



MEETING AGENDA

AQB Background Check Working Group
4th Floor, Stephen F. Austin State Office Building
1700 North Congress, Austin, Texas 78701

Thursday, March 17, 2016, 2:00 p.m.
Via Teleconference

1. Call to Order
2. Roll Call
3. Discussion of Texas Open Meetings and Public Information laws
4. Discussion and review of criteria for background checks adopted by the Appraiser Qualifications Board (AQB)
5. Discussion regarding Texas law and background check criteria for license holders
6. Future agenda items
7. Future meeting dates
8. Adjourn

TEXAS GOVERNMENT CODE

TITLE 5. OPEN GOVERNMENT; ETHICS

SUBTITLE A. OPEN GOVERNMENT

CHAPTER 551. OPEN MEETINGS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 551.001. DEFINITIONS. In this chapter:

(1) "Closed meeting" means a meeting to which the public does not have access.

(2) "Deliberation" means a verbal exchange during a meeting between a quorum of a governmental body, or between a quorum of a governmental body and another person, concerning an issue within the jurisdiction of the governmental body or any public business.

(3) "Governmental body" means:

(A) a board, commission, department, committee, or agency within the executive or legislative branch of state government that is directed by one or more elected or appointed members;

(B) a county commissioners court in the state;

(C) a municipal governing body in the state;

(D) a deliberative body that has rulemaking or quasi-judicial power and that is classified as a department, agency, or political subdivision of a county or municipality;

(E) a school district board of trustees;

(F) a county board of school trustees;

(G) a county board of education;

(H) the governing board of a special district created by law;

(I) a local workforce development board created under Section 2308.253;

(J) a nonprofit corporation that is eligible to receive funds under the federal community services block grant

program and that is authorized by this state to serve a geographic area of the state;

(K) a nonprofit corporation organized under Chapter 67, Water Code, that provides a water supply or wastewater service, or both, and is exempt from ad valorem taxation under Section 11.30, Tax Code; and

(L) a joint board created under Section 22.074, Transportation Code.

(4) "Meeting" means:

(A) a deliberation between a quorum of a governmental body, or between a quorum of a governmental body and another person, during which public business or public policy over which the governmental body has supervision or control is discussed or considered or during which the governmental body takes formal action; or

(B) except as otherwise provided by this subdivision, a gathering:

(i) that is conducted by the governmental body or for which the governmental body is responsible;

(ii) at which a quorum of members of the governmental body is present;

(iii) that has been called by the governmental body; and

(iv) at which the members receive information from, give information to, ask questions of, or receive questions from any third person, including an employee of the governmental body, about the public business or public policy over which the governmental body has supervision or control.

The term does not include the gathering of a quorum of a governmental body at a social function unrelated to the public business that is conducted by the body, or the attendance by a quorum of a governmental body at a regional, state, or national convention or workshop, ceremonial event, or press conference, if formal action is not taken and any discussion of public

business is incidental to the social function, convention, workshop, ceremonial event, or press conference.

The term includes a session of a governmental body.

(5) "Open" means open to the public.

(6) "Quorum" means a majority of a governmental body, unless defined differently by applicable law or rule or the charter of the governmental body.

(7) "Recording" means a tangible medium on which audio or a combination of audio and video is recorded, including a disc, tape, wire, film, electronic storage drive, or other medium now existing or later developed.

(8) "Videoconference call" means a communication conducted between two or more persons in which one or more of the participants communicate with the other participants through duplex audio and video signals transmitted over a telephone network, a data network, or the Internet.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 1999, 76th Leg., ch. 62, Sec. 18.23, eff. Sept. 1, 1999; Acts 1999, 76th Leg., ch. 647, Sec. 1, eff. Aug. 30, 1999; Acts 2001, 77th Leg., ch. 633, Sec. 1, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1004, Sec. 1, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 9.012, eff. Sept. 1, 2003.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 165 (S.B. [1306](#)), Sec. 1, eff. May 22, 2007.

Acts 2013, 83rd Leg., R.S., Ch. 87 (S.B. [471](#)), Sec. 1, eff. May 18, 2013.

Acts 2013, 83rd Leg., R.S., Ch. 685 (H.B. [2414](#)), Sec. 1, eff. June 14, 2013.

Acts 2015, 84th Leg., R.S., Ch. 115 (S.B. [679](#)), Sec. 1, eff. May 23, 2015.

Acts 2015, 84th Leg., R.S., Ch. 1236 (S.B. [1296](#)), Sec. 21.001(26), eff. September 1, 2015.

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TEXAS GOVERNMENT CODE

TITLE 5. OPEN GOVERNMENT; ETHICS

SUBTITLE A. OPEN GOVERNMENT

CHAPTER 552. PUBLIC INFORMATION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 552.001. POLICY; CONSTRUCTION. (a) Under the fundamental philosophy of the American constitutional form of representative government that adheres to the principle that government is the servant and not the master of the people, it is the policy of this state that each person is entitled, unless otherwise expressly provided by law, at all times to complete information about the affairs of government and the official acts of public officials and employees. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created. The provisions of this chapter shall be liberally construed to implement this policy.

(b) This chapter shall be liberally construed in favor of granting a request for information.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 552.002. DEFINITION OF PUBLIC INFORMATION; MEDIA CONTAINING PUBLIC INFORMATION. (a) In this chapter, "public information" means information that is written, produced, collected, assembled, or maintained under a law or ordinance or in connection with the transaction of official business:

- (1) by a governmental body;

(2) for a governmental body and the governmental body:

- (A) owns the information;
- (B) has a right of access to the information; or
- (C) spends or contributes public money for the purpose of writing, producing, collecting, assembling, or maintaining the information; or

(3) by an individual officer or employee of a governmental body in the officer's or employee's official capacity and the information pertains to official business of the governmental body.

(a-1) Information is in connection with the transaction of official business if the information is created by, transmitted to, received by, or maintained by an officer or employee of the governmental body in the officer's or employee's official capacity, or a person or entity performing official business or a governmental function on behalf of a governmental body, and pertains to official business of the governmental body.

(a-2) The definition of "public information" provided by Subsection (a) applies to and includes any electronic communication created, transmitted, received, or maintained on any device if the communication is in connection with the transaction of official business.

(b) The media on which public information is recorded include:

- (1) paper;
- (2) film;
- (3) a magnetic, optical, solid state, or other device that can store an electronic signal;
- (4) tape;
- (5) Mylar; and
- (6) any physical material on which information may be recorded, including linen, silk, and vellum.

(c) The general forms in which the media containing public information exist include a book, paper, letter, document, e-mail, Internet posting, text message, instant message, other

electronic communication, printout, photograph, film, tape, microfiche, microfilm, photostat, sound recording, map, and drawing and a voice, data, or video representation held in computer memory.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 1995, 74th Leg., ch. 1035, Sec. 2, eff. Sept. 1, 1995.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1204 (S.B. 1368), Sec. 1, eff. September 1, 2013.

Sec. 552.003. DEFINITIONS. In this chapter:

(1) "Governmental body":

(A) means:

(i) a board, commission, department, committee, institution, agency, or office that is within or is created by the executive or legislative branch of state government and that is directed by one or more elected or appointed members;

(ii) a county commissioners court in the state;

(iii) a municipal governing body in the state;

(iv) a deliberative body that has rulemaking or quasi-judicial power and that is classified as a department, agency, or political subdivision of a county or municipality;

(v) a school district board of trustees;

(vi) a county board of school trustees;

(vii) a county board of education;

(viii) the governing board of a special district;

(ix) the governing body of a nonprofit corporation organized under Chapter 67, Water Code, that

provides a water supply or wastewater service, or both, and is exempt from ad valorem taxation under Section 11.30, Tax Code;

(x) a local workforce development board created under Section 2308.253;

(xi) a nonprofit corporation that is eligible to receive funds under the federal community services block grant program and that is authorized by this state to serve a geographic area of the state; and

(xii) the part, section, or portion of an organization, corporation, commission, committee, institution, or agency that spends or that is supported in whole or in part by public funds; and

(B) does not include the judiciary.

(2) "Manipulation" means the process of modifying, reordering, or decoding of information with human intervention.

(2-a) "Official business" means any matter over which a governmental body has any authority, administrative duties, or advisory duties.

(3) "Processing" means the execution of a sequence of coded instructions by a computer producing a result.

(4) "Programming" means the process of producing a sequence of coded instructions that can be executed by a computer.

(5) "Public funds" means funds of the state or of a governmental subdivision of the state.

(6) "Requestor" means a person who submits a request to a governmental body for inspection or copies of public information.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 1995, 74th Leg., ch. 1035, Sec. 2, eff. Sept. 1, 1995; Acts 1999, 76th Leg., ch. 62, Sec. 18.24, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 633, Sec. 2, eff. Sept. 1, 2001; Acts 2001, 77th Leg., ch. 1004, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1276, Sec. 9.014, eff. Sept. 1, 2003.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 1204 (S.B. [1368](#)), Sec. 2,
eff. September 1, 2013.

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THE APPRAISAL FOUNDATION
*Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications*

APPRAISER QUALIFICATIONS BOARD

TO: All Interested Parties

FROM: Wayne R. Miller, Chair
Appraiser Qualifications Board

RE: Fifth Exposure Draft of a **Proposed Revision to the 2015 Real Property
Appraiser Qualification Criteria and Guide Note 9 (GN-9)**

DATE: January 27, 2015

After an 18-month period during which five exposure drafts were released for public comment, the Appraiser Qualifications Board (AQB) adopted changes to the *Real Property Appraiser Qualification Criteria (Criteria)* in December 2011. The effective date of the overall *Criteria* change was January 1, 2015.

In recent months, as states have worked to make the necessary revisions to laws and regulations to implement the changes in the *Criteria*, the AQB has received additional feedback on the language in the *Criteria* surrounding Background Checks.

Please see the rationale for the proposed change to the 2015 *Criteria* on page 3 of this document and the proposed changes to the *Criteria* language and Guide Note 9 beginning on page 4.

All interested parties are encouraged to comment in writing to the AQB before the deadline of March 16, 2015. The AQB will also hear verbal comments at a public meeting to be held Friday March 20, 2015 in Seattle, Washington. Respondents should be assured that each member of the AQB will thoroughly read and consider all comments.

Written comments on this exposure draft can be submitted by mail, email and facsimile.

Mail: Appraiser Qualifications Board
The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

Email: aqbcomments@appraisalfoundation.org

Facsimile: (202) 347-7727

IMPORTANT NOTE: All written comments will be posted for public viewing, exactly as submitted, on the website of The Appraisal Foundation. Names may be redacted upon request.

The Appraisal Foundation reserves the right not to post written comments that contain offensive or inappropriate statements.

If you have any questions regarding the attached exposure draft, please contact Magdalene Vasquez, Qualifications Administrator at The Appraisal Foundation, via e-mail at magdalene@appraisalfoundation.org or by calling (202) 624-3074.

**Fifth Exposure Draft of a Proposed Revision to the 2015
Real Property Appraiser Qualification Criteria (Criteria)
and Guide Note 9 (GN-9)**

**Issued: January 27, 2015
Comment Deadline: March 16, 2015**

This exposure draft begins with a rationale for the proposed changes. The rationale is identified as such and does not have line numbering. Where proposed changes to the *Criteria* are noted, the exposure draft contains line numbers. This difference is intended to distinguish for the reader those parts that explain the changes from the proposed changes themselves.

When commenting on the exposure draft, it is very helpful to reference the line numbers, fully explain the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues the AQB should consider.

Where text is to be deleted from what currently appears in the 2015 *Real Property Appraiser Qualification Criteria*, that text is shown as strikeout. For example: ~~This is strikeout text proposed for deletion.~~ Text added to what currently appears in the 2015 *Real Property Appraiser Qualification Criteria* is underlined. For example: This is text proposed for insertion.

Proposed Revisions Regarding Background Checks

RATIONALE

In December 2011, the AQB adopted language setting forth a requirement that new applicants for a real property appraiser credential must undergo an FBI (or similar) state and national background check. The language the AQB adopted was derived verbatim from the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, otherwise known as the S.A.F.E. Act, which mandates minimum standards, in part, for licensing and registration as a state-licensed loan originator.

The AQB received feedback regarding the language adopted, which set forth specific tasks for the state appraiser regulatory agencies to perform. The feedback suggested the background check requirements placed obligations on the state appraiser regulatory agencies, instead of applicants for a real property appraiser credential, as the balance of the *Criteria* sets forth.

As a result of this feedback, the AQB issued a First Exposure Draft proposing to adopt changes to the language of the background check provision.

The AQB received written comments from interested parties and verbal testimony at its public meeting in San Francisco, California on April 11, 2014.

Feedback generally centered on the following concerns:

- The perception that the Federal background check had to be conducted by the FBI;
- The inconsistent usage of the term, “new applicant,” within various sections of the background check provision;
- The exclusion of an applicant with *any* type of felony conviction (or plea) over the preceding five years; and
- The lack of flexibility afforded licensing/certifying officials in determining whether sufficient rehabilitation had occurred or time had passed since a prior conviction (or plea) occurred in an applicant’s past.

As a result of the additional feedback, the AQB issued the Second Exposure Draft of changes to the background check provision of the 2015 *Real Property Appraiser Qualification Criteria*.

NOTE: As stated in the Second Exposure Draft, at its public meeting in San Francisco on April 11, 2014, the AQB voted to delay the implementation of the background check provision *only* of the 2015 *Real Property Appraiser Qualification Criteria* until January 1, 2017. All other provisions of the *Criteria* remain unaffected by this implementation delay, and go into effect as scheduled on January 1, 2015.

Comments received in response to the Second Exposure Draft reflected some of the same concerns expressed in response to the First Exposure Draft. Additional comments reflected continuing concerns with a credentialing jurisdiction’s authority to require background checks, particularly in light of some concerns with the authority of the AQB to impose such requirements.

Given these concerns, the AQB issued a Third Exposure Draft, and received verbal comments at its September 19, 2014 public meeting in Memphis, Tennessee. The Third Exposure Draft proposed a more generic approach to the background check issue, replacing many of the specific background requirements for applicants seeking a real property appraiser credential. However, the AQB, in recognizing its obligation to maintain and promote public trust in promulgating qualifications for real property appraisers, believes it is imperative all applicants for a real property appraiser credential are able to satisfy minimum background qualifications. This belief is bolstered by recent trends whereby real property appraisers are being required to undergo background screening by many users of appraisal services and Appraisal Management Companies (AMCs).

The AQB recognizes some state appraiser regulatory agencies might seek additional guidance in the area of background screening. As a result, in the Third Exposure Draft, the AQB also proposed the creation of a new Guide Note, which would constitute non-binding guidance for jurisdictions when evaluating applicants for a real property appraiser credential.

Comments received in response to the Third Exposure Draft included support for the more generic approach and general appreciation for the creation of the Guide Note.

The comments also noted a conflict between proposed timeframes referenced in the *Criteria* language as compared to that contained in the related Guide Note 9.

As a result of comments received, the AQB issued a Fourth Exposure Draft which sought to clean-up some language from the Third Exposure Draft and established a minimum timeframe of five (5) years during which a candidate for licensure must have had a clean background.

Comments received in response to the Fourth Exposure Draft included expressions of concern about the Background Check requirement as a part of the licensure and certification credentialing process, and its relationship to the background checks required by various commercial entities such as Appraisal Management Companies (AMCs) or other client groups. In addition, feedback was received regarding several nuances of language in the Guide Note.

This Fifth Exposure Draft seeks to clarify some language in the Fourth Exposure Draft.

This Exposure Draft only shows the changes to the current *Criteria*. It does not explicitly identify changes from prior Exposure Drafts. Those interested in comparing this document to the prior Exposure Draft may access the Fourth Exposure Draft document via the following link:

<https://appraisalfoundation.sharefile.com/d/s8e4a57040bd44a69>

If adopted, these changes would go into effect January 1, 2017.

CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

VI. Background Checks

A. ~~All candidates for a real property appraiser credential must undergo background screening. State appraiser regulatory agencies shall, at a *minimum*, obtain fingerprints of the individual, in digital form if practicable, and any appropriate identifying information for submission to the Federal Bureau of Investigation and/or any governmental agency or entity authorized to receive such information in connection with a State and national background check.~~

~~B. In addition to all applicants for new credentials, state appraiser regulatory agencies are strongly encouraged to perform background checks on *existing* credential holders as well.~~

~~C. State appraiser regulatory agencies must ensure that all candidates for a real property appraiser credential do not possess a background that could call into question public trust. State appraiser regulatory agencies must take proper steps to ensure those applicants found to possess a background which calls into question the applicant's ability to maintain public trust are not issued a real property appraiser credential. State appraiser regulatory agencies shall not issue a real property appraiser credential if:~~

~~1. The applicant has had an appraiser license or certification revoked in any governmental jurisdiction within the five (5) year period immediately preceding the date of application.~~

~~2. The applicant has been convicted of, or pled guilty or *nolo contendere* to, a felony in a domestic, or foreign court:~~

~~a. during the five (5) year period immediately preceding the date of the application for licensing or certification; or~~

~~b. at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering.~~

~~3. The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly, fairly, and efficiently within the purposes of these *Criteria*.~~

~~D. Additional background issues that a state appraiser regulatory agency shall evaluate and consider prior to issuing (or taking disciplinary action against) a real property appraiser credential include, but are not limited to:~~

~~1. Convictions of any criminal offense involving dishonesty, breach of trust, or money laundering against the individual or organizations controlled by the individual, or agreements to enter into a pretrial diversion or similar program in connection with the prosecution for such offense(s);~~

~~2. Civil judicial actions against the individual in connection with financial services related activities, dismissals with settlements, or judicial findings that the individual violated financial services related statutes or regulations, except for actions dismissed without a settlement agreement;~~

~~3. Actions or orders by a State or Federal regulatory agency or foreign financial regulatory authority that:~~

- 39 ~~a. Found the individual to have made a false statement or omission or been dishonest,~~
40 ~~unfair or unethical; to have been involved in a violation of a financial services related~~
41 ~~regulation or statute; or to have been a cause of a financial services related business~~
42 ~~having its authorization to do business denied, suspended, revoked, or restricted;~~
- 43 ~~b. Are entered against the individual in connection with a financial services related~~
44 ~~activity;~~
- 45 ~~c. Denied, suspended, or revoked the individual's registration or license to engage in a~~
46 ~~financial services related activity; disciplined the individual or otherwise by order~~
47 ~~prevented the individual from associating with a financial services related business or~~
48 ~~restricted the individual activities; or~~
- 49 ~~d. Barred the individual from association with an entity or its officers regulated by the~~
50 ~~agency or authority or from engaging in a financial services related business;~~
- 51 ~~4. Final orders issued by a State or Federal regulatory agency or foreign financial regulatory~~
52 ~~authority based on violations of any law or regulation that prohibits fraudulent,~~
53 ~~manipulative, or deceptive conduct;~~
- 54 ~~5. Revocation or suspension of the individual's authorization to act as an attorney,~~
55 ~~accountant, or State or Federal contractor;~~
- 56 ~~6. Customer initiated financial services related arbitration or civil action against the~~
57 ~~individual that required action, including settlements, or which resulted in a judgment.~~
- 58 A. All applicants for a real property appraiser credential shall possess a background that would
59 not call into question public trust.
- 60 B. Applicants shall provide state appraiser regulatory agencies with all of the information and
61 documentation necessary for the jurisdiction to determine the applicant's fitness for licensure
62 or certification.
- 63 C. An applicant shall not be eligible for a real property appraiser credential if, during at least the
64 five (5) year period immediately preceding the date of the application for licensing or
65 certification, the applicant has been convicted of, or pled guilty or *nolo contendere* to a crime
66 that would call into question the applicant's fitness for licensure.
- 67 D. Additional guidance related to background checks for applicants for a real property appraiser
68 credential may be found in Guide Note 9 (GN-9).

AQB GUIDE NOTE 9 (GN-9)

69 THIS GUIDE NOTE RELATES TO THE BACKGROUND CHECK REQUIREMENTS AS
70 SPECIFIED IN THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA THAT
71 BECOME EFFECTIVE ON JANUARY 1, 2017.

72 Under “Criteria Applicable to All Appraiser Classifications” in the *Real Property Appraiser*
73 *Qualification Criteria*, Section VI. Background Checks, reads as follows:

74 *All applicants for a real property appraiser credential shall possess a background that would*
75 *not call into question public trust.*

76 Some jurisdictions have been performing background checks since the implementation of real
77 property appraiser credentialing, while others have not. This Guide Note is intended to provide
78 additional guidance, in particular to those jurisdictions with little to no experience in evaluating
79 an applicant’s background as part of the applicant’s overall fitness for licensure or certification.

80 **Examples of Issues to Consider**

81 Some of the types of background issues that state appraiser regulatory agencies might consider
82 include, but are not limited to, applicants who have:

- 83 (1) Had an appraiser license or certification revoked in any governmental jurisdiction.
- 84 (2) Been convicted of, or pled guilty or *nolo contendere* to, a crime involving moral
85 turpitude.
- 86 (3) Been convicted of any crime which is substantially related to the qualifications,
87 functions, or duties of the profession of real estate appraisal.
- 88 (4) Performed any act which if done by the holder of a real property appraiser credential
89 would be grounds for revocation or suspension of such a credential.
- 90 (5) Knowingly made a false statement of material fact required to be disclosed in an
91 application for any professional license or certification.
- 92 (6) Been prohibited from participating in the affairs of an insured depository institution
93 pursuant to Section 19(a) of the Federal Deposit Insurance Act (12 U.S.C. Section 1829).

94 **Substantial Relationship**

95 A crime or act may be deemed substantially related to the qualifications, functions or duties of an
96 appraiser if, to a substantial degree, it evidences present or potential unfitness of a person
97 applying for or holding a real property appraiser credential to perform the functions authorized
98 by the credential. Examples of the types of crimes or acts include, but are not limited to, the
99 following:

- 100 (1) Taking, appropriating or retaining the funds or property of another.
- 101 (2) Forging, counterfeiting or altering any instrument affecting the rights or obligations of
102 another.
- 103 (3) Evasion of a lawful debt or obligation, including but not limited to tax obligations.

- 104 (4) Traffic in any narcotic or controlled substance in violation of law.
105 (5) Violation of a relation of trust or confidence.
106 (6) Theft of personal property or funds.
107 (7) Crimes or acts of violence or threatened violence against persons or property.
108 (8) The commission of any crime or act punishable as a sexually related crime.
109 (9) Misrepresentation of facts or information on the appraisal license or certification
110 application.
111 (10) Cheating on an examination for a real property appraiser credential.

112 **Rehabilitation**

113 Upon a determination that an applicant's background is inconsistent with public trust, state
114 appraiser regulatory agencies should consider all evidence related to the extent an applicant is
115 rehabilitated, including testimony or other documentation demonstrating things such as:

- 116 (1) The effect of the passage of time since the most recent act or crime.
117 (2) Restitution by the applicant to any person who has suffered monetary losses.
118 (3) Judicial relief from the consequences of criminal convictions resulting from immoral or
119 antisocial acts, including but not limited to release from probation, finding of factual
120 innocence, a completed program of diversion, or other comparable orders of a court.
121 (4) Successful completion or early discharge from probation or parole.
122 (5) Abstinence from the use of controlled substances or alcohol for not less than two years if
123 the crime or offense is attributable in part to the use of controlled substances or alcohol.
124 (6) Payment of any fine or other imposed monetary penalty.
125 (7) Stability of family life and fulfillment of parental and familial responsibilities
126 subsequent to the act or conviction.
127 (8) Completion of, or sustained enrollment in, formal education or vocational training
128 courses for economic self-improvement.
129 (9) Discharge of, or bona fide efforts toward discharging, adjudicated debts or monetary
130 obligations to others.
131 (10) Mitigating facts or circumstances that reasonably indicate that an applicant will perform
132 appraisal-related activities honestly, fairly, and ethically.
133 (11) Correction of business practices resulting in injury to others or with the potential to
134 cause such injury.
135 (12) Significant or conscientious involvement in community, church or privately-sponsored
136 programs designed to provide social benefits.
137 (13) New and different social and business relationships from those which existed at the time
138 of the act or crime.
139 (14) Change in attitude from that which existed at the time of the act or crime, as evidenced
140 by any or all of the following:

- 141 a) Testimony of applicant.
- 142 b) Evidence from family members, friends or other persons familiar with applicant's
143 previous conduct and his or her subsequent attitudes and behavioral patterns.
- 144 c) Evidence from probation or parole officers or law enforcement officials competent to
145 testify as to applicant's social adjustments.
- 146 d) Evidence from psychiatrists or other persons competent to testify with regard to
147 psychiatric or emotional disturbances.

148 The above is intended to be illustrative, not exhaustive. State appraiser regulatory agencies, in
149 performing their due diligence when examining an applicant's qualifications for a real property
150 appraiser credential, may elect to include additional items not identified in this Guide Note.
151 Likewise, state appraiser regulatory agencies may determine, based on their own experience and
152 history, that some of the items identified in this Guide Note may not be applicable to an applicant
153 seeking a real property appraiser credential in that jurisdiction.



**Appraiser Qualifications Board
Public Meeting Summary
March 20, 2015**

On March 20, the Appraiser Qualifications Board (AQB) held its first public meeting of 2015. The meeting was held in Seattle, Washington. The primary focus of both the public meeting and work sessions included ongoing projects associated with the:

- Proposed Revisions to the 2015 *Real Property Appraiser Qualification Criteria* and Guide Note 9
- Proposed *Personal Property Appraiser Qualification Criteria*
- Alternative Qualifications (Experience) to the *Real Property Appraiser Qualification Criteria*
- AQB Certified USPAP Instructor Program
- National Uniform Licensing and Certification Examinations
- Undergraduate/Graduate Degree in Real Estate Review Program
- Course Approval Program

Proposed Revisions to the 2015 *Real Property Appraiser Qualification Criteria* and Guide Note 9

On January 27, 2015, the Appraiser Qualifications Board (AQB) issued an exposure draft of Proposed Revisions to the 2015 *Real Property Appraiser Qualification Criteria* (*Criteria*) and Guide Note 9. The comment deadline for the exposure draft was March 16, 2015.

The exposure draft further clarified language contained in a December 2014 exposure draft. The language requires the applicant to possess a background that would not call into question public trust. Additionally, proscriptive language was moved out of the *Criteria* and into proposed Guide Note 9, which is intended as guidance for state regulators.

The Appraiser Qualifications Board voted to adopt the January 27, 2015 exposure draft. The background check section of the 2015 *Criteria* will not be implemented until January 1, 2017. It is important to note, however, that all other aspects of the 2015 *Criteria* went into effect as planned on January 1, 2015.

To review the adopted language, please visit our website here:

<https://appraisalfoundation.sharefile.com/download.aspx?id=s1a133672f084dddb>.

Proposed *Personal Property Appraiser Qualification Criteria*

On February 19, 2015, the AQB issued an exposure draft of proposed *Personal Property Appraiser Qualification Criteria*. The comment deadline for the exposure draft was March 20, 2015.

The AQB voted to adopt the proposed *Personal Property Appraiser Qualification Criteria*, and voted to make it effective on January 1, 2018.

The Appraisal Foundation's (Foundation) sponsors who confer personal property appraiser designations must follow the *Personal Property Appraiser Qualification Criteria* as adopted by the AQB. As personal property appraisers are not federally regulated, the Criteria are voluntary for entities, organizations, and/or individuals who are not sponsors of the Foundation.

To review the adopted language, please visit our website at
<https://appraisalfoundation.sharefile.com/download.aspx?id=s71e16a0d33c41c39>.

Alternative Qualifications (Experience) to the Real Property Appraiser Qualification Criteria

The AQB is currently researching alternative ways an appraiser candidate can obtain experience via appraisal-related professions. At its October 16, 2015 meeting in Washington, DC, the AQB will hold a public hearing to receive input on a concept paper that will be released this summer.

AQB Certified USPAP Instructor Program and USPAP Courses

There are currently 492 AQB Certified USPAP Instructors. The *Instructor Recertification Course* will be offered online starting in October 2015 to coincide with the release of the 2016-17 USPAP Courses. Additionally, the *Instructor Certification Course* is expected to be offered during the first half of 2016.

The AQB is working with the Appraisal Standards Board on the 7- and 15-Hour National USPAP Courses as well as the personal property and business appraisal USPAP courses. All USPAP courses will be released in the fall of 2015.

National Uniform Licensing and Certification Examinations

The AQB continues to monitor the *National Uniform Licensing and Certification Examinations* and the applicable pass/fail rates.

Additional information regarding the new examinations, including statistics on pass rates from 2008-14, as well as Q&As and sample questions, is available on the Foundation's website, by visiting the following link:

<http://netforum.avectra.com/eWeb/DynamicPage.aspx?Site=TAF&WebCode=NULCE>

Undergraduate/Graduate Degree Review Program in Real Estate

In 2009, the AQB began reviewing graduate degree programs in real estate for equivalency with the education required in the *Real Property Appraiser Qualification Criteria*. In 2011, the AQB began accepting applications to review *undergraduate* degree programs in real estate.

At its March 19, 2015 work session, the AQB voted to approve Texas A&M University's Bachelor of Science in Agricultural Economics with Finance and Real Estate Option degree for credit toward the *Real Property Appraiser Qualification Criteria*.

The AQB has approved graduate degree in real estate programs at:

- Texas A&M University
- University of Denver
- Virginia Commonwealth University

The AQB has approved undergraduate degree in real estate programs at:

- Indiana University
- Lehigh University
- Texas A&M University
- University of Denver
- University of Northern Iowa
- Virginia Commonwealth University

This service is provided at no cost to accredited colleges and universities. Further information is available on The Appraisal Foundation's website at:

<http://netforum.avectra.com/eweb/DynamicPage.aspx?Site=TAF&WebCode=DegreeProgram>

Course Approval Program (CAP)

The Course Approval Program (CAP) currently has 284 courses approved.

AQB Public Meetings Scheduled for 2015:

October 16, 2015 Washington, DC

TEXAS OCCUPATIONS CODE, Chapter 1101

Sec. 1101.3521. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE. (a) The commission shall require that an applicant for a license or renewal of an unexpired license submit a complete and legible set of fingerprints, on a form prescribed by the commission, to the commission or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The commission shall refuse to issue a license to or renew a license on active status of a person who does not comply with the requirement of Subsection (a).

(c) The commission shall conduct a criminal history check of each applicant for a license or renewal of a license using information:

(1) provided by the individual under this section; and

(2) made available to the commission by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter [411](#), Government Code.

(d) The commission may:

(1) enter into an agreement with the Department of Public Safety to administer a criminal history check required under this section; and

(2) authorize the Department of Public Safety to collect from each applicant the costs incurred by the department in conducting the criminal history check.

Added by Acts 2007, 80th Leg., R.S., Ch. 297 (H.B. [1530](#)), Sec. 5, eff. September 1, 2007.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1158 (S.B. [699](#)), Sec. 31, eff. January 1, 2016.

TEXAS OCCUPATIONS CODE, Chapter 1102

Sec. 1102.1051. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT FOR LICENSE. (a) The commission shall require that an applicant for a license or renewal of an unexpired license submit a complete and legible set of fingerprints, on a form prescribed by the commission, to the commission or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety and the Federal Bureau of Investigation.

(b) The commission shall refuse to issue a license to or renew the license of a person who does not comply with the requirement of Subsection (a).

(c) The commission shall conduct a criminal history check of each applicant for a license or renewal of a license using information:

(1) provided by the individual under this section; and

(2) made available to the commission by the Department of Public Safety, the Federal Bureau of Investigation, and any other criminal justice agency under Chapter 411, Government Code.

(d) The commission may:

(1) enter into an agreement with the Department of Public Safety to administer a criminal history check required under this section; and

(2) authorize the Department of Public Safety to collect from each applicant the costs incurred by the department in conducting the criminal history check.

Added by Acts 2013, 83rd Leg., R.S., Ch. 698 (H.B. 2911), Sec. 1, eff. September 1, 2013.

TEXAS OCCUPATIONS CODE, Chapter 1103

Sec. 1103.2031. CRIMINAL HISTORY RECORD INFORMATION REQUIREMENT. (a) The board by rule may require that an applicant for a certificate or license or renewal of an unexpired certificate or license submit a complete and legible set of fingerprints, on a form prescribed by the board, to the board or to the Department of Public Safety for the purpose of obtaining criminal history record information from the Department of Public Safety or the Federal Bureau of Investigation.

(b) If the board implements the requirement under Subsection (a), the board may not issue a certificate or license to or renew the certificate or license on active status of an applicant who does not comply with that requirement.

(c) If the board implements the requirement under Subsection (a), the board shall conduct a criminal history check of an applicant for a certificate or license or renewal of a certificate or license using information:

(1) provided by the applicant under this section and Section 1103.203; and

(2) made available to the board by the Department of Public Safety, the Federal Bureau of Investigation, or any other criminal justice agency under Chapter 411, Government Code.

(d) The board may:

(1) enter into an agreement with the Department of Public Safety or other federally authorized entity to administer a criminal history check required under this section; and

(2) authorize the Department of Public Safety or other federally authorized entity to collect from each applicant the costs incurred by the department in conducting the criminal history check.

Added by Acts 2015, 84th Leg., R.S., Ch. 950 (S.B. 1007), Sec. 23, eff. January 1, 2016.