewal and whether or not IDECC approval is required. The Board discussed the topic. Following discussion, Mr. del Valle moved; Ms. Rabin seconded; motion carried unanimously to find the renewal of the instructor continuing education course does not need IDECC approval because course instructors are not required to follow the AQB Criteria.

Ms. McDonald stated there is part of the text of this rule that needs to be amended. The proposed amendments will be drafted and presented at the June meeting.

Rule 61J1- 6.001 Experience Requirements

Counsel Loucks introduced the rule. She reminded the Board that it has already adopted changes to the education rules so they match the AQB Criteria; however, the experience rule has not yet been amended. Since the education rules reference the experience hours, the experience rule must be amended before the education rule can move forward.

Ms. Loucks presented the proposed text and asked the Board to consider adopting the minimal changes so the two rules could be effective at the same time. The Board discussed the changes. Following discussion, Mr. del Valle moved; Ms. Rooney seconded; motion carried unanimously to adopt the proposed text as amended and publish the rule for development.

Ms. Loucks asked the Board if the proposed amendment to the rule will not have a negative impact on small business or a regulatory impact in excess of \$200,000 within one year of implementation of the rule. Mr. del Valle moved; Ms. Rabin seconded; motion carried unanimously to find there will be no fiscal impact.

Ms. Loucks asked the Board to consider if any violation of the changes to the rule could be considered to be minor violations. Following discussion, Ms. Rabin moved; Mr. del Valle seconded; motion carried unanimously to maintain the status of any violations that may be considered minor violations.

Special Agenda A – Board Business

Approvable Guidelines for Appraisal Management Companies

Chair Conolly introduced the topic and reminded Members that during the 2018 renewal cycle, the Board reviewed many AMC applications for background issues on the corporate license due to violations in other States. In some instances, the violations had been previously disclosed or were very minor without harm to the public.

The Chair would asked the Board to consider granting limited authority to Staff to approve similar background items and not delay the renewal process by bringing the application to the Board except for major issues. The Board agreed and asked Ms. McDonald to provide an outline of the approvable guidelines at the June meeting. No other action was taken at this meeting.

Third and Fourth Exposure Drafts for 2020-2021 USPAP

Ms. McDonald presented a brief comparison of the two versions of the documents as information only for the Board. The Board took no action at this meeting.

The Appraisal Foundation News

Ms. McDonald presented this item as information only. The Board took no action.

Special Agenda B – Board Business

Revised DBPR Form 2300 Work Log

Executive Director McDonald introduced Government Analyst Whitley Ward to present the proposed changes to the work experience log. Staff responded to questions from the Board about the form and certain areas of the instruction page.

Following discussion, Mr. del Valle moved; Mr. Roy seconded; motion carried unanimously to adopt the proposed changes for the work experience log. Chair Conolly thanked Staff for the effort made to clarify the form and the assistance that is provided to applicants daily.

Executive Director's Comments

Executive Director McDonald's comments included the following:

- Preliminary Results of the 2019 ASC Field Review
- AQB seeking comments on Practical Applications of Real Estate Appraisal Concept (PAREA)
- Thanked everyone for a successful meeting and all that was accomplished.

Chair's Comments

Chair Conolly's comments included the following:

- Resolution of Recognition for Former Member Clay Ketcham
- The topic of evaluations will be included on the June agenda. Any person who has topic information that has not been previously submitted may do so prior to the close of business on Monday, May 13, 2019.

Public Comments

There were no public comments.

Next Meeting Date

Monday, June 3, 2019 at 8:30 a.m. – Orlando

Adjournment

There being no other business, the Chair adjourned the meeting at approximately 3:45 p.m. The next general meeting of the Florida Real Estate Appraisal Board will be held Monday, June 3, 2019 in Orlando.

ATTEST:



Cristy Conolly, Chair
Florida Real Estate Appraisal Board



Allison Carmine McDonald, Executive Director
Florida Real Estate Appraisal Board