

**Ken Lawson**, Secretary

**Rick Scott**, Governor

**Minutes of  
THE FLORIDA REAL ESTATE APPRAISAL BOARD  
October 5, 2015  
General Meeting**

Chair Roy Pechillo called the meeting of the Florida Real Estate Appraisal Board to order at approximately 8:40 a.m., in Orlando, Florida, on this Monday, the Fifth day of October, 2015.

The following Board members were present: Chair Roy Pechillo, Vice-Chair Clay Ketcham, Members Benjamin Bush, Armando del Valle, Joshua Harris, Tamara McKee, Evalyn "Fran" Oreto, Michael Roy, and Member Matthew Simmons had an excused absence. Assistant Attorney General Tom Barnhart appeared as counsel for the Board. Director Watkins declared a quorum present.

Department and Division staff present at the meeting: Juana Watkins, Director; Denise Johnson, Deputy Director; Allison McDonald, Deputy Chief Attorney; Alison Parker, and by teleconference, Al Cheneler, Assistant General Counsels; Jocelyn Pomales, OMCII; Susan Bailey, Administrative Assistant; Johanne Knudson, 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 August 10<sup>th</sup> and 11<sup>th</sup>, 2015 General meeting were presented. Ms. Oreto moved, seconded by Mr. Harris to approve the minutes as amended. The motion carried without dissent.

**Reports**

**Exam Performance Report**

Director Watkins presented the Examination Performance Summary Reports for July and August, 2015. She addressed questions and comments from the Board.

**Licensee Count Report**

Ms. Watkins presented the Licensee Count Report and addressed questions and comments from the Board. She noted that some renewals are still being completed and those small increases are reflected in this report.

**Quarterly Financial Reports**

Director Watkins presented the Financial Reports for the fourth quarter of fiscal year 2015. She addressed questions and comments from the Board.

## Legal Case Report

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

## Legal Appearance Docket

The Board addressed the Legal Appearance Docket, hearing four docket items, with one item withdrawn. The results are as follows:

### Item E – Case No. 2015000412, Grant A. Pfister – Settlement Stipulation

Grant A. Pfister was present, but was not represented by counsel. Mr. Roy was recused due to participation on the probable cause panel.

Mr. Cheneler represented the Department and presented the case to the Board. The Board entered into discussion. Following discussion, Ms. Oreto moved; Mr. Bush seconded; motion carried by split vote to impose the following:

**Penalty imposed:** \$500.00 fine, \$297.00 in costs; satisfactorily complete ten (10) hours of appraisal education within 12 months; 12- month probation. **Violation:** Florida Statute 475.624(4) and Florida Administrative Rule 61J1-9.001 by failing to comply with 2014-2015 USPAP

### Item A – Case No. 2010038472, Julio D. Manso – Extension Request

Julio D. Manso was not present and was not represented by counsel. Ms. McDonald represented the Department and presented the case to the Board.

After discussion, Mr. del Valle moved; Mr. Roy seconded a motion to deny the request. Motion carried unanimously.

**Action Taken: Request denied.**

### Item B – Case No. 2014022314, Johnny Frank Session, Jr. -Petitioner's Request for Informal

Withdrawn.

### Item C – Case No. 2014051554, Eгна I. Cuza – Respondent's Request for Final Order

Eгна I. Cuza was not present and was not represented by counsel. Ms. McKee was recused due to participation on the probable cause panel. Chair Pechillo recused himself.

Ms. Parker represented the Department and presented the case to the Board. The Board entered into discussion. Following discussion, Ms. Oreto moved; Mr. del Valle seconded; motion carried with a split vote to impose the following:

**Penalty imposed:** Revocation. **Violations:** Florida Statute 475.624(4) and Florida Administrative Rule 61J1-9.001 by failing to comply with 2014-2015 USPAP; Violation of Florida Statute 475.624(4) and Florida Administrative Rule 61J1-9.001 by failing to comply with 2014-2015 USPAP in developing and/or communicating her Report; Violation of Florida Statute 475.624(15) by failing or refusing to exercise reasonable diligence in developing and/or preparing her Report 1 and/or Report 2.

**Item D – Case No. 2015014708, Liberty One AMC LLC – Respondent’s Request for Entry of Final Order**

Liberty One AMC LLC was not present and was not represented by counsel. Mr. Roy was recused due to participation on the probable cause panel.

Ms. Parker represented the Department and presented the case to the Board. The Board entered into discussion. Following discussion, Ms. Oreto moved; Mr. Bush seconded; motion carried unanimously to impose the following:

**Penalty Imposed:** Revocation. **Violation:** Florida Statute 475.6245(1)(f) by voluntarily surrendering its North Carolina license, NC 1131.

**General Session Continued**  
**Petition for Declaratory Statement DS 2015-103**

Director Watkins presented the Petition for Declaratory Statement received from Franklin Colletta. Mr. Colletta was not present to address the Board.

The Board discussed the petition. Following the discussion, Ms. McKee moved; Mr. Bush seconded; motion carried unanimously to deny the petition.

**Summary of Applicants Agenda - New Applicants**

Tab A – Samuel Akolade Adesiji – Certified Residential Appraiser by Mutual Recognition (MN) – The applicant was present. Following discussion, Ms. Oreto, Mr. Bush seconded; motion passed unanimously to approve the application.

Tab B – Ellen Lisa Dyer – Certified Residential Appraiser by Mutual Recognition (ME) – The applicant was present. Following discussion, Ms. Dyer withdrew her application.

Tab C – Luis Enrique Pagan Cuevas – Certified General Appraiser by Mutual Recognition (PR) – The applicant was not present. Following discussion, Ms. Oreto moved, Mr. del Valle seconded; motion passed unanimously to approve the application.

**Rules**

Rules Report

Board Counsel Barnhart provided the Rules Report for October 2015 and reported on the status of rules that are being moved through the approval process.

Annual Rules Review

Mr. Barnhart presented the Regulatory Plan for 2015-2016 for review by the Board. Ms. Oreto moved; Mr. Bush seconded to approve the plan as submitted. The motion carried without dissent.

**61J1-4.007 Renewal of Inactive Registrations, Licenses and Certifications**

Mr. Barnhart presented the rule language to the Board, explaining this is the amended text as proposed during the August meeting. The Board discussed the language and thanked Staff for the clarity of the language.

Mr. Barnhart asked if the Statement of Estimated Regulatory Costs (SERC) checklist had been completed. Ms. Watkins confirmed that it had been completed and presented at the August 2015 meeting.

Mr. Barnhart asked the Board to consider whether or not the change to the text of the rule will have a negative impact on small business, or would it have an impact in excess of \$200,000.00 to any regulatory entity within one year of the implementation of the rule amendment. Mr. Bush moved, Ms. Oreto seconded, motion carried unanimously to find no financial impact to small business or regulatory body with the implementation of the rule change.

Mr. Barnhart presented the details of the changes to the text of the rule. Following discussion, Ms. Oreto moved, Mr. Roy seconded, motion carried unanimously to adopt the proposed text of the rule.

The approved text of the rule is as follows:

#### **61J1-4.007 Renewal of Inactive Registrations, Licenses and Certifications.**

(1) Pursuant to Section 475.618(3), F.S., a registration, license, or certification which is not renewed at the end of the registration, license, or certification period as prescribed by the Department of Business and Professional Regulation shall automatically revert to inactive status. An inactive status may only be maintained for four (4) years at which time the registration, license, or certification shall automatically expire.

(2) At any time after the registration, license, or certification becomes inactive ~~and prior to expiration~~, the registration, license, or certification may be renewed and reactivated upon application to the Department of Business and Professional Regulation, payment of the required fee(s) in Rule 61J1-2.001, F.A.C., and the satisfactory completion of the ~~below listed~~ educational requirements listed below.

~~(a)(3) Level One Reactivation is w~~When the inactive status does not exceed is one (1) year. 6 months or less,  
~~The reactivation education for all appraiser categories is as follows: thirty (30) hours of appraiser continuing education (ACE) for all appraiser categories.~~

~~(4) When the inactive status is more than 6 months but does not exceed 1 year, 45 hours of ACE for all appraiser categories.~~

~~(b)(5) Level Two Reactivation is w~~When the inactive status is more than one (1) year but does not exceed two (2) years. The reactivationeontinuing education for all appraiser categories is as follows: thirty (30) hours of approved pre-certification education with end of course exam applicable to the licensee's licensure category as defined in Rule 61J1 – 10.002, 61J1-10.003, 61J1- 10.004, F.A.C; three (3) hour Supervisor and Trainee course as defined in Rule 61J1 – 4.010, F.A.C.; and thirty (30) hours of appraiser continuing education (ACE).

~~(b)(6) Level Three Reactivation is w~~When the inactive status is more than two (2) years but does not exceed the four (4) year period, The reactivation educational ~~for all appraiser categories requirements is~~are as follows: seventy-five (75) hours of approved pre-certification education with end of course exam applicable to the licensee's licensure category as defined in Rule 61J1 – 10.002, 61J1-10.003, 61J1- 10.004, F.A.C; three (3) hour Supervisor and Trainee course as defined in Rule 61J1 – 4.010, F.A.C.; and thirty (30) hours of appraiser continuing education (ACE).

(3) The reactivation education may be completed by classroom or distance education as defined by Rule 61J1-4.001, F.A.C.

~~(a) Registered trainee and licensed appraisers—100 hours of ABI with end of course exam, and complete a current 7 hour national USPAP update course taught by an AQB certified instructor or equivalent and registered trainee appraisers must comply with the approved post licensure education requirements of Rule 61J1 4.009, F.A.C.~~

~~(b) Certified residential appraisers—100 hours of ABI with end of course exam, 30 hours of ABII with end-~~

~~of course exam, and complete a current 7 hour national USPAP update course taught by an AQB certified instructor or equivalent.~~

~~(c) Certified general appraisers—30 hours of ABII with end of course exam, 60 hours of Appraisal Board Course III (ABIII) with end of course exam, and complete a 7 hour national USPAP update course taught by an AQB certified instructor or equivalent.~~

~~(7) The courses designated as ABI, ABII and ABIII may be satisfied through equivalency education pursuant to Rule 61J1-4.002, F.A.C.~~

~~(4)(8) Any registration, license or certification which exceeds four (4) years in the inactive status shall automatically expire and become null and void pursuant to s. 475.619, F.S. The person must meet all the requirements of Sections 475.615, 475.616 and 475.617, F.S., and Rules 61J1-2.001, 61J1-3.001, 61J1-4.001, 61J1-5.001 and 61J1-6.001, F.A.C., in order to be registered or certified again as an appraiser. Further, applicants must meet the requirements of Rules 61J1-10.001, 61J1-10.003, or 61J1-10.004, F.A.C., depending upon the type of registration or certification sought.~~

*Rulemaking Authority 475.614, 475.619 FS. Law Implemented 475.618, 475.619 FS. History—New 8-8-93, Amended 2-16-04, 3-1-06, 8-29-06, 12-4-06, 8-19-10, \_\_\_\_\_.*

#### 61J1-4.010 Supervision and Training of Registered Trainee Appraisers

Mr. Barnhart reported to the Board this rule is being presented to correct the reference to the form number contained in the text. He asked if the Statement of Estimated Regulatory Costs (SERC) checklist had been completed. Ms. Watkins confirmed that it had been completed and presented at the August 2015 meeting.

Following discussion, Mr. Harris moved, Ms. McKee seconded, motion carried unanimously to approve the proposed text of the rule with one correction to the spelling of one word.

The amended text of the rule is as follows:

#### **61J1-4.010 Supervision and Training of Registered Trainee Appraisers.**

(1) No change

(a) A supervisory appraiser must accept, acknowledge and recognize full responsibility ~~responsibility~~ for compliance with the USPAP, Florida law or regulation for any and all research data collection, analysis, development or communication of any appraisal, appraisal review or appraisal report prepared, or with the assistance of, a registered trainee appraiser as if the work was performed personally by the supervisory appraiser;

(b) No change

(c) No change

(d) Prior to registering as a supervisor to any registered trainee appraiser, a certified appraiser shall complete a board approved supervisory course of a minimum ~~minimum~~ of three (3) hours, within the preceeding four (4) years. The course must comply with the course content adopted by the Appraiser Qualifications Board of the Appraisal Foundation on December 9, 2011, pursuant to Section 475.615(2), F.S. Trainee appraisers who took the course to qualify for the trainee appraiser registration will not be required to complete the course once certified in order to supervise.

(2) No change

(a) - (d) No change

(f) Registering the appraiser trainee with Department through use of DBPR FREAB 14, Supervisor Designation/Termination Form RE-2060, entitled Request for Change of Status—Registered Trainee Appraiser, effective April 2012~~September 14, 2009~~, hereby incorporated by reference and available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-01987>.

~~<http://www.myfloridalicense.com/dbpr/re/documents/RE-2060.pdf>.~~

(3) - (11) No change

## **Real Estate Appraisal Education Courses for Approval or Denial**

Ms. Pomales reported to the Board that Mr. Keller was not present. However, he had communicated to Ms. Pomales that he would like to request that these courses be tabled until the December 2015 meeting. The Board agreed to table the courses as Mr. Keller verbally waived the 90-day processing time at the February 2015 meeting.

## **Special Agenda**

### **Board Business**

Director Watkins presented the following items, which were considered by the Board to be informational only, taking no further action at this meeting.

- Appraisal Practices Board (APB) – Exposure Draft: The Measurement and Application of Market Participant Acquisition Premiums— *Foundation New*
- Appraiser Standards Board (ASB) – 2016-2017 USPAP Available – *Foundation News*
- The Appraisal Foundation (TAF) – New Website Bulletin – *Foundation News*

### **2016 Yearly Calendar**

Director Watkins provided the Board with the proposed 2016 yearly calendar. The Board discussed the discussed meeting dates and adopted the calendar. The meeting dates for 2016 will be posted to the Board's website.

### **Florida Standards of Valuation Practice**

Director Watkins introduced Mr. Scott DiBiasio, Manager of State and Industry Affairs for the Appraisal Institute. Mr. DiBiasio introduced Ms. Ann Marie McCarty and Mr. Nick Pilz, both of whom are affiliated with the Appraisal Institute and are certified general real estate appraisers in Florida.

Mr. DiBiasio's presentation to the Board addressed an alternate set of standards of valuation. Mr. DiBiasio asked the Board to consider amending its rules to include the Standards of Valuation Practice as established by the Appraisal Institute. Mr. DiBiasio thanked the Board for their time. Ms. McCarty and Mr. Pilz also addressed the Board and gave their insight as practitioners in Florida.

The Board discussed the topic. Chair Pechillo thanked Mr. DiBiasio, Ms. McCarty and Mr. Pilz for their presentation. The Board took no further action at this meeting.

### **Public Comments**

Director Watkins reported that there was one written public comment from The Appraisal Foundation regarding the topic of standards of valuation. Ms. Watkins introduced Mr. David Bunton, President of The Appraisal Foundation.

Mr. Bunton explained the position of The Appraisal Foundation with regard to the proposed alternate standards of valuation and provided background information regarding Uniform Standards of Professional Appraisal Practice. Mr. Bunton presented counter-points to the comments made by Mr. DiBiasio. Mr. Bunton answered questions and thanked the Board for their time and attention to the matter.

Chair Pechillo thanked Mr. Bunton for his presentation to the Board.

The Board also heard comments from Ms. Linda Trugman, President of the American Society of Appraisers. Ms. Trugman stated she is a certified public accountant and a business appraiser in Florida. She provided insight from the perspective of her segment of the appraisal industry and commented upon the various sets of standards, including USPAP, that require compliance by appraisers other than real estate appraisers.

Mr. Herbert Jourdan, Florida certified general appraiser, addressed the Board. He reported that he is affiliated with the Appraisal Institute and provided background information about the roll the Appraisal Institute in helping The Appraisal Foundation develop appraisal standards in the beginning of regulation. Mr. Jourdan presented counter-points to the proposal of alternate standards of valuation.

The Board discussed the topic at length but took no further action.

Director Watkins presented additional topics as follows:

- National Association of Realtors Letter to The Appraisal Foundation
- The Appraisal Foundation (TAF) – An Open Letter to Valuation Professionals

The Board considered these items to be informational only and took no action.

### **Director's Comments**

Director Watkins comments included the following:

- Association of Appraiser Regulatory Officials (AARO) – Ms. Watkins reported on the upcoming fall conference of AARO and provided some of the details of the schedule of topics to be discussed.
- Transition of all board members from independent contractors to Other Personnel Services (OPS) employees.

### **Chair's Comments**

Chair Pechillo's comments included the following:

- Thanked everyone for their participation at the meeting today.
- Announced that this is his last meeting as his term ends on October 31, 2015. He will still be available as a resource, if needed.
- Director Watkins thanked Chair Pechillo for his professionalism and resources

### **Adjournment**

There being no other business, the Chair adjourned the meeting at approximately 2:20 p.m. The next meeting of the Florida Real Estate Appraisal Board will held December 7, 2015 in Orlando.

ATTEST:



Clay Ketcham, Vice-Chair  
Florida Real Estate Appraisal Board



Juana Watkins, Executive Director  
Florida Real Estate Appraisal Board