

Jonathan Zachem, Secretary

Rick Scott, Governor

**Minutes of
THE FLORIDA REAL ESTATE APPRAISAL BOARD
June 4, 2018
General Meeting**

Chair Mike Roy called the meeting of the Florida Real Estate Appraisal Board to order at approximately 8:30 a.m., in Orlando, Florida, on this Monday, the 9th of April, 2018.

The following Board members were present: Chair Mike Roy, Vice-Chair Cristy Conolly, Members Armando del Valle, Clay Ketcham, Fran Oreto, Janet Rabin, Justin Recca, JoAnn Rooney, and Dawn Warren. Assistant Attorney General Rachel Clark appeared as counsel for the Board. Executive Director Crawford declared a quorum present.

Department and Division staff present at the meeting: Lori Crawford, Executive Director; Al Cheneler, Chief Attorney; Allison McDonald, Deputy Chief Attorney; Jocelyn Pomales, OMC; Whitley Ward, and Beverly Ridenauer, Government Analysts. American Court Reporting, Inc. (407.896.1813) provided court reporter services.

General Session
Approval of Minutes

The minutes of the April 9, 2018, General Meeting were presented. Mr. Ketcham moved, seconded by Ms. Oreto to approve the minutes as presented. The motion carried without dissent.

Reports

Executive Director Crawford presented the Exam Performance, Third Quarter Financial and the Licensee Count reports and addressed questions from the Board.

Legal Case Report

Ms. McDonald presented the Year Old Case report and addressed questions and comments from the Board.

Summary of Applicants
New Applications

Charles T. Allen – The applicant was present to address the Board. Following discussion, Ms. Oreto moved; Ms. Conolly seconded; motion carried by split vote to approve the application.

Tanya K. Batten – The applicant was present to address the Board. Following discussion, Mr. Ketcham moved; Ms. Rabin seconded; motion carried with a split vote to deny the application.

Jose E. Dapena-Iglesias – The applicant was present to address the Board. Following discussion, Mr. Ketcham moved; Ms. Rabin seconded; motion carried unanimously to approve the application.

Joseph W. Toolen – The applicant was present to address the Board. Following discussion, Ms. Conolly moved; Mr. Ketcham seconded; motion carried unanimously to approve the application.

General Session Continued

Real Estate Appraisal Education Courses for Approval or Denial

Online Business Practices and Ethics Course – New Course (5 hours distance, specialty) – application number 6998 – Appraisal Institute

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

Complex Litigation and Appraisal Case Studies (Synchronous) – New Course (7 hours distance, specialty) – application number 7001 – Appraisal Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Mr. Ketcham moved to approve the course subject to the submission of an acceptable examination within thirty days of the approval; Ms. Oreto seconded; motion carried unanimously.

Appraisal Institute Annual Conference Day 1 – New Course (4.5 hours classroom, specialty) – application number 7078 – Appraisal Institute

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Mr. Ketcham moved to approve the course five hours of credit with particular attention paid to attendance time records; Mr. del Valle seconded; motion carried without dissent.

Identifying and Correcting Appraisal Failures – New Course (7 hours distance, specialty) – application number 7058 – OREP Education Network

No representative of the provider attended the meeting in support of the application. The Board discussed the course. Following discussion, Ms. Oreto moved to approve the course subject to submission of the two exams and companion answer sheets within thirty days of approval; Mr. Ketcham seconded; motion carried unanimously.

Airport Appraisals – New Course (3 hours classroom, specialty) – application number 7048 – 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. del Valle moved; Ms. Rabin seconded; motion carried unanimously to approve the course.

Rules Report

Board Counsel Clark provided the Rules Report for June 2018. Ms. Clark noted that the Rule Development notices have been published for the six rules in the report and she has been communicating with the Joint Administrative Procedures Committee (JAPC) for most of the rules. She requested and received comment from the Board to be considered when she responds to a question from the Joint Administrative Procedures Committee (JAPC).

Rules Discussion

Proposed Rule 61J1-9.001 Standards of Appraisal Practice and Evaluations

Chair Roy introduced the topic. He stated that members of the Appraisal Institute (AI) are in attendance for the purpose of holding a rule workshop for this rule. Counsel Clark commented that this rule has been advertised for rule development only, not for a workshop.

Following discussion, Board Counsel Clark recommended that the Board ask the AI members present why they were in attendance. Mr. Scott DiBiasio appeared on behalf of the AI. He addressed the Board to clarify the position of his client, which is for the AI to be involved in the rulemaking process for this rule. His concern was that due to timing, his April letter to the Board requesting a rules workshop for the rule was not considered at the April 2018 meeting. Ms. Clark commented that the Board has acted appropriately and his request is being discussed by the Board at this meeting.

Chair Roy stated that his understanding of the letter, from discussions with members of the AI, is that the organization is requesting that the Board open a workshop for Rule 61J1-9.001. Based upon information he received, he understood that the timing of the rules workshop was being requested for August. He also understood from comments received that the discussion is meant to include proposed language for evaluations and alternate standards, as well. Mr. DiBiasio confirmed that is the intent of the request.

The Board also heard comments from Mr. Chiasson, a Florida certified general appraiser and member of the Appraisal Institute. His comments included the following:

- Background for the series of events that have led up to this request
- Region X, which he chairs, spearheaded the actions that have been taken to date
- Certified appraisers are losing business due to the practice of financial institutions allowing non-certified appraisers to complete evaluations, which do not have to follow the Uniform Standards of Professional Appraisal Practice (USPAP)
- Certified appraisers can do evaluations, however, they must follow USPAP
- USPAP requires an appraiser to do more than what is required of an evaluator when doing an evaluation and he and his organization think that it is unfair to the certified appraisers
- Hopes that the Appraisal Institute and the Board will be able to work together to resolve the matter

The Chair cautioned everyone to remain professional during any discussions that will occur during the workshop and to work together for the good of the appraisal industry in Florida. Board Counsel Clark read the text of Section 120.54(2) (d), Florida Statutes, pertaining to negotiated rulemaking for the attendees. Based upon the content of the statute, Chair Roy stated he did not think negotiated rulemaking is necessary at this time.

Following comments and discussion, Mr. del Valle moved; Mr. Recca seconded; motion carried with a split vote of five yea and four nay votes to hold a workshop for Rule 61J1-9.001 at the August meeting.

Special Agenda

Board Business

Revised AQB Real Property Appraiser Qualifying Criteria

Executive Director Lori Crawford introduced the topic. Ms. Crawford stated the AQB adopted changes to the qualifying criteria for those who are either registered trainee appraisers or those who are Licensed appraisers with the intent of upgrading to a certified residential appraiser credential. Florida has approximately twelve Licensed appraisers.

Mr. del Valle asked whether or not the Board is able to consider changes to the existing education requirements, specifically to address the issue of the college degree alternatives. Ms. Clark explained that the experience qualifications for certified residential appraiser are provided for in Section 475.617, Florida Statutes. Based upon the wording of the statute, the experience cannot be changed without a statutory change. The details of the education requirements are contained in rule, which can be modified should the Board decide to do so.

The Board discussed the topic. Following discussion, Mr. del Valle moved; Mr. Ketcham seconded; motion carried unanimously to open Rule 61J1-10.003 for discussion.

The Appraisal Subcommittee Request for Comment

Ms. Crawford presented the Notice and Request for Comment from the Appraisal Subcommittee that was published in the Federal Register on May 15, 2018. The ASC is asking for public comment relative to the proposed information to be collected from States for the purpose of reporting AMC registrations to the AMC National Registry. Ms. Crawford stated this was provided as information only and the Board took no action at this meeting.

The Appraisal Foundation Bulletins and Notices

Ms. Crawford commented briefly on the notices and updates from The Appraisal Foundation, which were provided to the Board as information only.

Use of Restricted Reports for Qualifying Experience

Chair Mike Roy opened the topic for discussion. Mr. Roy provided background of the use of restricted reports as qualifying experience. Mr. Roy explained that the requirement for experience is to show the reader that the applicant has the basic knowledge and understanding of the appraisal process. Based upon the very nature of this reporting process and the difficulty reviewing a restricted use report, he would like to see changes that will exclude this report type of report from the selection process that is used to verify experience compliance.

The Board discussed the topic at length. Ms. Clark reminded the Board that they had voted to open the rule, 61J1-6.001 for development at the April 2018 meeting. The selection of sample reports is currently a business process of either the Department or the Division, so she does not think rulemaking will help the process of sample selection when there are restricted reports on a work log. Ms. Clark stated she will be sure there is suggested language for the August 2018 agenda that will clean up the existing text.

Communications from the Appraisal Institute and Members

Chair Roy said this item was really just a way to forward the various communications he had received from the Appraisal Institute and its members. The topic has already been addressed during the discussion of Rule 61J1-9.001.

Proposed 2019 Yearly Calendar

The Board reviewed, amended and adopted the proposed 2019 yearly calendar and established the panels for the probable cause meetings. The meeting dates will be posted to the Internet website for the Division of Real Estate.

Executive Director's Comments

Ms. Crawford reported that the Department has accepted the Appraisal Subcommittee offer to request an extension of the implementation period for the regulation of AMCs. The letter was sent to the ASC on May 29, 2018. We are still awaiting the response at this time.

Chair's Comments

Chair Roy thanked Staff for their work and the public for their comments on the topics for today's meeting.

Public Comments

Mr. Ketcham thanked the Department for making it possible for him to attend the Association of Appraiser Regulatory Officials conference that was recently held in Seattle. He provided brief report on the topics discussed at the meeting and reported that it was very beneficial.

Next Meeting Date

Monday, August 6, 2018 at 8:30 a.m. – Orlando

Adjournment

There being no other business, the Chair adjourned the meeting at approximately 11:30 a.m. The next general meeting of the Florida Real Estate Appraisal Board will be held Monday, August 6, 2018 in Orlando.

ATTEST:



Michael Roy, Chair
Florida Real Estate Appraisal Board



Lori Crawford, Executive Director
Florida Real Estate Appraisal Board