

MINUTES
TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

Conference Room 235
1101 Camino La Costa
Austin, Texas 78752

May 16, 2003

The May 16, 2003, meeting of the Texas Appraiser Licensing and Certification Board (TALCB) was called to order at 1:10 p.m. by Mr. Mayo, chair.

Members present: L.W. (Wayne) Mayo, Chair; James M. Synatzske, Vice Chair; Dona Scurry, Secretary; Elroy Carson; William "Rusty" Faulk; Douglas Oldmixon; Shirley Ward, and Ted Whitmer.

Member absent: None

Staff present: Renil C. Linér, Commissioner; Rodger Barnes, Assistant Commissioner; Deloris Kraft-Longoria and Jack McComb, TALCB investigators; Margarita White; and Frank Knapp, Legal Counsel (Assistant Attorney General).

Visitors included: Glenn Garoon, Randall Kopfer, James Vine, Lynda Vine, and Joe Woller; Foundation of Appraisers Coalition of Texas (FACT); Sam McAnally, General Land Office.

Mr. Mayo welcomed Malcolm Deason and Larry Kokel, newly appointed Board members.

Ms. Ward, seconded by Mr. Carson, moved to approve the minutes of the February 14, 2003, Texas Appraiser Licensing and Certification Board meeting as corrected to reflect the following correction. Ms. Scurry, seconded, Mr. ~~Whitmer~~, Oldmixon, moved to accept the signed Final Agreed Order for Hollys D. Heasley, TX-1329713-R, complaints 02-006, 02-025, 02-45, 01-103. ~~Mr. Synatzske and Ms. Ward recused themselves.~~ Mr. Mayo and Mr. Whitmer, recused themselves. Motion carried.

Mr. Linér stated that as of April 30, 2003, there were a total of 6,012 actively licensed or certified appraisers, including: 2,156 General Certified; 1,809 Residential Certified; 392 State Licensed; and 39 Provisional Licensees. Additionally, there were 1,616 authorized Appraiser Trainees.

Discussion concerning proposed amendments to TALCB Rules 22 TAC § 153.18, Appraiser Continuing Education, as published in the April 11, 2003, issue of the Texas Register (28 TexReg 3033) and 22 TAC § 153.20, Guidelines for Revocation, Suspension or Denial or Licensure or Certification, as published in the April 11, 2003, issue of the Texas Register (28 TexReg 3034). Comments from Mr. Garoon regarding concerns addressed in the FACT's letter dated May 3, 2003, pertaining to proposed amendments.

Mr. Whitmer, seconded by Mr. Synatzske, moved that Board adopt the proposed amendment 22 TAC §153.18, Appraiser Continuing Education, with changes and published in the April 11, 2003, issue of the Texas Register (28 TexReg 3033). Motion carried unanimously.

§153.18 (d) (2) - Appraiser Continuing Education

- (H) To be acceptable for meeting the Uniform Standards of Professional Appraisal Practice (USPAP), appraiser continuing education (ACE) requirement, a course must:
- (i) Be devoted to the Uniform Standards of Professional Appraisal Practice (USPAP) with a minimum of seven classroom hours of instruction;
 - (ii) Use the current edition of the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation;
 - (iii) Provide each student with his or her own permanent copy of the current Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Standards Board of the Appraisal Foundation; and
 - (iv) **Utilize the seven hour “National USPAP Update Course” promulgated by the Appraisal Foundation, including the Student Manual and Instructor Manual or an equivalent USPAP update course as determined by the AQB ; and.** At a minimum be based on topics covered by the Appraisal Standards Board (ASB) Instructor’s Manual. This section does not limit additional USPAP related topics to be covered in the course, or utilize the national USPAP Update course, or its equivalent as determined by the AQB.

Mr. Carson, seconded by Ms. Ward, moved to table adoption of proposed amendment 22 TAC §153.20, Guidelines for Revocation, Suspension or Denial or Licensure or Certification, as published in the April 11, 2003, issue of the Texas Register (28 TexReg 3034) for further review. Motion carried unanimously.

One written comment was received for FACT dated May 2, 2003.

Ms. Scurry reported from the Budget Committee, that overall we are within the budget.

Report from the Education Committee. Mr. Whitmer thanked Mr. Synatzske for his service on the Education Committee and welcomed Ms. Ward to the Education Committee.

Mr. Whitmer reported from the Education Committee and discussion held with an education provider. regarding USPAP offering irregularities. Allegations that students are provided with tests questions in form of review questions when they sign up for a class. Discrepancies in course rosters and certificates issued for the Land Valuation course on June 7-9, 2002, and the Property Inspection course offered June 12, 2002.

Mr. Whitmer, seconded by Mr. Synatzske, moved that the Education Committee recommend to the TALCB

that any USPAP and all non-USPAP courses previously approved by the TALCB related to the Robinson Real Estate School be terminated effective May 31, 2003. Motion carried unanimously.

Mr. Whitmer, seconded by Ms. Ward, moved to accept the recommendations of the Education Committee for the approval of the following courses presented by the following providers:

- **American Society of Farm Managers and Rural Appraisers**: 7 Hour National USPAP Course (A-12III), 7 hours ACE (USPAP), classroom; Advanced Appraisal Review (A-35), 45 + 5 hours fundamental, classroom; Advanced Rural Appraisal (A-30), 43.5 + 4 fundamental and non-residential, classroom; Advanced Rural Case Studies (A-40), 48 + 4 fundamental and non-residential, classroom; ASFMRA Code of Ethics (A-12I), 7+1 ACE (not USPAP), classroom; Eminent Domain (A-25), 20 + 2 fundamental and non-residential, classroom; Fundamentals of Rural Appraisal (A-10), 46 + 4 fundamental and non-residential, classroom; Geographical Information Systems, 16 ACE, classroom; Highest and Best Use (A-29), 15 + 1 fundamental, classroom; Principles of Rural Appraisal (A-20), 40 + 4 fundamental and non-residential, classroom; Ranch Appraisal Seminar, 8 ACE, classroom; Rural Business Valuation, 16 ACE, classroom; Undivided Partial Interests, 8 ACE, classroom; Uniform Standards of Professional Appraisal Practice (A-12 Part II), 14 + 1 USPAP, classroom.
- **Appraisal Institute (AI)**: 420 Business Practice and Ethics, 7 + 1 ACE (not USPAP), classroom; 400 USPAP Update 2003 - Stands and Ethics for Professionals, 7 ACE (USPAP), classroom..
- **Collin County Community College**: Real Estate Appraisal (RELE1303/RELE 1003), 45 + 3 fundamental, classroom; National USPAP (RELE 1105/RELE 1005), 14 + 1 USPAP, classroom.
- **Continuing Education Institute**: ADA and Fair Housing (CB-07), 3 ACE, computer; Basic Real Estate Finance (CB-09), 6 ACE, computer; Conflict Resolution Through Mediation (RE-05B), 4 ACE, classroom; Exchanging: Structuring a 1031 Exchange (RE-07), 8 ACE, classroom; Methods of Residential Financing (CB-01C), 6 ACE, computer; Pricing Property to Sell (CB-01A), 6 ACE, computer; Property Condition Issues (RE-05A), 4 ACE, classroom; Property Taxes: Rights, Remedies and Responsibilities (RE-09), 8 ACE, classroom; Real Estate Math (CB-03), 3 ACE, computer; Successful Single Property Management (RE-11), 8 ACE, classroom; Tax Free Exchanges (CB-05), 3 ACE, computer; Tort Reform DTPA (RE-03A), 4 ACE, classroom.
- **Institute for Real Estate Professionals Inc.**: Texas Property Tax Law 2003, 6 ACE, classroom; Use Analysis - The Key to Real Estate Valuation, 8 ACE, classroom.
- **International Right of Way Association**: 2003 Legal Issues Update, 2 ACE, classroom.
- **McKissock, Inc.**: National USPAP Update Equivalent, 7 USPAP, computer.
- **National Association of Independent Fee Appraisers**: Principles of Residential Real Estate

Appraising (1.1), 28 + 2 fundamental, classroom; Small Income Property Appraisals (1.5C), 8 ACE, classroom.

- **National Association of Master Appraisers/Lincoln Graduate Center:** Appraiser Liability (#620), 15 + 1 ACE, classroom; Residential Cost Approach - Marshal and Swift (#569), 15 + 1 fundamental, classroom.
- **Texas A&M University:** Market Analysis for Development (LDEV 664), 38 + 7 fundamental, classroom; Real Estate Case Studies (FINC 689 Special Topics), 45 ACE, classroom; Real Property Analysis (FINC 689 Special Topics), 42.5 + 2.5 fundamental, classroom; Real Property Valuation (FINC 673), 40 + 5 fundamental, classroom.
- **Texas A&M University - Commerce:** 2101: Appraisal X: URAR, 15 + 2 fundamental, correspondence; 261 Appraisal VI: Fundamentals, 30 + 3 fundamental, correspondence.
- **Texas A&M University Real Estate Center:** 13th Annual Outlook for Texas Land Markets - Day 1; 9 ACE, seminar; 13th Annual Outlook for Texas Land Markets - Day 2; 4 ACE, seminar.
- **The University of Texas at Arlington:** Real Estate Appraisal (REAE 5334), 45 + 24 fundamental, classroom; Adv. Real Estate Market Analysis (REAE 5392), 40 + 5 fundamental, classroom.

The Education Committee will not recommend approval for the following courses submitted by the Robinson School of Real Estate:

- **Robinson Real Estate School:** Appraisal Update VII, 21 ACE, classroom; Appraisal VIII, 28 ACE, classroom; Income Property Appraisal, 32 fundamental, classroom; Land Valuation, 30 fundamental, classroom; Report Writing, Reconciliation, Reviewing Report, 31 fundamental, classroom; Residential Appraisal, 32 fundamental, classroom; USPAP - 15, 15 qualifying, classroom; and USPAP Update, 8 ACE, classroom.

Mr. Linér was directed to inform Mr. Robinson of the Boards' action via the telephone and in writing.

The Education Committee recommended that a TALCB Workshop be scheduled for July regarding necessary amendments.

Mr. Barnes reported from the Enforcement Committee that currently there are 97 active complaints. On May 15, 2003, the committee conducted four informal conferences and reviewed 31 complaint cases which resulted in 14 cases being closed, issuance of nine agreed orders, and two complaints scheduled for informal conferences.

Ms. Scurry, seconded by Mr. Faulk, moved to accept the signed Agreed Order for Reginald J. Washington, TX-1328838-L, complaints 02-009 and 02-090. Motion carried. Mr. Synatzske and Ms. Ward recused

themselves.

Mr. Faulk, seconded by Ms. Scurry, moved to accept the signed Agreed Order for James Etrick Hogg, TX-1320539-G, complaints 01-074, 02-007, 02-080, 02-094, 02-102, and 02-108. Motion carried. Mr. Mayo and Mr. Whitmer recused themselves

Mr. Synatzske, seconded by Ms. Scurry, moved to deny Dawn Knight's, TX-1320309-R, request for an extension to complete coursework mandated in the Agreed Order issued on May 17, 2003, complaint 01-044. Motion carried unanimously.

Mr. Oldmixon, seconded by Mr. Whitmer, moved to accept the proposed draft as presented in response to the March 3, 2003, letter from Appraisal Subcommittee, Federal Financial Institutions Examination Council, regarding the TALCB's response to their review of the TALCB program. Motion carried unanimously.

Mr. Oldmixon, seconded by Ms. Scurry, moved that the Board publish the proposed amendment to rule 22 TAC §153.13 Educational Requirements, in the in the *Texas Register*, for public comment:

§153.13 (h) Course providers may obtain prior approval of a course by filing forms prescribed by the board and submitting the following items listed in paragraphs (1) - (4) of this subsection to the board:

- (1) a copy of any textbook, course outline, syllabus, or other written material used in the course;*
- (2) a copy of the questions and answers to the written final examination, with an answer key or the correct answers indicated; and*
- (3) sample course completion certificate or other evidence of successful completion of the course; and*
- (4) such prior approval of courses will remain in effect for a period of **five** [~~two~~] years after the date of approval.*

Mr. Oldmixon, seconded by Mr. Fauld, moved to table publishing amendments to TALCB Rules Fees; 22 TAC §153.17, Renewal of Certification, License or Trainee Approval; 22 TAC §153.37, Offenses; and 22 TAC §153.23, Inactive Certificate or License. Motion carried unanimously.

Mr. Whitmer, seconded by Mr. Synatzske, moved that the Board send a response to the "AQB Fourth Exposure Draft on the Real Property Appraiser Qualifications Criteria," issued March 10, 2003, by the Appraiser Qualifications within one week. Motion carried unanimously.

