

# TEXAS APPRAISER LICENSING & CERTIFICATION BOARD



## BOARD MEETING

AUGUST 16, 2013



*Stephen F. Austin Building*  
*Room 170*  
*1700 N. Congress Ave*  
*Austin, Texas*





## **MEETING AGENDA**

Texas Appraiser Licensing & Certification Board  
Room 170, TALCB Headquarters Office  
Stephen F. Austin State Office Building  
1700 North Congress, Austin, Texas 78701

*Friday, August 16, 2013, 10:00 a.m.*

### **CALL TO ORDER**

1. Call to order and pledges of allegiance
2. Roll call and discussion and possible action to excuse Board member absences, if any
3. Recognition of Sheryl Swift for her service on the Board

### **OFFICIAL RECORD**

4. Ratification of the official record of the May 17, 2013 Board meeting as approved for posting on the website by the Secretary of the Board

### **PUBLIC COMMENTS**

5. Comments from members of the public regarding non-agenda items

### **ENFORCEMENT MATTERS**

6. Executive session to receive advice of counsel pursuant to Texas Government Code §551.071
7. Discussion and possible action to approve agreed final orders and surrenders in the matter of:
  - a. Complaint#s 10-281, 10-295, 10-315 & 12-120 (James Harold Parhms, TX-1338782-R)
  - b. Complaint#s 13-094 & 13-168 (James M. Willis, TX-1322906-G)
  - c. Complaint#s 10-228 & 13-113 (Richard Allen Taylor, TX-1326295-R)
  - d. Complaint# 13-153 (Casey Jean Penn, TX-1336283-R)
  - e. Complaint# 12-064 (Floyd Edgar Sumrall, Jr., TX-1333035-L)
  - f. Complaint# 13-069 (Michael Lynn Hendrix, TX-1336152-G)
  - g. Complaint# 12-308 (Thuan Ngoc Phan, TX-1329163-L)
  - h. Complaint# 13-031 (Alberto Castillo, TX-1334674-R)
  - i. Complaint# 13-030 (Forrest James French, TX-1330265-G)



- j. Complaint# 12-123 (James Wade Purdy, TX-1336490-L)
  - k. Complaint# 13-127 (Roger P. Lane, TX-1334329-R)
  - l. Complaint# 12-070 (Wendell Paul Young, TX-1321410-G)
  - m. Complaint# 12-062 (John James Stahl, TX-1334104-R)
  - n. Complaint# 12-203 (James Brian Banks, TX-1323923-R)
8. Discussion and possible action to approve modifications of Board orders in the matter of Complaint# 10-087 (Caleb Cole Jackson, TX-1324707-R)
9. Discussion and possible action on proposal for decision from the State Office of Administrative Hearings in the matter of SOAH Docket #329-13-3390.ALC (Francis Kafor, TX-1340428-T)

### **COMMITTEE REPORTS**

- 10. Report by Executive Committee
- 11. Report by Budget/Finance Committee
- 12. Report by Enforcement Committee
- 13. Report by Education Committee

### **STAFF REPORTS**

14. Staff reports by Commissioner, Deputy Commissioner, and Division Directors, which may include reports on processes, monthly activities and statistical data for communications, licensing, education, information technology, staff services, and enforcement; current topics related to regulation of real estate appraisers; discussion of topics raised by monthly reports; introduction of new employees; and questions by Board members to staff regarding issues raised by the staff reports

### **RULES FOR POSSIBLE ADOPTION**

15. Discussion and possible action to adopt amendments to 22 TAC §153.20 concerning Guidelines for Revocation, Suspension, Denial of Licensure or Certification; Probationary Licensure
16. Discussion and possible action to adopt new 22 TAC Chapter 157, Subchapter E, Alternative Dispute Resolution as follows:
- a. §157.30, Alternative Dispute Resolution
  - b. §157.31, Informal Conference
  - c. §157.32, Negotiated Settlement
  - d. §157.33, Mediation



- e. §157.36, Stipulations
- f. §157.37, Agreements
- g. §157.38, Confidentiality

17. Discussion and possible action to adopt amendments to 22 TAC §159.159 concerning Disclosure of Registration Number
18. Discussion and possible action to adopt amendments to 22 TAC §159.109 concerning Inactive Status
19. Discussion and possible action to adopt amendments to 22 TAC §159.155 concerning Periodic Review of Appraisals

#### **RULES FOR POSSIBLE EMERGENCY ACTION**

20. Discussion and possible action to take emergency action to adopt amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing

#### **RULES FOR POSSIBLE PROPOSAL**

21. Discussion and possible action to propose amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing
22. Discussion and possible action to propose amendments to 22 TAC §153.9 concerning Applications
23. Discussion and possible action to propose amendments to 22 TAC §153.17 concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval
24. Discussion and possible action to propose amendments to 22 TAC §153.5 concerning Fees
25. Discussion and possible action to propose amendments to 22 TAC §159.52 concerning Fees
26. Discussion and possible action to propose amendments to 22 TAC §153.24 concerning Complaint Processing
27. Discussion and possible action to propose amendments to 22 TAC §155.1 concerning Standards of Practice
28. Discussion and possible action to propose amendments to 22 TAC §155.2 concerning Work Relating to Property Tax Protests



**PENDING BUSINESS**

29. Discussion and possible action on recommendations from the Education Committee regarding Appraiser Trainee/Supervisor Course and Texas Update Course structure
30. Discussion and possible action on recommendations from the Executive Committee regarding a system or procedure to track staff implementation of Board directives
31. Discussion and possible action to approve a Memorandum of Understanding with the Texas Real Estate Commission regarding administrative services provided by TREC staff
32. Discussion and possible action to adopt the FY2014 TALCB budget
33. Discussion regarding legislative matters

**NEW BUSINESS**

34. Discussion and possible action to authorize Board staff to amend TALCB renewal forms to remove the optional electronic newsletter fee
35. Discussion and possible action to approve the following revised forms:
  - a. Application for Approval as an Appraiser Trainee
  - b. Application for Appraiser License
  - c. Application for Certified Residential Appraiser
  - d. Application for Certified General Appraiser
  - e. Appraisal Experience Affidavit (for Appraisers & Trainees)
  - f. Appraisal Experience Explanation
  - g. Appraiser Continuing Education Submission Form
  - h. Request for Active Status
36. Discussion and possible action to approve a new form for:
  - a. AMC to Elect Inactive status
  - b. AMC Renewal
37. Discussion and possible action to approve National Registry Access Policy
38. Discussion and possible action to authorize the TALCB Commissioner to issue a request for proposals for examination related services



**OTHER BUSINESS**

39. Request for new business agenda items
40. Discussion and possible action to schedule future meeting dates
41. Adjourn

**The Texas Appraiser Licensing and Certification Board may meet with its attorney in executive session on any item listed above as authorized by the Texas Open Meetings Act, Tex. Gov't Code, §551.071.**





**AGENDA ITEM 1**

Call to order and pledges of allegiance.

Texas Pledge

“Honor the Texas flag, I pledge allegiance to thee, Texas, one state under God, one and indivisible.”

**AGENDA ITEM 2**

Roll call and discussion and possible action to excuse Board member absences, if any.

**RECOMMENDED MOTION**

MOVED, that the absence(s) of \_\_\_\_\_  
for the August 16, 2013, Board meeting is/are hereby excused.

**AGENDA ITEM 3**

Recognition of Sheryl Swift for her service on the Board.

**AGENDA ITEM 4**

Ratification of the official record of the May 17, 2013, Board meeting as approved for posting on the website by the Secretary of the Board.

**RECOMMENDED MOTION**

MOVED, that the Board ratify the official record for the May 17, 2013, Board meeting as approved by the Secretary of the Board and posted on the Board website.





### AGENDA ITEM 5

Comments from members of the public regarding non-agenda items.

### AGENDA ITEM 6

Executive session to receive advice of counsel pursuant to Texas Government Code §551.071.

**Announcement by Chair to enter Executive Session:**

The time is \_\_\_\_\_. The Board will now go into executive session on agenda item numbers 7-9 to receive advice of counsel concerning pending or contemplated litigation, settlement offers, and enforcement actions before the Board as authorized by the Texas Open Meetings Act, Gov't Code §551.071. We anticipate returning to open session in approximately \_\_\_\_\_ minutes.

**Announcement by Chair upon return from Executive Session:**

It is now \_\_\_\_\_ (time) and the Board is back from executive session and reconvening in open session.





## ENFORCEMENT MATTERS

For reference:  
22 TAC §153.24 concerning Complaint Processing



**FOR REFERENCE**

**§153.24.Complaint Processing.**

(a) Receipt of a Complaint Intake Form by the board does not constitute the filing of a formal complaint by the board against the individual named on the Complaint Intake Form. Upon receipt of a signed Complaint Intake Form, staff shall:

(1) assign the complaint a case number in the complaint tracking system; and

(2) send written acknowledgement of receipt to the complainant.

(b) If the staff determines at any time that the complaint is not within the Board's jurisdiction or that no violation exists, the complaint shall [then] be dismissed with no further processing. The Board or the commissioner may delegate to staff the duty to dismiss complaints.

(c) A complaint alleging mortgage fraud or in which mortgage fraud is suspected:

(1) may be investigated covertly; and

(2) shall be referred to the appropriate prosecutorial authorities.

(d) Staff may request additional information necessary to determine how to proceed with the complaint from any person.

(e) As part of a preliminary investigative review, a copy of the Complaint Intake Form and all supporting documentation shall be sent to the respondent unless the complaint qualifies for covert investigation and the Standards and Enforcement Services Division deems covert investigation appropriate.

(f) The respondent shall submit a response within 20 days of receiving a copy of the Complaint Intake Form. The 20-day period may be extended for good cause upon request in writing or by e-mail. The response shall include the following:

(1) a copy of the appraisal report that is the subject of the complaint;

(2) a copy of the respondent's work file associated with the appraisal(s) listed in the complaint, with the following signed statement attached to the work file(s): I SWEAR AND AFFIRM THAT EXCEPT AS SPECIFICALLY SET FORTH HEREIN, THE COPY OF EACH AND EVERY APPRAISAL WORK FILE ACCOMPANYING THIS RESPONSE IS A TRUE AND CORRECT COPY OF THE ACTUAL WORK FILE, AND NOTHING HAS BEEN ADDED TO OR REMOVED FROM THIS WORK FILE OR ALTERED AFTER PLACEMENT

IN THE WORK FILE. (SIGNATURE OF RESPONDENT);

(3) a narrative response to the complaint, addressing each and every item in the complaint;

(4) a list of any and all persons known to the respondent to have actual knowledge of any of the matters made the subject of the complaint and, if in the respondent's possession, contact information;

(5) any documentation that supports respondent's position that was not in the work file, as long as it is conspicuously labeled as non-work file documentation and kept separate from the work file. The respondent may also address other matters not raised in the complaint that the respondent believes need explanation; and

(6) a signed, dated and completed copy of any questionnaire sent by board staff.

(g) Staff will evaluate the complaint within three months of receipt of the response from respondent to determine whether sufficient evidence of a potential violation of TALCB's statutes or rules, or the Uniform Standards of Professional Appraisal Practice (USPAP) exists to pursue investigation and possible formal disciplinary action. If the staff determines that there is no jurisdiction, no violation exists, there is insufficient evidence to prove a violation, or the complaint warrants dismissal, including contingent dismissal, under subsection (j) of this section, the complaint shall be dismissed with no further processing.

(h) If the complaint is not dismissed under subsection (g) of this section, a formal complaint will be opened and it will be investigated by a staff investigator or peer investigative committee, as appropriate. Staff may also open a formal complaint on its own motion. A written notice that a formal complaint has been opened will be sent to the complainant and respondent.

(i) The staff investigator or peer investigative committee assigned to investigate a formal complaint shall prepare a report detailing its findings on a form approved by the Board for that purpose. Reports prepared by a peer investigative committee shall be reviewed by the Standards and Enforcement Services Division, which shall determine the appropriate disposition of the complaint.

**FOR REFERENCE**

(j) In determining the proper disposition of a formal complaint pending as of or filed after the effective date of this subsection, and subject to the maximum penalties authorized under Texas Occupations Code §1103.552, staff, the administrative law judge in a contested case hearing and the Board shall consider the following sanctions guidelines and list of non-exclusive factors as demonstrated by the evidence in the record of a contested case proceeding.

(1) For the purposes of these sanctions guidelines:

(A) a person will not be considered to have had a prior warning letter, contingent dismissal or discipline if that prior warning letter, contingent dismissal or discipline occurred more than seven (7) years ago;

(B) a prior warning letter, contingent dismissal or discipline given less than seven years ago will not be considered unless the Board had taken final action against the person before the date of the appraisal that led to the subsequent disciplinary action;

(C) prior discipline is defined as any sanction (including administrative penalty) received under a Board final or agreed order;

(D) a violation refers to a violation of any provision of the Act, Board Rules or USPAP;

(E) "minor deficiencies" is defined as violations of the Act, Board Rules or USPAP which do not impact the credibility of the appraisal assignment results, the assignment results themselves and do not impact the appraiser's honesty, trustworthiness or integrity to the Board, the appraiser's clients or intended users of the appraisal service provided;

(F) "serious deficiencies" is defined as violations of the Act, Board Rules or USPAP which do impact the credibility of the appraisal assignment results, the assignment results themselves or do impact the appraiser's honesty, trustworthiness or integrity to the Board, the appraiser's clients or intended users of the appraisal service provided;

(G) "remedial measures" include, but are not limited to, training, mentorship, education, or any combination thereof; and

(H) The terms of a contingent dismissal agreement will be in writing and agreed to by all parties. If respondent completes all remedial measures required in the agreement within a certain prescribed period of time, the complaint will be dismissed with a non-disciplinary warning letter.

(2) List of factors to consider in determining proper disposition of a formal complaint:

(A) Whether the Respondent has previously received a warning letter or contingent dismissal, and if so, the similarity of facts or violations in that previous complaint to the facts or violations in the instant complaint matter;

(B) Whether the Respondent has previously been disciplined;

(C) If previously disciplined, the nature of the discipline, including:

(i) Whether it concerned the same or similar violations or facts;

(ii) The nature of the disciplinary sanctions imposed;

(iii) The length of time since the previous discipline;

(D) The difficulty or complexity of the appraisal assignment(s) at issue;

(E) Whether the violations found were of a negligent, grossly negligent or a knowing or intentional nature;

(F) Whether the violations found involved a single appraisal/instance of conduct or multiple appraisals/instances of conduct;

(G) To whom were the appraisal report(s) or the conduct directed, with greater weight placed upon appraisal report(s) or conduct directed at:

(i) A financial institution or their agent, contemplating a lending decision based, in part, on the appraisal report(s) or conduct at issue;

(ii) The Board;

(iii) A matter which is actively being litigated in a state or federal court or before a regulatory body of a state or the federal government;

(iv) Another government agency or government sponsored entity, including, but not limited to, the United States Department of Veteran's Administration, the United States Department of Housing and Urban Development, the State of Texas, Fannie Mae, and Freddie Mac;

**FOR REFERENCE**

(v) A consumer contemplating a real property transaction involving the consumer's principal residence;

(H) Whether Respondent's violations caused any harm, including financial harm, and the amount of such harm;

(I) Whether Respondent acknowledged or admitted to violations and cooperated with the Board's investigation prior to any contested case hearing;

(J) The level of experience Respondent had in the appraisal profession at the time of the violations, including:

(i) The level of appraisal credential Respondent held;

(ii) The length of time Respondent had been an appraiser;

(iii) The nature and extent of any education Respondent had received related to the areas in which violations were found; and

(iv) Any other real estate or appraisal related background or experience Respondent had;

(K) Whether Respondent can improve appraisal skills and reports through the use of remedial measures;

(3) The sanctions guidelines contained herein shall be employed in conjunction with the factors listed in paragraph (2) of this subsection to assist in reaching the proper disposition of a formal complaint:

(A) 1st Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in one of the following outcomes:

(i) Dismissal;

(ii) Dismissal with non-disciplinary warning letter;

(iii) Contingent dismissal with remedial measures.

(B) 1st Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in one of the following outcomes:

(i) Contingent dismissal with remedial measures;

(ii) A final order which imposes one or more of the following:

(I) Remedial measures;

(II) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(III) A probationary period with provisions for monitoring the appraiser's practice;

(IV) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(V) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(VI) Up to \$250.00 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, not to exceed \$3,000.00 in the aggregate.

(C) 1st Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

(i) A period of suspension;

(ii) A revocation;

(iii) Remedial measures;

(iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(D) 2nd Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in one of the following outcomes:

**FOR REFERENCE**

- (i) Dismissal;
- (ii) Dismissal with non-disciplinary warning letter;
- (iii) Contingent dismissal with remedial measures;
- (iv) A final order which imposes one or more of the following:

- (I) Remedial measures;
- (II) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;
- (III) A probationary period with provisions for monitoring the appraiser's practice;
- (IV) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;
- (V) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(VI) Up to \$250.00 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$1,000 statutory limit per complaint matter.

(E) 2nd Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;
- (iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;
- (v) A probationary period with provisions for monitoring the appraiser's practice;
- (vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;
- (vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up

to the maximum \$5,000 statutory limit per complaint matter.

(F) 2nd Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;
- (iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;
- (v) A probationary period with provisions for monitoring the appraiser's practice;
- (vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;
- (vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(G) 3rd Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;
- (iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;
- (v) A probationary period with provisions for monitoring the appraiser's practice;
- (vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;
- (vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

**FOR REFERENCE**

(viii) \$1,000 to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(H) 3rd Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;
- (iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(I) 3rd Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

- (i) A revocation; and
- (ii) \$1,500 in administrative penalties

per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(J) 4th Time Discipline--violations of the Act, Board Rules or USPAP will result in a final order which imposes the following:

- (i) A revocation; and
- (ii) \$1,500 in administrative penalties

per act or omission which constitutes a violation(s)

of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(K) Unlicensed appraisal activity will result in a final order which imposes a \$1,500 in administrative penalties per unlicensed appraisal activity, up to the maximum \$5,000 statutory limit per complaint matter.

(4) In addition, staff may recommend any or all of the following:

(A) reducing or increasing the recommended sanction or administrative penalty for a complaint based on documented factors that support the deviation, including but not limited to those factors articulated under paragraph (2) of this subsection;

(B) probating all or a portion of any sanction or administrative penalty for a period not to exceed five years;

(C) requiring additional reporting requirements; and

(D) such other recommendations, with documented support, as will achieve the purposes of the Act, the Rules, and/or USPAP.

(k) Agreed resolutions of complaint matters pursuant to Tex. Occupations Code §1103.458 or §1103.459 must be signed by the respondent, a representative of the Standards and Enforcement Services Division, and the commissioner.





**AGENDA ITEM 7(a)**

Discussion and possible action to approve agreed final order regarding complaint file numbers 10-281, 10-295, 10-315 & 12-120 (James Harold Parhms, TX-1338782-R).



TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

JAMES HAROLD PARHMS  
TX-1338782-R

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§

DOCKETED COMPLAINT NO.  
10-281, 10-295, 10-315, AND 12-120

### **AGREED FINAL ORDER**

On the \_\_\_\_\_ day of \_\_\_\_\_, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of James Harold Parhms (the "Respondent").

In order to conclude this matter, Respondent denies the truth of the Findings of Fact and Conclusions of Law contained herein but agrees to the disciplinary action set out in this Agreed Final Order in order to avoid the costs of litigation.

#### **FINDINGS OF FACT**

1. Respondent is a Texas state certified residential real estate appraiser who holds certification number TX-1338782-R, and was certified by the Board during all times material to the above-noted complaints.

2. Respondent appraised real property located at:

a. 4224 Koehler Street, Houston, Texas 77007 ("the 4224 Koehler property") with a report date of May 21<sup>st</sup>, 2008 and an effective date of value of May 20<sup>th</sup>, 2008;

b. 4217 Koehler Street, Houston, Texas 77007 ("the 4217 Koehler property") with a report date of June 19<sup>th</sup>, 2008 and an effective date of value of June 11<sup>th</sup>, 2008;

c. 7545 Highmeadow Drive, Houston, Texas 77063 ("the Highmeadow property") with a report date of March 26<sup>th</sup>, 2008 and an effective date of March 25<sup>th</sup>, 2008; and,

d. 214 West 3<sup>rd</sup> Street, League City, Texas 77573 ("the League City property") with a report date of October 18<sup>th</sup>, 2011 and an effective date of October 12<sup>th</sup>, 2011.

3. Thereafter 4 different complaints were filed by: (a) Jim Hollasch, SR, Director / Valuation & Review Management for MetLife Bank; (b) JP Morgan Chase Bank, NA; and (c) 2 staff-initiated complaints based on referrals from the Fraud Unit of the Texas Department of Insurance. The complaints alleged that the Respondent produced appraisal reports for the properties that did not conform to the Uniform Standards of

Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").

4. Thereafter the Board notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaints. Respondent was also requested to provide certain documentation to the Board, which he submitted to the Board.

5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal reports for the properties:

The 4224 Koehler Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by giving an incorrect / incomplete legal description, misrepresenting that the property was a detached structure, misrepresenting the property's gross living area, and failing to indicate the common driveway;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property's neighborhood boundaries correctly and the neighborhood's one-unit housing price range and did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's highest and best use;
- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated

a significantly lower value than Respondent indicated in his report;

- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data, which revealed a significantly lower price per square foot than Respondent used in his report;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, using sales provided by seller of the property based upon partial HUD-1 settlement statements obtained from the seller. Instead, Respondent should have used market-tested data that was readily available from those who did not have a financial interest in the transaction. Respondent also misrepresented the size of the sales he used as comparables, and failed to disclose, analyze and address sales concessions for those sales, and their prior listing histories;
- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent also failed to include a copy of the contract of sale in his work file and did not disclose its terms or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and fully disclose some \$12,000 in closing costs and summarize his analysis of this significant provision;
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

#### The 4217 Koehler Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as

required by the record keeping provisions;

- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by giving an incorrect / incomplete legal description, misrepresenting that the property was a detached structure, misrepresenting the property's gross living area, and failing to indicate the common driveway;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property's neighborhood boundaries correctly and the neighborhood's one-unit housing price range and did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's highest and best use;
- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated a significantly lower value than Respondent indicated in his report;
- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data, which revealed a significantly lower price per square foot than Respondent used in his report;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, using sales provided by

seller of the property based upon partial HUD-1 settlement statements obtained from the seller. Instead, Respondent should have used market-tested data that was readily available from those who did not have a financial interest in the transaction. Respondent also misrepresented the size of the sales he used as comparables, and failed to disclose, analyze and address sales concessions for those sales, and their prior listing histories;

- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent also failed to include a copy of the contract of sale in his work file and did not disclose its terms or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and fully disclose some \$12,000 in closing costs and summarize his analysis of this significant provision;
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

#### The League City Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by misrepresenting the improvements description and characteristics, including omitting discussion and analysis of the renovations Respondent claims were made to the property's improvements, and characterizing the property as a contemporary design property when it is actually a ranch style construction;
- d) USPAP Scope of Work Rule; 1-2(h) & 2-2(b)(vii); USPAP Ethics Rule (conduct); 1-1(b), 2-3 and 2-1(a) – Respondent misrepresented that he personally inspected interior and exterior of the property when he did not do so even though he knew this was an FHA / HUD transaction (which meant he was required to

inspect the property personally). Instead he sent an appraiser trainee to conduct the inspection, affirmatively misrepresented this fact and then further failed to disclose the significant professional assistance provided by the appraiser trainee. Respondent also failed to support his appraisal with objective research, relevant evidence and logic necessary to obtain credible assignment results;

- e) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented that the property did not have any zoning when it actually did have zoning, which needed to be disclosed analyzed, but was not;
- f) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including identifying the property’s neighborhood boundaries correctly and the neighborhood’s one-unit housing price range and did not summarize his rationale for these determinations he made in his report;
- g) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property’s highest and best use, especially since he misrepresented the property was not zoned when in fact it was;
- h) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property’s site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report;
- i) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data;
- j) USPAP Standards 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to collect, verify, analyze and reconcile accrued depreciation and did not provide documentation in his work file, and did not provide a brief summary of his supporting reasoning for his conclusions regarding accrued depreciation;
- k) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. He did so, in part, by selecting properties which were dissimilar in location, view, utility, permitted use, site size, age, quality of construction, number of bedrooms and condition. In general, objective

market data which was ignored and not analyzed by Respondent, if employed as required, would have significantly impacted his assignment results;

- l) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- m) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

### The Highmeadow Property

- a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the site description adequately by failing to provide the site dimensions and site size and failing to disclose, analyze and reconcile the property's location adjacent and in proximity to commercial properties and summarize his reasoning related to this required analysis;
- c) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by misrepresenting the improvements description and characteristics, such as the number of bedrooms and the type of flooring found in the property;
- d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) -- Respondent misrepresented the property's zoning as "A1", when it actually does not have any zoning classification;
- e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze factors affecting marketability (such as economic supply and demand and market area trends), including misrepresenting that the property's location is urban, when it is actually suburban, indicating property values for single-family houses are increasing when it was actually a stable market, failing to disclose and analyze a 22% foreclosure / REO rate among homes in the subject's market area; failing to report and analyze the neighborhood's one-unit housing price range, the age ranges of properties in the neighborhood, misrepresenting the percentage of land use for the area; and omitting the neighborhood / area name. Respondent also did not summarize his rationale for the determinations he made in his report;
- f) USPAP Standards 1-3(b) & 2-2(b)(ix) – Respondent failed to provide an analysis and summarize the rationale underlying his determination of the property's

highest and best use, especially since he misrepresented the property was zoned when in fact it was not;

- g) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the property's site value. Respondent did not provide supporting documentation or data for this determination and did not provide his supporting rationale for his site value determinations contained in the report. Lot sales available at the time indicated a significantly lower value than Respondent indicated in his report;
- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also failed to employ recognized methods and techniques, and did not properly collect, verify, analyze and reconcile this data;
- i) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the market area and should have been used. He did so, in part, by selecting properties which were dissimilar in location, view, size, age, date of sale and other salient characteristics;
- j) USPAP Standard 2-2(b)(viii) – Respondent failed to explain and support his exclusion of the income approach;
- k) USPAP Standards 1-5(a) & 2-2(b)(viii); 1-1(b) and 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile a prior listing of the property, which was significantly lower than his appraised value and did not provide his supporting reasoning for his reconciliation of this market data to his value conclusion. Respondent did not disclose the terms of the contract or analyze its contents and did not provide a brief summary of his supportive reasoning for his conclusions about the contract. Respondent also failed to analyze and misrepresented the existence of sales concessions when there were some \$6,000 in concessions being paid. Further, Respondent did not summarize his analysis of this significant provision; and,
- l) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and was inflated.

6. Respondent made material misrepresentations and omissions of material fact with respect to his appraisals of the properties as detailed above.
7. The parties enter into this consent order ("Order") in accordance with TEX. OCC. CODE § 1103.458.

### CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(6).
3. Respondent made material misrepresentations and omissions of material facts as prohibited by 22 TEX. ADMIN. CODE § 153.20(a)(12)
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with Tex. Occ. Code §1103.458.

### ORDER

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that Respondent's Texas appraiser state certification (TX-1338782-R) is **REVOKED**, effective **5:00 p.m., August 16<sup>th</sup>, 2013**.

IT IS FURTHER ORDERED that beginning **5:00 p.m., August 16<sup>th</sup>, 2013**, the revocation is to be **FULLY PROBATED** for 36 months ending **August 16<sup>th</sup>, 2016**, subject to timely and full compliance with the following terms and conditions.

IT IS FURTHER ORDERED that Respondent's Texas state certification (TX-1338782-R) is also hereby **SUSPENDED effective 5:00 p.m., August 16<sup>th</sup>, 2013 and continuing until such time as he submits documentation demonstrating completion of items 1 (education), 2 (mentorship) and 3 (re-examination) outlined below**. Until this suspension is lifted Respondent is completely barred from conducting any real estate appraisal activities.

1. **EDUCATION.** On or before **November 15<sup>th</sup>, 2013**, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance and have an exam. Respondent must receive a passing grade on the exam given in each class. None of the required classes will count toward Respondent's continuing education requirements for certification. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.**

- A. A minimum 7 classroom-hour course in the sales comparison approach;
  - B. A minimum 7 classroom-hour course in market analysis and highest and best use;
  - C. A minimum 7 classroom-hour course in the cost approach; and,
  - D. A minimum 15 classroom-hour course in USPAP.
2. **MENTORSHIP.** On or before **November 15<sup>th</sup>, 2013**, Respondent shall complete 20 hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board in accordance with the deadlines and schedule of topics set out below. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor on or before the due date listed for the mentorship requirement. Respondent shall also submit a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees form on or before the due date listed for the mentorship requirement. **Respondent is solely responsible for locating and scheduling an approved mentor to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.**
- a. 4 hours in highest and best use and market data analysis;
  - b. 4 hours in the sales comparison approach;
  - c. 4 hours in the cost approach;
  - d. 4 hours in report writing and appropriate analysis in a residential report writing context; and,
  - e. 4 hours in listing history and sales history reporting, analysis, and reconciliation.
3. **RE-EXAMINATION.** On or before **December 16<sup>th</sup>, 2013**, Respondent shall retake, successfully pass and submit documentation of successful completion of the examination for residential certification to the Board.
4. **LOGS.** On or before **July 1<sup>st</sup>, 2015**, Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board for the period of **February 15<sup>th</sup>, 2015 to June 15<sup>th</sup>, 2015**. The log shall detail *all* real estate appraisal activities Respondent has conducted during that 4 month period. This log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and accurate. Upon written request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments Respondent performs during the course of this period of probation within twenty days of receiving any such written request.

5. **NO TRAINEES.** Respondent is prohibited from sponsoring, employing or relying upon any appraiser trainees in his real estate appraisal activities during the entire period of his 3 year probated revocation. On or before **August 27<sup>th</sup>, 2013**, Respondent shall terminate any current trainee sponsorship by filing the appropriate paperwork with the Board.
6. **ADMINISTRATIVE PENALTY.** On or before **September 5<sup>th</sup>, 2013**, Respondent shall pay an administrative penalty to the Board in the amount of **\$4,000**.
7. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and,
8. Respondent shall comply with all provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

RESPONDENT'S FAILURE TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE SHALL RESULT IN THE AUTOMATIC REVOCATION OF PROBATION AND THE REVOCATION IMPOSED IN THIS AGREED FINAL ORDER SHALL BE EFFECTIVE COMMENCING ON THE EFFECTIVE DATE OF THE REVOCATION OF PROBATION. ANY SUCH REVOCATION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.

RESPONDENT, BY SIGNING THIS AGREED FINAL ORDER, WAIVES THE RESPONDENT'S RIGHT TO A FORMAL HEARING, ANY MOTION FOR REHEARING, AND ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

RESPONDENT IS SOLELY RESPONSIBLE FOR TIMELY DELIVERY TO THE BOARD OF ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE OF THIS AGREED FINAL ORDER. PAYMENT OF ANY ADMINISTRATIVE PENALTIES DUE MUST BE IN THE FORM OF A CASHIER'S CHECK OR MONEY ORDER MADE PAYABLE TO THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD. RESPONDENT SHALL RETAIN DOCUMENTATION (REPLY EMAIL, FAX CONFIRMATION, RETURN RECEIPT, ETC.) CONFIRMING RECEIPT BY THE BOARD OF ALL THE NECESSARY DOCUMENTS.

RESPONDENT SHALL SEND ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE BY: (1) EMAIL TO COMPLIANCE.TALCB@TALCB.TEXAS.GOV, (2) FAX TO (512) 936-3966, ATTN: COMPLIANCE, OR (3) CERTIFIED MAIL RETURN RECEIPT REQUESTED TO STANDARDS & ENFORCEMENT SERVICES, TEXAS APPRAISER LICENSING & CERTIFICATION BOARD, STEPHEN F. AUSTIN BUILDING, 1700 N. CONGRESS AVE., SUITE 400, AUSTIN, TX 78701.

I HAVE READ AND REVIEWED THIS ENTIRE AGREED FINAL ORDER FULLY AND AM ENTERING INTO IT OF MY OWN FREE WILL TO AVOID THE EXPENSE OF LITIGATION AND TO REACH AN EXPEDITIOUS RESOLUTION OF THE MATTER. I NEITHER ADMIT NOR DENY THAT THE FINDINGS OF FACT AND CONCLUSIONS OF LAW CONTAINED HEREIN ARE CORRECT. I UNDERSTAND ALL OF MY COMPLIANCE OBLIGATIONS UNDER THIS AGREED FINAL ORDER AND THE CONSEQUENCES FOR FAILING TO COMPLY WITH THOSE OBLIGATIONS.

I UNDERSTAND THAT THE BOARD AND ITS STAFF CANNOT PROVIDE ME WITH LEGAL ADVICE. I AM AWARE OF MY RIGHT TO A HEARING, AND HEREBY WAIVE A HEARING AND ALSO WAIVE ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER, INCULDING FOR ANY SUBSEQUENT ACTION RESULTING FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS.

This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

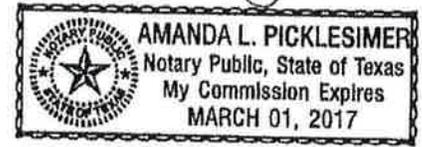
THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 28 day of MAY, 2013.

[Signature]  
JAMES HAROLD PARHMS

[Signature] 05.28.2013  
TREVOR YOUNG, ATTORNEY FOR  
JAMES HAROLD PARHMS

State of Texas  
County of Travis  
This Instrument was acknowledged  
before me on May 28, 2013  
By Trevor Young  
NOTARY [Signature]



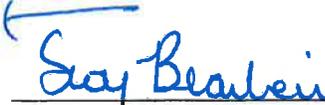
SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 28<sup>th</sup> day of May, 2013, by JAMES HAROLD PARHMS, to certify which, witness my hand and official seal.

[Signature]  
Notary Public Signature

NICOLE M JENNINGS  
Notary Public's Printed Name



Signed by the Standards and Enforcement Services Division this 29<sup>th</sup> day of MAY, 2013.

  
\_\_\_\_\_  
Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Douglas Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Walker Beard, Chairperson  
Texas Appraiser Licensing and Certification Board





**AGENDA ITEM 7(b)**

Discussion and possible action to approve agreed final order regarding complaint file numbers 13-094 & 13-168 (James M. Willis, TX-1322906-R).



TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

JAMES M. WILLIS  
TX-1322906-G

§  
§  
§  
§  
§  
§  
§  
§

DOCKETED COMPLAINT NO.  
13-094 & 13-168

**AGREED FINAL ORDER**

On the \_\_\_\_\_ day of \_\_\_\_\_, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of James M. Willis (the "Respondent").

In order to conclude this matter, James M. Willis neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order (the "Order"). The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

**FINDINGS OF FACT**

1. Respondent James M. Willis is a Texas state certified residential real estate appraiser who holds certification number TX-1322906-R and was certified by the Board during all times material to the above-noted complaint.
2. Respondent appraised real property located at: 350 East El Dorado Drive, Scroggins, Texas 75480 (the "Scroggins property") on or about November 26, 2012; and 655 Country Road 4592, Winnsboro, Texas 75494 (the "Winnsboro property") on or about February 5, 2013.
3. Thereafter complaints were filed with the Board by Cory Murphy of SunTrust Mortgage and Patty Cooper. The complaints alleged that the Respondent produced appraisal reports for the properties that did not conform to the Uniform Standards of Professional Appraisal Practice (USPAP), and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
4. Thereafter the Board, in accordance with the mandate of the Administrative Procedure Act (the "APA"), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103 (the "Act"), notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaints. Respondent was also requested to provide certain documentation to the Board.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the Scroggins property:

- a) USPAP Record Keeping Rule – Respondent failed to maintain a work file containing all documentation necessary to support his analyses, opinions and conclusions;
- b) USPAP Competency Rule – Respondent failed to comply with the Competency Rule because he did not perform the assignment in a competent manner and did not employ recognized methods and techniques;
- c) USPAP Scope of Work Rule; USPAP Standards 1-2(h) & 2-2(b)(vii) – Respondent failed to expand scope of work to reflect the necessary steps to produce a credible appraisal and did not communicate the scope of work he performed;
- d) USPAP Standards 1-2(a) & 2-2(b)(i) – Respondent failed to identify the client and other intended users of the appraisal correctly;
- e) USPAP Standards 1-2(f) or 1-2(g), 2-1(c) and 2-2(x) – Respondent failed to clearly and accurately disclose any extraordinary assumption, hypothetical condition, or limiting condition that directly affects the analysis, opinions and conclusions;
- f) USPAP Standards 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to identify and report the site description and did not identify and report improvement(s) description adequately;
- g) USPAP Standards 1-2(e)(iii), 1-4(g), & 2-2(b)(viii) – Respondent failed to identify and consider the effect on value of any personal property, trade fixtures or intangible items that are not real property but are included in the appraisal;
- h) USPAP Standards 1-2(e)(iv) and 2-2(b)(viii) – Respondent failed to consider and report deed restrictions;
- i) USPAP Standards 1-3(a) and 2-2(b)(viii) – Respondent failed to analyze the effect on use and value of existing land use regulations and economic supply and demand;
- j) USPAP Standards 1-3(b) and 2-2(b)(ix) – Respondent failed to develop or communicate an opinion of highest and best use;
- k) USPAP Standards 1-4(b)(i) and 2-2(b)(viii); 1-1(a) and 1-4(b) – Respondent failed to use an appropriate method or technique to develop a site value determination and did not provide supporting documentation, analysis or data for his determination;
- l) USPAP Standards 1-4(b)(ii) and 2-2(b)(viii); 1-1(a) and 1-4(b) – Respondent failed to use an appropriate method or technique to determine the cost new of improvements and failed to collect, verify, analyze and reconcile the cost new of improvements;
- m) USPAP Standards 1-4(b)(iii) and 2-2(b)(viii) – Respondent failed to collect, verify, analyze, and reconcile accrued depreciations adequately;

- n) USPAP Standards 1-1(a) & 1-4(b) – Respondent failed to employ recognized methods and techniques in the cost approach for his appraisal of the Scroggins property;
  - o) USPAP Standards 1-4(a) and 2-2(b)(viii); 1-1(a) and 1-4(a) – Respondent failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach;
  - p) USPAP Standards 1-5(a) and 2-2(b)(viii) – Respondent failed to analyze the agreement of sale for the subject current as of the effective date of the appraisal;
  - q) USPAP Standards 1-5(b) and 2-2(b)(viii) – Respondent failed to analyze all sales of the subject within 3 years prior to the effective date of the appraisal;
  - r) USPAP Standards 1-4(d) and 2-2(b)(viii) – Respondent failed to report the effect on value of terms of the lease in an appraisal of the leased fee or leasehold estate and did not provide supporting documentation, analysis or data;
  - s) USPAP Standards 1-1(a), 1-1(b), 1-1(c), and 2-1(a) – For the reasons detailed above, Respondent was careless and negligent and produced a misleading appraisal report for the property that contained several substantial errors of omission or commission by choosing not to employ correct methods and techniques. This resulted in an appraisal report that was not credible or reliable.
6. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the Winnsboro property:
- a) USPAP Record Keeping Rule – Respondent failed to maintain a work file containing all documentation necessary to support his analyses, opinions and conclusions;
  - b) USPAP Competency Rule – Respondent failed to comply with the Competency Rule because he did not perform the assignment in a competent manner and did not employ recognized methods and techniques;
  - c) USPAP Scope of Work Rule; USPAP Standards 1-2(h) & 2-2(b)(vii) – Respondent failed to expand scope of work to reflect the necessary steps to produce a credible appraisal and did not communicate the scope of work he performed;
  - d) USPAP Standards 1-2(f) or 1-2(g), 2-1(c) and 2-2(x) – Respondent failed to clearly and accurately disclose any extraordinary assumption, hypothetical condition, or limiting condition that directly affects the analysis, opinions and conclusions;

- e) USPAP Standards 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to identify and report the site description and did not identify and report improvement(s) description adequately;
- f) USPAP Standards 1-2(e)(iv) and 2-2(b)(viii) – Respondent failed to consider and report deed restrictions;
- g) USPAP Standards 1-3(a) and 2-2(b)(viii) – Respondent failed to analyze the effect on use and value of existing land use regulations and economic supply and demand;
- h) USPAP Standards 1-3(b) and 2-2(b)(ix) – Respondent failed to develop or communicate an opinion of highest and best use;
- i) USPAP Standards 1-4(b)(i) and 2-2(b)(viii); 1-1(a) and 1-4(b) – Respondent failed to use an appropriate method or technique to develop a site value determination and did not provide supporting documentation, analysis or data for his determination;
- j) USPAP Standards 1-4(b)(ii) and 2-2(b)(viii); 1-1(a) and 1-4(b) – Respondent failed to use an appropriate method or technique to determine the cost new of improvements and failed to collect, verify, analyze and reconcile the cost new of improvements;
- k) USPAP Standards 1-4(b)(iii) and 2-2(b)(viii) – Respondent failed to collect, verify, analyze, and reconcile accrued depreciations adequately;
- l) USPAP Standards 1-1(a) & 1-4(b) – Respondent failed to employ recognized methods and techniques in the cost approach for his appraisal of the Winnsboro property;
- m) USPAP Standards 1-4(a) and 2-2(b)(viii); 1-1(a) and 1-4(a) – Respondent failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach;
- n) USPAP Standards 1-5(b) and 2-2(b)(viii) – Respondent failed to analyze all sales of the subject within years prior to the effective date of the appraisal;
- o) USPAP Standards 1-4(d) & 2-2(b)(viii) – Respondent failed to consider, analyze and report the effect on value of terms and conditions of the lease in appraisal of the leased fee or leasehold estate;
- p) USPAP Standards 1-1(a), 1-1(b), 1-1(c), 2-1(a) and 2-1(b) – For the reasons detailed above, Respondent was careless and negligent and produced a misleading appraisal report for the property that contained several substantial errors of omission or commission by choosing not to employ correct methods

and techniques. This resulted in an appraisal report that was not credible or reliable.

7. Respondent omitted material facts and made material misrepresentations as described in more detail above.

8. The parties enter into the following consent order in accordance with TEX. OCC. CODE § 1103.458.

### CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.

2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(6).

3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(12) by misrepresenting and omitting material facts.

4. The parties are authorized to resolve their dispute by means of a consent order in accordance with Tex. Occ. Code §1103.458.

### ORDER

Based on the above findings of fact and conclusions of law, the Board **ORDERS**:

1. **EDUCATION.** On or before February 16, 2014, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance. If the class requires an exam, Respondent must receive a passing grade on the exam. None of the required class hours will count toward Respondent's continuing education requirements for certification. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.**

a. A minimum (15) fifteen hour classroom course in USPAP;

b. A minimum (15) fifteen hour classroom course in the sales comparison approach; and,

c. A minimum (15) fifteen hour classroom course in the cost approach.

2. **MENTORSHIP.** On or before November 16, 2013, Respondent shall complete eight (8) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor on or before the due date listed for each mentorship requirement. Respondent shall also submit a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees form on or before the due date listed for the mentorship requirement. **Respondent is solely responsible for locating and scheduling an approved mentor to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.**
3. **EXAMINATION.** On or before May 16, 2014, Respondent shall submit to a reexamination for his general certification, receive a passing grade on such reexamination and submit satisfactory evidence of successfully passing the reexamination.
4. Fully and timely comply with all of the provisions of this Agreed Final Order; and
5. Comply with all future provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

**IF RESPONDENT FAILS TO TIMELY COMPLY WITH ANY TERMS IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE, RESPONDENT SHALL BE ASSESSED A \$1,000 ADMINISTRATIVE PENALTY AND RESPONDENT'S LICENSE, CERTIFICATION, AUTHORIZATION OR REGISTRATION SHALL BE SUSPENDED, UNTIL RESPONDENT IS IN FULL COMPLIANCE WITH THE TERMS OF THIS ORDER AND THE \$1,000 ADMINISTRATIVE PENALTY HAS BEEN RECEIVED BY THE BOARD.**

**ANY SUCH SUSPENSION AND ADMINISTRATIVE PENALTY SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.**

**RESPONDENT, BY SIGNING THIS AGREED FINAL ORDER, WAIVES THE RESPONDENT'S RIGHT TO A FORMAL HEARING, ANY MOTION FOR REHEARING, AND ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER.** Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

Respondent is solely responsible for timely delivery to the Board of all documents and payments necessary for compliance of this Agreed Final Order. Payment of any administrative penalties due must be in the form of a cashier's check or money order made payable to the Texas Appraiser Licensing and Certification Board. Respondent shall retain

documentation (reply email, fax confirmation, return receipt, etc.) confirming receipt by the Board of all the necessary documents.

Respondent shall send all documents and payments necessary for compliance by: (1) email to [compliance.talcb@talcb.texas.gov](mailto:compliance.talcb@talcb.texas.gov), (2) fax to (512) 936-3966, attn: Compliance, or (3) certified mail return receipt requested to Standards & Enforcement Services, Texas Appraiser Licensing & Certification Board, Stephen F. Austin Building, 1700 N. Congress Ave., Suite 400, Austin, TX 78701.

I HAVE READ AND REVIEWED THIS ENTIRE AGREED FINAL ORDER FULLY AND AM ENTERING INTO IT OF MY OWN FREE WILL TO AVOID THE EXPENSE OF LITIGATION AND TO REACH AN EXPEDITIOUS RESOLUTION OF THE MATTER. I NEITHER ADMIT NOR DENY THAT THE FINDINGS OF FACT AND CONCLUSIONS OF LAW CONTAINED HEREIN ARE CORRECT. I UNDERSTAND ALL OF MY COMPLIANCE OBLIGATIONS UNDER THIS AGREED FINAL ORDER AND THE CONSEQUENCES FOR FAILING TO COMPLY WITH THOSE OBLIGATIONS.

I UNDERSTAND THAT THE BOARD AND ITS STAFF CANNOT PROVIDE ME WITH LEGAL ADVICE. I AM AWARE OF MY RIGHT TO A HEARING AND TO BE REPRESENTED BY AN ATTORNEY OF MY OWN CHOOSING, AND HEREBY WAIVE BOTH AND ALSO WAIVE ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER, INCLUDING FOR ANY SUBSEQUENT ACTION RESULTING FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A PENALTY, COMPLETION OF COURSEWORK OR RE-EXAMINATION OR FAILURE TO PROVIDE LOGS.

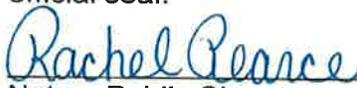
This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 12 day of July, 2013.

  
\_\_\_\_\_  
JAMES M. WILLIS

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 12 day of July, 2013, by JAMES M. WILLIS, to certify which, witness my hand and official seal.

  
\_\_\_\_\_  
Notary Public Signature



Rachel Barce  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 23<sup>rd</sup> day of July, 2013.

Troy Beaulieu  
Troy Beaulieu, TALCB Staff Attorney

Signed by the Commissioner this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Douglas Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Walker Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



**AGENDA ITEM 7(c)**

Discussion and possible action to approve agreed final order regarding complaint file numbers 10-228 & 13-113 (Richard Allen Taylor, TX-1326295-R).





**AGENDA ITEM 7(d)**

Discussion and possible action to approve agreed final order regarding complaint file number 13-153 (Casey Jean Penn, TX-1336283-R).



TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

CASEY JEAN PENN  
TX-1336283-R

§  
§  
§  
§  
§  
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§

DOCKETED COMPLAINT NO.  
13-153

### AGREED FINAL ORDER

On the \_\_\_\_\_ day of \_\_\_\_\_, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Casey Jean Penn (the "Respondent").

In order to conclude this matter, Casey Jean Penn neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order (the "Order"). The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

#### **FINDINGS OF FACT**

1. Respondent is a Texas state certified residential real estate appraiser who holds certification number, TX-1336283-R, and was certified by the Board during all times material to the above-noted complaints.
2. Respondent appraised real property located at: 4906 Fairway Place Court, Granbury, TX 76049 (the "property"), on or about February 11, 2013;
3. Thereafter, Joe Payne (the property owner) filed a complaint with the Board. The Board reviewed the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
4. Thereafter the Board, in accordance with the mandate of the Administrative Procedure Act (the "APA"), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103 (the "Act"), notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent was also requested to provide certain documentation to the Board.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal reports for the property:
  - a) USPAP Ethics Rule -- Respondent committed numerous mistakes/omissions that affected the credibility of the appraisal/appraisal report;

- b) USPAP Record Keeping Rule – Respondent's appraisal report/workfile did not provide documentation/support of site value, selection/verification of comparables, basis for adjustments, cost new, accrued depreciation, effective age or remaining economic life;
- c) USPAP Scope of Work Rule -- Respondent's scope of work was inadequate in order to produce credible results;
- d) USPAP Standards 1-2(f), 2-1(c) & 2-2(x) – Respondent failed to identify extraordinary assumptions;
- e) USPAP Standards 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to identify and report the site description adequately;
- f) USPAP Standards 1-4(f) and 2-2(b)(viii) – Respondent inaccurately reported improvements on the subject property;
- g) USPAP Standards 1-2(e)(iv) and 2-2(b)(viii) – Respondent failed to identify, analyze or disclose impact [if any] of deed restrictions or homeowners association's requirements related to subject property;
- h) USPAP Standards 1-3(a) and 2-2(b)(viii); 1-1(b) – Respondent did not analyze/document/disclose effect of land use regulations even though, given the nature of the subject property, these regulations/restrictions would have an impact on credibility of value opinion;
- i) USPAP Standards 1-3(b) and 2-2(b)(ix) – Respondent did not provide support of opinion of highest and best use;
- j) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to develop a site value determination;
- k) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine the cost new of improvements and failed to collect, verify, analyze and reconcile the cost new of improvements;
- l) USPAP Standards 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to use an appropriate method or technique to determine accrued depreciations and failed to collect, verify, analyze and reconcile the accrued depreciations;
- m) USPAP Standards 1-4(a) and 2-2(b)(viii); 1-1(a) and 1-4(a) – Respondent has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in her sales comparison approach. Respondent has not provided supporting documentation nor her reasoning and a summary of her analysis of the sales comparison approach. Respondent did not support, in either the appraisal report or the workfile, her basis for adjustments/non-adjustments;

- n) USPAP Standards 1-5(a) and 2-2(b)(viii); 1-1(b); 1-6(a), 1-6(b) and 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile significant and material information regarding the property's current listing;
  - o) USPAP Standards 1-5(b) and 2-2(b)(viii); 1-6(a), 1-6(b) and 2-2(b)(viii) – Respondent failed to analyze and reconcile this significant and material information within the 3 years prior to the effect date of each of the appraisal report Respondent prepared for the property; and
  - p) USPAP Standards 1-1(a), 1-1(b), 1-1(c), 2-1(a) and 2-1(b) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in an appraisal report that was not credible.
6. Respondent made omissions of material fact with respect to her appraisal of the property as detailed above.
7. The parties enter into this consent order in accordance with TEX. OCC. CODE § 1103.458.

#### **CONCLUSIONS OF LAW**

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3).
3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(9) by making omissions of material fact.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with TEX. OCC. CODE §1103.458.

#### **ORDER**

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that Respondent's Texas state certification (TX-1326295-R) is hereby suspended for twelve (12) months, beginning on Friday, August 16<sup>th</sup>, 2013, with this suspension being fully probated under the following terms and conditions:

1. **EDUCATION.** On or before August 16, 2014. Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance. If the class requires an exam, Respondent must receive a passing grade on the exam. None of the required class hours will count toward

Respondent's continuing education requirements for licensure. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.**

- a. A classroom course in USPAP, a minimum of fifteen (15) class hours, on or before August 16, 2014.
  - b. A classroom course on the sales comparison approach, a minimum of eight (8) class hours, on or before August 16, 2014
2. **MENTORSHIP.** On or before August 16, 2014. Respondent shall complete four (4) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board in accordance with the schedule and topics set out below. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor and a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees on or before the due date listed for each mentorship requirement. **Respondent is solely responsible for locating and scheduling an approved mentor to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.**
- a. Four (4) hours of mentorship, on or before August 16, 2014.
    - i. Two (2) hours regarding the sales comparison approach.
    - ii. One (1) hour regarding the cost approach.
    - iii. One (1) hour regarding report writing.
3. **ADMINISTRATIVE PENALTY.** On or before September 5, 2013. Pay to the Board an administrative penalty of one thousand dollars (\$1,000.00), by certified funds, within twenty (20) days of the effective date of this order (i.e. on or before September 5, 2013).
4. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and
5. Respondent shall comply with all provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

**IF RESPONDENT FAILS TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE, RESPONDENT SHALL BE ASSESSED A \$1,000 ADMINISTRATIVE PENALTY AND RESPONDENT'S LICENSE, CERTIFICATION, AUTHORIZATION OR REGISTRATION SHALL BE SUSPENDED FOR THE FULL TERM OF THE PROBATION.**

**ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.**

**RESPONDENT, BY SIGNING THIS AGREED FINAL ORDER, WAIVES THE RESPONDENT'S RIGHT TO A FORMAL HEARING, ANY MOTION FOR REHEARING, AND ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER.** Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's website.

Respondent is solely responsible for timely delivery to the board of all documents and payments necessary for compliance of this agreed final order. Payment of any administrative penalties due must be in the form of a cashier's check or money order made payable to the Texas Appraiser Licensing and Certification Board. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming receipt by the board of all the necessary documents.

Respondent shall send all documents and payments necessary for compliance by: (1) email to [compliance.talcb@talcb.texas.gov](mailto:compliance.talcb@talcb.texas.gov), (2) fax to (512) 936-3966, attn: Compliance, or (3) certified mail return receipt requested to Standards & Enforcement Services, Texas Appraiser Licensing & Certification Board, Stephen F. Austin Building, 1700 N. Congress Ave., Suite 400, Austin, TX 78701.

I HAVE READ AND REVIEWED THIS ENTIRE AGREED FINAL ORDER FULLY AND AM ENTERING INTO IT OF MY OWN FREE WILL TO AVOID THE EXPENSE OF LITIGATION AND TO REACH AN EXPEDITIOUS RESOLUTION OF THE MATTER. I NEITHER ADMIT NOR DENY THAT THE FINDINGS OF FACT AND CONCLUSIONS OF LAW CONTAINED HEREIN ARE CORRECT. I UNDERSTAND ALL OF MY COMPLIANCE OBLIGATIONS UNDER THIS AGREED FINAL ORDER AND THE CONSEQUENCES FOR FAILING TO COMPLY WITH THOSE OBLIGATIONS.

I UNDERSTAND THAT THE BOARD AND ITS STAFF CANNOT PROVIDE ME WITH LEGAL ADVICE. I AM AWARE OF MY RIGHT TO A HEARING, AND HEREBY WAIVE A HEARING AND ALSO WAIVE ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER, INCLUDING FOR ANY SUBSEQUENT ACTION RESULTING FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS.

This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been

delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

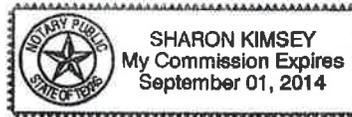
Signed this 2nd day of August, 2013.

Casey Jean Penn  
CASEY JEAN PENN

Ted Whitmer  
TED WHITMER, ATTORNEY FOR  
CASEY JEAN PENN

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this 2nd day of August, 2013, by CASEY JEAN PENN, to certify which, witness my hand and official seal.

Sharon Kimsey  
Notary Public Signature



Sharon Kimsey  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 2nd day of August, 2013.

Kyle Wolfe  
Kyle Wolfe, TALCB Staff Attorney

Signed by the Commissioner this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Douglas Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Walker Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



**AGENDA ITEM 7(e)**

Discussion and possible action to approve agreed final order regarding complaint file number 12-064 (Floyd Edgar Sumrall, Jr., TX-1333035-L).





**AGENDA ITEM 7(f)**

Discussion and possible action to approve agreed final order regarding complaint file number 13-069 (Michael Lynn Hendrix, TX-1336152-G).





**AGENDA ITEM 7(g)**

Discussion and possible action to approve agreed final order regarding complaint file number 12-308 (Thuan Ngoc Phan, TX-1329163-L).





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

### AGENDA ITEM 7(h)

Discussion and possible action to approve agreed final order regarding complaint file number 13-031 (Alberto Castillo, TX-1334674-R).





**AGENDA ITEM 7(i)**

Discussion and possible action to approve agreed final order regarding complaint file number 13-030 (Forrest James French, TX-1330265-G).



TEXAS APPRAISER LICENSING §  
AND CERTIFICATION BOARD §

vs. §

DOCKETED COMPLAINT NO. §  
13-030 §

FORREST JAMES FRENCH §  
TX-1330265-G §

**AGREED FINAL ORDER**

On the \_\_\_\_\_ day of \_\_\_\_\_, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Forrest James French (the "Respondent").

In order to conclude this matter, Forrest James French neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order.

**FINDINGS OF FACT**

1. Respondent is a Texas state certified residential real estate appraiser who holds certification number TX-1330265-G, and was certified by the Board during all times material to the above-noted complaint.
2. Respondent appraised real property located at 201 Kyanite Lane, Williamson County, Jarrell, Texas, 76537 (the "property") on or about April 27, 2011.
3. Thereafter a complaint was filed with the Board by Rex Kothmann, an employee of the National Banks of Central Texas. The complaint alleges that the Respondent produced an appraisal report for the property that did not conform to the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
4. Thereafter the Board notified Respondent of the nature of the accusations involved for the complaint and property and Respondent was afforded opportunities to respond to the accusations in the complaint. Respondent was also requested to provide certain documentation to the Board.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property:
  - a) USPAP Competency Rule – Respondent was not competent to perform the assignment and/or did not acquire the necessary competency to perform the appraisal of the property;

- b) USPAP Standards Scope of Work Rule 1-2(h) and 2-2(b)(vii) – Respondent failed to properly identify the problem to be solved and/or determine/perform the Scope of Work necessary to develop credible assignment results and/or disclose the Scope of Work in the report;
  - c) USPAP Standards 1-2(a) and 2-2(b)(i) – Respondent failed to identify the client and other intended users of the appraisal;
  - d) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) – Respondent failed to consider and report easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances or other items of a similar nature;
  - e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent failed to identify and analyze the effect on use and value of existing land use regulations, economic supply & demand, physical adaptability of the real estate and market area trends;
  - f) USPAP Standards 1-4(b)(i) and 2-2(b)(viii); 1-1(a) and 1-4(b) – Respondent failed to use an appropriate method and/or technique to develop an opinion of the site value;
  - g) USPAP Standards 1-4(a) and 2-2(b)(viii) – Respondent failed to adequately correct, verify, analyze, and/or reconcile comparable sales data and failed to employ recognized methods and techniques in his Sales Comparison Approach;
  - h) USPAP Standards 1-6(a)&(b) and 2-2(b)(viii) – Respondent failed to reconcile the quality and/or quantity of the data within the approaches used and/or the suitability of the approaches;
  - i) USPAP Standards 1-1(a), 1-1(b), 1-1(c); and 2-1(a) – Respondent produced a misleading appraisal report for the property that contained several substantial errors of omission or commission by not employing correct methods and techniques and not analyzing and reconciling significant and material information he had a duty to analyze and reconcile. This resulted in an appraisal report that was not credible or reliable.
6. Respondent omitted material facts and made material misrepresentations in his appraisal of the property as described in more detail above.
7. The parties enter into this consent order ("Order") in accordance with TEX. OCC. CODE § 1103.458.

## CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(6).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(12) by making material misrepresentations omitting material facts.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with Tex. Occ. Code §1103.458.

## ORDER

Based on the above findings of fact and conclusions of law, the Board ORDERS that Respondent's Texas appraiser certification be suspended for a period of 12 months, effective 5:00 p.m. (CST) on August 16<sup>th</sup>, 2013.

IT IS FURTHER ORDERED that beginning at 5:00 p.m. (CST) on August 16<sup>th</sup>, 2013, the suspension is to be fully probated for 12 months ending 5:00 p.m. (CST) on August 16<sup>th</sup>, 2014, subject to the following terms and conditions:

1. **EDUCATION.** On or before December 16<sup>th</sup>, 2013, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance and have an exam. Respondent must receive a passing grade on the exam given in each class. None of the required classes will count toward Respondent's continuing education requirements for certification. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.**
  - A. A minimum fifteen (15) classroom-hour course in USPAP.
2. **ADMINISTRATIVE PENALTY.** On or before September 5<sup>th</sup>, 2013, Respondent shall pay to the Board an administrative penalty of two thousand five hundred dollars (\$2,500.00), of which, seven hundred fifty dollars (\$750.00) shall be probated, under the condition that Respondent fully and timely comply with all the provisions of this Agreed Final Order.
3. **EXAMINATION.** On or before February 16<sup>th</sup>, 2014, Respondent shall submit to a reexamination for his general certification, receive a passing grade on such

reexamination and submit satisfactory evidence of successfully passing the reexamination.

4. Fully and timely comply with all of the provisions of this Agreed Final Order; and,
5. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

RESPONDENT'S FAILURE TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE SHALL RESULT IN THE AUTOMATIC REVOCATION OF PROBATION AND THE SUSPENSION IMPOSED IN THIS AGREED FINAL ORDER SHALL BE EFFECTIVE COMMENCING ON THE EFFECTIVE DATE OF THE REVOCATION OF PROBATION. ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.

RESPONDENT, BY SIGNING THIS AGREED FINAL ORDER, WAIVES THE RESPONDENT'S RIGHT TO A FORMAL HEARING, ANY MOTION FOR REHEARING, AND ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

RESPONDENT IS SOLELY RESPONSIBLE FOR TIMELY DELIVERY TO THE BOARD OF ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE OF THIS AGREED FINAL ORDER. PAYMENT OF ANY ADMINISTRATIVE PENALTIES DUE MUST BE IN THE FORM OF A CASHIER'S CHECK OR MONEY ORDER MADE PAYABLE TO THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD. RESPONDENT SHALL RETAIN DOCUMENTATION (REPLY EMAIL, FAX CONFIRMATION, RETURN RECEIPT, ETC.) CONFIRMING RECEIPT BY THE BOARD OF ALL THE NECESSARY DOCUMENTS.

RESPONDENT SHALL SEND ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE BY: (1) EMAIL TO COMPLIANCE.TALCB@TALCB.TEXAS.GOV, (2) FAX TO (512) 936-3966, ATTN: COMPLIANCE, OR (3) CERTIFIED MAIL RETURN RECEIPT REQUESTED TO STANDARDS & ENFORCEMENT SERVICES, TEXAS APPRAISER LICENSING & CERTIFICATION BOARD, STEPHEN F. AUSTIN BUILDING, 1700 N. CONGRESS AVE., SUITE 400, AUSTIN, TX 78701.

I HAVE READ AND REVIEWED THIS ENTIRE AGREED FINAL ORDER FULLY AND AM ENTERING INTO IT OF MY OWN FREE WILL TO AVOID THE EXPENSE OF LITIGATION AND TO REACH AN EXPEDITIOUS RESOLUTION OF THE MATTER. I NEITHER ADMIT NOR DENY THAT THE FINDINGS OF FACT AND CONCLUSIONS OF LAW CONTAINED HEREIN ARE CORRECT. I UNDERSTAND ALL OF MY COMPLIANCE OBLIGATIONS UNDER THIS AGREED FINAL ORDER AND THE CONSEQUENCES FOR FAILING TO COMPLY WITH THOSE OBLIGATIONS.

I UNDERSTAND THAT THE BOARD AND ITS STAFF CANNOT PROVIDE ME WITH LEGAL ADVICE. I AM AWARE OF MY RIGHT TO A HEARING, AND HEREBY WAIVE A HEARING AND ALSO WAIVE ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER, INCLUDING FOR ANY SUBSEQUENT ACTION RESULTING FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS.

This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

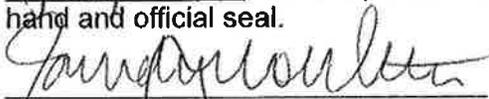
THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 29<sup>th</sup> day of July, 2013.

  
FORREST JAMES FRENCH

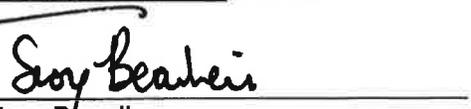
  
TED WHITMER, ATTORNEY FOR  
RESPONDENT

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 29 day of July, 2013, by FORREST JAMES FRENCH, to certify which, witness my hand and official seal.

  
Notary Public Signature  
Sandy Monterde  
Notary Public's Printed Name



Signed by the Standards and Enforcement Services Division this 1ST day of AUGUST, 2013.

  
Troy Beaulieu  
TALCB Staff Attorney

Signed by the Commissioner this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Douglas E. Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Walker Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



**AGENDA ITEM 7(j)**

Discussion and possible action to approve agreed final order regarding complaint file number 12-123 (James Wade Purdy, TX-1336490-L).



TEXAS APPRAISER LICENSING §  
AND CERTIFICATION BOARD

vs.

JAMES WADE PURDY  
TX-1336490-L

§  
§  
§  
§  
§  
§  
§

DOCKETED COMPLAINT NO.  
12-123

**AGREED FINAL ORDER**

On the \_\_\_\_\_ day of \_\_\_\_\_, 2013, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the license of James Wade Purdy (the "Respondent").

In order to conclude this matter, James Wade Purdy neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order.

**FINDINGS OF FACT**

1. Respondent is a Texas state licensed real estate appraiser who holds license number TX-1336490-L, and was licensed by the Board during all times material to the above-noted complaint.
2. Respondent appraised real property located at 6019 Schuler Street, Houston, Texas 77007 (the "property") on or about March 7<sup>th</sup>, 2008.
3. Thereafter a complaint was filed with the Board by Mark Liley, an employee of Flagstar Bank. The complaint alleges that the Respondent produced an appraisal report for the property that did not conform to the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CHPT. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHPT. 153 and 155 (the "Rules").
4. Thereafter the Board notified Respondent of the nature of the accusations involved for the complaint and Respondent was afforded the opportunity to respond to the accusations in the complaint. Respondent was also requested to provide certain documentation to the Board, which was received.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property:
  - a) USPAP Ethics Rule (record keeping) -- Respondent violated the Ethics Rule because he failed to maintain a work file containing all data, information and

- documentation necessary to support his opinions, analyses and conclusions as required by the record keeping provisions;
- b) USPAP Scope of Work Rule; 1-2(h) & 2-2(b)(vii) – Respondent failed to satisfy the Scope of Work Rule and related USPAP provisions because his scope of work did not facilitate the development of credible assignment results. Respondent failed to support his work with the relevant evidence and logic required to obtain credible assignment results;
  - c) USPAP Standards 1-2(f) or 1-2(g), 2-1(c) & 2-2(b)(x); 1-2(e)(iv) & 2-2(b)(viii); 1-3(a) & 2-2(b)(viii) and 1-1(b) – Respondent did not disclose extraordinary assumptions, hypothetical conditions, extraordinary assumptions or limiting conditions that directly affected his analysis, opinions and conclusions by failing to report, verify or analyze that a portion of the property exceeded the building set back line dictated by law. Instead he excluded that portion of the structure from his building sketch and gross living area calculations, and failed to disclose these significant facts. Respondent misrepresented and omitted discussion and analysis of significant and material information concerning building set back line ordinances which the property violated;
  - d) USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent failed to identify and report the improvements description by misrepresenting and omitting significant and material information concerning significant fire damage caused to the property 4 months prior to the date of his report and failing to analyze this additional information and its impact, if any, on the property's market value. Respondent also failed to identify and report the improvements description by misrepresenting and omitting discussion and analysis of a garage/porte-co-chere which had been converted into a game room and the functional obsolescence due to its sloping concrete subfloor. For this same reason, the property suffered from functional obsolescence due to the lack of a garage which was also not identified and discussed;
  - e) USPAP Standards 1-3(a) & 2-2(b)(viii) – Respondent misrepresented factors affecting marketability (such as economic supply and demand and market area trends), including the neighborhood's market area trends and the high rate of distressed home sales in the immediate area even though approximately 34% of the total sales similar to the property were bank owned. Respondent also failed to summarize his rationale for the market area trends and economic supply and demand determinations he made in his report. He also did not provide supporting documentation in his work file for the opinions and conclusions he reached concerning these topics;
  - f) USPAP Standards 1-4(b)(ii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to provide support for his determination of the cost new of improvements in his work file and did not summarize his supporting rationale for his determinations. Respondent also did not properly collect, verify, analyze and reconcile this data, which revealed a different price per square foot than Respondent used in his report, as well as a different cost for porches, patios and balconies and a much

lower cost figure for the site improvements. Cost data was not analyzed by Respondent, which needed to be and would have significantly impacted his assignment results;

- g) USPAP Standards 1-4(b)(iii) & 2-2(b)(viii); 1-1(a) & 1-4(b) – Respondent failed to collect, verify, analyze and reconcile accrued depreciations (including the functional obsolescence associated with the converted garage area) and did not provide documentation in his work file to support his analyses, opinions and conclusion, nor did he provide a summary of his supporting rationale, which explained the reasoning behind those opinions and conclusions;
- h) USPAP Standards 1-4(a) & 2-2(b)(viii); 1-1(a) & 1-4(a); 1-6(a) & (b) & 2-2(b)(viii) – Respondent misrepresented that the sales he selected were comparable to the property. He has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in his sales comparison approach. Generally, Respondent used inappropriate properties as comparable sales even though appropriate, more similar sales (in terms of salient market characteristics) were readily available in the immediate area and should have been used. Respondent misrepresented that the properties he selected as comparables were similar in salient market characteristics (such as location, gross living area, age, condition, amenities and quality of construction). Respondent also failed to make appropriate adjustments or made inappropriate adjustments to the sales he did use, and did not discuss his analysis and reasoning behind the adjustments he made or elected not to make. Respondent also did not report, analyze and discuss his reasoning for any conclusions reached regarding the property's functional obsolescence stemming from the garage conversion anywhere in his sales comparison approach. Market data was not analyzed by Respondent, which needed to be and would have significantly impacted his assignment results;
- i) 1-5(b) & 2-2(b)(vii) & 1-1(b); 1-6(a) & (b) & 2-2(b)(viii) – Respondent failed to disclose, analyze and reconcile significant and material information concerning a prior sale of the property; and,
- j) USPAP Standards 1-1(a), 1-1(b), 1-1(c) and 2-1(a) – For the reasons detailed above, Respondent produced a misleading appraisal report for the property that contained misrepresentations and several substantial errors of omission or commission by not employing correct methods and techniques. This resulted in a misleading appraisal report that was not credible or reliable and significantly impacted his assignment results.

6. Respondent omitted material facts and made material misrepresentations in his appraisal of the property as described in more detail above.

7. The parties enter into this consent order ("Order") in accordance with Tex. Occ. CODE § 1103.458.

## CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations omitting material facts.
4. The parties are authorized to resolve their dispute by means of a consent order in accordance with Tex. Occ. Code §1103.458.

## ORDER

Based on the above findings of fact and conclusions of law, the Board ORDERS that Respondent's Texas appraiser certification be suspended for a period of 24 months, effective 5:00 p.m. (CST) on August 16<sup>th</sup>, 2013.

IT IS FURTHER ORDERED that beginning at 5:00 p.m. (CST) on August 16<sup>th</sup>, 2013, the suspension is to be fully probated for 24 months ending 5:00 p.m. (CST) on August 16<sup>th</sup>, 2015, subject to the following terms and conditions:

1. **EDUCATION.** On or before December 16<sup>th</sup>, 2013, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Order must be classes approved by the Board. Unless otherwise noted below, all classes must require in-class attendance and have an exam. Respondent must receive a passing grade on the exam given in each class. None of the required classes will count toward Respondent's continuing education requirements for certification. **Respondent is solely responsible for locating and scheduling classes to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion of the course in the event of course cancellation or rescheduling by the course provider.**
  - A. A minimum fifteen (15) classroom-hour course in USPAP;
  - B. A minimum (7) classroom-hour course in the sales comparison approach; and,
    - i. No examination shall be required for this course;
  - C. A minimum (7) classroom-hour course in quality assurance.
    - i. No examination shall be required for this course;

2. **MENTORSHIP.** On or before February 16, 2014, Respondent shall complete fourteen (14) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board. Respondent shall submit a certification of completion signed by the approved certified USPAP instructor on or before the due date listed for each mentorship requirement. Respondent shall also submit a signed copy of the Guidelines for Texas Appraiser Licensing and Certification Board Mentors and Mentees form on or before the due date listed for the mentorship requirement. **Respondent is solely responsible for locating and scheduling an approved mentor to timely satisfy this Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.**
  
3. **ADMINISTRATIVE PENALTY.** Respondent shall pay to the Board an administrative penalty of three thousand dollars (\$3,000.00), which shall be paid in twenty (20) monthly installments of \$150.00 by the dates indicated below:
  - a. \$150.00 due on or before September 5<sup>th</sup>, 2013
  - b. \$150.00 due on or before October 5<sup>th</sup>, 2013
  - c. \$150.00 due on or before November 5<sup>th</sup>, 2013
  - d. \$150.00 due on or before December 5<sup>th</sup>, 2013
  - e. \$150.00 due on or before January 5<sup>th</sup>, 2014
  - f. \$150.00 due on or before February 5<sup>th</sup>, 2014
  - g. \$150.00 due on or before March 5<sup>th</sup>, 2014
  - h. \$150.00 due on or before April 5<sup>th</sup>, 2014
  - i. \$150.00 due on or before May 5<sup>th</sup>, 2014
  - j. \$150.00 due on or before June 5<sup>th</sup>, 2014
  - k. \$150.00 due on or before July 5<sup>th</sup>, 2014
  - l. \$150.00 due on or before August 5<sup>th</sup>, 2014
  - m. \$150.00 due on or before September 5<sup>th</sup>, 2014
  - n. \$150.00 due on or before October 5<sup>th</sup>, 2014
  - o. \$150.00 due on or before November 5<sup>th</sup>, 2014
  - p. \$150.00 due on or before December 5<sup>th</sup>, 2014
  - q. \$150.00 due on or before January 5<sup>th</sup>, 2015
  - r. \$150.00 due on or before February 5<sup>th</sup>, 2015
  - s. \$150.00 due on or before March 5<sup>th</sup>, 2015
  - t. \$150.00 due on or before April 5<sup>th</sup>, 2015
  
4. **LOGS.** On or before **July 1<sup>st</sup>, 2014**, Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board for the period of **March 1<sup>st</sup>, 2014 to June 1<sup>st</sup>, 2014**. The log shall detail **all** real estate appraisal activities Respondent has conducted during that 3 month period. This log shall be signed by Respondent and contain a notarized affidavit attesting the log is true, complete and accurate. Upon written request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments Respondent performs during the course of this period of probation within twenty days of receiving any such written request.
  
5. Fully and timely comply with all of the provisions of this Agreed Final Order; and,

6. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

RESPONDENT'S FAILURE TO TIMELY COMPLY WITH ANY TERM IN THIS AGREED FINAL ORDER, WHICH HAS A SPECIFIC, STATED DUE DATE SHALL RESULT IN THE AUTOMATIC REVOCATION OF PROBATION AND THE SUSPENSION IMPOSED IN THIS AGREED FINAL ORDER SHALL BE EFFECTIVE COMMENCING ON THE EFFECTIVE DATE OF THE REVOCATION OF PROBATION. ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.

RESPONDENT, BY SIGNING THIS AGREED FINAL ORDER, WAIVES THE RESPONDENT'S RIGHT TO A FORMAL HEARING, ANY MOTION FOR REHEARING, AND ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

RESPONDENT IS SOLELY RESPONSIBLE FOR TIMELY DELIVERY TO THE BOARD OF ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE OF THIS AGREED FINAL ORDER. PAYMENT OF ANY ADMINISTRATIVE PENALTIES DUE MUST BE IN THE FORM OF A CASHIER'S CHECK OR MONEY ORDER MADE PAYABLE TO THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD. RESPONDENT SHALL RETAIN DOCUMENTATION (REPLY EMAIL, FAX CONFIRMATION, RETURN RECEIPT, ETC.) CONFIRMING RECEIPT BY THE BOARD OF ALL THE NECESSARY DOCUMENTS.

RESPONDENT SHALL SEND ALL DOCUMENTS AND PAYMENTS NECESSARY FOR COMPLIANCE BY: (1) EMAIL TO COMPLIANCE.TALCB@TALCB.TEXAS.GOV, (2) FAX TO (512) 936-3966, ATTN: COMPLIANCE, OR (3) CERTIFIED MAIL RETURN RECEIPT REQUESTED TO STANDARDS & ENFORCEMENT SERVICES, TEXAS APPRAISER LICENSING & CERTIFICATION BOARD, STEPHEN F. AUSTIN BUILDING, 1700 N. CONGRESS AVE., SUITE 400, AUSTIN, TX 78701.

I HAVE READ AND REVIEWED THIS ENTIRE AGREED FINAL ORDER FULLY AND AM ENTERING INTO IT OF MY OWN FREE WILL TO AVOID THE EXPENSE OF LITIGATION AND TO REACH AN EXPEDITIOUS RESOLUTION OF THE MATTER. I NEITHER ADMIT NOR DENY THAT THE FINDINGS OF FACT AND CONCLUSIONS OF LAW CONTAINED HEREIN ARE CORRECT. I UNDERSTAND ALL OF MY COMPLIANCE OBLIGATIONS UNDER THIS AGREED FINAL ORDER AND THE CONSEQUENCES FOR FAILING TO COMPLY WITH THOSE OBLIGATIONS.

I UNDERSTAND THAT THE BOARD AND ITS STAFF CANNOT PROVIDE ME WITH LEGAL ADVICE. I AM AWARE OF MY RIGHT TO A HEARING, AND HEREBY WAIVE A HEARING AND ALSO WAIVE ANY RIGHT TO SEEK JUDICIAL REVIEW OF THIS AGREED FINAL ORDER, INCLUDING FOR ANY SUBSEQUENT ACTION RESULTING

FROM MY FAILURE TO TIMELY COMPLY WITH AN ADMINISTRATIVE REQUIREMENT OF THIS AGREED FINAL ORDER, SUCH AS PAYMENT OF A FEE, COMPLETION OF COURSEWORK OR FAILURE TO PROVIDE LOGS

This agreement may be executed in one or more counterparts, in form of electronic mail, facsimile, or other written expression of agreement, each of which shall be deemed an original and together shall comprise evidence of full execution of the agreement.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

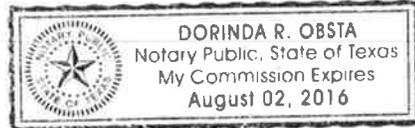
Signed this 30<sup>th</sup> day of July, 2013.

J W Purdy  
JAMES WADE PURDY

Ted Whitmer  
TED WHITMER, ATTORNEY FOR  
RESPONDENT

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 30<sup>th</sup> day of July, 2013, by JAMES WADE PURDY, to certify which, witness my hand and official seal.

Dorinda R. Obsta  
Notary Public Signature



DORINDA R. OBSTA  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 1<sup>ST</sup> day of AUGUST, 2013.

Troy Beaulieu  
Troy Beaulieu  
TALCB Staff Attorney

Signed by the Commissioner this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

Douglas E. Oldmixon, Commissioner

Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
Walker Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



**AGENDA ITEM 7(k)**

Discussion and possible action to approve agreed final order regarding complaint file number 13-127 (Roger P. Lane, TX-1334329-R).





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

### AGENDA ITEM 7(1)

Discussion and possible action to approve agreed final order regarding complaint file number 12-070 (Wendell Paul Young, TX-1321410-G).





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

### AGENDA ITEM 7(m)

Discussion and possible action to approve agreed final order regarding complaint file number 12-062 (John James Stahl, TX-1334104-R).





**AGENDA ITEM 7(n)**

Discussion and possible action to approve agreed final order regarding complaint file number 12-203 (James Brian Banks, TX-1323923-R).





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

### AGENDA ITEM 8

Discussion and possible action to approve modifications of Board orders in the matter of Complaint# 10-087 (Caleb Cole Jackson, TX-1324707-R).



## Dione Frederick

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**From:** Brittany Mutschler <[brittany.mutschler@talcb.state.tx.us](mailto:brittany.mutschler@talcb.state.tx.us)> on behalf of enforcement@talcb.state.tx.us  
**Sent:** Thursday, August 01, 2013 4:52 PM  
**To:** [dione.frederick@trec.state.tx.us](mailto:dione.frederick@trec.state.tx.us)  
**Cc:** [troy.beaulieu@talcb.state.tx.us](mailto:troy.beaulieu@talcb.state.tx.us)  
**Subject:** FW: Caleb Cole Jackson/Complaint Case #10-087

He is submitting a request for modification to his order and would like to be placed on the agenda for consideration by the Board.

Britta

---

**From:** Caleb Jackson [<mailto:calebjacksonappraisals@hotmail.com>]  
**Sent:** Thursday, August 01, 2013 4:11 PM  
**To:** [enforcement.talcb@talcb.texas.gov](mailto:enforcement.talcb@talcb.texas.gov); John Jackson  
**Subject:** Caleb Cole Jackson/Complaint Case #10-087

Dear TALCB Board,

I have received a letter from TALCB stating that I have completed all of the requirements of the Agreed Final Order in the above complaint(#10-087) and are in good standing with the board. I would like for the board to consider now taking me off of probationary status. I feel that there is no further reason to maintain my status as probationary. This status affects my ability to be registered with AMC's and also obtain E&O insurance which is required by most AMC's.

Please notify me of your decision.

Sincerely

Caleb Cole Jackson

### Jackson & Associates

(903) 872-3200 - Office  
(903) 872-0894 - Fax  
(903) 851-3637 - Oliver (cell)  
(903) 654-0996 - Caleb (cell)

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

CALEB COLE JACKSON  
TX-1324707-R

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DOCKETED COMPLAINT NO.  
10-087

**AGREED FINAL ORDER**

On this the 18<sup>th</sup> day of May, 2012, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Caleb Cole Jackson (Respondent).

In order to conclude this matter Caleb Cole Jackson neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order. The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

**FINDINGS OF FACT**

1. Respondent, Caleb Cole Jackson, is a certified residential appraiser who currently holds TX-1324707-R and held that certification number during all times material to the above-noted complaint cases.
2. Respondent appraised 2850 FM 2452, Corsicana, Texas 75110 (the "property") on or about July 3, 2009.
3. Thereafter, a complaint relating to this real estate appraisal report was filed with the Board. The complaint alleged that Respondent's appraisal was deficient, in violation of the Uniform Standards of Professional Appraisal Practice ("USPAP") and not completed properly.
4. After receipt of the complaint, the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent's response to the complaint was received.
5. Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property:

- a) USPAP Ethics Rule (record keeping provisions) – Respondent failed to comply with the record keeping provisions of USPAP’s ethics rule because he failed to maintain a work file containing all data, information, and documentation necessary to support his analyses, opinions and conclusions;
  - b) USPAP Scope of Work Rule – Respondent failed to support his work with the relevant evidence and logic necessary to obtain credible assignment results;
  - c) USPAP Standards 1-2(e)(iv) & 2-2(b)(viii) – Respondent failed to accurately report the property’s zoning;
  - d) USPAP Standards 1-3(a) & 2-2(b)(viii) -- Respondent failed to report the neighborhood boundaries correctly and failed to correctly report market area trends for the property;
  - e) USPAP Standards 1-4(b)(i) & 2-2(b)(viii); 1-4(b)(ii) & 2-2(b)(viii); 1-4(b)(iii) & 2-2(viii); and, 1-1(a) & 1-4(b) -- Respondent failed to provide support and summarize his analysis of his determination of the property’s site value; the cost new of improvements and accrued depreciations; —
  - f) USPAP Standards 1-1(a) & 1-4(a) -- Respondent failed to employ recognized methods and techniques in the Sales Comparison Approach; and,
  - g) USPAP Standards 1-1(a), 1-1(b), 1-1(c); and, 2-1(a) – Respondent produced report for the property that contained several substantial errors of omission or commission by not employing correct methods and techniques and not analyzing and reconciling significant and material information he had a duty to analyze and reconcile. This resulted in an appraisal report that was not credible or reliable.
6. Respondent omitted material facts as described in more detail above.
7. The parties enter into the following consent order in accordance with TEX. OCC. CODE § 1103.458.

### **CONCLUSIONS OF LAW**

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq.
2. Respondent violated the above-noted provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 155.1(a) and 153.20(a)(3).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by omitting material facts.

4. The parties are authorized to resolve their dispute by means of a consent order in accordance with Tex. Occ. Code §1103.458.

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent shall:

(a) Have his certification suspended for eighteen (18) months with this suspension being fully probated under the following conditions:

i. Six (6) months after the completion of the twelve (12) hour in-person mentorship and the "Staying of Trouble" course, infra (b) and (c), Respondent shall submit on a form prescribed by the Board, an appraisal experience log to the Board. The log shall detail all real estate appraisal activities he has conducted for the previous six month period immediately following the completion of the mentorship and course. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete and fully accurate;

ii. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of the six (6) month period within the twenty (20) days of notice of any such request;

(b) Within six (6) months of the effective date of this order, Respondent shall complete twelve (12) hours of in-person mentorship conducted by a certified USPAP instructor approved by the Board. Upon completion of the requisite mentorship hours, and, within six (6) months of the effective date of this order, Respondent shall submit on a form provided by the Board, a signed, notarized affidavit attested by the certified USPAP instructor confirming completion of the mentorship hours;

(c) Attend and complete a minimum, seven (7) classroom-hour course in Staying Out of Trouble (sometimes this course is offered as two separate 3.5 hour courses, one entitled Staying Out of Trouble in Your Appraisal Practice and the other entitled Quality Assurance);

i. No examination shall be required for this course;

(d) Pay to the Board an administrative penalty of three thousand dollars (\$3,000.00), within twenty (20) days of the effective date of this order;

(e) Fully and timely comply with all of the provisions of this Agreed Final Order; and,

(f) Comply with all future provisions of the Act, the Rules of the Board, and USPAP in the future or be subjected to further disciplinary action.

**ALL CLASSES** required by this Agreed Final Order must be classes approved by the Board and must be completed within **TWELVE (12) MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the twelve-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. Unless otherwise noted above, all classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for certification. Respondent is solely responsible for locating and scheduling classes to timely satisfy the terms of this agreement.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be tendered within **TWENTY (20) DAYS** of the date of this Agreed Final Order.

**FAILURE TO COMPLY WITH ANY OF THE TERMS OF THIS AGREED FINAL ORDER WITHIN THE TIME ALLOTTED** shall result in **IMMEDIATE SUSPENSION** of the Respondent's certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the requirements of this Agreed Final Order.

**ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.** Respondent shall be notified of any such suspension by mail or email, to the last known address as provided to the Board. If Respondent's certification is suspended on such a basis, the suspension shall remain in effect for the remainder of the 18 month probation period.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published on the Board's web site.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 3<sup>rd</sup> day of April, 2012.

Caleb Cole Jackson  
CALEB COLE JACKSON

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 3<sup>rd</sup> day of April, 2012, by CALEB COLE JACKSON, to certify which, witness my hand and official seal.

Sherlyn Curtis  
Notary Public Signature



Sherlyn Curtis  
Notary Public's Printed Name

Signed by the Standards and Enforcement Services Division this 17<sup>th</sup> day of May, 2012.

[Signature]  
Kyle Wolfe, TALCB Staff Attorney

Signed by the Commissioner this 18 day of May, 2012.

[Signature]  
Douglas E. Oldmixon, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 18 day of May, 2012.

[Signature]  
Luis De La Garza, Chairperson  
Texas Appraiser Licensing and Certification Board

**AGENDA ITEM 9**

Discussion and possible action on proposal for decision from the State Office of Administrative Hearings in the matter of SOAH Docket #329-13-3390.ALC (Francis Kafor, TX-1340428-T).

*Note: The ALJ's decision on the exceptions is pending and will be forwarded to the Board upon receipt.*



# State Office of Administrative Hearings



Cathleen Parsley  
Chief Administrative Law Judge

July 15, 2013

Douglas E. Oldmixon  
Administrator  
Texas Appraiser Licensing and Certification Board  
1700 N. Congress Avenue, Suite 400  
Austin, TX 78701

**VIA INTERAGENCY**

**RE: Docket No. 329-13-3390.ALC; Francis Kafor v. Texas Appraiser  
Licensing & Certification Board**

Dear Mr. Oldmixon:

Please find enclosed a Proposal for Decision in this case. It contains my recommendation and underlying rationale.

Exceptions and replies may be filed by any party in accordance with 1 Tex. Admin. Code § 155.507(c), a SOAH rule which may be found at [www.soah.state.tx.us](http://www.soah.state.tx.us).

Sincerely,

A handwritten signature in black ink, appearing to read "Hunter Bunkhalter".

Hunter Bunkhalter  
Administrative Law Judge

HB/ad  
Enclosure

xc: Troy Beaulieu, 1700 N. Congress Ave., Suite 400, Austin, TX 78701 - **VIA INTERAGENCY**  
Ted Whitmer, 2508 Merrimac Court, College Station, TX 77845 - **VIA REGULAR MAIL**  
Mark Mrnak, TALCB, 1700 N. Congress Ave., Suite 400, Austin, TX 78701 - **VIA-  
INTERAGENCY**

SOAH DOCKET NO. 329-13-3390.ALC

TEXAS APPRAISER LICENSING AND  
CERTIFICATION BOARD,  
Petitioner

v.

FRANCIS ONYEMAUCHE KAFOR,  
Respondent

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BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

PROPOSAL FOR DECISION

The staff (Staff) of the Texas Appraiser Licensing and Certification Board (Board) denied the application of Francis Onyemauche Kafor for certification as a General Real Property Appraiser. Mr. Kafor appealed the denial. Staff based its decision to deny the application on Mr. Kafor’s failure to provide sufficient verifiable information to support his claimed work experience as required by law. The Administrative Law Judge (ALJ) finds that, based on the evidence presented and the applicable law, the Board should deny the application at issue.

I. JURISDICTION, NOTICE, AND PROCEDURAL HISTORY

The hearing in this matter was held on June 12, 2013, before ALJ Hunter Burkhalter. Staff Attorney Troy Beaulieu represented Staff. Mr. Kafor appeared at the hearing and was represented by attorney Ted Whitmer. The record closed on the same day.

No issues were raised regarding notice or jurisdiction. Accordingly, those matters are addressed in the Findings of Fact and Conclusions of Law sections below without further discussion here.

## II. APPLICABLE LAW

To be eligible for certification as a General Real Estate Appraiser, an applicant must:

- (1) Pass an examination;
- (2) Complete a specified number of courses;
- (3) Provide evidence satisfactory to the Board demonstrating that the applicant has the minimum number of hours of experience in performing appraisals over the specified time period; and
- (4) Satisfy the Board as to his honesty, trustworthiness, and integrity.<sup>1</sup>

Only the third element is at issue in this case. The Board contends that Mr. Kafor failed to provide sufficient evidence to demonstrate that he has the necessary and acceptable experience working as an appraiser.

The statute pursuant to which the Board operates, the Texas Appraiser Licensing and Certification Act (Act),<sup>2</sup> and the Board's rules specify a number of requirements with which an applicant must comply when proving his work experience. An applicant for a General Real Property Appraiser certification, such as Mr. Kafor, must prove that he has at least 3,000 hours of real estate appraisal experience.<sup>3</sup> Those 3,000 hours may be earned in any one or a combination of types of appraisal work.<sup>4</sup> The two categories that are relevant to this case are "fee or staff appraisals," and "ad valorem tax appraisals." A fee or staff appraisal is one that is done on an individual property for a specific customer or client (such as an appraisal that would be performed in conjunction with the sale of a home). An ad valorem tax appraisal is a simultaneous appraisal of multiple properties (such as might be performed by an appraisal district in conjunction with assessing property taxes). An applicant may claim work experience for performing fee or staff appraisals only for appraisals that were performed in accordance with

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<sup>1</sup> Tex. Occ. Code § 1103.202; 22 Tex. Admin. Code § 153.15(a).

<sup>2</sup> Tex. Occ. Code ch. 1103.

<sup>3</sup> 22 Tex. Admin. Code § 153.15(a).

Uniform Standards of Professional Appraisal Practice (USPAP) Standards 1 and 2.<sup>5</sup> An applicant may claim work experience for performing ad valorem tax appraisals only for appraisals that were performed in accordance with USPAP Standard 6.<sup>6</sup>

The experience claimed by an applicant must be identified on an Appraisal Experience Log accompanied by an Appraisal Experience Affidavit, both of which must be submitted on forms promulgated by the Board.<sup>7</sup> The Board is then legally obligated to verify the legitimacy of the work experience claimed by the applicant. In order to do so, it may require the applicant to provide documentation in support of his claimed experience.<sup>8</sup> Staff may select a random sampling of the applicant's appraisals, and ask the applicant to provide copies of the specified appraisals, along with supporting documentation relevant to those appraisals, including "workfiles."<sup>9</sup> Applicants have 60 days from the date of Staff's request to submit any records required for verification purposes.<sup>10</sup> An applicant's failure to comply with a request for records relevant to his work experience may result in denial of a certification application.<sup>11</sup> If the requested materials are provided, Staff is then obligated to examine the appraisals and accompanying records and work files in order to confirm whether the work performed by the applicant complied with the applicable USPAP standards. If the work did not comply with the applicable USPAP standards, then it cannot be claimed as experience supporting the application.<sup>12</sup>

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<sup>4</sup> 22 Tex. Admin. Code § 153.15(e).

<sup>5</sup> 22 Tex. Admin. Code § 153.15(e)(1). The Board has adopted the USPAP standards by reference. 22 Tex. Admin. Code § 153.1(60).

<sup>6</sup> 22 Tex. Admin. Code § 153.15(e)(2).

<sup>7</sup> Tex. Occ. Code § 1103.205(b); 22 Tex. Admin. Code § 153.15(f)(1).

<sup>8</sup> Tex. Occ. Code § 1103.206; 22 Tex. Admin. Code § 153.15(f)(4)(A) and (B).

<sup>9</sup> 22 Tex. Admin. Code § 153.15(f)(4). In the rules and documents of the Board, "workfiles" and "work files" appear to be used interchangeably.

<sup>10</sup> 22 Tex. Admin. Code § 153.15(f)(4).

<sup>11</sup> 22 Tex. Admin. Code § 153.15(f)(5).

<sup>12</sup> 22 Tex. Admin. Code § 153.15(g).

### III. EVIDENCE

#### A. Documentary Evidence

For over ten years, Mr. Kafor worked as an appraiser at the Dallas Central Appraisal District (DCAD).<sup>13</sup> In March 2012, Mr. Kafor submitted his application for certification to the Board.<sup>14</sup> On the application, in response to the question, “[C]an the applicant provide the work files for each appraisal assignment described in the experience log?,” Mr. Kafor answered, “Yes.”<sup>15</sup> Immediately below that question, the application form included the following warning: **“If the applicant cannot provide work files with an appraisal report for each appraisal assignment described in the experience log, experience may NOT be claimed.”**<sup>16</sup> The application form also included a “certification,” which was signed by Mr. Kafor, in which he certified, among other things, that he would “furnish all additional information or documentation as may be deemed necessary for the verification of the information provided.”<sup>17</sup>

In June 2012, Mr. Kafor timely submitted to the Board his Appraisal Experience Log and Appraisal Experience Affidavit, using forms promulgated by the Board and identifying over 3,000 hours of experience.<sup>18</sup> The Appraisal Experience Affidavit signed by Mr. Kafor included the following language:

In order to be acceptable, a person claiming experience must have had legal authority to appraise and experience must:

- (1) comply with USPAP;
- (2) *be verifiable (supported by written reports and workfiles);* and
- (3) comply with Appraiser Qualification Board criteria for acceptable experience.<sup>19</sup>

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<sup>13</sup> Kafor Ex. 1.

<sup>14</sup> Staff Ex. 5.

<sup>15</sup> Staff Ex. 5 at 21.

<sup>16</sup> Staff Ex. 5 at 21 (emphasis in original).

<sup>17</sup> Staff Ex. 5 at 22.

<sup>18</sup> Staff Ex. 10.

<sup>19</sup> Staff Ex. 10 at 34 (emphasis added).

The affidavit also included the following certification, which Mr. Kafor agreed to by signing the document:

All experience indicated on this affidavit is experience for which I can produce a copy of a workfile wherein I signed the appraisal report or am named in the certification as providing significant assistance. I understand that I may be asked to produce copies of workfiles to verify experience claimed herein . . . .

**I certify that I personally have the work files for the appraisals for which I claim experience (or copies thereof) in my possession, or I have written verification from the respective sponsor that the sponsor currently has them in his/her possession. I understand that I cannot claim any experience for which I am unable to provide a workfile and that my application may be denied if I am unable to provide a workfile for an appraisal listed on my log.<sup>20</sup>**

Most of the appraisal experience claimed by Mr. Kafor in his affidavit was gained in performing ad valorem tax appraisals while he was employed at DCAD.<sup>21</sup> Mr. Kafor included in his Appraisal Experience Log and Appraisal Experience Affidavit an extensive list of individual properties which he claimed he had appraised as part of mass appraisals for DCAD.<sup>22</sup> Among the many thousands of individual properties on the list were a home at 8505 Grumman Dr., Dallas, Texas (the Grumman property) and a home at 10037 Ridgehaven Dr., Dallas, Texas (the Ridgehaven property).

By letter dated October 15, 2012, Staff asked Mr. Kafor to provide, within 60 days, “a copy of the appraisal and work file” for the Grumman and Ridgehaven properties.<sup>23</sup> Mr. Kafor responded to that request by letter dated November 5, 2012. In that letter, Mr. Kafor pointed out that his experience was gained not as a fee or staff appraiser but as an ad valorem tax appraiser. As such, he performed mass appraisals, rather than single property appraisals. Mr. Kafor explained:

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<sup>20</sup> Staff Ex. 10 at 34 (emphasis in original).

<sup>21</sup> Staff Ex. 10 at 34.

<sup>22</sup> Staff Ex. 10 at attached disc.

<sup>23</sup> Staff Ex. 6. According to Staff, the Grumman and Ridgehaven properties were randomly selected from Mr. Kafor’s experience log.

Ad valorem appraisal within [DCAD] creates a different situation as regards to a work file as compared to a single property appraisal because of the size and scope of such ad valorem mass appraisal assignment. One typically thinks of a work file as a file folder that contains information that supports a single property appraisal, however, the size and scope of an ad valorem mass appraisal precludes the creation of a 'file folder' work file that contains all the information to support the valuation of all properties in the mass appraisal. Such documentation for a mass appraisal assignment may include, but not limited to, (1) Property Record sheet/card, (2) Sales Lists, Income & Expenses data, leases, rent roll information, (3) appraisal manuals and technical documentations, (4) market studies, research materials, and subscriptions, (5) model building data and appraisal models, (6) regulations, (7) statutes, (8) other acceptable forms. Thus all information in the [DCAD] office, including its Mass Appraisal Records Systems-MARS (a computer assisted mass appraisal-CAMA system) may support the mass appraisal work files.<sup>24</sup>

Mr. Kafor concluded his letter as follows:

Please note: I am willing to provide [the Board] with an alternative proof/evidence of appraisal experience, maybe a written single property appraisal report, . . . etc. *Unfortunately due to the nature of mass appraisal reporting at [DCAD], it does not allow me to provide you with the information you specifically requested for on the single property addresses specified in [Staff's October 15, 2012] letter.*<sup>25</sup>

On February 4, 2013, Staff advised Mr. Kafor that it was denying his application because he failed to provide any appraisal reports or work files to verify his claimed work experience.<sup>26</sup>

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<sup>24</sup> Staff Ex. 7 at 28.

<sup>25</sup> Staff Ex. 7 at 28 (emphasis added).

<sup>26</sup> Staff Ex. 8.

**B. Testimony****1. Mr. Kafor**

Mr. Kafor testified at the hearing. He complained about what he perceived to be a lack of feedback from Staff regarding his application. He noted that he submitted his Appraisal Experience Log and Appraisal Experience Affidavit in June 2012, and did not get Staff's letter requesting information regarding the Grumman and Ridgehaven properties until October 2012.

Mr. Kafor testified that, in fee appraisals, the subject property is a single property. In ad valorem appraisals (also referred to as mass appraisals), by contrast, the subject property is typically a neighborhood, consisting of many dozens or even hundreds of properties. So, for example, he would have performed mass appraisals of neighborhoods that included the Grumman and Ridgehaven properties, but he would not have performed individualized appraisals of those two properties. Thus, although his testimony was not especially clear on this point, he appears to have considered it a non sequitur for Staff to have asked for "appraisals and work files" for the two properties. Mr. Kafor contends that, in asking him to submit the appraisals and work files for the Grumman and Ridgehaven properties, Staff was essentially "asking the wrong question." He testified that he explained this concern to Staff in his November 7, 2012 letter. In sending the letter, his hope was that Staff and he could devise an alternate method by which he could prove his ability as an appraiser. He asserted that he was pleading with Staff, "Tell me what to provide to you, and I'll be happy to provide it."

After he submitted his letter, Mr. Kafor had a phone conversation with Larry Ray, a Staff investigator. In their phone conversation, Mr. Ray explained that the Staff was required to review Mr. Kafor's work product in order to determine whether his work was USPAP-compliant. In response, Mr. Kafor mentioned that he had prepared a demonstration appraisal report (the demonstration appraisal) for a single property in an effort to obtain a "Certified Assessment Evaluator" (CAE) designation from the International Association of Assessing Officers

(IAAO).<sup>27</sup> Mr. Kafor testified that, at Mr. Ray's request, he sent a copy of his demonstration appraisal report to Staff. The demonstration appraisal was not work he did at DCAD and was not identified in his Appraisal Experience Log and Appraisal Experience Affidavit. Mr. Kafor testified that he sent to Staff copies of: (1) his demonstration appraisal report;<sup>28</sup> (2) the comments from the IAAO grader who evaluated the demonstration appraisal report;<sup>29</sup> and (3) his work file that supported the demonstration report.<sup>30</sup> Mr. Kafor testified that, after sending his demonstration appraisal to Staff, he heard nothing from Staff until he received the letter advising that his application had been denied.

As to the demonstration appraisal, he acknowledged that the IAAO declined to grant him the CAE designation that he sought, based upon some deficiencies it identified in the work he did in the demonstration appraisal report. Nevertheless, he maintained that the work he did in the demonstration appraisal complied with USPAP standards.<sup>31</sup>

Mr. Kafor testified regarding the extensive training he has received as an appraiser at DCAD. He also testified that all of the work he did at DCAD complied with the applicable USPAP standard, Standard 6.

Mr. Kafor discussed what should be considered the work file for a mass appraisal. He pointed out that, according to USPAP "Advisory Opinion 32," the record-keeping requirement for a mass appraisal "requires a workfile for the mass appraisal assignment, not a workfile for each property in the mass appraisal" and the workfile should contain "the information to support the valuation of all properties in the mass appraisal."<sup>32</sup> The advisory opinion goes on to state that a workfile for a mass appraisal could include items such as "property records, market data, sales

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<sup>27</sup> Counsel for the parties explained that a CAE designation for an appraiser is similar to a board certification issued to an attorney. The demonstration appraisal report is found at Kafor Ex. 6.

<sup>28</sup> Kafor Ex. 6.

<sup>29</sup> Kafor Ex. 5.

<sup>30</sup> Kafor Ex. 7.

<sup>31</sup> See Kafor Ex. 5.

<sup>32</sup> Kafor Ex. 11 at A-110.

ratios and other statistical studies, . . . market studies, model building and documentation, . . . property photos, sketches, . . . worksheets, spreadsheets, and analysis reports.”<sup>33</sup> He opined that the entire work file for any given mass appraisal would be massive, including enough documents to fill the hearing room.

Mr. Kafor acknowledged that the Board is required to audit his application and review the quality of his work. He also admitted that he is in a rather unique situation because all of his experience was gained as an ad valorem appraiser, rather than as a fee appraiser. He acknowledged that, in his mass appraisals, he assessed particularized values for each individual property appraised in a given neighborhood. Thus, for example, his appraisals would have identified specific values for the Grumman and Ridgehaven properties.

Although the lion’s share of the appraisal experience claimed by Mr. Kafor in his affidavit was gained in performing ad valorem tax appraisals, he also claimed roughly 1,300 hours of experience doing individualized appraisals for the Appraisal Review Board at DCAD pursuant to USPAP Standards 1 and 2.<sup>34</sup>

Mr. Kafor conceded that mass appraisal experience should count as acceptable experience for a certification application only if Staff can meaningfully audit that experience to determine if it really complies with the applicable standards. Mr. Kafor acknowledged that he never submitted any work files to the Board for any of the experience he claimed in support of his application. He asserted, however, that he never did so because the Staff never asked the right question.

Mr. Kafor pointed out that the Appraiser Qualifications Board (AQB), whose standards are incorporated by the Board by reference,<sup>35</sup> clearly provides that a person doing ad valorem appraisal work for an appraisal district can use that experience to support his application for

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<sup>33</sup> Kafor Ex. 11 at A-110.

<sup>34</sup> Staff Ex. 10 at 58.

<sup>35</sup> See Tex. Occ. Code § 1103.202(3).

certification. Specifically, the AQB standard reads, in relevant part, “a state could, after review of your work log and work samples, grant you experience credit for work completed in ad valorem, mass appraisal assignments.”<sup>36</sup>

Mr. Kafor asserted that the Board could choose to verify his experience in other ways, such as by reviewing his demonstration appraisal, or through another method. Applicant asserted that, because DCAD is required by law to adhere to USPAP, his work there was necessarily USPAP-compliant.

## 2. Larry Ray

Larry Ray is an investigator employed by the Board. He is responsible for, among other things, auditing experience logs submitted by applicants for Board certification. Upon receiving Mr. Kafor’s application, experience log, and affidavit, Mr. Ray randomly selected the Grumman and Ridgehaven properties to audit. He explained that the Staff is legally obligated not only by state law, but also by federal law, to audit the work of any applicant for certification as an appraiser in order to verify whether the applicant’s work complies with the applicable standards. He testified that it is impossible to audit Mr. Kafor’s work without being able to review his work files. Mr. Ray explained that he needs to look at the work files and reports to determine if they were prepared in compliance with USPAP and whether the data they contain is verifiable. He pointed out that USPAP defines a work file as “documentation necessary to support an appraiser’s analysis, opinions, and conclusions.”<sup>37</sup>

Mr. Ray testified that, when he sent the October 15, 2012 letter to Mr. Kafor asking for work files for the Grumman and Ridgehaven properties, he was expecting to receive from Mr. Kafor the documentation necessary to support Mr. Kafor’s conclusions, such as datasheets, appraisal consultations sheets, data relating to the neighborhoods where the properties are located, land sales data, replacement cost analyses, and so on. Mr. Ray recalled the phone call he

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<sup>36</sup> Kafor Exs. 12 and 13.

<sup>37</sup> Staff Ex. 3 at 18.

had with Mr. Kafor after Mr. Kafor had mailed in his November 5, 2012 response letter. In that conversation, Mr. Ray asked Mr. Kafor to produce any documentation which supported his appraised values for the Grumman and Ridgehaven properties, and Mr. Kafor told him he had none because he no longer worked at DCAD. According to Mr. Ray, Mr. Kafor asked in their phone conversation whether there were other types of information (*i.e.*, other than his work files for the two properties) that he could submit to prove his capabilities. Mr. Ray recalls asking Mr. Kafor to send in a copy of the IAAO demonstrative appraisal done by Mr. Kafor, and accompanying work file. Mr. Ray was adamant that Mr. Kafor provided copies of the demonstrative appraisal report and the IAAO grader's comments, but did not provide a copy of his work file for the demonstrative report. Because he did not have the work files, Mr. Ray was unable to meaningfully audit Mr. Kafor's demonstrative appraisal report. However, he did review the report itself and concluded that it was "one of the worst reports I've ever seen." He also concluded that Mr. Kafor's work on the demonstrative appraisal report probably did not comply with USPAP standards.

Mr. Ray testified that, because Mr. Kafor never provided copies of any of his appraisals or work files, he lacked the data he needed to determine whether Mr. Kafor was a competent appraiser. Accordingly, he testified that Mr. Kafor's application should be denied, as required by the Board's rules.

#### IV. ANALYSIS, AND RECOMMENDATION

The ALJ concludes that Mr. Kafor failed to prove he is entitled to the certification he seeks. The law clearly states that an applicant for certification as a General Real Estate Appraiser must submit evidence satisfactory to the Board to demonstrate that he meets the experience requirements.<sup>38</sup> Additionally, the law requires the Board to verify acceptable experience and authorizes the Board to do so by requiring the applicant to provide specific, detailed information on Board-promulgated forms, and engaging in other investigative research

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<sup>38</sup> Tex. Occ. Code § 1103.205(b); 22 Tex. Admin. Code § 153.15(f).

determined to be appropriate by the Board.<sup>39</sup> Legally, therefore, the Board has the discretion to determine what information is necessary to verify an applicant's claimed experience. Moreover, the Board is authorized to require an applicant to submit that information to the Board.<sup>40</sup>

Mr. Kafor submitted an affidavit and experience log in which he identified only his work at DCAD. On that paperwork, he claimed to have appraised the value of the Grumman and Ridgehaven properties, among many others. On his application, Mr. Kafor stated that he could "provide the work files for each appraisal assignment described" in his experience log. The application included a warning, in bold type, that work experience could not be claimed for any work for which he could not provide a work file. Mr. Kafor also signed the Appraisal Experience Affidavit which again warned him that work experience could not be claimed for any work for which he could not provide a work file. On the affidavit, he certified that he could produce a copy of his work files for any of the work identified in his log.

Yet, when Staff asked him for the work files and appraisals for the randomly-selected Grumman and Ridgehaven properties, Mr. Kafor responded by stating he was unable to provide "the information you specifically requested," and asked Staff to instead consider "alternative proof/evidence" of his appraisal experience.<sup>41</sup> In other words, Mr. Kafor asked Staff to ignore his DCAD body of work and look elsewhere for verification of his ability as an appraiser. Mr. Kafor offered no legal basis as to why Staff should have or must have considered any such alternative.

Mr. Kafor's case seems to be premised on the following reasoning: (1) ad valorem tax appraisals are very different from fee or staff appraisals; (2) the work files for a mass appraisal are voluminous and would be burdensome to produce; and (3) therefore, an applicant whose experience is based upon ad valorem tax appraisals ought not have to provide documentation supporting his appraisals. The ALJ is not convinced. The language of the underlying statute and

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<sup>39</sup> 22 Tex. Admin. Code § 153.15(f)(4)(A) and (B).

<sup>40</sup> 22 Tex. Admin. Code § 153.15(f)(4).

<sup>41</sup> Staff Ex. 7 at 28.

rules make it clear that work files must be provided. Moreover, even the AQB standard which Mr. Kafor referred to stated that an applicant could rely upon his ad valorem tax appraisal experience only “after [Board] review of your work log and work samples.”<sup>42</sup> Further, Mr. Kafor himself admitted that Staff is required to audit the mass appraisal work identified in his application.

It seems clear that the work file supporting a mass appraisal will be larger than the work files supporting a fee appraisal. This fact, however, cannot simply eliminate Mr. Kafor’s obligation to provide *something* which will enable Staff to audit and evaluate the methodology by which he arrived at appraised values for the Grumman and Ridgehaven properties.

Mr. Kafor and his counsel repeatedly asserted that, in asking him to produce “a copy of the appraisal and work file” for the Grumman and Ridgehaven properties, Staff was asking the “wrong question.” Notably, however, Mr. Kafor never explained what the “right question” would have been. Perhaps the question asked by Staff could have been more artfully worded. For example, Staff might have asked Mr. Kafor to produce the portions of the work file(s) for the mass appraisal(s) in which the Grumman and Ridgehaven properties were appraised which would enable Staff to evaluate how he arrived at his appraised values for those two properties. This does not mean, however, that the question Staff asked was “wrong.” Moreover, even if the ALJ were to conclude that the question asked by Staff was inartfully worded, it would not release Mr. Kafor from the obligation to make a reasonable effort to provide documents in response to it.

The fact is that, in conducting a mass appraisal, Mr. Kafor arrived at specific, appraised values for the Grumman and Ridgehaven properties (as well as many other properties). Put more succinctly, Mr. Kafor performed appraisals of those two properties. Therefore, there must be work files that accompany those appraisals. The fact that the work files are more voluminous than they would have been if he had prepared fee appraisals for only the two properties does not change his obligation to the Board. Moreover, it was clear from Mr. Ray’s testimony that Staff

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<sup>42</sup> Kafor Exs. 12 and 13.

did not require every document in his mass appraisal work file, but only those documents that were relevant to valuation of the Grumman and Ridgehaven properties.

Prior to the hearing on the merits and in response to a Motion for Summary Disposition filed by Staff, Mr. Kafor conceded that he was obligated to produce his work files, but argued that he had subpoenaed DCAD for the records and would be presenting them at the evidentiary hearing. It was noteworthy that, ultimately, Mr. Kafor never produced any such evidence at the hearing.<sup>43</sup>

Mr. Kafor contends that the Board's rules make it impossible for an applicant relying upon experience accumulated through employment with an appraisal district to qualify for certification. The ALJ does not agree. It may be more difficult for an ad valorem tax appraiser to provide work files and other documentation necessary to enable Staff to audit his work than it is for a fee appraiser to do so, but nothing in the record indicates that it is impossible.

Because Mr. Kafor failed to provide the information requested and required by the Board to verify that his claimed experience is creditable toward certification, his application for certification as a General Real Property Appraiser should be denied.

## V. FINDINGS OF FACT

1. For over 10 years, Francis Onyemauche Kafor worked as an appraiser at the Dallas Central Appraisal District (DCAD).
2. In his work at DCAD, Mr. Kafor performed mostly ad valorem tax appraisals.
3. In March 2012, Mr. Kafor submitted an application to the Texas Appraiser Licensing and Certification Board (Board) to be certified as a General Real Property Appraiser.
4. On the application, Mr. Kafor stated that he could provide the work files for all work he described in his experience log.

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<sup>43</sup> It is also noteworthy that, although Mr. Kafor claimed on his work experience affidavit and log to have performed roughly 1,300 hours of individualized appraisals for the Appraisal Review Board at DCAD pursuant to USPAP Standards 1 and 2 (*i.e.*, essentially fee appraisals), he never produced or offered to produce to Staff the work files for those individualized appraisals.

5. In June 2012, Mr. Kafor timely submitted to the Board an Appraisal Experience Affidavit and Appraisal Experience Log on forms prescribed by the Board.
6. On the log and affidavit, Mr. Kafor again promised that he could provide the work files for all work he described in the log.
7. Most of the appraisal experience claimed by Mr. Kafor in his affidavit and log was for performing ad valorem tax appraisals.
8. In the affidavit and log, Mr. Kafor included an extensive list of individual properties which he claimed he had appraised as part of mass appraisals for DCAD. Among the many thousands of individual properties on the list were a home at 8505 Grumman Dr., Dallas, Texas (the Grumman property) and a home at 10037 Ridgehaven Dr., Dallas, Texas (the Ridgehaven property).
9. In his ad valorem tax appraisal work, Mr. Kafor appraised specific values for each individual property appraised in a given neighborhood, including the Grumman and Ridgehaven properties.
10. On October 15, 2012, the staff (Staff) of the Board sent a letter to Mr. Kafor requesting that he submit a copy of his appraisals and work files for the Grumman and Ridgehaven properties.
11. In a letter to Staff dated November 5, 2012, Mr. Kafor described the differences between ad valorem tax appraisals and fee or staff appraisals, and stated that, because his appraisals of the Grumman and Ridgehaven properties had been performed as part of an ad valorem tax appraisal, he would be unable to provide the data requested by Staff.
12. The Board is required by law to confirm whether experience claimed by an applicant for certification complied with the applicable standards of the Uniform Standards of Professional Appraisal Practice (USPAP).
13. As to any of his experience claimed in his affidavit and log, Mr. Kafor never provided to Staff any of the work files or appraisal reports requested by Staff for purposes of verifying his claimed work experience.
14. Without copies of work files or reports corresponding to the experience he claimed, Staff was not able to sufficiently audit and verify the experience and, therefore, could not give credit for Mr. Kafor's work experience.
15. On February 4, 2013, Staff sent Mr. Kafor a letter notifying him that his application was denied.

16. Mr. Kafor timely requested a hearing to appeal the denial of his application.
17. Staff timely sent Mr. Kafor a notice of hearing. The hearing notice contained a statement of the time, place, and nature of the hearing; a statement of legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and a short, plain statement of the matters asserted.
18. The hearing on the merits was held on June 12, 2013, at the State Office of Administrative Hearings, William B. Clements Building, 300 West 15th Street, Austin, Texas. Staff appeared at the hearing through Staff Attorney Troy Beaulieu. Applicant appeared and was represented by attorney Ted Whitmer at the hearing. The record closed on the same day.

## VI. CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter. Tex. Occ. Code ch. 1103.
2. The State Office of Administrative Hearings has jurisdiction over the hearing in this proceeding, including the authority to issue a proposal for decision with proposed findings of fact and conclusions of law. Tex. Occ. Code § 1103.508; Tex. Gov't Code chs. 2001 and 2003.
3. Mr. Kafor failed to provide satisfactory evidence to the Staff to demonstrate that he has at least the minimum required 3,000 hours of creditable appraisal experience. Tex. Occ. Code § 1103.202(3); 22 Tex. Admin. Code § 153.15.
4. Staff is required to verify the experience claimed by Mr. Kafor and is authorized to do so by requiring him to provide specific documentation in support of his claimed experience, such as copies of randomly selected appraisals performed by Mr. Kafor and the related work files. 22 Tex. Admin. Code § 153.15(f).
5. Because he failed to provide the documentation requested by Staff related to his work experience, Mr. Kafor is not entitled to credit for the experience he claimed. 22 Tex. Admin. Code § 153.15(f)(4) and (5).
6. Mr. Kafor's failure to comply with the Board's request for verification of experience constitutes a violation of Board rules and is a valid basis for denying his application. 22 Tex. Admin. Code § 153.15.
7. Staff provided Mr. Kafor with proper notice of the hearing. Tex. Gov't Code §§ 2001.051 and 2001.052; Tex. Occ. Code § 1103.502.

8. Based on the above Findings of Fact and Conclusions of Law, the Board should deny Mr. Kafor's application for certification as a General Real Property Appraiser.

**SIGNED July 15, 2013.**



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**HUNTER BURKHALTER  
ADMINISTRATIVE LAW JUDGE  
STATE OFFICE OF ADMINISTRATIVE HEARINGS**

# - Fax Transmission

**To:** Troy Beaulieu

**From:** ted@tedwhitmer.com

**Fax:** 15129363966

**Date:** 8/1/2013

**RE:** TALCB v. Kafor 329-13-3390.ALC Exceptions

**Pages:** 11

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**Comments:**

# FAX COVER

FROM	TO
Ted Whitmer, Attorney [Bar: 21380020]	Attn: Deputy Clerk - SOAH
2508 Merrimac Ct	Fax Number: (512) 322-2061
College Station, TX 77845	Phone: 512.475.3445
979.690.9465	
979.987.2530 (F)	William P. Clements Building
979.492.4124 (C)	300 West 15 <sup>th</sup> Street, STE 504
ted@tedwhitmer.com	Austin, TX 78701
	Date: 8/1/13

Regarding SOAH Docket Number: 329-13-3390.ALC

## Texas Appraiser Licensing & Certification Board, Petitioner

VS.

## FRANCIS ONYEMAUCHE KAFOR, Respondent

Dear Deputy Clerk,

I am transmitting the following document: **Exceptions to the Proposal For Decision**

For the above mentioned hearing. If you have any questions, please don't hesitate to contact my office.



Ted Whitmer, Attorney  
Counsel for the Respondent

DOCKET NO. 329-13-3390.ALC

TEXAS APPRAISER LICENSING	§	BEFORE THE STATE OFFICE
AND CERTIFICATION BOARD	§	
	§	OF
	§	
FRANCIS ONYEMAUCHE KAFOR	§	ADMINISTRATIVE HEARINGS

**PETITIONER’S EXCEPTIONS**

TO THE HONORABLE COURT:

FRANCIS ONYEMAUCHE KAFOR, through attorney Ted Whitmer files these exceptions. (Note: The parties agreed that Mr. Kafor had the burden of proof to show that he was entitled to his experience as per the rules of the Texas Appraiser Licensing & Certification Board.)

These exceptions are filed to better enable the TALCB to come to a fair decision concerning the evaluation of Mr. Kafor’s experience towards a General Certification. The Proposal for Decision did not set forth all of the pertinent information and testimony needed for the board to make a proper determination.

**I. BACKGROUND**

The hearing was held on June 12, 2013 before ALJ Hunter Burkhalter. Staff attorney Troy Beaulieu represented the Staff and Larry Clemo Ray was the enforcement officer who testified for Staff and was primarily responsible for making a determination of the experience of Mr. Kafor.

Mr. Kafor was represented by Ted Whitmer, attorney and was personally present and testified. No other witnesses testified.

**II. EXCEPTIONS TO THE PFD**

1. On the bottom of page 2 and beginning of page 3 of the PFD, the court finds that *“an applicant may claim work experience for performing ad valorem tax appraisals only for appraisals that were performed in accordance with USPAP Standard 6.”*

This is not accurate. An appraiser that is claiming experience of Mass Tax Appraisals may claim experience for any work that was conducted per any of the Standards during

their work in mass tax. This may include work conducted under Standards 1, 2 & 3 in addition to Standard 6.

- 2. On page 4 of the PFD, the court states *“if the applicant cannot provide work files with an appraisal report for each appraisal assignment described in the experience log, experience may NOT be claimed.”* (Note 16) The court is quoting staff exhibit 5 at 21. This is not a rule, but is on a form. The form is not set up properly for Ad Valorem taxation experience.

The rule needs to be set forth to see the problem with this finding.

(e) Experience credit shall be awarded by the board in accordance with current criteria established by the Appraiser Qualifications Board and in accordance with the provisions of the Act specifically relating to experience requirements. An hour of experience means 60 minutes expended in one or more of the acceptable appraisal experience areas. Calculation of the hours of experience must be based solely on actual hours of experience. Any one or any combination of the following categories may be acceptable for satisfying the applicable experience requirement. Experience credit may be awarded for:

- (1) Fee or staff appraisal when it is performed in accordance with Standards 1 and 2 and other provisions of the USPAP in effect at the time of the appraisal.

- (2) Ad valorem tax appraisal which:

- (A) conforms to USPAP Standard 6; and

- (B) demonstrates proficiency in appraisal principles, techniques, or skills used by appraisers practicing under USPAP Standard 1.

For Ad valorem tax appraisal the staff appraiser must show the following.

- 1. He has Ad valorem tax appraisal experience which conforms to Standard 6. In the past the TALCB has brought in and questioned applicants concerning their experience. It is without question and uncontroverted that Mr. Kafor worked over ten years at the Dallas County Appraisal District (DCAD). The problem with the form is it is not designed for this type of experience. MR. RAY TESTIFIED THAT NO ONE

THAT DID AD VALOREM TAXATION HAS RECEIVED EXPERIENCE CREDITS AS FAR AS HE KNOWS. Mr. Kafor, as a matter of law had this experience because he worked at DCAD for over ten years, DCAD by law must comply with USPAP as to mass tax. The following is from the Texas Property Tax Code.

Sec. 23.01. APPRAISALS GENERALLY. (a) Except as otherwise provided by this chapter, all taxable property is appraised at its market value as of January 1.

(b) The market value of property shall be determined by the application of generally accepted appraisal methods and techniques. If the appraisal district determines the appraised value of a property using mass appraisal standards, the mass appraisal standards must comply with the Uniform Standards of Professional Appraisal Practice.

2. Step 2(B) in the TALCB rules states the appraiser must demonstrate proficiency in appraisal principles, techniques, or skills used by appraisers practicing under Standard 1. In the past, the TALCB would question an applicant concerning their ability to demonstrate this proficiency. In fact, in the past the TALCB allowed the certification of an appraiser with Property Tax Experience. This, however, was a significant time in the past. As Mr. Ray pointed out in his testimony, he knows no one that has come through Staff and received experience from Ad valorem taxation since he has been with the TALCB.

The applicable workfile rule is as follows.

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(g) An applicant may be granted experience credit only for real property appraisals which:

(1) comply with the USPAP in effect at the time of the appraisal;

(2) are verifiable and supported by workfiles in which the applicant is identified as participating in the appraisal process;

Mr. Kofar was asked by staff for workfiles as though he conducted the appraisals under Standards 1 & 2. He was asked for “complete workfiles.” He sent a letter asking for clarification and never received a written response to his letter. The only written response he received was a notice he was denied. HIS ONLY RECOURSE WAS TO PETITION TO SOAH SO THAT HE COULD THEN GET TO THE TALCB.

He was always, and still is, willing to provide any proof of his experience that he can. The letter in its entirety is included following. The portion of the letter in the PFD did not convey Mr. Kofar’s context.

As one can see from the plain reading of the letter, Mr. Kofar was asked to supply a complete workfile. He never was against supplying an “alternative” to that. He was not saying he would provide an alternative to a workfile, but simply he needed clarification he never received from the TALCB regarding exactly what was needed.

There was conflicting testimony between Mr. Ray and Mr. Kofar concerning what was requested. Mr. Ray testified he told Mr. Kofar what was needed from the entire workfile that the court concluded to be voluminous. Mr. Kofar never received an email or any written request for something other than a requested “complete workfile.” This is not controverted at trial.

The following is not correct from the PFD. This is clear from the entirety of the letter.

Yet, when Staff asked him for the work files and appraisals for the randomly-selected Grumman and Ridgehaven properties, Mr. Kafor responded by stating he was unable to provide “the information you specifically requested,” and asked Staff to instead consider “alternative proof/evidence” of his appraisal experience.<sup>41</sup> In other words, Mr. Kafor asked Staff to ignore his DCAD body of work and look elsewhere for verification of his ability as an appraiser. Mr. Kafor offered no legal basis as to why Staff should have or must have considered any such alternative.

Furthermore, had the court relied more on the written evidence between the Staff and Mr. Kafor it would have been evident that Mr. Kafor was never given the opportunity to prove his experience. He was not offering an alternative proof, but merely asking for clarification to the Staff’s erroneous “INFORMATION YOU SPECIFICALLY REQUESTED.”

Francis O. Kafor  
1809 Downing St  
Allen, TX 75013  
November 5<sup>th</sup> 2012

Beverly Arnold  
Standard and Enforcement Services Division  
TALCB

**Re: Verification of Claimed Experience, ID. No. 881337289**

Dear Madam,

With reference to the attached letter dated October 15, 2012 in which I the applicant (Francis Kafor) was asked to provide/send a complete copy of each appraisal report and the entire and complete contents of the corresponding work file of 8505 Grumman Dr Dallas, TX (Report Date: 2/15/2002) and 10037 Ridgehaven Dr Dallas, TX (Report Date: 4/1/2003). I must mention that my appraisal experience was acquired as an Ad Valorem Tax Appraiser (with the Dallas Central Appraisal District) rather than a Fee Appraiser.

In mass appraisal for Ad valorem tax purposes, a universe of properties are collectively appraised as of a given date using standard methodology, employing common data, and allowing for statistical testing, and unlike a single property appraisal, an individual appraisal report is not required. Thus, for a mass appraisal for tax purposes assignment, compliance with the record keeping section of the USPAP Ethics Rule does require a work file for the mass appraisal assignment, but not a work file for each individual property in the mass appraisal.

Work File: **Work files and Reports**; Work file as defined by USPAP is documentation necessary to support an appraiser's analyses, opinions and conclusions.

Ad valorem appraisal within the Dallas Central Appraisal District (DCAD) creates a different situation as regards to a work file as compared to a single property appraisal because of the size and scope of such ad valorem mass appraisal assignment. One typically thinks of a work file as a file folder that contains information that supports a single property appraisal, however, the size and scope of an ad valorem mass appraisal precludes the creation of a "file folder" work file that contains all the information to support the valuation of all properties in the mass appraisal. Such documentation for a mass appraisal assignment may include, but not limited to, (1) Property Record sheet/card, (2) Sales Lists, Income & Expenses data, leases, rent roll information, (3) appraisal manuals and technical documentations, (4)

market studies, research materials, and subscriptions, (5) model building data and appraisal models, (6) regulations, (7) statutes, (8) other acceptable forms.

Thus all information in the Dallas Central Appraisal District's (DCAD's) office, including its Mass Appraisal Records Systems-MARS (a computer assisted mass appraisal-CAMA system) may support the mass appraisal work files. While certain specific information for a property may be in a file folder or binder, such as a building blue print/building plan, such file folder or binder may not be necessary on all properties. Information supporting the appraisal both during the mass appraisal revaluation period and the Appraisal Review period are in MARS. In addition to the information described above, DCAD's MARS will contain other information that supports the appraisal such as property photos, sketches, aerial imagery, maps, automated mapping and Geographical Information Systems (GIS) data, worksheets, analysis of reports, market studies and are all part of the mass appraisal work file.

Reporting (Written Reports); Dallas Central Appraisal District's reporting of an ad valorem mass appraisal to the client (a taxing jurisdiction/ taxing authority) takes the form of a certified roll, which includes individual property listings with account/parcel identifiers, ownership information, land value, improvement value, total value information, physical address, legal address, and other information. Because of the size and scope of the DCAD ad valorem mass appraisal, a written report for the mass appraisal may not be provided for each individual property. However, overall reports/results are developed for a mass appraisal assignment that communicates the general elements and value conclusion of the mass appraisal.

Please note; I am willing to provide TALCB Board with an alternative proof/evidence of appraisal experience, maybe a written single property appraisal report, make a presentation on mass appraisal techniques to the board, etc. Unfortunately due to the nature of mass appraisal reporting at the Dallas Central Appraisal District, it does not allow me to provide you with the information you specifically requested for on the single property addresses specified in the letter.

Please attached to this letter is a draft White Paper from the International Association of Assessing Officers (IAAO), dated 7/26/2006, that addresses most of the issues stated above and the Dallas Central Appraisal Districts 2013-2014 reappraisal plan that addresses the appraisal processes and its compliance with USPAP, information gathering procedures and compilation of such data into MARS.

Please feel free to contact me at your earliest convenience and I look forward to hear back from you.

Sincerely,

F. Kafor



Cell Ph # 972-971-1337

Email; fkafor@sbcglobal.net

**III. PRAYER**

Petitioner requests that this Court suggest to the TALCB to provide specific instructions on how Mr. Kafor can comply with TALCB rules that provide for one with Ad Valorem experience to receive credit for the experience that is received through Ad Valorem taxation experience.

Petitioner specifically requests the TALCB to do the following and the court to advise the TALCB to do the following.

1. Direct Staff to verify Mr. Kafor's Ad Valorem experience in a reasonable manner.
2. Direct Staff to verify Mr. Kafor's ability to demonstrate proficiency in appraisal principles, techniques or skills used by appraisers under USPAP Standard 1.

In other words, we are simply asking the court to direct the TALCB to stand by the rules that they put into place.

Respectfully Submitted,



Ted Whitmer, Attorney MAI CCIM  
 General Certified Appraiser, Certified USPAP Instructor  
 2508 Merrimac Court  
 College Station, Texas 77845  
 979.690.9465 (W)  
 979.492.4124 (C)  
 979.987.2530 (F)  
[ted@tedwhitmer.com](mailto:ted@tedwhitmer.com)



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Ted Whitmer, Attorney (Bar No. 21380020)

**Certificate of Service****Per 1 TEX. ADMIN. CODE §155.03 Service of Documents on Parties**

I, Ted Whitmer, certify that on the following date, a true and correct copy of this document, Respondent's Answer to Statement of Charges, has been sent to the Texas Appraiser Licensing and Certification Board, Troy Beaulieu, TALCB Attorney, VIA Fax No. (512) 936-3966



Ted Whitmer, Attorney for Respondent  
Wednesday, August 1, 2013



CERTIFIED MAIL

Receipt No. 91 7199 9991 7030 8623 1053

91 7199 9991 7030 8623 1053

August 2, 2013

Ted Whitmer  
2508 Merrimac Court  
College Station, Texas 77845

*Re: TALCB Complaint Nos. 12-251 / SOAH Docket 329-13-3390.ALC*

Dear Mr. Whitmer:

Enclosed you will find a Respondent's Reply to Petitioner's Exceptions for your review.

If you have any questions or concerns, please feel free to contact the Enforcement Division.

Sincerely,

A handwritten signature in black ink, appearing to be "Bridgett Lee", written over a horizontal line.

Bridgett Lee  
TALCB Legal Assistant II  
(512) 936-3642

/bl

Enclosures

CC: Ted Whitmer, Attorney for Respondent (VIA:EMAIL [Ted@tedwhitmer.com](mailto:Ted@tedwhitmer.com), FAX 979-987-2530 & CMRR 91 7199 9991 7030 8623 1053)

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

FRANCIS ONEYEMAUCHE KAFOR

§ BEFORE THE STATE OFFICE  
§  
§ OF  
§  
§  
§ ADMINISTRATIVE HEARINGS

**RESPONDENT’S REPLY TO PETITIONER’S EXCEPTIONS**

**TO THE HONORABLE COURT:**

The Texas Appraiser Licensing and Certification Board (“TALCB”) now files this Reply to Petitioner’s Exceptions and asks the Court to deny the exceptions in full:

**I. ARGUMENT**

**A. Overview**

1. In what appears to be three points of error, Petitioner asks the Court to modify its proposal for decision (“PFD”), asking the Court and the Board “to stand by the rules that they put into place.” (Petitioner’s Exceptions, pg. 8, Section III, ¶ 3).
2. Respondent heartily agrees that the Court and the Board should “stand by the rules they put into place” *id*; however, doing so requires denying Mr. Kafor’s application and denying his exceptions.

**B. Ad valorem tax appraisals must comply with USPAP Standard 6, but even if this were not the case, it is irrelevant because petitioner never provided any work files**

3. First, Petitioner claims the Court erroneously found that ad valorem tax appraisals must comply with USPAP Standard 6. (Petitioner’s Exception, pg. 1, Section II, ¶ 1). Petitioner’s contention fails for two reasons.
4. First, Petitioner’s assertion is blatantly inconsistent with the law. The Board’s rules (which incorporate the federally mandated Appraiser Qualifications Board

(AQB) criteria) require ad valorem appraisal experience to comply with USPAP Standard 6. 22 TEX. ADMIN. CODE § 153.15(e)(2) (“Experience credit may be awarded for....(2) Ad valorem tax appraisal which: (A) conforms to USPAP Standard 6”).

5. Second, even if Petitioner’s assertion were true, it is irrelevant under the facts in this case. Determining which particular standards are applicable to Kafor’s work product really does not matter; since Kafor never provided work files for staff to audit, the particular standard that should be used in the audit is irrelevant.

**C. Applicants who cannot produce work files for audit are barred by law from receiving credit for that experience**

6. In his second point (Petitioner’s Exceptions, pg. 2, Section II, ¶ 2), Petitioner asserts that the Court’s finding that applicants unable to produce work files for audit cannot claim that experience is somehow flawed. Petitioner asserts that the Court is wrongly relying on Staff Exhibit 5, at 21, pointing out that this document (Kafor’s application) is not an agency rule, but merely a form and that the form is “not set up properly for Ad Valorem taxation experience.” Id.
7. Nothing could be further from the truth. While, the Court does reference Mr. Kafor’s application to elucidate its reasoning, this is not inconsistent with the law or facts. The law plainly dictates: “An applicant may be granted experience credit only for real property appraisal which: (2) are verifiable and supported by workfiles in which the applicant is identified as participating in the appraisal process.” 22 TEX. ADMIN. CODE § 153.15(g)(2)(emphasis added). Mr. Kafor’s application (which it appears the Court was referencing merely to point out that Kafor was clearly on notice of his obligations when he submitted his application)

simply paraphrases this legal requirement so applicants such as Mr. Kafor have no illusions about what their obligations are. Both the law and the facts are plain: since Mr. Kafor did not produce work files for his claimed experience he cannot be granted experience credit.

8. Indeed, contrary to Petitioner's claim that "Mr. Kafor was never given the opportunity to prove his experience" (Petitioner's Exceptions pg. 5, ¶ 2), the record reflects numerous such opportunities ((1) In response to the audit letter (Staff Exhibit 6); (2) in response to Mr. Ray's phone conversation with Mr. Kafor; (3) in response to the application denial letter sent by Staff; (4) in response to the initiation of contested case proceedings; (5) in response to the summary judgment motion filed by Staff; and (6) at the trial of these proceedings). Yet, during each of these 6 different opportunities, Mr. Kafor has failed to produce his work files, frequently indicating he cannot produce the work files. Because Mr. Kafor has not produced his work files for audit, the law requires his application be denied. 22 TEX. ADMIN. CODE § 153.15(g)(2) and 153.15(f)(5) ("Failure to comply with a request for verification of experience, or submission of experience that is found not to comply with the requirements for experience credit, is a violation of these rules and may result in denial of certification or license, and any disciplinary action up to and including revocation.")

**D. The Court did not err in its conclusions and findings**

9. In his third point (Petitioner's Exceptions, pg. 4, ¶ 5), Petitioner contends the Court erred by concluding that "Mr. Kafor asked Staff to ignore his DCAD body of

work and look elsewhere for verification of his ability as an appraiser". (PFD at page 12, ¶ 3).

10. The Court's finding on this point is consistent with the evidence. Mr. Kafor failed at every point in these proceedings to produce any work files whatsoever. His letter (Staff Exhibit 7) states he cannot "provide you with the information you specifically requested" and asks staff to consider "alternative proof/ evidence of appraisal experience." The Court's decision accurately reflects this evidence.

## II. PRAYER

11. Based on the law and the evidence, arguments made at trial and the points raised in this Reply, the Court should deny Petitioner's exceptions.

Respectfully Submitted,

By: Troy Beaulieu

Troy Beaulieu, TALCB Attorney

Texas Bar No. 24044518

Texas Appraiser Licensing & Certification Board

P.O. Box 12188

Austin, TX 78711-2188

Telephone: (512) 936-3623

Fax: (512) 936-3966

**CERTIFICATE OF SERVICE**

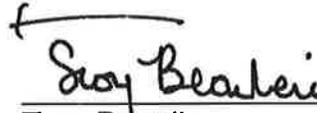
I certify that in accordance with TEX. OCC. CODE §§ 1103.502-1103.503, TEX. GOV'T. CODE § 2001.052, and 1 TEX. ADMIN. CODE §§ 155.103, 155.401, and 155.301 a true and correct copy of the foregoing Respondent's Reply to Petitioner's Exceptions was mailed certified mail, return receipt requested, faxed or hand delivered to:

Ted Whitmer  
2508 Merrimac Court  
College Station, Texas 77845  
Attorney for Petitioner

VIA:

FAX – (979) 987-2530  
EMAIL – [ted@tedwhitmer.com](mailto:ted@tedwhitmer.com)  
CMRRR#: 91 7199 9991 7030 8623 1053  
REGULAR MAIL

On this 2<sup>nd</sup> day of AUGUST, 2013

  
\_\_\_\_\_  
Troy Beaulieu  
TALCB Attorney





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

**AGENDA ITEM 10**

Report by Executive Committee

**AGENDA ITEM 11**

Report by Budget/Finance Committee



**AGENDA ITEM 12**

Report by Enforcement Committee



TALCB Board Members

Walker Beard  
Chair

Jamie S. Wickliffe  
Vice Chair

Laurie C. Fontana  
Secretary

Clayton Black

Luis F. De La Garza, Jr

Keith Kidd

Mark A. McAnally

Shannon K. McClendon

Sheryl R. Swift

Douglas E. Oldmixon  
Commissioner

**Enforcement Committee Report August 16, 2013**

**Members: Jamie Wickliffe, Chair, Laurie Fontana and Shannon McClendon**

Since the May Board meeting, the Enforcement Committee held a committee meeting on June 14, 2013.

**Committee Members in attendance:** Jamie Wickliffe, Laurie Fontana and Shannon McClendon.

**Other Board Members:** Mark McAnally

**Staff in attendance:** Douglas Oldmixon, Commissioner, Kerri Galvin, General Counsel, Jeff Strawmyer, Chief Investigator, and Larry Ray, Investigator.

**Public in attendance:** Bobby Crisp on behalf of ATA, Arturo Palacios.

After extensive study of and discussions regarding the jurisdictional exception provision in USPAP and how it relates to Board Rule 155.1(b), the Enforcement Committee is recommending the deletion of subsection (b) from the rule for several reasons. First, the Committee concluded that the provision as written was not a proper use of the "jurisdictional exception" provision set out in the Uniform Standards of Professional Appraisal Practice (USPAP) because a specific law dictating a different requirement than USPAP was not in existence to take exception from. Secondly, the Committee felt Board staff's and Peer Investigative Committee (PIC) members' investigation of a complaint did not rise to a Standard 3 review under USPAP if the appraiser investigator did not reach an opinion of value. The Committee has recommended that staff revise their forms and processes to make it clear that those types of investigations are not appraisal reviews. Lastly, the Committee felt strongly that if a staff appraiser investigator or PIC member did perform a review that included an opinion of value, then that review would need to be compliant with USPAP, holding Board staff to the same standards of all appraiser licensees in those instances.

Other items discussed by the Committee were preparation of a flow chart of the complaint process for the website and inclusion of "reexamination", which is a discipline allowed under our statute, in remedial measures under the discipline set out in Board Rule 153.24. The Committee appreciates the hours spent by staff and the members of the public who came to the committee meeting and participated in the discussions. Our next meeting will be scheduled prior to the November meeting.

Specific recommendations that the Enforcement Committee supports that are on the agenda for action today are:

- Adoption of the proposed Alternative Dispute Resolution Rules
- Adoption of the proposed revision to Rule 153.20
- Proposal of an amendment to delete the jurisdictional exception provision from Rule 155.1; and
- Proposal of an amendment to add "reexamination" to Rule 153.24 concerning Complaint Processing;

The Committee continues to work on the preparation of a flow chart of the complaint process for the website.



**AGENDA ITEM 13**

Report by Education Committee



TALCB Board Members

Walker Beard  
Chair

Jamie S. Wickliffe  
Vice Chair

Laurie C. Fontana  
Secretary

Clayton Black

Luis F. De La Garza, Jr

Keith Kidd

Mark A. McAnally

Shannon K. McClendon

Sheryl R. Swift

Douglas E. Oldmixon  
Commissioner

**Education Committee Report August 16, 2013**

**Members: Luis De La Garza, Chair, Walker Beard and Keith Kidd**

Since the May Board meeting, the Education Committee held a committee meeting on July 19, 2013 and August 15, 2013.

**July 19, 2013 Attendance:**

**Committee Members:** Luis De La Garza and Keith Kidd

**Staff:** Kerri Galvin, General Counsel, Tony Slagle, Government Relations Specialist, Gwen Jackson, Director of Education & Licensing Services, Jennifer Wheeler, Education Specialist

**Public:** Theresa Walker on behalf of ATA

The Education Committee has met twice to discuss the development of an Appraiser Trainee & Supervisor Course to meet the new AQB 2015 criteria. The Board must have such a course in place prior to January 1, 2015. The Committee hopes to have such a course in place well before that date. The Committee is also studying the viability of a Texas specific continuing education course regarding TALCB's mission, jurisdiction, and statutes, rules and policies that differ from USPAP requirements. This course is not required by AQB but could serve two purposes by providing a continuing education course for credential holders and being a module that accompanies the required Appraiser Trainee & Supervisor Course.

The Education Committee is bringing an agenda item to the Board today to determine the best way to structure these two courses. Once that decision is made, the Education Committee will continue to work on developing specific course requirements and processes for each course over the next year.

The Committee would like to thank staff and the members of the public who came to the committee meetings and participated in the discussions. Our next meeting will be scheduled prior to the November meeting.





## AGENDA ITEM 14

Staff reports by Commissioner, Deputy Commissioner, and Division Directors, which may include reports on processes, monthly activities and statistical data for communications, licensing, education, information technology, staff services, and enforcement; current topics related to regulation of real estate appraisers; discussion of topics raised by monthly reports; introduction of new employees; and questions by Board members to staff regarding issues raised by the staff reports.



## Reception and Communication Services Division

### Incoming Calls

	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	FYTD Total
Local Lines	15,460	16,585	13,809	11,472	21,683	18,167	17,443	17,589	18,120	17,127			167,455
<b>TALCB LL</b>	<b>1,013</b>	<b>1,183</b>	<b>976</b>	<b>899</b>	<b>1,559</b>	<b>1,212</b>	<b>1,090</b>	<b>1,208</b>	<b>1,170</b>	<b>1,154</b>			<b>11,464</b>
<b>Total Calls</b>	<b>16,473</b>	<b>17,768</b>	<b>14,785</b>	<b>12,371</b>	<b>23,242</b>	<b>19,379</b>	<b>18,533</b>	<b>18,797</b>	<b>19,290</b>	<b>18,281</b>			<b>178,919</b>

### Walk Ins

	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	FYTD Total
Licensing	376	425	364	240	410	312	311	344	399	342			3,523
Education	158	209	234	126	282	228	197	239	340	242			2,255
Inspector	12	5	6	7	21	8	19	8	10	9			105
Enforcement	3	7	4	4	8	8	13	20	30	18			115
<b>TALCB Lic</b>	<b>6</b>	<b>8</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>7</b>	<b>14</b>	<b>9</b>	<b>10</b>	<b>13</b>			<b>104</b>
<b>TALCB Enf</b>	<b>3</b>	<b>0</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>0</b>			<b>14</b>
<b>Total</b>	<b>558</b>	<b>654</b>	<b>627</b>	<b>390</b>	<b>732</b>	<b>564</b>	<b>555</b>	<b>622</b>	<b>790</b>	<b>624</b>			<b>6,116</b>

### Emails

	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	FYTD Total
Licensing	4,331	4,377	3,233	3,241	4,720	3,889	4,136	4,541	4,572	4,101			41,141
Education	847	696	617	867	821	920	830	822	1,011	1,141			8,572
Inspector	72	91	55	33	62	32	27	65	48	33			518
Enforcement	167	155	106	81	93	100	128	116	135	110			1,191
<b>TALCB Lic</b>	<b>82</b>	<b>94</b>	<b>80</b>	<b>86</b>	<b>112</b>	<b>50</b>	<b>67</b>	<b>70</b>	<b>84</b>	<b>64</b>			<b>789</b>
<b>TALCB Enf</b>	<b>9</b>	<b>7</b>	<b>10</b>	<b>15</b>	<b>18</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>9</b>	<b>5</b>			<b>93</b>
<b>Total</b>	<b>5,508</b>	<b>5,420</b>	<b>4,101</b>	<b>4,323</b>	<b>5,826</b>	<b>4,997</b>	<b>5,195</b>	<b>5,621</b>	<b>5,859</b>	<b>5,454</b>			<b>52,304</b>

C1 Report  
FY 2013

## ACTIVE CERTIFICATIONS AND LICENSES

Fiscal Year	End of MONTH	GENERAL RESIDENTIAL LICENSE			Total G,R,L,P		Trainee		Total		
		GENERAL	RESIDENTIAL	LICENSE	PROV.LIC.	G,R,L,&P	Change	TRAINEE	Change	TOTAL	Change
FY-2008	Sept07	2,268	2,403	942	53	5,666	50	1,166	-25	6,832	25
	Oct 07	2,281	2,419	951	52	5,703	37	1,196	30	6,899	67
	Nov 07	2,291	2,436	950	55	5,732	29	1,214	18	6,946	47
	Dec 07	2,300	2,456	951	59	5,766	34	1,180	-34	6,946	0
	Jan 08	2,301	2,477	956	65	5,799	33	1,162	-18	6,961	15
	Feb 08	2,304	2,479	952	64	5,799	0	1,136	-26	6,935	-26
	March 08	2,296	2,481	944	62	5,783	-16	1,112	-24	6,895	-40
	April 08	2,308	2,491	933	60	5,792	9	1,087	-25	6,879	-16
	May 08	2,308	2,497	925	62	5,792	0	1,048	-39	6,840	-39
June 08	2,311	2,505	918	61	5,795	3	1,009	-39	6,804	-36	
July 08	2,321	2,506	915	62	5,804	9	994	-15	6,798	-6	
Aug 08	2,321	2,502	912	62	5,797	-7	961	-33	6,758	-40	
FY-2009	Sept08	2,328	2,508	903	61	5,800	3	905	-56	6,705	-53
	Oct 08	2,344	2,519	897	62	5,822	22	903	-2	6,725	20
	Nov 08	2,338	2,525	888	61	5,812	-10	843	-60	6,655	-70
	Dec 08	2,342	2,535	887	62	5,826	14	845	2	6,671	16
	Jan 09	2,336	2,534	874	63	5,807	-19	840	-5	6,647	-24
	Feb 09	2,335	2,532	862	60	5,789	-18	816	-24	6,605	-42
	Mar 09	2,338	2,531	855	57	5,781	-8	786	-30	6,567	-38
	Apr 09	2,345	2,521	840	55	5,761	-20	729	-57	6,490	-77
	May 09	2,346	2,504	826	51	5,727	-34	693	-36	6,420	-70
	Jun 09	2,343	2,497	815	50	5,705	-22	679	-14	6,384	-36
	Jul 09	2,337	2,488	795	47	5,667	-38	661	-18	6,328	-56
	Aug 09	2,341	2,486	787	47	5,661	-6	644	-17	6,305	-23
FY-2010	Sept09	2,345	2,496	779	44	5,664	3	635	-9	6,299	-6
	Oct 09	2,347	2,499	773	44	5,663	-1	628	-7	6,291	-8
	Nov 09	2,352	2,505	758	44	5,659	-4	614	-14	6,273	-18
	Dec 09	2,354	2,508	750	41	5,653	-6	609	-5	6,262	-11
	Jan 10	2,352	2,507	747	34	5,640	-13	608	-1	6,248	-14
	Feb 10	2,351	2,508	733	28	5,620	-20	613	5	6,233	-15
	Mar 10	2,353	2,503	722	28	5,606	-14	623	10	6,229	-4
	Apr 10	2,358	2,500	712	28	5,598	-8	599	-24	6,197	-32
	May 10	2,361	2,498	707	27	5,593	-5	592	-7	6,185	-12
	Jun 10	2,360	2,500	694	28	5,582	-11	576	-16	6,158	-27
	Jul 10	2,355	2,490	683	28	5,556	-26	564	-12	6,120	-38
	Aug10	2,358	2,488	671	27	5,544	-12	547	-17	6,091	-29
FY-2011	Sept10	2,366	2,486	651	23	5,526	-18	614	67	6,140	49
	Oct-Dec10*										
	Jan 11**	2,361	2,470	626	21	5,478	-48	520	-94	5,998	-142
	Feb 11	2,370	2,472	628	21	5,491	13	534	14	6,025	27
	Mar 11	2,381	2,482	630	22	5,515	24	553	19	6,068	43
	Apr11	2,379	2,486	629	22	5,516	1	561	8	6,077	9
	May11	2,368	2,456	596	22	5,442	-74	518	-43	5,960	-117
	Jun 11	2,374	2,458	598	22	5,452	10	528	10	5,980	20
	Jul 11	2,379	2,463	604	22	5,468	16	538	10	6,006	26
	Aug 11	2,396	2,476	605	23	5,500	32	549	11	6,049	43
FY-2012	Sept11	2,403	2,480	606	23	5,512	12	567	18	6,079	30
	Oct 11	2,408	2,486	606	23	5,523	11	574	7	6,097	18
	Nov11	2,417	2,484	614	23	5,538	15	584	10	6,122	25
	Dec 11	2,369	2,414	543	13	5,339	-199	500	-84	5,839	-283
	Jan 12	2,376	2,412	542	14	5,344	5	520	20	5,864	25
	Feb 12	2,358	2,387	527	13	5,285	-59	498	-22	5,783	-81
	Mar 12	2,364	2,382	522	13	5,281	-4	498	0	5,779	-4
	Apr12	2,371	2,381	518	13	5,283	2	496	-2	5,779	0
	May12	2,369	2,380	517	13	5,279	-4	498	2	5,777	-2
	Jun 12	2,375	2,381	513	11	5,280	1	502	4	5,782	5
	Jul 12	2,365	2,376	513	10	5,264	-15	512	14	5,776	-1
	Aug 12	2,371	2,385	515	10	5,281	17	515	3	5,796	20
FY-2013	Sept12	2,382	2,388	512	9	5,291	10	534	19	5,825	29
	Oct 12	2,385	2,389	509	8	5,291	0	531	-3	5,822	-3
	Nov12	2,386	2,387	509	7	5,289	-2	534	3	5,823	1
	Dec 12	2,390	2,381	501	6	5,278	-11	550	16	5,828	5
	Jan 13	2,377	2,380	502	6	5,265	-13	576	26	5,841	13
	Feb 13	2,379	2,377	499	4	5,259	-6	591	15	5,850	9
	Mar 13	2,382	2,374	490	3	5,249	-10	607	31	5,856	6
	Apr13	2,378	2,373	484	2	5,237	-12	634	27	5,871	15
	May13	2,369	2,371	482	2	5,224	-13	657	50	5,881	10
	Jun 13	2,368	2,369	480	2	5,219	-5	682	25	5,901	20

\* Totals for October thru December 2010 are not available due to system conversion.

\*\*Corrected totals: Previous totals on January 2011 report included licenses that should have been expired. Expired program had not been run.

Trainee Change = Change in number of appraiser trainees since preceding month

06/30/13

TOTAL = Grand total of all active licenses, certifications and trainees

**APPRAISAL MANAGEMENT COMPANY REGISTRATIONS**

	<b>Month</b>	<b>Paper Apps. Received</b>	<b>Online Apps. Received</b>	<b>Total Apps. Received</b>	<b>Panelists</b>	<b>Total AMC Registrations Issued</b>
<b>FY-2012</b>	Mar-12	18	4	22	0	0
	Apr-12	16	5	21	0	0
	May-12	25	16	41	342	44
	Jun-12	53	14	67	5,538	65
	Jul-12	13	6	19	7,061	53
	Aug. 12	5	1	6	2,407	7
	<b>FY- 2013</b>	Sep-12	0	1	1	1,137
Oct-12		0	3	3	911	5
Nov-12		2	1	3	635	2
Dec-12		1	2	3	642	4
Jan-13		0	0	0	936	2
Feb-13		1	0	1	-384	0
Mar-13		0	0	0	885	0
Apr-13		1	1	2	868	0
May-13		0	0	0	796	1
Jun-13		0	1	1	2	4
<b>TOTALS</b>		<b>135</b>	<b>55</b>	<b>190</b>	<b>21,776</b>	<b>190</b>
Registrations Surrendered in February						-3
Registrations Revoked in March						-1
<b>TOTAL AMC REGISTRATIONS</b>						<b>186</b>

# Education & Licensing Services Division - TALCB

## Fiscal Year Comparison

### Fiscal Year - 2013

#### JUNE

	This YTD 9/12 - 06/13	Last YTD 9/11 - 06/12	Change Count	Percent
<b><i>Original Applications Received</i></b>				
Certified General Applications	67	90	-23	-25.56%
Certified Residential Applications	86	77	9	11.69%
State Licensed Applications	36	35	1	2.86%
Appraiser Trainee Applications	211	140	71	50.71%
Non-Residential Temporary Applications	280	257	23	8.95%
<b>Total Original Applications</b>	<b>680</b>	<b>599</b>	<b>81</b>	<b>13.52%</b>
<b><i>Licenses Issued from Original Applications</i></b>				
Certified General Licenses	76	93	-17	-18.28%
Certified Residential Licenses	102	104	-2	-1.92%
State Licensed	38	53	-15	-28.30%
Appraiser Trainee Licenses	203	153	50	32.68%
Non-Residential Temporary Licenses	279	255	24	9.41%
<b>Total Licenses from Original Applications</b>	<b>698</b>	<b>658</b>	<b>40</b>	<b>6.08%</b>
<b><i>Licenses Issued from Renewal Applications</i></b>				
Certified General Renewals	1,174	994	180	18.11%
Certified Residential Renewals	1,041	1,133	-92	-8.12%
State Licensed Renewals	242	280	-38	-13.57%
Appraiser Trainee Renewals	229	413	-184	-44.55%
<b>Total Renewal Licenses Issued</b>	<b>2,686</b>	<b>2,820</b>	<b>-134</b>	<b>-4.75%</b>
<b><i>Licenses Issued from Reinstatement Applications</i></b>				
Certified General Reinstatements	10	8	2	25.00%
Certified Residential Reinstatements	5	6	-1	-16.67%
State Licensed Reinstatements	5	2	3	150.00%
Appraiser Trainee Reinstatements	34	27	7	25.93%
<b>Total Reinstatement Licenses Issued</b>	<b>54</b>	<b>43</b>	<b>11</b>	<b>25.58%</b>

### Examination Activity - Fiscal Year 2012-2013

<b>MONTHLY RESULTS: JUNE 2013</b>				Overall Pass Rate	Overall Failure Rate
	<u>State Licensed</u>	<u>Certified Residential</u>	<u>Certified General</u>		
Examinations Passed	1	3	2	6	
Examinations Failed	5	4	0		9
<b>Examinations Taken</b>	6	7	2	15	15
Examination Pass Rate (%)	16.67%	42.86%	100.00%	40.00%	60.00%

All examination types	
Total first time candidates:	10
Total repeat candidates:	5
Total pass:	6
Total fail:	9
Total examinations taken:	15

### Examination Activity - Fiscal Year 2012-2013

<b>YEAR-TO-DATE RESULTS: SEPTEMBER 2012 thru June 2013</b>				Overall Pass Rate	Overall Failure Rate
	<u>State Licensed</u>	<u>Certified Residential</u>	<u>Certified General</u>		
Examinations Passed	20	32	23	75	
Examinations Failed	23	15	9		47
<b>Examinations Taken</b>	43	47	32	122	122
Examination Pass Rate (%)	46.51%	68.09%	71.88%	61.48%	38.52%

All examination types	
Total first time candidates:	90
Total repeat candidates:	32
Total pass:	75
Total fail:	47
Total examinations taken:	122

## EXAMINATION ACTIVITY

### FISCAL YEAR-TO-DATE COMPARISON JUNE

	<u>Sept. 2012 – June 2013</u> <u>Pass Rate</u>	<u>Sept. 2011 – June 2012</u> <u>Pass Rate</u>	<u>Difference</u>
Certified General Appraiser	71.8%	64.5%	+7.3
Certified Residential Appraiser	68.0%	67.1%	+ .09
Licensed Appraiser	46.5%	66.6%	-20.1
<b>Overall Appraiser Pass Rate</b>	<b>61.4%</b>	<b>66.4%</b>	<b>-5.0</b>

## Information Technology Services Division

### Electronic Information Outlet Statistics

As of March 2013

<b>World Wide Web</b>	<b>Latest Fiscal 3 Mo</b>	<b>Prior Yr Fiscal 3 Mo</b>	<b>Total Fiscal YTD</b>	<b>Total Prior Fiscal YTD</b>
Total Pages Viewed	338,514	315,706	842,670	605,953
Total Monthly Unique Visitors	21,777	17,582	50,467	37,210

<b>Online Transactions</b>	<b>Total Latest 3 Mo</b>	<b>Online Latest 3 Mo</b>	<b>Online Percent</b>	<b>Fiscal YTD Online Percent</b>	<b>Prior Fiscal YTD Online Percent</b>
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<b>Applications</b>	<b>2</b>	<b>2</b>	<b>100.0%</b>	<b>69.2%</b>	<b>0.0%</b>
AMC	2	2	100.0%	69.2%	0.0%

<b>Renewals</b>	<b>592</b>	<b>531</b>	<b>89.7%</b>	<b>89.9%</b>	<b>87.7%</b>
Certified General Appraiser	337	291	86.4%	87.7%	85.1%
Certified Residential Appraiser	255	240	94.1%	94.0%	89.9%

<b>AMC Panel:</b>	<b>Last 3 Months</b>	<b>FY YTD</b>
Invitations	2295	5451
Removals	30	163

**Staff & Support Services Division**

**TALCB Budget Status Report**

**June 2013**

2/12 = 16.67%

Expenditure Category	Budget FY2013	Expenditures	Balance	Budget % Remaining	Comments
Salaries & Wages	\$913,500	\$717,224	\$196,276	21.5%	
Employee Benefits	258,900	204,586	54,314	21.0%	
Other Personnel Costs	35,500	34,473	1,027	2.9%	Lump Sum Termination Payment
Professional Fees & Services	135,000	47,328	87,672	64.9%	Over budgeted for Versa programing
Consumables	8,400	4,517	3,883	46.2%	Office supplies expense down
Utilities	720	602	118	16.3%	
Travel	27,000	15,110	11,890	44.0%	Board and employee travel not yet exp'd
Office Rent	97,800	97,703	97	0.1%	Lease paid in full
Equipment Rental	8,800	6,353	2,447	27.8%	Copier expense less than expected
Registration & Membership	10,850	10,198	652	6.0%	
Maintenance & Repairs	13,800	3,273	10,528	76.3%	Versa Maintenance
Reproduction & Printing	1,500	254	1,246	83.0%	Printing expenses down (envelopes, etc)
Contract Services	33,400	18,283	15,117	45.3%	Scanning and imaging expenses less than budgeted.
Postage	6,000	3,124	2,876	47.9%	Postage expense down
Supplies & Equipment	11,600	3,361	8,239	71.0%	PC Refresh; subscriptions & publications
Communication Services	7,900	4,849	3,051	38.6%	TEX-AN phone services
Other Operating Expenses	3,600	1,772	1,828	50.8%	Misc.
<b>Subtotal -Operations Expenditures</b>	<b>1,574,270</b>	<b>1,173,008</b>	<b>401,262</b>	<b>25.5%</b>	
DPS Criminal History Background Checks	3,000	1,752	1,248	41.6%	
Statewide Cost Allocation Plan (SWCAP)	10,560	8,982	1,578	14.9%	No additional payments due to SWCAP
Contribution to General Revenue	30,000	25,000	5,000	16.7%	Not due until 8/31/13
<b>Subtotal - Nonoperational Expenditures</b>	<b>43,560</b>	<b>35,734</b>	<b>7,826</b>	<b>18.0%</b>	
<b>Total Expenditures</b>	<b>\$1,617,830</b>	<b>\$1,208,742</b>	<b>\$409,088</b>	<b>25.3%</b>	

Revenue	FY2013 Projected	Revenue Collected	Revenue Remaining to be Collected	Revenue % Remaining to be Collected	Comments
License Fees	\$1,257,548	\$1,058,840	\$198,708	15.8%	
AMCs	255,000	128,910	\$126,090	49.4%	Fewer new AMCs than expected
Other Miscellaneous Revenue	9,100	11,666	(\$2,566)	-28.2%	Bulletin Fees/PSI Admin Fees/NSF fees
<b>Total FY13 Revenue</b>	<b>\$1,521,648</b>	<b>\$1,199,416</b>	<b>\$322,232</b>	<b>21.2%</b>	

	FY12 Carry Forward	Allocated Amount	Remaining to be Allocated	Carry Forward % Remaining	
<b>AMC Revenue Carry Forward from FY12</b>	<b>\$377,000</b>	<b>\$314,167</b>	<b>\$62,833</b>	<b>16.7%</b>	<b>Pro-rated thru June</b>
<b>Revenue Over/(Under) Expenditures &amp; Transfers</b>	<b>\$280,818</b>	<b>\$304,841</b>			<b>Includes AMC Carry Forward</b>

## TALCB Standards & Enforcement Services

### CASE STATUS REPORT FY 2013 as of JULY 24, 2013

#### # of Cases Received

Case Classification	FY2012	12-Sep	12-Oct	12-Nov	12-Dec	13-Jan	13-Feb	13-Mar	13-Apr	13-May	13-Jun	13-Jul	13-Aug	FYTD
<b>Experience Audits</b>	88	14	10	10	6	7	9	6	5	3	3	10		83
<b>RFAs &amp; Covert Complaints</b>	8	0	0	0	0	0	0	0	0	0	0	1		1
<b>Regulatory Complaints:</b>														
AMCs	0	3	7	4	1	1	0	0	0	0	0	0		16
Dodd Frank	16	2	3	1	0	0	1	0	5	1	2	2		17
Ethics	7	3	2	1	0	0	1	1	0	0	0	0		8
Staff	8	0	0	0	1	1	0	0	0	0	0	0		2
USPAP	172	9	14	10	5	11	18	10	19	13	14	14		137
Other	8	1	4	0	2	0	1	0	2	2	0	0		12
No Jurisdiction	5	0	1	1	1	0	0	0	0	0	0	0		3
<b>MCD Inquiries</b>	7	2	0	0	0	1	0	0	0	1	1	2		7
<b>Opened During Month</b>	<b>319</b>	<b>34</b>	<b>41</b>	<b>27</b>	<b>16</b>	<b>21</b>	<b>30</b>	<b>17</b>	<b>31</b>	<b>20</b>	<b>20</b>	<b>29</b>		<b>286</b>

**Total Cases Open at Beginning of Month** **180**

#### # of Cases Closed

Case Disposition	FY2012	12-Sep	12-Oct	12-Nov	12-Dec	13-Jan	13-Feb	13-Mar	13-Apr	13-May	13-Jun	13-Jul	13-Aug	FYTD
<b>Experience Audits</b>	81	7	13	10	11	5	7	8	6	6	3	6		82
<b>RFAs</b>	38	4	1	12	1	0	1	1	0	0	0	0		20
<b>Regulatory Complaints:</b>														
Surrendered	47	0	0	5	0	0	2	0	0	1	0	0		8
Agreed Final Order	85	0	0	11	0	0	13	0	0	26	0	0		50
Other Disciplinary Action	16	0	0	0	0	0	4	0	2	4	0	2		12
Insufficient Evidence	1	0	0	0	0	0	0	0	0	0	0	0		0
Dismissed	216	12	37	32	24	20	19	13	46	19	11	13		246
No Jurisdiction	2	1	0	2	0	3	0	0	0	0	0	0		6
<b>MCD Inquiries</b>	9	0	2	0	0	0	0	0	0	1	1	2		6
<b>Closed During Month</b>	<b>495</b>	<b>24</b>	<b>53</b>	<b>72</b>	<b>36</b>	<b>28</b>	<b>46</b>	<b>22</b>	<b>54</b>	<b>57</b>	<b>15</b>	<b>23</b>		<b>430</b>

**Total Cases Open at End of Month** **186**

# TOTAL CASES OPEN AS OF 7/24/2013:

Fiscal Year	No. Pending (as of 10/22/12)		No. Pending (as of 1/28/13)		No. Pending (as of 4/30/13)		No. Pending (as of 7/24/13)		Percentage Change from Previous Reporting Period
<b>2005</b>	1		0		0		0		-----
<b>2006</b>	0		0		0		0		-----
<b>2007</b>	3		2		1		1		-----
<b>2008</b>	9	3 Reg	6	2 Reg	5	1 Reg	5	1 Reg	-----
		6 RFA		4 RFA		4 RFA		4 RFA	
<b>2009</b>	19	13 Reg	16	12 Reg	12	8 Reg	7	3 Reg	(41.7%)
		6 RFA		4 RFA		4 RFA		4 RFA	
<b>2010</b>	42	28 Reg	28	22 Reg	21	15 Reg	15	9 Reg	(28.6%)
		14 RFA		6 RFA		6 RFA		6 RFA	
<b>2011</b>	62	55 Reg	34	29 Reg	19	14 Reg	12	7 Reg	(36.8%)
		7 RFA		5 RFA		5 RFA		5 RFA	
<b>2012</b>	134	130 Reg	82	80 Reg	45	44 Reg	26	24 Reg	(42.2%)
		4 RFA		2 RFA		1 RFA		2 RFA	
<b>2013</b>	29	29 Reg	72	72 Reg	92	92 Reg	95	94 Reg	3.3%
		0 RFA		0 RFA		0 RFA		1 RFA	
<b>Total</b>	299		240		195		161		(32.9%)

24 July 2013

## CASES AT LEAST 1 YR OLD:

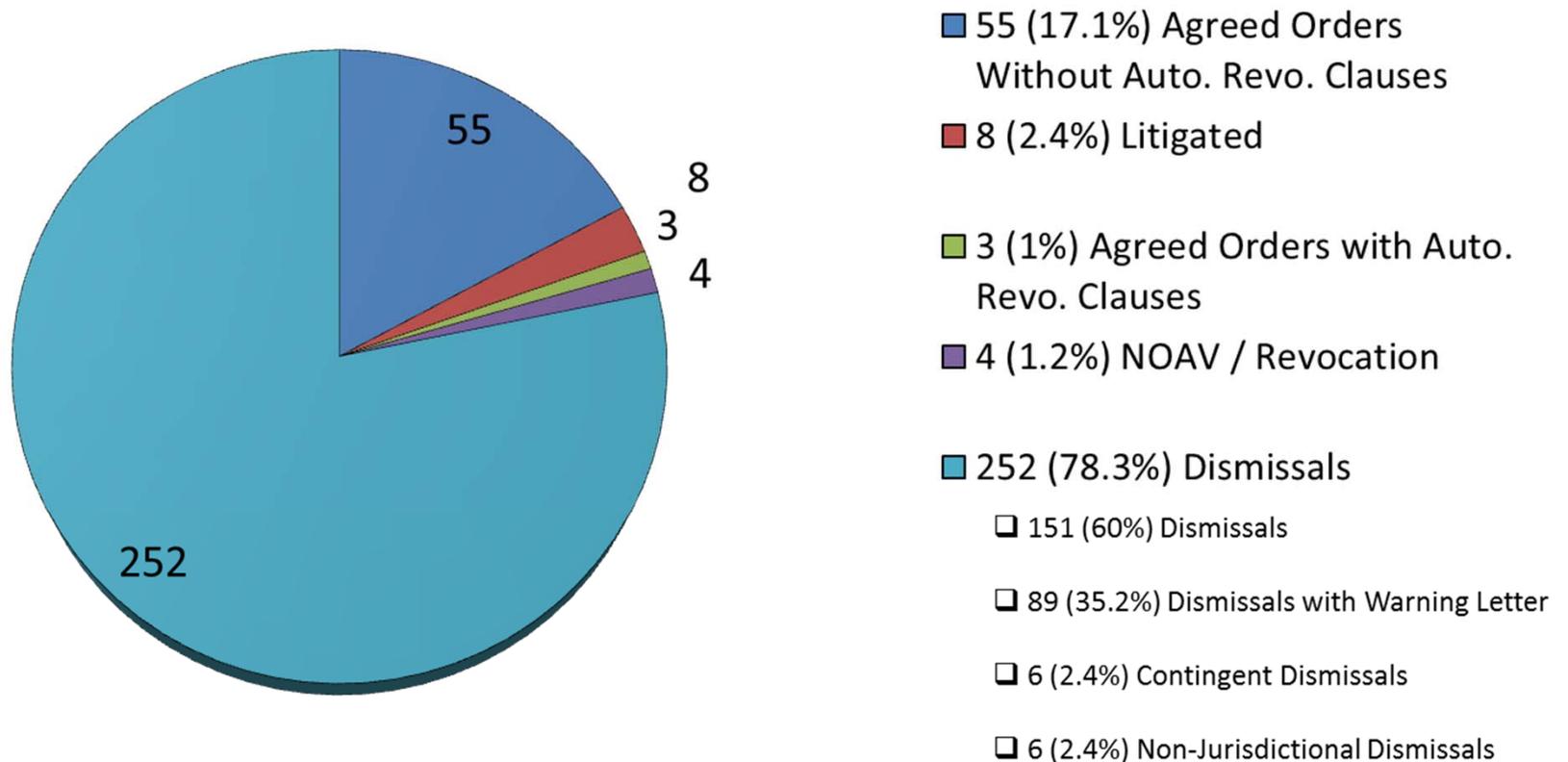
	As of 7/31/12	As of 10/22/12	As of 1/28/13	As of 1 4/30/13	As of 7/24/13	Percentage Change from Reporting Period
<b>Agreed Orders/PFD Received</b>	7	10	7	16	7	(56%)
<b>Awaiting Receipt of PFD</b>	1	3	4	0	0	——
<b>Set for Hearing</b>	12	12	6	7	2	(71%)
<b>Hearing Required/Being Processed for SOAH</b>	7	19	15	10	11	10%
<b>In Negotiations</b>	9	4	7	10	19	90%
<b>RFA/Covert Reviews</b>	44	42	21	20	21	5%
<b>Regulatory Reviews in Investigation</b>	81	57	43	16	3	(81%)
<b>Sent to Peer Review Committee</b>	7	1	7	3	0	(100%)
<b>Total Cases</b>	168	148	110	82	63	(23%)

24 July 2013

# CASE RESOLUTIONS FY 2013

## September 1, 2012 – July 24, 2013

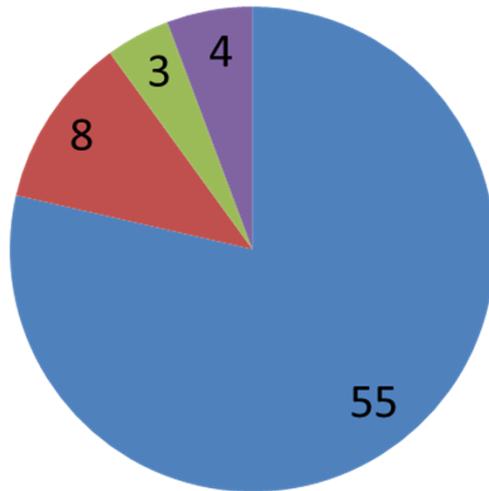
### 322 Total Complaints Resolved



# DISCIPLINARY ACTIONS FY 2013

September 2012 – July 2013

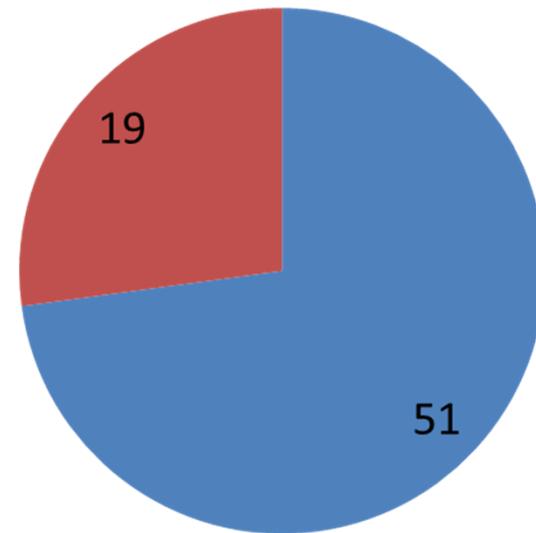
## 70 Disciplinary Actions



- 55 (78.6%) Agreed Orders w/o Auto-Revocation Clause & Surrenders
- 8 (11.4%) Litigated / SOAH Proposal for Decision
- 3 (4.3%) Agreed Orders with Auto-Revocation Clause
- 4 (5.7%) NOAV / Revocation

## Disciplinary Recidivism

- 51 (72.9%) Distinct Respondents
- 19 (27.1%) Repeat Offenders

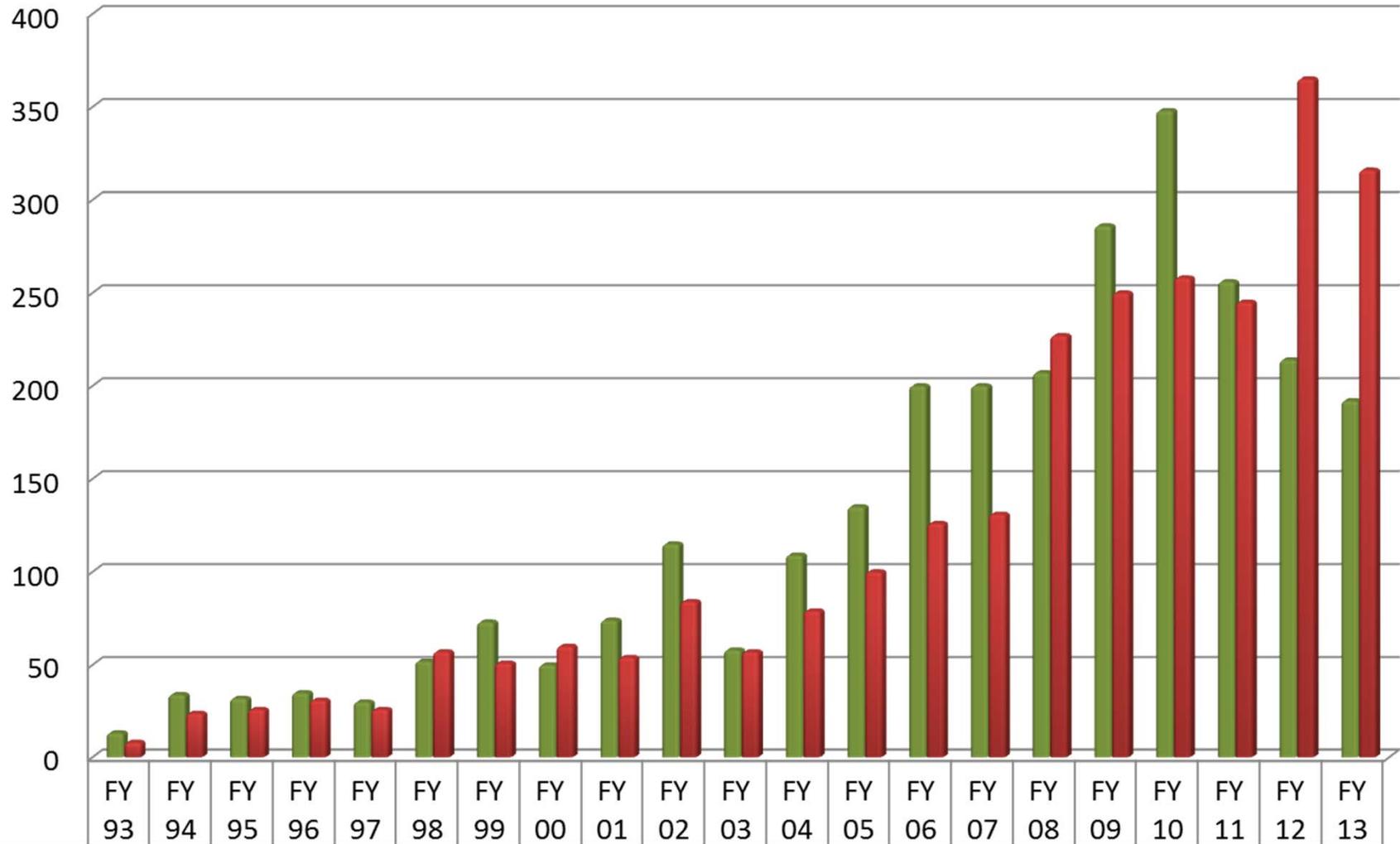


Average Number of Licensees  
(September 2012 to July 2013)

**7051**

**.3 % Recidivism Rate**

## Enforcement Case Trends FY 1993 to FY 2013



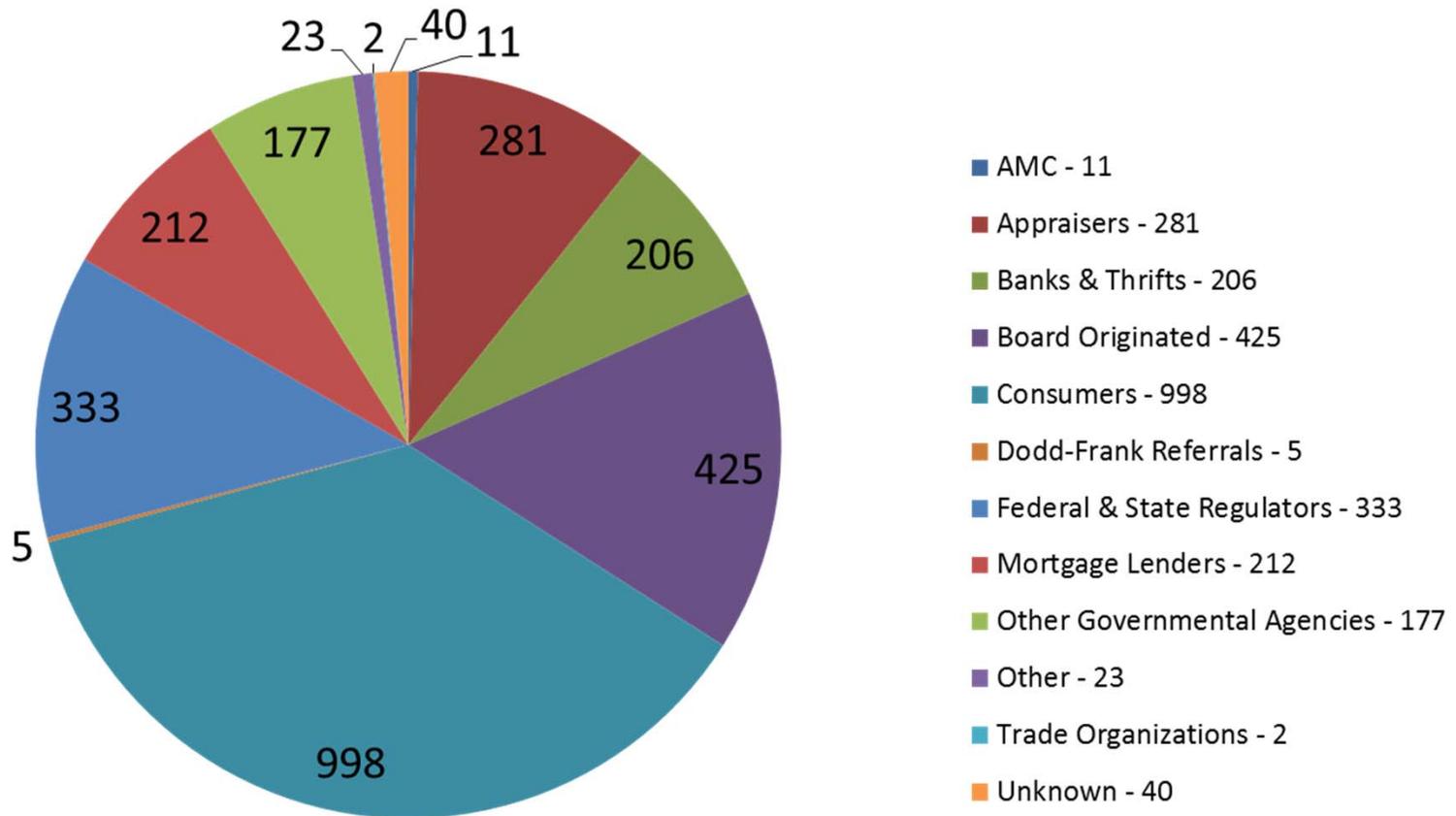
Received	13	34	32	35	30	52	73	50	74	115	58	109	135	200	200	207	286	348	256	214	192
Resolved	8	24	26	31	26	57	51	60	54	84	57	79	100	126	131	227	250	258	245	365	316

## AVERAGE TIME FOR REGULATORY COMPLAINT RESOLUTION:

	FY2010	FY2011	FY2012	FY2013 1 <sup>ST</sup> QTR	FY2013 2 <sup>ND</sup> QTR	FY2013 3 <sup>RD</sup> QTR	FY2013 4 <sup>TH</sup> QTR	YTD2013
Average Number of Days for Case Resolution	409.52	417.16	561.8	510.1	378.8	416.0		436.0

24 July 2013

# COMPLAINT SOURCES FY 1993 TO FY 2013





## AGENDA ITEM 15

Discussion and possible action to adopt amendments to 22 TAC §153.20 concerning Guidelines for Revocation, Suspension, Denial of Licensure or Certification; Probationary Licensure.

### SUMMARY

The amendments were proposed at the May 17, 2013, meeting of the Board and published in the June 7, 2013, issue of the *Texas Register* (38 *TexReg* 3473), to clarify that an applicant for a license or certification, whether successful or not, is subject to denial and/or discipline (in the case of a step- up application) if the applicant makes false, misleading or fraudulent misrepresentations in the application process.

### COMMENTS

No comments were received on the amendments as proposed.

### STAFF RECOMMENDATION

Adopt rule as published.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit for adoption amendments to 22 TAC §153.20 concerning Guidelines for Revocation, Suspension, Denial of Licensure or Certification; Probationary Licensure, without changes to text as previously published to the *Texas Register*, except for any technical or non-substantive changes required for adoption.





**ADOPTION RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.20. concerning Guidelines for Revocation, Suspension, Denial of Licensure or Certification; Probationary Licensure**

**§153.20. Guidelines for Revocation, Suspension, Denial of Licensure or Certification; Probationary Licensure**

(a) The board may suspend or revoke a license, certification, authorization or registration issued under provisions of this Act or deny issuing a license, certification, authorization or registration to an applicant at any time when it has been determined that the person applying for or holding the license, certification, authorization, or registration:

(1)-(13) No change

(14) procures, **or attempts to procure**, a license, certification, authorization, approval, or registration pursuant to the Act by making false, misleading, or fraudulent representation;

(15)-(25) No change

(b)-(m) No change





### AGENDA ITEM 16(a-g)

Discussion and possible action to adopt new 22 TAC Chapter 157, Subchapter E, Alternative Dispute Resolution as follows:

- a. §157.30, Alternative Dispute Resolution
- b. §157.31, Informal Conference
- c. §157.32, Negotiated Settlement
- d. §157.33, Mediation
- e. §157.36, Stipulations
- f. §157.37, Agreements
- g. §157.38, Confidentiality

### SUMMARY

The amendments were proposed at the May 17, 2013, meeting of the Board and published in the June 7, 2013, issue of the *Texas Register* (38 *TexReg* 3474), to clearly set out TALCB's policy and procedure for alternative dispute resolution.

### COMMENTS

Comments were received from an industry association and an individual appraiser. Both comment letters raised the same points. They supported all of the new rules but made some clarifying suggestions to rule 157.31. They recommended that the rule add "respondent's choice of another professional representative" to the parties permitted to attend an informal conference and that all informal conferences be recorded and made available to all parties. Their reasoning for the latter was that information discussed during an informal conference, although possibly not admissible in future litigation actions, is "essential and necessary for both respondent and enforcement staff when preparing for litigation or if a disagreement arose regarding a settlement. Finally, they recommended that the language regarding settlement offers and dismissal be clarified to reflect that the Director of Standards and Enforcement makes the recommendations but that Board approves them.

Board staff agrees that the language in the rule could be clarified to reflect that other parties may attend the informal conferences. This has always been allowed and respondents can consult with or get advice from such other parties at any time before, after or during breaks in the informal conference. However, due to the quasi-judicial nature of the informal conference and the possibility of having another party inadvertently assume the role of an attorney without being authorized to practice law, Board staff feels it is prudent to keep active participation during the informal conference between the parties and their legal counsels. Similarly, Board staff feels that recording the informal conference raises too many issues due to the quasi-judicial nature of the



conference and the potential of conflict with or abuse of the confidentiality requirements of alternative dispute resolution methods and administrative practice rules for settlement conferences. Therefore, Board staff does not agree with this comment. Board staff does agree with the comment regarding clarification of the roles of Board staff and the full Board in connection with final approval and has revised the rules accordingly.

### **STAFF RECOMMENDATION**

Adopt the rules with non-substantive changes to the rules as published. These proposed changes are: (A) § 157.31: (1) at the end of subsection (b), the sentence “Respondent may have other parties also attend the informal conference to consult with privately; however, those parties may not actively participate in the informal conference” was added to make it clear that respondents can bring any parties they want to an informal conference but only the respondent or the respondent’s attorney can participate in the informal conference; (2) in subsection (e), the word “staff” was added between “Board” and “may” to clarify that it is Board staff who may propose a settlement; (C) §157.33(c) & §157.37 (a), the phrase “at their next Board meeting” was deleted so as to not limit the time for final approval by the Board. These changes are highlighted in yellow in the attached material.

### **RECOMMENDED MOTION**

MOVED, that staff is authorized, on behalf of this Board, to submit for adoption the new rules in 22 TAC Chapter 157, Subchapter E, Alternative Dispute Resolution, without changes to text as previously published to the *Texas Register*, except for the changes presented by staff at this meeting and any technical or non-substantive changes required for adoption.



**ADOPTED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 157 Rules Relating to Practice and Procedure**

**22 TAC Chapter 157, Subchapter E concerning Alternative Dispute Resolution**

**SUBCHAPTER E  
ALTERNATIVE DISPUTE RESOLUTION**

§ 157.30. Alternative Dispute Resolution. (a) It is the Board's policy to encourage the fair and expeditious resolution of all formal complaint matters through voluntary settlement procedures. The Board's Alternative Dispute Resolution (ADR) procedures are set out in this subchapter, however, the Board encourages the resolution of disputes at any time, whether under this subchapter or not.

(b) ADR procedures may be requested by the Board, a respondent or an applicant any time after the Board initiates a formal complaint against a respondent or denies an application.

(c) This subchapter may apply to a contested case upon unanimous motion of the parties and at the discretion of the administrative law judge. In such cases, it is within the discretion of the judge to grant a continuance of the hearing to allow the use of ADR procedures.

§157.31. Informal Conference. (a) A respondent may meet with the Board for an informal discussion of the facts and circumstances of the alleged violations.

(b) A respondent may, but is not required to, have an attorney present at an informal conference. Respondent may have other parties also attend the informal conference to consult with privately; however, those parties may not actively participate in the informal conference.

(c) A respondent will be provided with the investigative report and a Statement of Informal

Conference Procedures and Rights (IC Form) not later than three (3) days prior to the date of the informal conference. The respondent and respondent's attorney, if any, must acknowledge receipt of the IC Form by signing it and delivering it to the Board at the beginning of the informal conference.

(d) Participation in an informal conference is not mandatory and may be terminated at any time by either party.

(e) At the conclusion of the informal conference, the Board staff may propose a settlement offer that can include administrative penalties and any other disciplinary action authorized by the Act or recommend that the complaint be dismissed.

(f) The respondent may accept, reject, or make a counter offer to the proposed settlement not later than ten (10) days following the date of the informal conference.

(g) If the parties cannot reach a settlement not later than ten (10) days following the date of the informal conference, the matter will be referred to the Director of Standards and Enforcement Services to pursue appropriate action.

§157.32. Negotiated Settlement. (a) The Board staff and the respondent or applicant may enter into a settlement agreement following negotiations at any time without first engaging in an informal conference.

(b) Negotiations may be conducted in person, by telephone, or through any form of written communication.

TITLE 22. Examining Boards

Part VIII. Texas Appraiser Licensing and Certification Board

Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act

§157.33. Mediation. (a) If a resolution cannot be reached through an informal conference or negotiated settlement and with the consent of all parties, the Board may schedule an original mediation with SOAH prior to filing a petition on the formal complaint with SOAH. Mediation will be set for either a four (4) hour or eight (8) hour session, at the discretion of the Board, based on the nature and complexity of the formal complaint. The Board will not refuse any reasonable request for mediation, as determined by the Director of Standards and Enforcement Services. Neither a petition nor a reply is required to be filed with SOAH with an original mediation request.

(b) After the Board files a Request to Docket form for mediation, SOAH will advise the parties of the mediator and the date, time and place for the mediation.

(c) The parties at the mediation must have authority to settle, provided however, all agreements signed by Board staff at the mediation are subject to final approval by the Board at their next Board meeting.

(d) If the mediator is a SOAH judge, that person will not also sit as the judge for the case if mediation is not successful and the contested matter goes to hearing.

(e) A respondent or applicant participating in a mediation at SOAH will pay one-half (1/2) of SOAH's fee for the mediation directly to the Board prior to the commencement of the mediation. SOAH's fee for mediation will be based on the contract rate that SOAH bills the Board for a four (4) or eight (8) hour mediation session as applicable.

§157.36. Stipulations. When the Alternative Dispute Resolution procedures do not result in the full settlement of a matter, the parties, in conjunction with the mediator if applicable, may limit the issues in a contested case through the entry of written stipulations. Such stipulations shall be forwarded or formally presented to the administrative law judge assigned to conduct the contested case hearing on the merits and shall be made part of the hearing record.

§157.37. Agreements. (a) All agreements between or among parties that are reached as a result of Alternative Dispute Resolution must be committed to writing, signed by the respondent or applicant and a Board staff attorney and submitted to the Board for approval at their next Board meeting. Once signed by the Board, the agreement will have the same force and effect as a written contract.

(b) If the Board does not approve a proposed settlement, the respondent or applicant will be so informed and the matter will be referred to the Director of Standards and Enforcement to pursue appropriate action.

§157.38. Confidentiality. (a) Except as provided in subsections (c) and (d) of this section, a communication relating to the subject matter made by a participant in an Alternative Dispute Resolution (ADR) procedure, whether before or after the institution of formal ADR proceedings, is confidential, is not subject to disclosure, and may not be used as evidence in any further proceeding.

(b) Any notes or record made of an ADR procedure are confidential, and participants, including the mediator, may not be required to testify in any proceedings relating to or arising out of the matter in dispute or be subject to process requiring disclosure of confidential information or data relating to or arising out of the matter in dispute.

(c) An oral communication or written material used in or made a part of an ADR procedure is admissible or discoverable only if it is admissible or discoverable independent of the procedure.

(d) If this section conflicts with other legal requirements for disclosure of communications or materials, the issue of confidentiality may be presented to the judge to determine, in camera, whether the facts, circumstances, and context of the communications or materials sought to be disclosed warrant a protective order or whether the communications or materials are subject to disclosure.

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

(e) All communications in a mediation between parties and between each party and the mediator are confidential. No shared information will be given to the other party unless the party sharing the information explicitly gives the mediator permission to do so. Material provided to the mediator will not be provided to other parties and will not be filed or become part of the contested case record. All notes taken during the mediation conference will be destroyed at the end of the process.



***CRISP APPRAISAL SERVICE***

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crispappraisal@gmail.com  
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**Bobby W. Crisp, MAA, ATA-R**  
**Texas State Certified Residential Real Estate Appraiser, TX-1325704-R**  
**AQB Certified USPAP Instructor, #10287**  
**TALCB, Peer Investigative Committee, Mentorship Program**  
**Past Director, National Association of Appraisers (NAA)**  
**Past President – Charter Member – Association of Texas Appraisers (ATA)**  
**Appraisal Continuing Education Instructor**  
**Residential Real Estate Appraisals, Consultations, Analyses, and Instruction**

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June 12, 2013

Texas Appraiser Licensing & Certification Board (TALCB)  
Kerri T. Galvin  
General Counsel  
P.O. Box 12188  
Austin, Texas 78711-2188

RE: Title 22. Examining Boards  
Part 8. Texas Appraiser Licensing and Certification Board  
Statutes affected is Texas Occupation Code, Chapter 1103 and 1104.

This letter is written in response to the proposed amendments that the Board proposes.

*§157.31. Informal Conference.*

- (a) A respondent may meet with the board for an informal discussion of the facts and circumstances of the alleged violations.
- (b) A respondent may, but is not required to, have an attorney present at an informal conference.
- (c) A respondent will be provided with the investigative report and a Statement of Informal Conference Procedures and Rights (IC Form) not later than three (3) days prior to the date of the informal conference. The respondent and respondent's attorney, if any, must acknowledge receipt of the IC Form by signing it and delivering it to the board at the beginning of the informal conference.
- (d) Participation in an informal conference is not mandatory and may be terminated at any time by either party.

(e) At the conclusion of the informal conference, the board may propose a settlement offer that can include administrative penalties and any other disciplinary action authorized by the Act or recommend that the complaint be dismissed.

(f) The respondent may accept, reject, or make a counter offer to the proposed settlement not later than ten (10) days following the date of the informal conference.

(g) If the parties cannot reach a settlement not later than ten (10) days following the date of the informal conference, the matter will be referred to the Director of Standards and Enforcement Services to pursue appropriate action.

I offer the following recommendations:

With regard to Item (b), the respondent should not be limited in their choice to having only an attorney present at the informal conference. This is not a hearing or a court of law and the respondent should be able to have other professional representation if it is their choice (i.e. an AQB Certified USPAP Instructor, a professional appraiser educator, or a professional mediator).

With regard to Item (c), this should not be limited to the “respondent and respondent’s attorney”, but changed to “respondent, respondent’s attorney, or respondent’s choice of another professional representative”. I also recommend that each informal conference be recorded so that there is no dispute as to what was discussed during the informal conference and what was or was not agreed upon. I recommend added language something similar to “All informal conferences are to be recorded and such recordings are to be made available to all parties present during the informal conference upon request.” This would allow a respondent the choice of an alternate professional attend the informal conference. If an agreement cannot be settled, the recording could be turned over to an attorney in order to prepare for a possible hearing or litigation and would also aid TALCB in their preparation. Although a recording may or may not be admissible in future actions, it is the information that is essential and necessary for both parties (the respondent and enforcement services).

With regard to Item (e), the language should be readdressed. Currently, this reads that “At the conclusion of the informal conference, the board may propose a settlement offer” when “the board” is not present to make such an offer. I believe it would be more accurate to say “At the conclusion of the informal conference, the Director of Standards and Enforcement Services may propose a settlement offer on behalf of the board”. Additionally, the end of this sentence says “or recommend that the complaint be dismissed.” The board meets at a later date rather than at the conclusion of the conference, and may not agree with enforcement services’ settlement offer. The board does not recommend to itself that the complaint be dismissed. The board makes the final decision. Thus, any offer made at the conclusion of the informal conference is not that of the board. The offer is actually that of Enforcement Services. Although the respondent may agree to such an offer, the board has yet to meet, discuss and/or decide on any such agreement between Enforcement Services and the respondent and may change any agreement offer. Similar language to this effect is currently being used in proposed amendments to §157.33.Mediation and §157.37.Agreements.

I am in support of all other amendments proposed.

If you have any questions, please feel free to contact me.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bobby W. Crisp". The signature is written in a cursive style with a large, stylized initial 'B'.

Bobby W. Crisp  
AQB Certified USPAP Instructor  
Texas State Certified Residential Real Estate Appraiser  
TX-1325704-R



# Association of Texas Appraisers

Dedicated to Integrity and Professionalism

13530 Escort Drive, San Antonio, TX 78233  
(210) 837-7123

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June 12, 2013

Texas Appraiser Licensing & Certification Board (TALCB)  
Kerri T. Galvin  
General Counsel  
P.O. Box 12188  
Austin, Texas 78711-2188

RE: Title 22. Examining Boards  
Part 8. Texas Appraiser Licensing and Certification Board  
Statutes affected is Texas Occupation Code, Chapter 1103 and 1104.

This letter is written in response to the proposed amendments that the Board proposes.

The Association of Texas Appraisers (ATA) would like to express our full support of the Enforcement Committee to the Texas Appraiser Licensing & Certification Board (TALCB) and commend them on their efforts to make the necessary changes for the betterment of the appraisal profession in Texas.

With regard to some of the proposed changes, the ATA would like to make the following recommendations:

*§157.31. Informal Conference.*

Item (b) – we feel that the respondent should not be limited to only having the choice of having an attorney present at the informal conference. A respondent should have the opportunity to choose other professional representatives present at an informal conference and not be limited as proposed.

Item (c) – in line with Item b above, the language in this item should reflect other professional representatives.

***In addition to this item***, we recommend that each informal conference be recorded. With today's available technology, this would not be cost prohibitive and would allow a more accurate recall of the informal conference and what took place. A recording of the informal conference should be made available to both parties of the conference and would allow the respondent and Enforcement Services the opportunity to ready access to pertinent information, any agreement settlement, or disagreement of settlement.

Item (e) – we believe that the language in this item be revisited. Currently, this item states “At the conclusion of the informal conference, the board may propose a settlement offer”. The board is not present at the time of the informal conference and does not make the offer. The offer is made by Enforcement Services and whether agreed or not, the board makes its decision at the next scheduled board

meeting. Additionally, this item states “or recommend that the complaint be dismissed.” Again, the board does not make recommendations. The board makes decisions. Enforcement Services would be the entity making recommendations to dismiss. Although the respondent may agree to such an offer, the board has yet to meet and make its decision on any such agreement or recommendation.

The ATA supports all other amendments being proposed.

The ATA has had members suggest that the Enforcement Committee consider adding a rule or adding Standard Operating Procedures that discusses the role and tasks of Enforcement Services. The largest concern is with regard to procedures taken when examining an appraiser’s report and workfile. On the TALCB website there is a link to an “Appraisal/Appraisal Report Investigative Checklist”. The ATA applauds TALCB for making this available to Texas Appraisers so that each appraiser can see the issues be researched and asked by Enforcement Services.

Once the link on the website is opened, the Disclaimer refers to the report as an “Investigative Report Checklist Form”. Yet, there is language within the Disclaimer that refers to this as a tool for the TALCB staff to review an appraisal report. The cover letter being used refers to “A review of an appraisal report stated to value the fee simple interest of a \_\_\_\_\_”. This cover letter contains the words “review”, “reviewed”, or “reviewer” nineteen (19) times. The title of the Investigative Report being used by Enforcement Services is actually “USPAP Checklist for Reviewing Appraisals.”

There is confusion regarding the Investigative Report Checklist (IR Checklist) actually being an Appraisal Review. ATA is aware that there has been discussion regarding the USPAP Jurisdictional Exception Rule with reference to the IR Checklist and/or the “review” process. When there is a state law in place that conflicts with a Standard or Standards Rule of USPAP, law prevails. Thus, the Appraisal Standards Board (ASB) of The Appraisal Foundation provided a rule so that an appraiser could perform their services within the law and remain compliant with USPAP. This is the Jurisdictional Exception Rule. It ONLY applies when there is a law in place that does not allow the appraiser to comply with USPAP.

The ATA is not aware of any Texas law that would conflict or restrict anyone from performing an appraisal review in accordance Standard 3. Therefore, the Jurisdictional Exception Rule of USPAP does not apply.

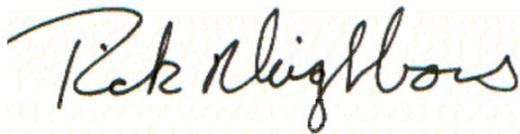
If TALCB intends for the investigative process to include an appraisal review, refer to the checklist as a USPAP Checklist for Reviewing Appraisal, and refer to an investigator as a reviewer, we believe that USPAP Standard 3 applies. In order for the appraiser investigators of Enforcement Services to perform a service that is not bound by USPAP Standard 3, they must not perform an appraisal review and language throughout the IR Checklist must be changed as not to be misleading.

It is the opinion of the ATA that, if the investigative process being performed by Enforcement Services is not an appraisal review, a rule or Standard Operating Procedures need to be in place so that the appraiser investigators are not formulating an appraisal or appraisal review. By USPAP definition, an Appraisal must be numerically expressed as a specific amount, as a range of numbers, or as a relationship (e.g. not more than, not less than). ***Any comment by an investigator saying that they do not agree with an appraiser’s value, is in itself, an appraisal.*** How can one agree or disagree with an opinion of value without first formulating one’s own opinion? Comments such as “the appraiser did not utilize the best comparable sales available” is an opinion and is part of an Appraisal Practice. An appraisal review is part of an appraisal practice.

With this, the ATA suggests that the investigative process be researched and changes implemented. We believe that there should be a rule or Standard Operating Procedures that reflect the requirements of the Investigative Report and how Enforcement Services are to perform their tasks. Is the investigation to be an appraisal review? If so, is the investigator/reviewer tasked with agreeing or disagreeing with the opinion of value? If this is the desire of TALCB, USPAP Standards and Standards Rules apply including the Ethics Rule, Competency Rule, Scope of Work Rule, Record Keeping Rule, Standard 3 and Standard 1 (if the investigator/reviewer is to agree or disagree with the value opinion). If the investigation is not to be considered an appraisal review, necessary steps need to be taken so that this is clear to everyone involved.

Thank you for the opportunity to respond to the proposed changes and for allowing ATA to voice its concerns and support. If you have any questions, please feel free to contact me.

Respectfully submitted,

A handwritten signature in black ink that reads "Rick Neighbors". The signature is written in a cursive, flowing style. The background behind the signature is a light yellow rectangular area.

Richard (Rick) Neighbors, ATA-R  
President, Association of Texas Appraisers  
Certified Residential Real Estate Appraiser  
TX-1330015-R





## AGENDA ITEM 17

Discussion and possible action to adopt amendments to 22 TAC §159.159 concerning Disclosure of Registration Number.

### SUMMARY

The amendments were proposed at the May 17, 2013, meeting of the Board and published in the June 7, 2013, issue of the *Texas Register* (38 *TexReg* 3476), to help appraisers identify Appraisal Management Companies that are registered with TALCB by clarifying that an Appraisal Management Company is required to disclose the name under which it is registered with TALCB and any other name under which it does business in addition to the registration number currently required on documents used to procure appraisals.

### COMMENTS

No comments were received on the amendments as proposed.

### STAFF RECOMMENDATION

Adopt rule as published.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit for adoption amendments to 22 TAC §159.159 concerning Disclosure of Registration Number, without changes to text as previously published to the *Texas Register*, except for any technical or non-substantive changes required for adoption.





**ADOPTED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §159.159 concerning Disclosure of Registration Number**

**§159.159. Disclosure of Registered Name and Registration Number**

**(a)** For the purposes of the Act, "documents used to procure appraisals" include **all** written documents and electronic communications, including e-mail, used for that purpose, but does not include general advertisements **and supporting documentation.**

**(b) On all documents used to procure appraisals, an AMC must disclose the name it registered with the Board, any other name that it uses in business and the registration number received from the Board.**





## AGENDA ITEM 18

Discussion and possible action to adopt amendments to 22 TAC §159.109 concerning Inactive Status.

### SUMMARY

The amendments were proposed at the May 17, 2013, meeting of the Board and published in the June 7, 2013, issue of the *Texas Register* (38 TexReg 3475), to provide a procedure for a registered Appraisal Management Company to elect to be placed on inactive status.

### COMMENTS

No comments were received on the amendments as proposed.

### STAFF RECOMMENDATION

Adopt rule as published.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit for adoption amendments to 22 TAC §159.109 concerning Inactive Status, without changes to text as previously published to the *Texas Register*, except for any technical or non-substantive changes required for adoption.





ADOPTED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD

Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act

22 TAC §159.109 concerning Inactive Status

§159.109. Inactive Status

(a) ~~A registrant on inactive status may not engage in any activity for which registration is required.~~ To elect to be placed on inactive status, a registrant must do the following:

(1) file a request for inactive status on a form approved by the Board and pay the required fee; and

(2) confirm in writing to the Board that the registrant has given written notice of its election to go inactive to all appraisers listed on the registrant's appraiser panel at least 30 days prior to filing the request for inactive status.

(b) In order to return from inactive status to active status, a registrant shall submit to the Board a completed Request for Active Status form and proof of compliance with all outstanding requirements for active registration.

(c) A registrant that has elected or been placed on inactive status may not engage in any activity for which registration is required until ~~the~~ an active registration has been issued by the Board.

(d) The appraiser panel of a registrant on inactive status will remain in place until the registrant's next renewal date.

~~(d)~~ e A registrant may not renew on inactive status. An inactive registrant must satisfy all renewal requirements for an active registration.





## AGENDA ITEM 19

Discussion and possible action to adopt amendments to 22 TAC §159.155 concerning Periodic Review of Appraisals.

### SUMMARY

The amendments were proposed at the May 17, 2013, meeting of the Board and published in the June 7, 2013, issue of the *Texas Register* (38 *TexReg* 3476), to clarify that Appraisal Management Companies are only required to review appraisal services performed on 1-4 family unit properties collateralizing mortgage obligations as contemplated by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 amendments to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989.

### COMMENTS

No comments were received on the amendments as proposed.

### STAFF RECOMMENDATION

Adopt rule as published.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit for adoption amendments to 22 TAC §159.155 concerning Periodic Review of Appraisals, without changes to text as previously published to the *Texas Register*, except for any technical or non-substantive changes required for adoption.





**ADOPTED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §159.155 concerning Periodic Review of Appraisals**

**§159.155. Periodic Review of Appraisals**

(a) A registrant shall review the work of appraisers performing appraisal services [on 1-4 family unit properties collateralizing mortgage obligations](#) by performing a review in accordance with Standard 3 of the Uniform Standards of Professional Appraisal Practice (USPAP) of:

(1) one of the first five appraisals performed for the registrant by each appraiser, prior to making a sixth assignment; and

(2) a total of five percent, randomly selected, of the appraisals performed for the AMC for each twelve-month period following the date of the AMC's registration.

(b) – (f) No change

(g) In order to satisfy the requirements of §1104.155 of the Act, this rule and USPAP, a registrant performing a review must adhere to the following minimum scope of work:

(1) research and consult the appropriate data sources for the appraisal being reviewed to, at a minimum, validate the significant characteristics of the comparables and the essential elements of the transactions including:

(A) the multiple listing service(s) or ~~commercial databases and~~ other recognized methods, techniques and data sources for the geographic area in which the appraisal under review was performed, if the appraisal under review included a sales comparison approach;

(h) No change





## AGENDA ITEM 20

Discussion and possible action to adopt on an emergency basis amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing.

### SUMMARY

The amendments are adopted on an emergency basis to implement the new experience audit requirement for all appraiser credentials set out in Revised Policy Statement 4, adopted by Appraisal Subcommittee on June 1, 2013. The rule currently sets out that no more than 5% of applicants for a State appraiser license can receive an experience audit. The new ASC revised Policy Statement now requires 100% experience audits for these applicants. The Board currently performs experience audits for all applicants for certification residential or certified general licenses. The effective date of the new requirement is July 1, 2013.

### STAFF RECOMMENDATION

Adopt amendments on an emergency basis as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit the emergency amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing, to the *Texas Register* for adoption, without changes to the proposed text presented at this meeting, except for any technical or non-substantive changes required for adoption.





**PROPOSED EMERGENCY RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.15 concerning Experience Required for Certification or Licensing**

**§153.15 concerning Experience Required for Certification or Licensing**

(a)-(e) no change

(f) Experience claimed by an applicant must be submitted on forms prescribed by the board.

(1) Experience claimed by an applicant shall be submitted upon an Appraisal Experience Log with an accompanying Appraisal Experience Affidavit.

(2) In exceptional situations, the board, at its discretion, may accept other evidence of experience claimed by the applicant.

(3) If a consumer complaint or peer complaint is brought against the applicant alleging fraud, incompetence, or malpractice and the board finds the complaint is reasonable or if the board determines other just cause exists for requiring further information, the board may obtain the additional information or documentation requested by:

(A) requiring the applicant to complete a form, prescribed by the board, that includes detailed listings of appraisal experience showing, for each appraisal claimed by the applicant, the city or county where the appraisal was performed, the type and description of the building or property appraised, the approaches to value utilized in the appraisal, the actual number of hours expended on the appraisal, name of client, and other information determined to be appropriate by the board; or

(B) engaging in other investigative research determined to be appropriate by the board.

(4) The board shall require verification of acceptable experience of all applicants for [all appraiser credentials](#) ~~certification and no more than 5.0% of applicants for licensure, selected by random sampling, applied when a minimum of twenty~~

~~approved applications are received.~~ Applicants have 60 days to provide all documentation requested by the board. The verification may be obtained by:

(A) requiring the applicant to complete a form, prescribed by the board, that includes detailed listings of appraisal experience showing, for each appraisal claimed by the applicant, the city or county where the appraisal was performed, the type and description of the building or property appraised, the approaches to value utilized in the appraisal, the actual number of hours expended on the appraisal, name of client, and other information determined to be appropriate by the board;

(B) requesting copies of appraisals and all supporting documentation, including the workfiles; and

(C) engaging in other investigative research determined to be appropriate by the board.

(5) Failure to comply with a request for verification of experience, or submission of experience that is found not to comply with the requirements for experience credit, is a violation of these rules and may result in denial of certification or licensure, and any disciplinary action up to and including revocation.

(g) no change





## AGENDA ITEM 21

Discussion and possible action to propose amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing.

### SUMMARY

The amendments are proposed to implement the new experience audit requirement for all appraiser credentials set out in Revised Policy Statement 4, adopted by Appraisal Subcommittee on June 1, 2013. The rule currently sets out that no more than 5% of applicants for a State appraiser license can receive an experience audit. The new ASC revised Policy Statement now requires 100% experience audits for these applicants. The Board currently performs experience audits for all applicants for certification residential or certified general licenses. The effective date of the new requirement is July 1, 2013.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §153.15 concerning Experience Required for Certification or Licensing, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.15 concerning Experience Required for Certification or Licensing**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §153.15, Concerning Experience Required for Certification or Licensing. The amendments are proposed to implement the new experience audit requirement for all appraiser credentials set out in Revised Policy Statement 4, adopted by Appraisal Subcommittee on June 1, 2013. The effective date of the new requirement is July 31, 2013.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of enforcing the sections will be compliance with federal regulations.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for

comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1103.151, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to certificates and licenses and §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the Appraiser Qualification Board.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**§153.15 concerning Experience Required for Certification or Licensing**

(a)-(e) no change

(f) Experience claimed by an applicant must be submitted on forms prescribed by the board.

(1) Experience claimed by an applicant shall be submitted upon an Appraisal Experience Log with an accompanying Appraisal Experience Affidavit.

(2) In exceptional situations, the board, at its discretion, may accept other evidence of experience claimed by the applicant.

(3) If a consumer complaint or peer complaint is brought against the applicant alleging fraud, incompetence, or malpractice and the board finds the complaint is reasonable or if the board determines other just cause exists for requiring further information, the board may obtain the additional information or documentation requested by:

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

(A) requiring the applicant to complete a form, prescribed by the board, that includes detailed listings of appraisal experience showing, for each appraisal claimed by the applicant, the city or county where the appraisal was performed, the type and description of the building or property appraised, the approaches to value utilized in the appraisal, the actual number of hours expended on the appraisal, name of client, and other information determined to be appropriate by the board; or

(B) engaging in other investigative research determined to be appropriate by the board.

(4) The board shall require verification of acceptable experience of all applicants for all appraiser credentials certification and no more than 5.0% of applicants for licensure, selected by random sampling, applied when a minimum of twenty approved applications are received. Applicants have 60 days to provide all documentation requested by the board. The verification may be obtained by:

(A) requiring the applicant to complete a form, prescribed by the board, that includes detailed listings of appraisal experience showing, for each appraisal claimed by the applicant, the city or county where the appraisal was performed, the type and description of the building or property appraised, the approaches to value utilized in the appraisal, the actual number of hours expended on the appraisal, name of client, and other information determined to be appropriate by the board;

(B) requesting copies of appraisals and all supporting documentation, including the workfiles; and

(C) engaging in other investigative research determined to be appropriate by the board.

(5) Failure to comply with a request for verification of experience, or submission of experience that is found not to comply with the requirements for experience credit, is a violation of these rules and may result in denial of certification or licensure, and any disciplinary action up to and including revocation.

(g) no change

This agency hereby certifies that the amendment has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



## AGENDA ITEM 22

Discussion and possible action to propose amendments to 22 TAC §153.9 concerning Applications.

### SUMMARY

The amendments are proposed to implement the relevant provisions of Senate Bill 162, 83rd Texas Legislature, Regular Session (2013). The effective date of Senate Bill 162 is September 1, 2013. Senate Bill 162 adds §55.005 and 55.006 to the Texas Occupations Code to require an expedited licensing and process for the issuance of a license to spouses of active duty military, and §55.007, which requires a licensing agency to credit verifiable military service, training or education obtained by an applicant who is a military service member or veteran, toward the requirements of a license. Rules implementing these provisions of the bill must be in place no later than January 1, 2014.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §153.9 concerning Applications, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser**

**Licensing and Certification Act**

**22 TAC §153.9 concerning Applications**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §153.9, concerning Applications. The amendments are proposed to implement the relevant provisions of Senate Bill 162, 83rd Texas Legislature, Regular Session (2013). The effective date of Senate Bill 162 is September 1, 2013. Senate Bill 162 adds §55.005 and 55.006 to the Texas Occupations Code to require an expedited licensing and process for the issuance of a license to spouses of active duty military, and §55.007, which requires a licensing agency to credit verifiable military service, training or education obtained by an applicant who is a military service member or veteran, toward the requirements of a license. Rules implementing these provisions of the bill must be in place no later than January 1, 2014.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of enforcing the sections will be to provide an easier transition for veterans, active members of the military, and their families to occupations outside of armed services.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1103.151, which authorizes TALCB to adopt rules relating to certificates and licenses, and §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the Appraiser Qualification Board.

The statute affected by this amendment is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendments.

**§153.9 Applications**

(a) - (f) no change

(g) This subsection applies to an applicant who is the spouse of a person serving on active duty as a member of the armed forces of the United States.

(1) The ~~[ board may]~~ **Board shall** issue on an expedited basis a certificate or license to an applicant ~~[described under this subsection]~~ who ~~[:~~ **(A)** holds a current certificate or license issued by another state or jurisdiction that has licensing requirements that are substantially equivalent to the requirements for the certificate or license ~~[: or]~~ issued in this state.

TITLE 22. Examining Boards

Part VIII. Texas Appraiser Licensing and Certification Board

Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act

~~[(B)]~~ (2) The Board may issue a license to an applicant who, within the five years preceding the application date held the certificate or license in this state that expired while the applicant lived in another state for at least six months.

~~[(2)]~~ (3) The board may allow an applicant ~~[described under [paragraph (1) of] this subsection]~~ to demonstrate competency by alternative methods in order to meet the requirements for obtaining a particular certificate or license issued by the ~~[board]~~ Board. For purposes of this subsection, the standard method of demonstrating competency is the specific examination, education, and/or experience required to obtain a particular certificate or license.

~~[(3)]~~ (4) In lieu of the standard method(s) of demonstrating competency for a particular certificate or license and based on the applicant's circumstances, the alternative methods for demonstrating competency may include any combination of the following as determined by the ~~[board]~~ Board:

- (A) education;
- (B) continuing education;
- (C) examinations (written and/or practical);
- (D) letters of good standing;
- (E) letters of recommendation;
- (F) work experience; or
- (G) other methods required by the

commissioner.

(h) This subsection applies to an applicant who is serving on active duty or is a veteran of the armed forces of the United States.

(1) The Board shall credit any verifiable military service, training or education obtained by an applicant that is relevant to a license toward the requirements of a license.

(2) This subsection does not apply to an applicant who holds a restricted license issued by another jurisdiction.

(3) The applicant must pass the qualifying examination, if any, for the type of license sought.

(i) A person applying for license under subsections (g) or (h) of this section must also:

(1) submit the Board's approved application form for the type of license sought;

(2) submit the appropriate fee for that application; and

(3) submit the supplemental form approved by the Board applicable to subsection (g) or (h).

(i) ~~[(4)]~~ The commissioner may issue a certificate or license by endorsement in the same manner as the ~~board~~ Texas Department of Licensing and Regulation to an applicant ~~described under paragraph (1) of~~ this subsection.

~~[(5) The applicant described under paragraph (1) of this subsection shall submit an application and proof of the requirements under this subsection and for that particular certificate or license on a form and in a manner prescribed by the board.~~

~~[(6) The applicant described under paragraph (1) of this subsection shall submit the applicable fee(s) required for that particular certificate or license.]~~

This agency hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



### AGENDA ITEM 23

Discussion and possible action to propose amendments to 22 TAC §153.17 concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval.

#### SUMMARY

The amendments are proposed to require the Appraiser Trainee to maintain quarterly logs for each renewal period but no longer require submission of the logs with each renewal. Logs will still be required to be submitted with any application for a license or certification. This procedure is more consistent with the practice for renewal of the other Board credentials and will save Board resources in staff time and paper storage.

#### STAFF RECOMMENDATION

Propose the amendments as presented.

#### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §153.17 concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.17 concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §153.17, Concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval. The amendments are proposed to require the Appraiser Trainee to maintain quarterly logs for each renewal period but no longer require submission of the logs with each renewal. Logs will still be required to be submitted with any application for a license or certification. This procedure is more consistent with the practice for renewal of the other Board credentials.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of enforcing the sections will be a lesser burden on Appraiser Trainees to renew their approval and a reduction in processing and paper storage expenses for the agency.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1103.151, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to certificates and licenses and §1103.152, which authorizes TALCB to prescribe qualifications for appraisers that are consistent with the qualifications established by the Appraiser Qualification Board.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**§153.17 concerning Renewal or Extension of Certification and License or Renewal of Trainee Approval**

(a)-(b) no change

(c) Appraiser Trainees.

(1) Appraiser trainees must **provide a copy of maintain** an appraisal log and appraisal experience affidavits on forms prescribed by the board, for the period of authorization or approval being renewed, **and have them reviewed and signed by the appraiser trainee's sponsor at least quarterly. The appraiser trainee will promptly provide copies of the**

**TITLE 22. Examining Boards**

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**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

[experience logs and affidavits to the board upon request.](#)

(2) Appraiser trainees may not obtain an extension of time to complete required continuing education.

(d)-(e) no change

This agency hereby certifies that the proposed amendment has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



## AGENDA ITEM 24

Discussion and possible action to propose amendments to 22 TAC §153.5 concerning Fees.

### SUMMARY

The amendments are proposed to increase the fee for nonresident appraiser registration from \$150 to \$250 as permitted by the Appraisal Subcommittee and adopt a new fee of \$40 for preparing a certificate of active licensure or sponsorship.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §153.5 concerning Fees, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.5 concerning Fees**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §153.5, Fees. The amendments propose to increase the fee for nonresident appraiser registration from \$150 to \$250 as permitted by the Appraisal Subcommittee and adopt a new fee of \$40 for preparing a certificate of active licensure or sponsorship.

The justification for the fee increases is to generate sufficient revenue to fund operations of the agency and to comply with requirements of Senate Bill 1000, 82<sup>nd</sup> Texas Legislature, Regular Session (2011).

Melissa Huerta, Director of Staff and Support Services, has determined that for the first five-year period rule §153.5(11) and (14) are in effect there will be fiscal implications for the state, but not to units of local government as a result of enforcing or administering the subsections. Per year, the agency receives approximately 293 non-resident appraiser registrations; 45 requests for active licensure and 125 requests for sponsorship history. For FY 2014, the total estimated revenue increase would be \$36,300; for each of the three years after (2015-2017), the estimated revenue would be \$36,700 per year.

Ms. Huerta has determined that there is no anticipated impact on local or state employment as a result of implementing the amendments. The Board has approximately 186 Appraisal Management Companies registered in Texas and 5,901 active certifications and licenses. The projected economic impact of this rule amendment on these businesses will be small, but negative due to the additional fees.

Under Section 2006.002, Texas Government Code, an agency is required to consider alternative regulatory methods only if the alternative methods would be consistent with the health, safety and environmental and economic welfare of the state. TALCB has developed this proposed rule in accordance with a legislative mandate to cover all costs of operation under Senate Bill 1000, 82<sup>nd</sup> Legislature, Regular Session (2011). Consequently, any variance from the legislative mandate would not be consistent with the health, safety, and environmental and economic welfare of the state, and no alternative regulatory methods have been considered.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1103.156, which authorizes the Texas Appraiser Licensing and Certification Board to establish reasonable fees to administer Chapter 1103.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**§153.5 concerning Fees**

(a) The Board shall charge and the commissioner shall collect the following fees:

(1) a fee of \$400 for an application for a general certification;

(2) a fee of \$350 for an application for a residential certification;

(3) a fee of \$325 for an application for a license;

(4) a fee of \$300 for an application for approval as an appraiser trainee;

(5) a fee of \$370 for a timely renewal of a general certification;

(6) a fee of \$320 for a timely renewal of a residential certification;

(7) a fee of \$295 for a timely renewal of a license;

(8) a fee of \$270 for a timely renewal of an appraiser trainee approval;

(9) a fee equal to 1-1/2 times the timely renewal fee for the late renewal of a license or certification within 90 days of expiration;

(10) a fee equal to two times the timely renewal fee for the late renewal of a license or certification more than 90 days but less than six months after expiration;

(11) a fee of ~~\$150~~ \$250 for nonresident appraiser registration;

(12) the national registry fee in the amount charged by the Appraisal Subcommittee for the registry;

(13) an application fee for certification or licensure by reciprocity in the same amount as the fee charged for a similar certificate or license issued to a Texas resident;

(14) a fee of \$40 for preparing ~~providing each a certificate of~~ licensure history, active licensure, or sponsorship;

(15) a fee of \$20 for an addition or termination of sponsorship of an appraiser trainee;

(16) a fee of \$20 for replacing a lost or destroyed certificate;

(17) a fee for a returned check equal to that charged for a returned check by the Texas Real Estate Commission;

(18) a fee of \$200 for an extension of time to complete required continuing education;

(19) a fee of \$25 to request a certificate or license be placed on inactive status;

(20) a fee of \$50 to request a return to active status;

(21) a fee of \$50 for evaluation of an applicant's criminal history;

(22) a fee of \$20 for filing any application, renewal, change request, or other record on paper when the person may otherwise file electronically by accessing the board's website and entering the required information online; and

(23) any fee required by the Department of Information Resources for establishing and maintaining online applications.

(b)- (d) no change

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



## AGENDA ITEM 25

Discussion and possible action to propose amendments to 22 TAC §159.52 concerning Fees.

### SUMMARY

The amendments are proposed to adopt the following new fees: \$25 for a request to be placed on inactive status; \$40 for preparing a certificate of active licensure; \$20 for a request a to change an owner, primary contact, appraiser contact, registered business name or place of business; \$50 for evaluation of an owner or primary contact's background history after processing of an initial application or renewal.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §159.52 concerning Fees, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 159. Rules Relating to Provisions of the Texas Appraisal Management Company  
Registration Act**

**22 TAC §159.52 concerning Fees**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §159.52, Fees. The amendments propose to adopt the following new fees: \$25 for a request to be placed on inactive status; \$40 for preparing a certificate of active licensure; \$20 for a request to change an owner, primary contact, appraiser contact, registered business name or place of business; \$50 for evaluation of an owner or primary contact's background history after processing of an initial application or renewal.

The justification for the fee increases is to generate sufficient revenue to fund operations of the agency and to comply with requirements of Senate Bill 1000, 82<sup>nd</sup> Texas Legislature, Regular Session (2011).

Melissa Huerta, Director of Staff and Support Services, has determined that for the first five-year period rule §159.52(8), (10), (12) and (13) are in effect there will be fiscal implications for the state, but not to units of local government as a result of enforcing or administering the subsections. The agency estimates that it will receive 2 inactive status requests per year; 10 requests for a certificate of licensure history; 2 requests for active licensure history; 30 requests to change an owner, primary contact, appraiser contact, registered business name or place of business; and 5 requests for evaluation of an owner or primary contact's background history not submitted with an original application or renewal. For FY 2014, the total estimated revenue increase would be \$1,045; for each of the three years after (2015-2017), the estimated revenue would be \$1,060 per year.

Ms. Huerta has determined that there is no anticipated impact on local or state employment as a result of implementing the amendments. The Board has approximately 186 Appraisal Management Companies registered in Texas. The projected economic impact of this rule amendment on these businesses will be small, but negative due to the additional fees. Under Section 2006.002, Texas Government Code, an agency is required to consider alternative regulatory methods only if the alternative methods would be consistent with the health, safety and environmental and economic welfare of the state. TALCB has developed this proposed rule in accordance with a legislative mandate to cover all costs of operation under Senate Bill 1000, 82<sup>nd</sup> Legislature, Regular Session (2011). Consequently, any variance from the legislative mandate would not be consistent with the health, safety, and environmental and economic welfare of the state, and no alternative regulatory methods have been considered.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1104.052, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to fees.

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

The statute affected by these amendments is Texas Occupations Code, Chapter 1104. No other statute, code or article is affected by the proposed amendment.

**§159.52 concerning Fees**

(a) The Board shall charge and the commissioner shall collect the following fees:

- (1) a fee of \$3,300 for an application for a two-year registration;
- (2) a fee of \$3,300 for a timely renewal of a two-year registration;
- (3) a fee equal to 1-1/2 times the timely renewal fee for the late renewal of a registration within 90 days of expiration; a fee equal to two times the timely renewal fee for the late renewal of a registration more than 90 days but less than six months after expiration;
- (4) the national registry fee in the amount charged by the Appraisal Subcommittee for the appraisal management company registry;
- (5) a fee of \$10 for each appraiser on a panel at the time of renewal of a registration;
- (6) a fee of \$10 to add an appraiser to a panel in the Board's records;
- (7) a fee of \$10 for the termination of an appraiser from a panel;
- (8) a fee of \$25 to request a registration be placed on inactive status;**
- (8 9) a fee of \$50 to return to active status;**
- (9 10) a fee of \$40 for ~~preparing~~ ~~providing each a~~ certificate of licensure history ~~or active licensure~~;**
- (10 11) a fee for a returned check equal to that charged for a returned check by the Texas Real Estate Commission;**
- (12) a fee of \$20 for filing any request to change an owner, primary contact, appraiser contact, registered business name or place of business;**
- (13) a fee of \$50 for evaluation of an owner or primary contact's background history not submitted with an original application or renewal;**
- (11 14) a fee of \$20 for filing any application, renewal, change request, or other record on paper when the person may otherwise file electronically**

by accessing the Board's website and entering the required information online; and ~~(12 15)~~ any fee required by the Department of Information Resources for establishing and maintaining online applications.  
(b)-(c) no change

This agency hereby certifies that the proposal has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



## AGENDA ITEM 26

Discussion and possible action to propose amendments to 22 TAC §153.24 concerning Complaint Processing.

### SUMMARY

The amendment is proposed to clarify that re-examination is an available disciplinary remedial measure that the Board can impose against a respondent. This recommendation was reviewed and recommended by the Board's Enforcement Committee.

### STAFF RECOMMENDATION

Propose the amendment as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit the amendment to 22 TAC §153.24 concerning Complaint Processing, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM**

**AUGUST 16, 2013 MEETING OF**

**THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

**22 TAC §153.24 concerning Complaint Processing**

The Texas Appraiser Licensing and Certification Board (TALCB) propose an amendment to 22 TAC §153.24 Concerning Complaint Processing. The amendment is proposed to clarify that reexamination is an available disciplinary remedial measure that the Board can impose against a respondent.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments, since reexamination is already a statutorily permitted discipline.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of enforcing the sections will greater clarity for staff and respondents as to all the remedial measures available for discipline.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas

Register. The amendments are proposed under Texas Occupations Code, §1103.154, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to professional conduct and §1103.154, which authorizes the Texas Appraiser Licensing and Certification Board to require reexamination.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**22 TAC §153.24 concerning Complaint Processing**

(a) –(i) no change

(j) In determining the proper disposition of a formal complaint pending as of or filed after the effective date of this subsection, and subject to the maximum penalties authorized under Texas Occupations Code §1103.552, staff, the administrative law judge in a contested case hearing and the board shall consider the following sanctions guidelines and list of non-exclusive factors as demonstrated by the evidence in the record of a contested case proceeding.

(1) For the purposes of these sanctions guidelines:

(A) A person will not be considered to have had a prior warning letter, contingent dismissal or discipline if that prior warning letter, contingent dismissal or discipline occurred more than seven (7) years ago;

(B) A prior warning letter, contingent dismissal or discipline given less than seven years ago will not be considered unless the board had taken final action against the person before the date of the appraisal that led to the subsequent disciplinary action;

(C) Prior discipline is defined as any sanction

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(including administrative penalty) received under a board final or agreed order;

(D) A violation refers to a violation of any provision of the Act, Board Rules or USPAP;

(E) "Minor deficiencies" is defined as violations of the Act, Board Rules or USPAP which do not impact the credibility of the appraisal assignment results, the assignment results themselves and do not impact the appraiser's honesty, trustworthiness or integrity to the board, the appraiser's clients or intended users of the appraisal service provided;

(F) "Serious deficiencies" is defined as violations of the Act, Board Rules or USPAP which do impact the credibility of the appraisal assignment results, the assignment results themselves or do impact the appraiser's honesty, trustworthiness or integrity to the board, the appraiser's clients or intended users of the appraisal service provided;

(G) "Remedial measures" include, but are not limited to, training, mentorship, education, [reexamination](#), or any combination thereof; and

(H) The terms of a contingent dismissal agreement will be in writing and agreed to by all parties. If respondent completes all remedial measures required in the agreement within a certain prescribed period of time, the complaint will be dismissed with a non-disciplinary warning letter.

(2) List of factors to consider in determining proper disposition of a formal complaint:

(A) Whether the Respondent has previously received a warning letter or contingent dismissal, and if so, the similarity of facts or violations in that previous complaint to the facts or violations in the instant complaint matter;

(B) Whether the Respondent has previously been disciplined;

(C) If previously disciplined, the nature of the discipline, including:

(i) Whether it concerned the same or similar violations or facts;

(ii) The nature of the disciplinary sanctions imposed;

(iii) The length of time since the previous discipline;

(D) The difficulty or complexity of the appraisal assignment(s) at issue;

(E) Whether the violations found were of a

negligent, grossly negligent or a knowing or intentional nature;

(F) Whether the violations found involved a single appraisal/instance of conduct or multiple appraisals/instances of conduct;

(G) To whom were the appraisal report(s) or the conduct directed, with greater weight placed upon appraisal report(s) or conduct directed at:

(i) A financial institution or their agent, contemplating a lending decision based, in part, on the appraisal report(s) or conduct at issue;

(ii) The board;

(iii) A matter which is actively being litigated in a state or federal court or before a regulatory body of a state or the federal government;

(iv) Another government agency or government sponsored entity, including, but not limited to, the United States Department of Veteran's Administration, the United States Department of Housing and Urban Development, the State of Texas, Fannie Mae, and Freddie Mac;

(v) A consumer contemplating a real property transaction involving the consumer's principal residence;

(H) Whether Respondent's violations caused any harm, including financial harm, and the amount of such harm;

(I) Whether Respondent acknowledged or admitted to violations and cooperated with the board's investigation prior to any contested case hearing;

(J) The level of experience Respondent had in the appraisal profession at the time of the violations, including:

(i) The level of appraisal credential Respondent held;

(ii) The length of time Respondent had been an appraiser;

(iii) The nature and extent of any education Respondent had received related to the areas in which violations were found; and

(iv) Any other real estate or appraisal related background or experience Respondent had;

(K) Whether Respondent can improve appraisal skills and reports through the use of remedial measures.

(3) The sanctions guidelines contained herein shall

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be employed in conjunction with the factors listed in paragraph (2) of this subsection to assist in reaching the proper disposition of a formal complaint:

(A) 1st Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in one of the following outcomes:

- (i) Dismissal;
- (ii) Dismissal with non-disciplinary warning letter;
- (iii) Contingent dismissal with remedial measures.

(B) 1st Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in one of the following outcomes:

- (i) Contingent dismissal with remedial measures;
- (ii) A final order which imposes one or more of the following:

- (I) Remedial measures;
- (II) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

- (III) A probationary period with provisions for monitoring the appraiser's practice;

- (IV) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

- (V) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

- (VI) Up to \$250 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, not to exceed \$3,000 in the aggregate.

(C) 1st Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;
- (iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional

practice;

- (v) A probationary period with provisions for monitoring the appraiser's practice;

- (vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

- (vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

- (viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(D) 2nd Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in one of the following outcomes:

- (i) Dismissal;
- (ii) Dismissal with non-disciplinary warning letter;
- (iii) Contingent dismissal with remedial measures;

- (iv) A final order which imposes one or more of the following:

- (I) Remedial measures;
- (II) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

- (III) A probationary period with provisions for monitoring the appraiser's practice;

- (IV) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

- (V) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

- (VI) Up to \$250 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$1,000 statutory limit per complaint matter.

(E) 2nd Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in a final order which imposes one or more of the following:

- (i) A period of suspension;
- (ii) A revocation;
- (iii) Remedial measures;

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(iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(F) 2nd Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

(i) A period of suspension;

(ii) A revocation;

(iii) Remedial measures;

(iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) Up to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(G) 3rd Time Discipline Level 1--violations of the Act, Board Rules, or USPAP which evidence minor deficiencies will result in a final order which imposes one or more of the following:

(i) A period of suspension;

(ii) A revocation;

(iii) Remedial measures;

(iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) \$1,000 to \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(H) 3rd Time Discipline Level 2--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies will result in a final order which imposes one or more of the following:

(i) A period of suspension;

(ii) A revocation;

(iii) Remedial measures;

(iv) Required promulgation, adoption and implementation of written, preventative policies or procedures addressing specific areas of professional practice;

(v) A probationary period with provisions for monitoring the appraiser's practice;

(vi) Restrictions on a certified appraiser's ability to sponsor any appraiser trainees;

(vii) Restrictions on the scope of practice the appraiser is allowed to engage in for a specified time period or until specified conditions are satisfied;

(viii) \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(I) 3rd Time Discipline Level 3--violations of the Act, Board Rules, or USPAP which evidence serious deficiencies and were done with knowledge, deliberately, willfully, or with gross negligence will result in a final order which imposes one or more of the following:

(i) A revocation; and

(ii) \$1,500 in administrative penalties per act or

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**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(J) 4th Time Discipline--violations of the Act, Board Rules or USPAP will result in a final order which imposes the following:

(i) A revocation; and

(ii) \$1,500 in administrative penalties per act or omission which constitutes a violation(s) of USPAP, Board Rules or the Act, up to the maximum \$5,000 statutory limit per complaint matter.

(K) Unlicensed appraisal activity will result in a final order which imposes a \$1,500 in administrative penalties per unlicensed appraisal activity, up to the maximum \$5,000 statutory limit per complaint matter.

(4) In addition, staff may recommend any or all of the following:

(A) Reducing or increasing the recommended sanction or administrative penalty for a complaint based on documented factors that support the deviation, including but not limited to those factors articulated under paragraph (2) of this subsection;

(B) Probating all or a portion of any sanction or administrative penalty for a period not to exceed five years;

(C) Requiring additional reporting requirements; and

(D) Such other recommendations, with documented support, as will achieve the purposes of the Act, the Rules, and/or USPAP.

(k) no change

This agency hereby certifies that the proposed amendment has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board





## AGENDA ITEM 27

Discussion and possible action to propose amendments to 22 TAC §155.1 concerning Standards of Practice.

### SUMMARY

The amendments are proposed to delete subsection (b) relating to jurisdictional exception. The Enforcement Committee of the Board has studied this provision extensively and is recommending this deletion.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §155.1 concerning Standards of Practice, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 155. Rules Relating to Standards of Practice**

**22 TAC §155.1 concerning Standards of Practice**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes an amendment to 22 TAC §155.1, Concerning Standards of Practice. The amendment is proposed to delete subsection (b) relating to jurisdictional exception. The Enforcement Committee of the Board has studied this provision extensively is recommending this deletion for several reasons. First, the Committee concluded that the provision as written was not a proper use of the “jurisdictional exception” provision set out in the Uniform Standards of Professional Appraisal Practice (USPAP) because a specific law dictating a different requirement than USPAP was not in existence to take exception from. Secondly, the Committee felt Board staff’s and Peer Investigative Committee (PIC) members’ investigation of a complaint did not rise to a Standard 3 review under USPAP if the appraiser investigator did not reach an opinion of value. The Committee has recommended that staff revise their forms and processes to make it clear that those types of investigations are not appraisal reviews. Lastly, the Committee felt strongly that if a staff appraiser investigator or PIC member did perform a review that included an opinion of value, then that review would need to be compliant with USPAP, holding Board staff to the same standards of all appraiser licensees in those instances.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of

implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of the deletion of the section will be conformity with the Uniform Standards of Professional Appraisal Practice.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendment is proposed under Texas Occupations Code, §1103.151, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to certificates and licenses and §1103.154, which authorizes TALCB to adopt rules relating to professional conduct.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**§155.1 concerning Standards of Practice**

(a) An appraisal or appraisal practice performed by a person subject to the Texas Appraiser Licensing and

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

Certification Act must conform with the "Uniform Standards of Professional Appraisal Practice" (USPAP) of the Appraisal Foundation in effect at the time of the appraisal or appraisal practice.

~~(b) A Jurisdictional Exception is adopted for the members, staff, and peer review committee members of the Texas Appraiser Licensing and Certification Board for all appraisal reviews relating to enforcement and disciplinary cases, applications, renewals, and experience verification audits.~~

This agency hereby certifies that the proposed amendments has been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



## AGENDA ITEM 28

Discussion and possible action to propose amendments to 22 TAC §155.2 concerning Work Relating to Property Tax Protests.

### SUMMARY

The amendments are proposed to clarify when the Uniform Standards of Professional Appraisal Practice (USPAP) apply to work prepared by TALCB licensees for an appraisal district for the purposes of a property tax protest and require disclosure by TALCB licensees that are dually licensed or certified as property tax professionals, whenever they perform work for the purposes of a property tax protest under their authority as a property tax professional. The amendments provide even application of the law to property tax consultants and property tax professionals who are dually licensed by TALCB.

### STAFF RECOMMENDATION

Propose the amendments as presented.

### RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit amendments to 22 TAC §155.2 concerning Work Relating to Property Tax Protests, as presented for publication and public comment to the *Texas Register*, along with any technical or non-substantive changes required for proposal.





**PROPOSED RULE ACTION FROM  
AUGUST 16, 2013 MEETING OF  
THE TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD**

**Chapter 155. Rules Relating to Standards of Practice**

**22 TAC §155.2 concerning Work Relating to Property Tax Protests**

The Texas Appraiser Licensing and Certification Board (TALCB) proposes amendments to 22 TAC §155.2, Concerning Work Relating to Property Tax Protests. The amendments are proposed to clarify when the Uniform Standards of Professional Appraisal Practice (USPAP) apply to work prepared by TALCB licensees for an appraisal district for the purposes of a property tax protest and require disclosure by TALCB licensees that are dually licensed or certified as property tax professionals, whenever they perform work for the purposes of a property tax protest under their authority as a property tax professional. The amendments provide even application of the law to property tax consultants and property tax professionals who are dually licensed by TALCB.

Kerri Lewis, General Counsel, has determined that for the first five-year period the proposed amendments are in effect, there will be no fiscal implications for the state or for units of local government as a result of enforcing or administering the sections. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the sections. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Lewis also has determined that for each year of the first five years the sections as proposed are in effect the public benefit anticipated as a result of enforcing the sections will conformity with statutory provisions.

Comments on the proposal may be submitted to Kerri Lewis, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, Texas 78711-2188 or to [general.counsel@talcb.texas.gov](mailto:general.counsel@talcb.texas.gov). The deadline for comments is 30 days after publication in the Texas Register.

The amendments are proposed under Texas Occupations Code, §1103.151, which authorizes the Texas Appraiser Licensing and Certification Board to adopt rules relating to certificates and licenses and §1103.154, which authorizes TALCB to adopt rules relating to professional conduct.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No other statute, code or article is affected by the proposed amendment.

**§155.2 concerning Work Relating to Property Tax Protests**

(a) The preparation of a report or other work performed [\(1\) for an appraisal district or \(2\)](#) as part of any property tax consulting services on behalf of another person, [that is](#) used to [develop, support or](#) protest an unequal appraisal under Chapter 41, Subchapter C or Chapter 42, Subchapter B of the Tax Code, is considered an appraisal or appraisal practice for the purposes of §155.1(a) of this chapter (relating to Standards of Practice) and must conform with Uniform Standards of Professional Appraisal Practice (USPAP), if the person preparing the report or other work presents it as the product of a person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act.

**TITLE 22. Examining Boards**

**Part VIII. Texas Appraiser Licensing and Certification Board**

**Chapter 153. Rules Relating to Provisions of the Texas Appraiser Licensing and Certification Act**

(b) A person licensed, certified, registered, or approved under the Texas Appraiser Licensing and Certification Act who is also certified as [a property tax professional under Chapter 1151 of the Tax Code](#) or as a property tax consultant under Chapter 1152 of the Tax Code, must include the USPAP disclaimer set out in subsection (c) of this section whenever that person prepares a report or other work used to [develop, support or protest an](#) unequal appraisal under Chapter 41, Subchapter C or Chapter 42, Subchapter B of the Tax Code, solely under the authority of a property tax [professional or](#) consultant certification.

(c) The USPAP disclaimer required under this section must:

(1) be located directly above the preparer's signature;

(2) be in at least 10-point boldface type; and

(3) read as follows: USPAP DISCLAIMER: I AM LICENSED OR CERTIFIED AS A REAL PROPERTY APPRAISER AND A PROPERTY TAX [PROFESSIONAL OR](#) CONSULTANT. THIS REPORT WAS PREPARED IN MY CAPACITY AS A PROPERTY TAX [PROFESSIONAL OR](#) CONSULTANT AND MAY NOT COMPLY WITH THE REQUIREMENTS FOR DEVELOPMENT OF A REAL PROPERTY APPRAISAL CONTAINED IN THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE (USPAP) OF THE APPRAISAL STANDARDS BOARD OF THE APPRAISAL FOUNDATION.

This agency hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be within the agency's legal authority to adopt.

Filed with the Office of the Secretary of State on August , 2013.

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Kerri Lewis  
General Counsel  
Texas Appraiser Licensing and Certification Board



**AGENDA ITEM 29**

Discussion and possible action on recommendations from the Education Committee regarding Appraiser Trainee/Supervisor Course and Texas Update Course structure.

**AGENDA ITEM 30**

Discussion and possible action on recommendations from the Executive Committee regarding a system or procedure to track staff implementation of Board directives



**AGENDA ITEM 31**

Discussion and possible action to approve a Memorandum of Understanding with the Texas Real Estate Commission regarding administrative services provided by TREC staff.

**SUMMARY**

See attached document.

**RECOMMENDED MOTION**

MOVED, that the Board approve the "Memorandum of Understanding with the Texas Real Estate Commission" as presented.



**Memorandum of Understanding  
Texas Real Estate Commission  
and  
Texas Appraiser Licensing & Certification Board**

**I. Introduction and Background.** The Texas Real Estate Commission (TREC) is an executive branch agency of the State of Texas, and the Texas Appraiser Licensing & Certification Board (TALCB) is an independent regulatory subdivision of TREC. As part of the continuation of TREC for an additional 12-year period, the 80<sup>th</sup> Texas Legislature in 2007 required that TALCB be integrated with TREC to the fullest extent possible while retaining TALCB's identity as an independent regulatory body. To implement that requirement, TREC and TALCB entered into a Memorandum of Understanding in 2007 that was amended in 2010 to more fully describe the roles and responsibilities of each party. As of September 1, 2011, the parties have achieved self-directed, semi-independent status, which removes the agency from the legislative appropriations process and modifies the manner in which the agency collects and spends funds. This Memorandum of Understanding (Agreement) replaces all prior Agreements.

**II. Parties.** The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB) are the parties to this Agreement.

**III. Purpose.** The purpose of this Agreement is to delineate:

- a. The roles and responsibilities of each party;
- b. The administrative and support services that TREC will provide to TALCB at no cost;
- c. The allocation of resources between TREC and TALCB; and
- d. The costs and expenses for which TALCB is directly responsible for payment.

**IV. General Agreements.** Under Texas Occupations Code Section 1103.101, the TREC Administrator serves as the TALCB Commissioner. The Commissioner is responsible for supervision of all TALCB staff and oversight of all TALCB expenditures within the parameters of a TALCB-approved budget and any legislative appropriations. The Commissioner reports to and performs these duties under the policy direction of the TALCB and is ultimately responsible to TALCB for the board's operations. A portion of the Administrator/Commissioner's exempt salary is allocated from TALCB resources.

The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB) agree to the following.

A. TREC will provide, at no cost to TALCB, administrative services and support to TALCB, including but not limited to the following.

1. Staff Services in accordance with TREC operating procedures as follows:
  - a) Human Resources;
  - b) Budgeting, accounting and reporting;

- c) Purchasing and contracting;
  - d) Cashier and mail room;
  - e) Payroll; and
  - f) Facilities management
2. Technology Services;
  3. Telephone System;
  4. Personnel training programs involving no charges to TREC;
  5. Use of meeting rooms on a space available basis;
  6. Texas Register Liaison services; and
  7. Governmental and public relations services.

B. TALCB-appropriated FTEs working in Licensing, Education, and Communications are subject to the day-to-day supervision of the TREC Director(s) and Managers who oversee those areas of activity. TALCB Enforcement staff report to the TALCB Enforcement Director who is supervised by the Commissioner or his designee.

C. TALCB bears the lawfully payable or reimbursable amounts of all costs incurred by the Board other than those TREC-provided support services enumerated in Part IV.A of this Agreement, including, but not limited to:

1. All direct and indirect costs salary and benefits for TALCB FTEs;
2. Rent and overhead expenses for space occupied by TALCB and a pro-rata percentage of common area expenses
3. Services provided by the State Office of Administrative Hearings;
4. Services provided by the Office of the Attorney General;
5. Services provided by the State Auditor's Office;
6. Equipment, supplies, services, or other goods;
7. Travel, meals, and lodging;
8. Dues and subscriptions;
9. Personnel training and continuing professional education; and
10. Database service modifications primarily benefiting TALCB.

D. Portions of staff salaries are allocable and payable as further described in Exhibit A to this Agreement and may be temporarily reallocated as necessary by the Commissioner to ensure the efficient provision of administrative and support services to TALCB, with notice to the Chairs of both governing bodies as soon as reasonably practicable.

E. TALCB is allocated its *pro rata* portion of the contribution to General Revenue required by SB 1000, 82<sup>nd</sup> Legislative Session.

F. The Administrator/Commissioner, at his discretion, may determinate that TREC will provide additional administrative support services as necessary to ensure the smooth operation of the entire agency.

G. The Administrator/Commissioner may direct the transfer of funds between the parties as necessary to maintain the financial soundness of each, informing the Chairs of both governing bodies as soon as reasonably practicable and proposing a plan for repayment.

**V. Term of Agreement.** This Agreement become effective as of September 1, 2013 and remains in effect for fiscal years 2014 and 2015 unless amended by mutual written agreement of the parties. This Agreement terminates and supersedes any other memorandum of understanding or agreement entered into between the parties before the effective date of this Agreement. Either party may withdraw from this Agreement by written notice to the Chair of the other governing body of the other party with 365 days prior notice.

The execution and performance of this Agreement has been authorized by each respective governing body.

This Memorandum of Understanding shall not be construed to create any additional liability or obligation for either party.

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Avis Wukasch  
Chair  
Texas Real Estate Commission

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Walker Beard  
Chair  
Texas Appraiser Licensing &  
Certification Board

August , 2013

August , 2013

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Date

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Date

Exhibit A

1. Effective September 1, 2013, portions of the following TREC salaries are allocable to and payable by TALCB:

- A. TREC Administrator/TALCB Commissioner – 20%
- B. TREC Deputy General Counsel/TALCB General Counsel – 50%

2. Effective September 1, 2013, portions of the following TALCB salaries are allocable to and payable by TREC:

- TALCB Education & Licensing Supervisor – 25%



### **AGENDA ITEM 32**

Discussion and possible action to adopt the FY2014 TALCB budget.

#### **SUMMARY**

To be presented at the meeting.

#### **RECOMMENDED MOTION**

MOVED, that the Board adopt the FY 2014 Budget.





TEXAS

APPRAISER LICENSING & CERTIFICATION BOARD

### AGENDA ITEM 33

Discussion regarding legislative matters.



# LEGISLATIVE REPORT

## AGENCYWIDE BILLS

**SB 984 (Ellis) and HB 2414 (Button):** These bills authorize Commission and Board members to meet via videoconference and are designed to reduce the travel burden on the members of governmental bodies and encourage member participation in meetings. Whenever a meeting is scheduled via videoconference, the bills require that:

- the member presiding over the meeting be physically located at a site that open to the public;
- each remote location from which a member of the Commission or Board teleconferences have two-way communication with each other location during the entire meeting; and
- the face and voice of each participant (including members of public) be clearly visible and audible to each other participant whenever that they address the Commission or Board as a whole.

**SB 162 (Van de Putte):** This bill requires occupational licensing agencies to provide an expedited licensure process for military spouses. The bill also requires agencies to issue a license to a qualified applicants who are active service members or military veterans who hold a current license issued by another jurisdiction.

## APPRAISER RELATED BILLS

**HB 585 (Villarreal)** – amends current law relating to ad valorem taxation, specially the provisions of the Tax Code dealing with tax protest before an Appraisal review Board (ARB). While the majority of the bill has no impact of the regulation of real estate appraisers, one section of the bill codifies the TALCB’s approach to Uniform and Equal (U&E) studies. It states that Chapter 1103 applies to an appraiser acting as an appraiser before the ARB and requires those appraisers dually licensed as appraisers and property tax consultants to state the capacity under which they are appearing before the ARB.

## INSPECTOR RELATED BILLS

**HB 2911 (KUEMPEL)** - This bill contains provisions designed to upgrade the quality of real estate inspectors in Texas and conform agency practices related to inspectors to match those used by TREC for its other licensees. The bill adds a fingerprinting requirement and criminal history background review of license holders, provides a late renewal provisions for inspectors, and grants applicants a full year to complete the application process. The bill also clarifies the pre-license education requirements to include some hands-on training prior to a license holder commencing an actual field inspection. Finally, the bill clarifies the current mandated financial responsibility requirements by adding a bond alternative to E&O coverage, under which TREC could continue to issue and renew licenses, and allow inspectors to continue to work, should the market cease to provide E&O coverage.

## TIME SHARE RELATED BILLS

**SB 1372 (Hinojosa):** This bill establishes the Timeshare Owners Association Act. Timeshare owners associations are exempt from the provisions mandated by the Homeowners Association Act found in Chapter 209 of the Texas Property Code that govern the operation of homeowners associations, so this bill provides a parallel set of applicable to the governance of timeshare owners associations.





### AGENDA ITEM 34

Discussion and possible action to authorize Board staff to amend TALCB renewal forms to remove the optional electronic newsletter fee.

#### **SUMMARY**

If the Budget adopted by the Board for FY 2014 does not require these fees as a revenue source, the optional \$4 fee collected for the electronic delivery of agency newsletters can be removed from all renewal forms and all licensees will automatically receive the newsletters electronically.

#### **RECOMMENDED MOTION**

MOVED, that the Board authorizes staff to amend all TALCB renewal forms to remove the optional electronic newsletter fee.





### AGENDA ITEM 35

Discussion and possible action to approve the following revised forms:

- a. Application for Approval as an Appraiser Trainee
- b. Application for Appraiser License
- c. Application for Certified Residential Appraiser
- d. Application for Certified General Appraiser
- e. Appraisal Experience Affidavit (for Appraisers & Trainees)
- f. Appraisal Experience Explanation
- g. Appraiser Continuing Education Submission Form
- h. Request for Active Status

### SUMMARY

In preparation for all appraiser licensees to be able to apply online, staff conducted a comprehensive review of the instructions for and information required in the application process. These revised forms are the result of that review and the forms were given an updated look. The online application and instructions will be based off of these forms. The current form is behind the proposed new form in the attached materials. Staff is also requesting authorization to add the \$20 paper filing fee under Rule 153.5 (a)(22) to these forms 30 days after these forms are available for online submission.

### STAFF RECOMMENDATION

Approve the revised forms as presented and authorize adding the \$20 paper filing fee to these forms 30 days after they become available for online submission.

### RECOMMENDED MOTION

MOVED, that the Board approve the use of the revised Application for Approval as an Appraiser Trainee, Application for Appraiser License, Application for Certified Residential Appraiser, Application for Certified General Appraiser, Appraisal Experience Affidavit (for Appraisers & Trainees), Appraisal Experience Explanation, Appraiser Continuing Education Submission Form, and Request for Active Status as presented and further authorize staff to add a \$20 paper filing fee to these forms 30 days after these applications or forms become available for online submission.





**APPLICATION FOR APPROVAL AS AN APPRAISER TRAINEE**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
TRAINEE APPLICATION		\$304.00		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK. MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEE INCLUDES OPTIONAL \$4.00 FEE FOR A TWO-YEAR SUBSCRIPTION TO THE TALCB BULLETIN NEWSLETTER. FEES ARE NON-REFUNDABLE.**

**1. Full Legal Name:** \_\_\_\_\_  
Last First Middle

**2. Social Security Number:** \_\_\_\_\_ **3. Drivers License or State ID Number:** \_\_\_\_\_ State

**4. Date of Birth:** \_\_\_\_\_ **5. Gender:**  Male  Female

**6. Ethnic Group:**  Black/African American  White  Hispanic  Asian  
 Other (specify): \_\_\_\_\_  
 Decline to respond

**7. Mailing Address and Contact Information: (Post Office Box may be used)**

\_\_\_\_\_  
Number, Street and Apt No.

\_\_\_\_\_  
City State Zip Code Phone Number

\_\_\_\_\_  
Fax Number E-mail Address

**8. Sponsor's Place of Business Address and Contact Information: (Must be a fixed street address, not a Post Office Box)**

\_\_\_\_\_  
Number, Street and Suite No.

\_\_\_\_\_  
City State Zip Code Phone Number

**9. List all names (maiden, aliases, nicknames, etc.) by which you have been known.**

\_\_\_\_\_

\_\_\_\_\_

**10. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.**

License Type	License No.	Jurisdiction	Issue Date	Exp/Term Date	Status
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**11. Have you ever (1) had any professional or occupational license or certification suspended, canceled or revoked; (2) received a reprimand or disciplinary action; (3) surrendered a license or certification pending disciplinary action; or (4) had an application for such denied in Texas or any other state?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**12. Are there any pending complaints, investigations, or disciplinary hearings against any professional or occupational licenses or certifications you hold?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**13. Have you ever (1) been convicted of or pleaded *nolo contendere* to a criminal offence (Include ALL felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets); (2) been placed on probation, community supervision, or deferred adjudication; or (3) are there any criminal charges pending against you?**  Yes  No  
**If the answer to (1), (2), or (3) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

**14. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you?**  Yes  No  
**If YES, submit a complete written explanation and copies of all petitions and judgments.**

**15. Is education to meet the current education requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of transcripts and/or course completion certificates.**

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
15-Hour National USPAP or Equivalent	15 Hours

**CERTIFICATION OF APPLICANT**

I certify that I am eighteen (18) years of age or older; that I am a citizen of the United States or a lawfully admitted alien; and that I have been a legal resident of Texas for the sixty days preceding the date of this application.

I certify that I have read and understand this application and certification of sponsor and that the answers given herein are true, correct and complete. I will furnish all additional information or documentation requested by the Texas Appraiser Licensing and Certification Board (TALCB) for verification of the information given in this application. I understand that failing to provide information or providing information that is false, misleading or fraudulent is grounds for disapproval of this application or revocation of my license.

I authorize TALCB to conduct any investigations of me which it deems prudent. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for a license have been met and that if an investigation is necessary, it may not be conducted until I have passed the examination. I further understand that information submitted in conjunction with this application may become a public record.

I certify that I will not perform any act as an appraiser trainee until an approval has been issued to me by the TALCB and I am working under the supervision of an eligible sponsoring certified Real Property Appraiser or properly designated supervisor. If approved as an appraiser trainee, I will abide by the provisions of The Texas Appraiser Licensing and Certification Act (TEX OCC CODE Chapter 1103), TALCB Rules (22 TAC Chapters 153-157) and the Uniform Standards of Professional Appraisal Practice (USPAP).

\_\_\_\_\_  
**Applicant's Signature**

\_\_\_\_\_  
**Date Signed**  
 Page 252 of 307

**CERTIFICATION OF SPONSOR**

I agree to sponsor the person named as applicant in this application. I have reviewed the application, and to the best of my knowledge, the information is true, correct, and complete. I will not allow the applicant to act as an appraiser trainee for me until the Texas Appraiser Licensing and Certification Board (TALCB) approves this applicant to act as an appraiser trainee under my sponsorship.

If applicant is granted appraiser trainee status, I agree to actively, personally and diligently supervise, and train the appraiser trainee and sign the trainee's reports completed under my supervision. I will review and sign the trainee's experience log quarterly. I understand that I will be responsible to the public and to TALCB for the professional conduct of the appraiser trainee until I notify TALCB and the appraiser trainee in writing that my sponsorship of the appraiser trainee has been terminated. I understand that I may be subject to disciplinary action if I or an appraiser trainee that I sponsor violates the provisions of The Texas Appraiser Licensing and Certification Act (TEX OCC CODE Chapter 1103), TALCB Rules (22 TAC Chapters 153-157) or the Uniform Standards of Professional Appraisal Practice (USPAP).

I further certify that I have not been subject to any disciplinary action that affected my legal ability to engage in appraisal practice in the last three years, and that I  HAVE  HAVE NOT **[check one]** been subject to any other disciplinary action during the last three years.

Sponsor's Typed or Printed Name: \_\_\_\_\_

TALCB Certification Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

\_\_\_\_\_  
Sponsor's Signature Date Signed

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

**PRIVACY NOTICE**

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPLICATION FOR APPROVAL  
AS AN APPRAISER TRAINEE**

FEES	AMOUNT	REGISTER NUMBER	DATE RECEIVED
Total Due with Application	\$304.00		
<b>Appraiser Trainee Approval Number:</b>			
<b>DO NOT WRITE ABOVE THIS LINE</b> <b>MAKE CHECKS OR MONEY ORDERS PAYABLE TO: TALCB</b> <b>ALL INFORMATION MUST BE PRINTED IN INK. INCOMPLETE FORMS WILL NOT BE ACCEPTED.</b>			

Fee includes optional \$4.00 fee for a two-year subscription to the TREC Advisor/TALCB Bulletin newsletter.

An answer must be provided for all questions. If the answer is "none" or "not applicable," please note this on the appropriate line.

The Board may decline to accept this application unless all requested information is provided and the proper fees are enclosed. Payment must be a single remittance payable to the **Texas Appraiser Licensing and Certification Board** and is NOT refundable once the application has been accepted for filing by the Board.

**PART I—Personal Information**

1. Full Legal Name: \_\_\_\_\_  
(Last) (First) (Middle)

2. Social Security Number: \_\_\_\_\_ 3. Drivers License or State ID No.: \_\_\_\_\_  
(State)

4. Date of Birth: \_\_\_\_\_ 5. Gender:  Male  Female  
(mm/dd/yyyy)

6. Ethnic Group:  Black/African American  White  Hispanic  Asian  
 Other (specify): \_\_\_\_\_  
 Decline to respond (default answer)

7. Applicant's Permanent Mailing Address and Contact Information:

Street Address **OR** P.O. Box No. \_\_\_\_\_ Apt. or Suite \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_  
 Telephone No. \_\_\_\_\_ Alternate/Cell Telephone No. \_\_\_\_\_  
 Fax No. \_\_\_\_\_ Email Address \_\_\_\_\_

8. Applicant's Business Address (must be sponsor's physical location):

Street Address \_\_\_\_\_ Apt. or Suite \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone No. \_\_\_\_\_

This document is available on the TALCB website at [www.talcb.texas.gov](http://www.talcb.texas.gov)

9. Applicant's Home Address:

Street Address **OR** P.O. Box No. Apt. or Suite

City State Zip Code

10. List below all names (maiden, aliases, nicknames, etc.) by which you have been known.

\_\_\_\_\_

\_\_\_\_\_

**PART II—BACKGROUND INFORMATION**

Answer these questions FULLY. Attach additional sheets and any appropriate supporting data to enable us to evaluate your application.

11. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.

License Type	License No.	Jurisdiction	Issue Date	Expiration or Termination Date	Status	Comments
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

12. Have you ever had any professional or occupational license or certification suspended, canceled or revoked; received a reprimand or disciplinary action; surrendered a license or certification pending disciplinary action; or had an application for such denied in Texas or any other state? Yes  No   
**If "YES" please attach a complete written explanation and appropriate documentation such as final orders, etc.**
13. Are any complaints, disciplinary hearings, or investigations pending against any professional or occupational licenses you hold? Yes  No   
**If "YES" please attach a complete written explanation with copies of all orders, notices, disapprovals, investigative reports, and other documentation.**
14. (a) Have you ever been convicted of a criminal offense? (Include **ALL** felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets.) Yes  No
- (b) Have you ever been placed on probation, community supervision, or deferred adjudication? Yes  No
- (c) Are there any criminal charges pending against you? Yes  No   
**If the answer to (a), (b), or (c) is YES, submit copies of all indictments, information, judgments, order and charges, and a written explanation.**
15. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you? Yes  No   
**If "YES" attach a complete written explanation and copies of all petitions and judgments.**

**PART III—EDUCATION**

**Complete the current education requirements in AQB required "Core Curriculum" courses as follows:**

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
15-Hour National USPAP or Equivalent	15 Hours
<b>TOTAL HOURS REQUIRED</b>	<b>75 Hours</b>

A list of course providers can be found at the TALCB website. Attach photocopies of transcripts or course completion certificates with this application to satisfy the education requirements. Retain the original documents for your personal files. The documents that are submitted with this application will not be returned to the applicant.

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

**APPLICANT CERTIFICATION**

I hereby certify that I am a citizen of the United States or a lawfully admitted alien, that I have been a legal resident of Texas for sixty days immediately preceding the filing of this application, and that I am eighteen years of age or older.

I further certify that I have fully read and understand this application and sponsor's certification and the information given herein is true, correct and complete by my signature below. If so requested by the Texas Appraiser Licensing and Certification Board (the Board), I will furnish all additional information or documentation as may be deemed necessary for the verification of the information given here. I acknowledge that this application may be disapproved for cause and that the appraiser trainee status that I may obtain may be revoked if I provide false or misleading information to the board. I will abide by the rules of the Board (22 TAC Chapters 153-157). I will not hold myself out as an appraiser trainee or perform any act as an appraiser trainee until an approval has been issued by the Board authorizing me as an appraiser trainee. I understand that I must work only under the sponsorship and active, personal, and diligent direction and supervision of my sponsoring certified real property appraiser or a properly designated authorized supervisor, each of whom shall sign all appraisal reports prepared under their supervision.

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

**SPONSOR'S CERTIFICATION**

I hereby agree to sponsor the above named person as an appraiser trainee. I have reviewed the application, and to the best of my knowledge the information is true, correct and complete. I have carefully investigated this person and in my opinion, the person is honest, trustworthy and a person of integrity. I will abide by the provisions of the Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103) and the Rules of the Texas Appraiser Licensing and Certification Board (22 TAC Chapters 153-157), and I will not allow the applicant to act as an appraiser trainee for me until an authorization has been issued by the Board authorizing this person as an appraiser trainee under my sponsorship. If this applicant is granted appraiser trainee status, I agree to be responsible for the person's professional conduct and to have the trainee perform appraisals only under my active, personal and diligent direction and supervision (except when the trainee is working under a properly designated authorized supervisor). I agree to actively, personally and diligently supervise and direct the appraiser trainee and to sign the trainee's reports, until such time as I notify both the Board and the appraiser trainee, in writing, that our association has been terminated.

I further certify that I have not been subject to any disciplinary action that affected my legal eligibility to engage in appraisal practice in the last 3 years, and that I  HAVE  HAVE NOT **[check one]** been subject to any other disciplinary action during the last 3 years.

I understand that my certification may be revoked, or other disciplinary action taken, if I violate the TALCB Act or Rules.

By my signature below, I certify that I have fully read and understand this application and the information given herein is true, correct and complete:

Sponsor's full name printed: \_\_\_\_\_

TALCB Certification Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Sponsoring Certified Appraiser

\_\_\_\_\_  
Date Signed

**PRIVACY NOTICE**

**The following notice about certain information, laws, and practices is given in accordance with Chapter 559, Texas Government Code.**

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.**
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.**
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.**



**APPLICATION FOR APPRAISER LICENSE** (not be used to apply for certification)

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
LICENSE APPLICATION		\$329.00		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK. MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEE INCLUDES OPTIONAL \$4.00 FEE FOR A TWO-YEAR SUBSCRIPTION TO THE TALCB BULLETIN NEWSLETTER. APPLICANTS WILL BE REQUIRED TO PAY A NATIONAL REGISTRY FEE OF \$80.00 AFTER ALL REQUIREMENTS ARE MET. FEES ARE NON-REFUNDABLE.**

**1. Full Legal Name:** \_\_\_\_\_  
Last First Middle

**2. Social Security Number:** \_\_\_\_\_ **3. Drivers License or State ID Number:** \_\_\_\_\_  
State

**4. Date of Birth:** \_\_\_\_\_ **5. Gender:**  Male  Female

**6. Ethnic Group:**  Black/African American  Hispanic  Decline to respond  
 White  Asian  Other (specify): \_\_\_\_\_

**7. Mailing Address and Contact Information: (Post Office Box may be used)**

\_\_\_\_\_  
 Number, Street and Apt No.

\_\_\_\_\_  
 City State Zip Code Phone Number

\_\_\_\_\_  
 Fax Number E-mail Address

**8. Place of Business Address: (Must be a fixed street address, not a Post Office Box)**

\_\_\_\_\_  
 Number, Street and Suite No.

\_\_\_\_\_  
 City State Zip Code Phone Number

**9. List all names (maiden, aliases, nicknames, etc.) by which you have been known.**

\_\_\_\_\_

\_\_\_\_\_

**10. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.**

License Type	License No.	Jurisdiction	Issue Date	Exp/Term Date	Status
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**11. Have you ever (1) had any professional or occupational license or certification suspended, canceled or revoked; (2) received a reprimand or disciplinary action; (3) surrendered a license or certification pending disciplinary action; or (4) had an application for such denied in Texas or any other state?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**12. Are there any pending complaints, investigations, or disciplinary hearings against any professional or occupational licenses or certifications you hold?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**13. Have you ever (1) been convicted of or pleaded *nolo contendere* to a criminal offence (Include ALL felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets); (2) been placed on probation, community supervision, or deferred adjudication; or (3) are there any criminal charges pending against you?**  Yes  No  
**If the answer to (1), (2), or (3) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

**14. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you?**  Yes  No  
**If YES, submit a complete written explanation and copies of all petitions and judgments.**

**15. Is education to meet the current education requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of transcripts and/or course completion certificates.**

Basic Appraisal Principles	30 Hours	Residential Market Analysis and Highest and Best Use	15 Hours
Basic Appraisal Procedures	30 Hours	Residential Appraiser Site Valuation and Cost Approach	15 Hours
15-Hour National USPAP or Equivalent	15 Hours	Residential Sales Comparison and Income Approach	30 Hours
		Residential Report Writing and Case Studies	15 Hours

**16. Is experience to meet TALCB's requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of your experience on TALCB's Appraisal Experience Log along with an Appraisal Experience Affidavit.**  
*You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.*

**17. Do you wish to use experience previously submitted to TALCB in connection with another action?**  Yes  No  
**If YES, provide the type of application and the approximate date it was submitted to TALCB:**  
 \_\_\_\_\_  
*You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.*

**AN APPLICANT MAY NOT TAKE THE EXAMINATION UNTIL THE APPLICATION HAS BEEN PROCESSED AND THE EDUCATION REQUIREMENTS HAVE BEEN MET. ALL REQUIREMENTS OF THE APPLICATION MUST BE SATISFIED WITHIN 12 MONTHS AFTER THE DATE THE APPLICATION IS RECEIVED BY THE TALCB OR THE APPLICATION WILL EXPIRE.**

CERTIFICATION OF APPLICANT

I certify that I have read and understand this application and that the answers given herein are true, correct and complete. I will furnish all additional information or documentation requested by the Texas Appraiser Licensing and Certification Board (TALCB) for verification of the information given in this application. I understand that failing to provide information or providing information that is false, misleading or fraudulent is grounds for disapproval of this application or revocation of my license.

I authorize TALCB to conduct any investigations of me which it deems prudent. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for a license have been met and that if an investigation is necessary, it may not be conducted until I have passed the examination. I further understand that information submitted in conjunction with this application may become a public record.

I certify that I will not perform any act that requires an appraiser license or certification until a license or certification has been issued to me by TALCB. If granted a license or certification, I will abide by the provisions of The Texas Appraiser Licensing and Certification Act (TEX OCC CODE Chapter 1103), TALCB Rules (22 TAC Chapters 153-157) and the Uniform Standards of Professional Appraisal Practice (USPAP).

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

PRIVACY NOTICE

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPLICATION FOR APPRAISER LICENSE**

(Not to be used to apply for certification)

FEES	AMOUNT	REGISTER NUMBER	DATE RECEIVED
Total Due with Application	\$329.00		LICENSE NUMBER

**DO NOT WRITE ABOVE THIS LINE**  
**MAKE CHECKS OR MONEY ORDERS PAYABLE TO: TALCB**  
**ALL INFORMATION MUST BE PRINTED IN INK. INCOMPLETE FORMS WILL NOT BE ACCEPTED**

Fee includes optional \$4.00 fee for a two-year subscription to the TREC Advisor/TALCB Bulletin newsletter.

Applicants will be required to pay a National Registry fee of \$80.00 after the exam is passed and the experience requirements are met to obtain an active license.

An answer must be provided for all questions. If the answer is "none" or "not applicable," please note this on the appropriate line.

The Board may decline to accept this application unless all requested information is provided and the proper fees are enclosed. Payment must be a single remittance payable to the **Texas Appraiser Licensing and Certification Board** and is NOT refundable once the application has been accepted for filing by the Board.

**PART I—Personal Information**

1. Full Legal Name: \_\_\_\_\_  
(Last) (First) (Middle)

2. Social Security Number: \_\_\_\_\_ 3. Drivers License or State ID No.: \_\_\_\_\_  
(State)

4. Date of Birth: \_\_\_\_\_ 5. Gender:  Male  Female  
(mm/dd/yyyy)

6. Ethnic Group:  Black/African American  White  Hispanic  Asian  
 Other specify): \_\_\_\_\_  
 Decline to respond (default answer)

7. Applicant's Permanent Mailing Address and Contact Information:

\_\_\_\_\_  
 Street Address **OR** P.O. Box No. Apt. or Suite

\_\_\_\_\_  
 City State Zip Code

\_\_\_\_\_  
 Telephone No. Alternate/Cell Telephone No.

\_\_\_\_\_  
 Fax No. Email Address

8. Applicant's Business Address (must be a physical location):

\_\_\_\_\_  
 Street Address Apt. or Suite

\_\_\_\_\_  
 City State Zip Code Telephone No.

9. Applicant's Home Address:

Street Address **OR** P.O. Box No. Apt. or Suite

City State Zip Code

10. List below all names (maiden, aliases, nicknames, etc.) by which you have been known.

\_\_\_\_\_

\_\_\_\_\_

**PART II—BACKGROUND INFORMATION**

Answer these questions FULLY. Attach additional sheets and any appropriate supporting data to enable us to evaluate your application.

11. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.

License Type	License No.	Jurisdiction	Issue Date	Expiration or Termination Date	Status	Comments
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

12. Have you ever had any professional or occupational license or certification suspended, canceled or revoked; received a reprimand or disciplinary action; surrendered a license or certification pending disciplinary action; or had an application for such denied in Texas or in any other state? Yes  No   
**If "YES" please attach a complete written explanation and appropriate documentation such as final orders, etc.**

13. Are any complaints, disciplinary hearings, or investigations pending against any professional or occupational licenses you hold? Yes  No   
**If "YES" please attach a complete written explanation with copies of all orders, notices, disapprovals, investigative reports, and other documentation.**

14. (a) Have you ever been convicted of a criminal offense? (Include **ALL** felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets.) Yes  No

(b) Have you ever been placed on probation, community supervision, or deferred adjudication? Yes  No

(c) Are there any criminal charges pending against you? Yes  No   
**If the answer to (a), (b), or (c) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

15. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you? Yes  No   
**If "YES" attach a complete written explanation and copies of all petitions and judgments.**

**PART III—EXPERIENCE**

1. Is experience to meet TALCB’s requirements being submitted at this time? **ACCEPTABLE EXPERIENCE MUST BE SUBMITTED ON THE LOG FORM AND MUST BE SUBMITTED PRIOR TO THE ISSUANCE OF LICENSE.** An applicant may sit for the examination prior to submitting the appraisal experience requirements, however, a license will **NOT** be issued until **ALL** the requirements, including experience, have been met. Yes  No

2. Was an experience log previously submitted to TALCB in connection with another application? **If “YES,” provide the type of application and the approximate date it was submitted to TALCB:** \_\_\_\_\_ Yes  No

3. If “YES” to 2, can the applicant provide the work files for each appraisal assignment described in the experience log? Yes  No

**If the applicant cannot provide work files with an appraisal report for each appraisal assignment described in the experience log, experience may NOT be claimed.**

For TALCB Use Only

**If an experience log is attached, it is incorporated herein by reference for all purposes as part of this application.**

**PART IV—EDUCATION**

**Complete the current education requirements in AQB required “Core Curriculum” courses as follows:**

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
15-Hour National USPAP or Equivalent	15 Hours
Residential Market Analysis and Highest and Best Use	15 Hours
Residential Appraiser Site Valuation and Cost Approach	15 Hours
Residential Sales Comparison and Income Approaches	30 Hours
Residential Report Writing and Case Studies	15 Hours

**TOTAL HOURS REQUIRED 150 Hours**

A list of course providers can be found at the TALCB website. Attach photocopies of transcripts or course completion certificates with this application to satisfy the education requirements. Retain the original documents for your personal files. The documents that are submitted with this application will not be returned to the applicant.

**IMPORTANT INFORMATION**

**An applicant may not take the examination until the application has been processed and the education requirements have been met. An applicant must satisfy education requirements, pass the examination and meet the experience requirements within 12 months after the date the application is filed with TALCB or the application will expire.**

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the licensee has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

# CERTIFICATION

I certify that I have personally prepared this application and all supporting information and documentation, and that all such information given is true, correct, and complete. If so requested by the Texas Appraiser Licensing and Certification Board (the "Board"), I will furnish all additional information or documentation as may be deemed necessary for the verification of the information provided. I authorize and consent to the Board's conducting such investigations of me and the matters addressed herein as it deems necessary. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for the license or certification have been met, and if an investigation is necessary, it might not be conducted until I have passed the examination. I acknowledge that this application may be disapproved for cause in accordance with the Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103) (the "Act") and that any license or certification that I may obtain may be revoked if I provide false or misleading information to the Board. I further understand that information submitted in conjunction with this application may become public record. If granted a license or certification, I will abide by the provisions of the Act and the Rules of the Board (22 TAC Chapters 153-157), and the Uniform Standards of Professional Appraisal Practice (USPAP). I will not hold myself out as a licensed or certified real estate Appraiser or perform any acts that only a licensed or certified appraiser may perform until and unless I am so licensed or certified by the Board.

---

Applicant's Typed or Printed Name

---

Applicant's Signature

---

Date Signed

## PRIVACY NOTICE

The following notice about certain information, laws, and practices is given in accordance with Chapter 559, Texas Government Code.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPLICATION FOR CERTIFIED RESIDENTIAL APPRAISER**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
CERTIFIED RESIDENTIAL APPLICATION		\$354.00		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK. MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEE INCLUDES OPTIONAL \$4.00 FEE FOR A TWO-YEAR SUBSCRIPTION TO THE TALCB BULLETIN NEWSLETTER. APPLICANTS WILL BE REQUIRED TO PAY A NATIONAL REGISTRY FEE OF \$80.00 AFTER ALL REQUIREMENTS ARE MET. FEES ARE NON-REFUNDABLE.**

**1. Full Legal Name:** \_\_\_\_\_  
Last First Middle

**2. Social Security Number:** \_\_\_\_\_ **3. Drivers License or State ID Number:** \_\_\_\_\_  
State

**4. Date of Birth:** \_\_\_\_\_ **5. Gender:**  Male  Female

**6. Ethnic Group:**  Black/African American  Hispanic  Decline to respond  
 White  Asian  Other (specify): \_\_\_\_\_

**7. Mailing Address and Contact Information: (Post Office Box may be used)**

\_\_\_\_\_  
Number, Street and Apt No.

\_\_\_\_\_  
City State Zip Code Phone Number

\_\_\_\_\_  
Fax Number E-mail Address

**8. Place of Business Address: (Must be a fixed street address, not a Post Office Box)**

\_\_\_\_\_  
Number, Street and Suite No.

\_\_\_\_\_  
City State Zip Code Phone Number

**9. List all names (maiden, aliases, nicknames, etc.) by which you have been known.**

\_\_\_\_\_

\_\_\_\_\_

**10. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.**

License Type	License No.	Jurisdiction	Issue Date	Exp/Term Date	Status
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**11. Have you ever (1) had any professional or occupational license or certification suspended, canceled or revoked; (2) received a reprimand or disciplinary action; (3) surrendered a license or certification pending disciplinary action; or (4) had an application for such denied in Texas or any other state?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**12. Are there any pending complaints, investigations, or disciplinary hearings against any professional or occupational licenses or certifications you hold?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**13. Have you ever (1) been convicted of or pleaded *nolo contendere* to a criminal offence (Include ALL felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets); (2) been placed on probation, community supervision, or deferred adjudication; or (3) are there any criminal charges pending against you?**  Yes  No  
**If the answer to (1), (2), or (3) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

**14. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you?**  Yes  No  
**If YES, submit a complete written explanation and copies of all petitions and judgments.**

**15. Is education to meet the current education requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of transcripts and/or course completion certificates.**

Basic Appraisal Principles	30 Hours	Residential Market Analysis and Highest and Best Use	15 Hours
Basic Appraisal Procedures	30 Hours	Residential Appraiser Site Valuation and Cost Approach	15 Hours
15-Hour National USPAP or Equivalent	15 Hours	Residential Sales Comparison and Income Approach	30 Hours
Statistics, Modeling and Finance	15 Hours	Residential Report Writing and Case Studies	15 Hours
Appraisal Subject Matter Electives	20 Hours	Advanced Residential Applications and Case Studies	15 Hours

Applicant must also have completed an Associate Degree or higher OR Twenty-one (21) semester credit hours in the following courses at a minimum of three (3) semester hours in EACH course: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher math; Statistics; Computer Science; Business or Real Estate Law.

**16. Is experience to meet TALCB's requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of your experience on TALCB's Appraisal Experience Log along with an Appraisal Experience Affidavit.**

**You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.**

**17. Do you wish to use experience previously submitted to TALCB in connection with another action?**  Yes  No  
**If YES, provide the type of application and the approximate date it was submitted to TALCB:**

\_\_\_\_\_

**You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.**

**AN APPLICANT MAY NOT TAKE THE EXAMINATION UNTIL THE APPLICATION HAS BEEN PROCESSED AND THE EDUCATION REQUIREMENTS HAVE BEEN MET. ALL REQUIREMENTS OF THE APPLICATION MUST BE SATISFIED WITHIN 12 MONTHS AFTER THE DATE THE APPLICATION IS RECEIVED BY THE TALCB OR THE APPLICATION WILL EXPIRE.**

CERTIFICATION OF APPLICANT

I certify that I have read and understand this application and that the answers given herein are true, correct and complete. I will furnish all additional information or documentation requested by the Texas Appraiser Licensing and Certification Board (TALCB) for verification of the information given in this application. I understand that failing to provide information or providing information that is false, misleading or fraudulent is grounds for disapproval of this application or revocation of my license.

I authorize TALCB to conduct any investigations of me which it deems prudent. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for a license have been met and that if an investigation is necessary, it may not be conducted until I have passed the examination. I further understand that information submitted in conjunction with this application may become a public record.

I certify that I will not perform any act that requires an appraiser license or certification until a license or certification has been issued to me by TALCB. If granted a license or certification, I will abide by the provisions of The Texas Appraiser Licensing and Certification Act (TEX OCC CODE Chapter 1103), TALCB Rules (22 TAC Chapters 153-157) and the Uniform Standards of Professional Appraisal Practice (USPAP).

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

PRIVACY NOTICE

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPLICATION FOR CERTIFICATION  
CERTIFIED RESIDENTIAL APPRAISER**

FEES	AMOUNT	REGISTER NUMBER	DATE RECEIVED
Total Due with Application	\$354.00		CERTIFICATION NUMBER

**DO NOT WRITE ABOVE THIS LINE  
MAKE CHECKS OR MONEY ORDERS PAYABLE TO: TALCB  
ALL INFORMATION MUST BE PRINTED IN INK. INCOMPLETE FORMS WILL NOT BE ACCEPTED.**

Fee includes optional \$4.00 fee for a two-year subscription to the TREC Advisor/TALCB Bulletin newsletter.

Applicants will be required to pay a National Registry fee of \$80.00 after the exam is passed and the experience requirements are met to obtain an active license.

An answer must be provided for all questions. If the answer is "none" or "not applicable," please note this on the appropriate line.

The Board may decline to accept this application unless all requested information is provided and the proper fees are enclosed. Payment must be a single remittance payable to the **Texas Appraiser Licensing and Certification Board** and is NOT refundable once the application has been accepted for filing by the Board.

**PART I—Personal Information**

1. Full Legal Name: \_\_\_\_\_ (Last) \_\_\_\_\_ (First) \_\_\_\_\_ (Middle)

2. Social Security Number: \_\_\_\_\_ 3. Drivers License or State ID No.: \_\_\_\_\_ (State)

4. Date of Birth: \_\_\_\_\_ (mm/dd/yyyy) 5. Gender:  Male  Female

6. Ethnic Group:  Black/African American  White  Hispanic  Asian  
 Other (specify): \_\_\_\_\_  
 Decline to respond (default answer)

7. Applicant's Permanent Mailing Address and Contact Information:

Street Address **OR** P.O. Box No. \_\_\_\_\_ Apt. or Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone No. \_\_\_\_\_ Alternate/Cell Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_ Email Address \_\_\_\_\_

8. Applicant's Business Address (must be a physical location):

Street Address \_\_\_\_\_ Apt. or Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone No. \_\_\_\_\_

This document is available on the TALCB website at [www.talcb.texas.gov](http://www.talcb.texas.gov)

9. Applicant's Home Address:

Street Address OR P.O. Box No. Apt. or Suite

City State Zip Code

10. List below all names (maiden, aliases, nicknames, etc.) by which you have been known.

\_\_\_\_\_

\_\_\_\_\_

**PART II—BACKGROUND INFORMATION**

Answer these questions FULLY. Attach additional sheets and any appropriate supporting data to enable us to evaluate your application.

11. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.

License Type	License No.	Jurisdiction	Issue Date	Expiration or Termination Date	Status	Comments
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

12. Have you ever had any professional or occupational license or certification suspended, canceled or revoked; received a reprimand or disciplinary action; surrendered a license or certification pending disciplinary action; or had an application for such denied in Texas or in any other state? Yes  No

**If "YES" please attach a complete written explanation and appropriate documentation such as final orders, etc.**

13. Are any complaints, disciplinary hearings, or investigations pending against any professional or occupational licenses you hold? Yes  No

**If "YES" please attach a complete written explanation with copies of all orders, notices, disapprovals, investigative reports, and other documentation.**

14. (a) Have you ever been convicted of a criminal offense? (Include **ALL** felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets.) Yes  No

(b) Have you ever been place on probation, community supervision, or deferred adjudication? Yes  No

(c) Are there any criminal charges pending against you? Yes  No   
**If the answer to (a), (b), or (c) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

15. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you? Yes  No

**If "YES" attach a complete written explanation and copies of all petitions and judgments.**

**PART III—EXPERIENCE**

16. Is experience to meet TALCB’s requirements being submitted at this time? Yes  No   
**ACCEPTABLE EXPERIENCE MUST BE SUBMITTED ON THE LOG FORM AND MUST BE SUBMITTED PRIOR TO THE ISSUANCE OF CERTIFICATION.** An applicant may sit for the examination prior to submitting the appraisal experience requirements, however, certification will **NOT** be issued until **ALL** the requirements, including experience, have been met.

17. Was an experience log previously submitted to TALCB in connection with another application? Yes  No   
**If “YES,” provide the type of application and the approximate date it was submitted to TALCB:** \_\_\_\_\_

18. If “YES” to 18, can the applicant provide the work files for each appraisal assignment described in the experience log? Yes  No   
**If the applicant cannot provide work files with an appraisal report for each appraisal assignment described in the experience log, experience may NOT be claimed.**

<b>For TALCB Use Only</b>

**If an experience log is attached, it is incorporated herein by reference for all purposes as part of this application.**

**PART IV—EDUCATION**

Applicant must have completed an Associate Degree or higher OR Twenty-one (21) semester credit hours in the following courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher math; Statistics; Computer Science; Business or Real Estate Law.

AND complete 200 TOTAL hours of specific AQB required Core Curriculum courses as listed below;

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
15-Hour National USPAP or Equivalent	15 Hours
Residential Market Analysis and Highest and Best Use	15 Hours
Residential Appraiser Site Valuation and Cost Approach	15 Hours
Residential Sales Comparison and Income Approaches	30 Hours
Residential Report Writing and Case Studies	15 Hours
Statistics, Modeling and Finance	15 Hours
Advanced Residential Applications and Case Studies	15 Hours
Appraisal Subject Matter Electives	20 Hours

(may include hours over minimum shown above in other modules)

**TOTAL HOURS REQUIRED** **200 Hours**

A list of course providers can be found at the TALCB website. Attach photocopies of transcripts or course completion certificates with this application to satisfy the education requirements. Retain the original documents for your personal files. The documents that are submitted with this application will not be returned to the applicant.

**IMPORTANT INFORMATION**

**An applicant may not take the examination until the application has been processed and the education requirements have been met. An applicant must satisfy education requirements, pass the examination and meet the experience requirements within 12 months after the date the application is filed with TALCB or the application will expire.**

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

## **CERTIFICATION**

I certify that I have personally prepared this application and all supporting information and documentation, and that all such information given is true, correct, and complete. If so requested by the Texas Appraiser Licensing and Certification Board (the "Board"), I will furnish all additional information or documentation as may be deemed necessary for the verification of the information provided. I authorize and consent to the Board's conducting such investigations of me and the matters addressed herein as it deems necessary. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for the certification have been met, and if an investigation is necessary it might not be conducted until I have passed the examination. I acknowledge that this application may be disapproved for cause in accordance with the Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103) (the "Act") and that any certification that I may obtain may be revoked if I provide false or misleading information to the Board. I further understand that information submitted in conjunction with this application may become public record. If granted a certification, I will abide by the provisions of the Act and the Rules of the Board (22 TAC Chapters 153-157) and the Uniform Standards of Professional Appraisal Practice (USPAP). I will not hold myself out as a certified real estate appraiser or perform any acts that only a certified appraiser may perform until and unless I am so certified by the Board.

This application and this certification are made under penalty of perjury.

\_\_\_\_\_  
Applicant's Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

### **PRIVACY NOTICE**

The following notice about certain information, laws, and practices is given in accordance with Chapter 559, Texas Government Code.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.**
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.**
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.**



**APPLICATION FOR CERTIFIED GENERAL APPRAISER**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
CERTIFIED GENERAL APPLICATION		\$404.00		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK. MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEE INCLUDES OPTIONAL \$4.00 FEE FOR A TWO-YEAR SUBSCRIPTION TO THE TALCB BULLETIN NEWSLETTER. APPLICANTS WILL BE REQUIRED TO PAY A NATIONAL REGISTRY FEE OF \$80.00 AFTER ALL REQUIREMENTS ARE MET. FEES ARE NON-REFUNDABLE.**

**1. Full Legal Name:** \_\_\_\_\_  
 Last First Middle

**2. Social Security Number:** \_\_\_\_\_ **3. Drivers License or State ID Number:** \_\_\_\_\_ State

**4. Date of Birth:** \_\_\_\_\_ **5. Gender:**  Male  Female

**6. Ethnic Group:**  Black/African American  Hispanic  Decline to respond  
 White  Asian  Other (specify): \_\_\_\_\_

**7. Mailing Address and Contact Information: (Post Office Box may be used)**

\_\_\_\_\_  
 Number, Street and Apt No.

\_\_\_\_\_  
 City State Zip Code Phone Number

\_\_\_\_\_  
 Fax Number E-mail Address

**8. Place of Business Address: (Must be a fixed street address, not a Post Office Box)**

\_\_\_\_\_  
 Number, Street and Suite No.

\_\_\_\_\_  
 City State Zip Code Phone Number

**9. List all names (maiden, aliases, nicknames, etc.) by which you have been known.**

\_\_\_\_\_

\_\_\_\_\_

**10. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are currently applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification that is required to engage in a regulated business or activity.**

License Type	License No.	Jurisdiction	Issue Date	Exp/Term Date	Status
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

**11. Have you ever (1) had any professional or occupational license or certification suspended, canceled or revoked; (2) received a reprimand or disciplinary action; (3) surrendered a license or certification pending disciplinary action; or (4) had an application for such denied in Texas or any other state?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**12. Are there any pending complaints, investigations, or disciplinary hearings against any professional or occupational licenses or certifications you hold?**  Yes  No  
**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**13. Have you ever (1) been convicted of or pleaded *nolo contendere* to a criminal offence (Include ALL felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets); (2) been placed on probation, community supervision, or deferred adjudication; or (3) are there any criminal charges pending against you?**  Yes  No  
**If the answer to (1), (2), or (3) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

**14. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you?**  Yes  No  
**If YES, submit a complete written explanation and copies of all petitions and judgments.**

**15. Is education to meet the current education requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of transcripts and/or course completion certificates.**

Basic Appraisal Principles	30 Hours	General Appraiser Market Analysis and Highest and Best Use	30 Hours
Basic Appraisal Procedures	30 Hours	General Appraiser Site Valuation and Cost Approach	30 Hours
15-Hour National USPAP or Equivalent	15 Hours	General Appraiser Sales Comparison Approach	30 Hours
Statistics, Modeling and Finance	15 Hours	General Appraiser Report Writing and Case Studies	30 Hours
Appraisal Subject Matter Electives	30 Hours	General Appraiser Income Approach	60 Hours

Applicant must also have completed a Bachelors Degree or higher OR Thirty (30) semester credit hours in the following courses at a minimum of three (3) semester hours in EACH course: English Composition; Micro-Economics; Macro-Economics; Finance; Algebra, Geometry or higher math; Statistics; Computer Science; Business or Real Estate Law; and two (2) elective courses in Accounting; Geography; Ag-Economics; Business Management; or Real Estate.

**16. Is experience to meet TALCB's requirements being submitted at this time?**  Yes  No  
**If YES, submit photocopies of your experience on TALCB's Appraisal Experience Log along with an Appraisal Experience Affidavit.**

**You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.**

**17. Do you wish to use experience previously submitted to TALCB in connection with another action?**  Yes  No  
**If YES, provide the type of application and the approximate date it was submitted to TALCB:**

\_\_\_\_\_

**You MUST be able to produce copies of the workfiles and an appraisal report for each appraisal assignment described in the experience log.**

**AN APPLICANT MAY NOT TAKE THE EXAMINATION UNTIL THE APPLICATION HAS BEEN PROCESSED AND THE EDUCATION REQUIREMENTS HAVE BEEN MET. ALL REQUIREMENTS OF THE APPLICATION MUST BE SATISFIED WITHIN 12 MONTHS AFTER THE DATE THE APPLICATION IS RECEIVED BY THE TALCB OR THE APPLICATION WILL EXPIRE.**

CERTIFICATION OF APPLICANT

I certify that I have read and understand this application and that the answers given herein are true, correct and complete. I will furnish all additional information or documentation requested by the Texas Appraiser Licensing and Certification Board (TALCB) for verification of the information given in this application. I understand that failing to provide information or providing information that is false, misleading or fraudulent is grounds for disapproval of this application or revocation of my license.

I authorize TALCB to conduct any investigations of me which it deems prudent. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for a license have been met and that if an investigation is necessary, it may not be conducted until I have passed the examination. I further understand that information submitted in conjunction with this application may become a public record.

I certify that I will not perform any act that requires an appraiser license or certification until a license or certification has been issued to me by TALCB. If granted a license or certification, I will abide by the provisions of The Texas Appraiser Licensing and Certification Act (TEX OCC CODE Chapter 1103), TALCB Rules (22 TAC Chapters 153-157) and the Uniform Standards of Professional Appraisal Practice (USPAP).

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guaranteed Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

PRIVACY NOTICE

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
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**APPLICATION FOR CERTIFICATION  
CERTIFIED GENERAL APPRAISER**

FEES	AMOUNT	REGISTER NUMBER	DATE RECEIVED
Total Due with Application	\$404.00		CERTIFICATION NUMBER
<b>DO NOT WRITE ABOVE THIS LINE MAKE CHECKS OR MONEY ORDERS PAYABLE TO: TALCB ALL INFORMATION MUST BE PRINTED IN INK. INCOMPLETE FORMS WILL NOT BE ACCEPTED</b>			

Fee includes optional \$4.00 fee for a two-year subscription to the TREC Advisor/TALCB Bulletin newsletter.

Applicants will be required to pay a National Registry fee of \$80.00 after the exam is passed and the experience requirements are met to obtain an active license.

An answer must be provided for all questions. If the answer is "none" or "not applicable," please note this on the appropriate line.

The Board may decline to accept this application unless all requested information is provided and the proper fees are enclosed. Payment must be a single remittance payable to the **Texas Appraiser Licensing and Certification Board** and is NOT refundable once the application has been accepted for filing by the Board.

**PART I—Personal Information**

1. Full Legal Name: \_\_\_\_\_ (Last) \_\_\_\_\_ (First) \_\_\_\_\_ (Middle)

2. Social Security Number: \_\_\_\_\_ 3. Drivers License or State ID No.: \_\_\_\_\_ (State)

4. Date of Birth: \_\_\_\_\_ (mm/dd/yyyy) 5. Gender:  Male  Female

6. Ethnic Group:  Black/African American  White  Hispanic  Asian  
 Other specify): \_\_\_\_\_  
 Decline to respond (default answer)

7. Applicant's Permanent Mailing Address and Contact Information:

Street Address OR P.O. Box No. \_\_\_\_\_ Apt. or Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Telephone No. \_\_\_\_\_ Alternate/Cell Telephone No. \_\_\_\_\_

Fax No. \_\_\_\_\_ Email Address \_\_\_\_\_

8. Applicant's Business Address (must be a physical location):

Street Address \_\_\_\_\_ Apt. or Suite \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Telephone No. \_\_\_\_\_

This document is available on the TALCB website at [www.talcb.texas.gov](http://www.talcb.texas.gov)

9. Applicant's Home Address:

Street Address **OR** P.O. Box No. Apt. or Suite

City State Zip Code

10. List below all names (maiden, aliases, nicknames, etc.) by which you have been known.

\_\_\_\_\_

\_\_\_\_\_

**PART II—BACKGROUND INFORMATION**

Answer these questions FULLY. Attach additional sheets and any appropriate supporting data to enable us to evaluate your application.

11. Provide the information indicated concerning each "professional or occupational license" that you currently hold, have held in the past five years, or for which you are in the process of applying. As used herein, a "professional license" is any state or federal license, permit, registration, or certification which is required to engage in a regulated business or activity.

License Type	License No.	Jurisdiction	Issue Date	Expiration or Termination Date	Status	Comments
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

12. Have you ever had any professional or occupational license or certification suspended, canceled or revoked; received a reprimand or disciplinary action; surrendered a license or certification pending disciplinary action; or had an application for such denied in Texas or in any other state? Yes  No   
**If the answer is YES, please attach a complete written explanation and appropriate documentation such as final orders, etc.**
13. Are any complaints, disciplinary hearings, or investigations pending against any professional or occupational licenses you hold? Yes  No   
**If the answer is YES, please attach a complete written explanation with copies of all orders, notices, disapprovals, investigative reports, and other documentation.**
14. (a) Have you ever been convicted of a criminal offense? (Include **ALL** felonies and misdemeanors, including DWI and DUI. You do not have to include traffic tickets.) Yes  No
- (b) Have you ever been placed on probation, community supervision, or deferred adjudication? Yes  No
- (c) Are there any criminal charges pending against you? Yes  No   
**If the answer to (a), (b), or (c) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation. Note that you must disclose all offenses, even if you believe they are no longer on your record, unless you have confirmed with the court that they have been sealed or expunged.**
15. Have you ever had a civil judgment rendered against you, or are there any civil suits pending against you? Yes  No   
**If the answer is YES, attach a complete written explanation and copies of all petitions and judgments.**



**NOTE: State law prohibits renewing a license after a licensee has defaulted on a student loan guaranteed by the Texas Guaranteed Student Loan Corporation (TG) unless the licensee has entered into a repayment agreement with TG. YOU should contact the TG BEFORE filing this application if you have defaulted on a student loan. A renewal may be rejected if this agency has received information from TG that the applicant has defaulted on a student loan. The Texas Guarantee Student Loan Corporation can be contacted at: Texas Guaranteed Student Loan Corporation, P.O. Box 83100, Round Rock, TX 78683-3100. Phone: 1-800-252-9743.**

## **CERTIFICATION**

I certify that I have personally prepared this application and all supporting information and documentation, and that all such information given is true, correct, and complete. If so requested by the Texas Appraiser Licensing and Certification Board (the "Board"), I will furnish all additional information or documentation as may be deemed necessary for the verification of the information provided. I authorize and consent to the Board's conducting such investigations of me and the matters addressed herein as it deems necessary. I understand that information revealed in an investigation may be cause for disapproval of the application even though other requirements for the certification have been met, and if an investigation is necessary it might not be conducted until I have passed the examination. I acknowledge that this application may be disapproved for cause in accordance with the Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103) (the "Act") and that any certification that I may obtain may be revoked for supplying false or misleading information to the Board. I further understand that information submitted in conjunction with this application may become public record. If granted a license or certification, I will abide by the provisions of the Act and the Rules of the Board (22 TAC Chapters 153-157), and the Uniform Standards of Professional Appraisal Practice (USPAP). I will not hold myself out as a Certified Real Estate Appraiser or perform any acts that only a certified appraiser may perform until and unless I am so certified by the Board.

This application and this certification are made under penalty of perjury.

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

### **PRIVACY NOTICE**

The following notice about certain information, laws, and practices is given in accordance with Chapter 559, Texas Government Code.

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- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.**



**APPRAISAL EXPERIENCE AFFIDAVIT**

Being duly sworn, I, \_\_\_\_\_ (printed name), certify to the best of my knowledge and ability that the following information is true and correct and represents verifiable and acceptable experience for which I am responsible. The experience claimed herein conforms to the Texas Appraiser Licensing and Certification Act, the Texas Appraiser Licensing and Certification Board Rules, and appropriate provisions of the Uniform Standards of Professional Appraisal Practice ("USPAP").

In understand that, in order to be acceptable, I must have had legal authority to appraise and my experience must:

- (1) comply with USPAP;
- (2) be verifiable (supported by written reports and workfiles); and
- (3) comply with Appraisal Qualifications Board criteria for acceptable experience.

Complete the chart below with the number of hours you are claiming towards the minimum requirement.

	NON-Residential Hours	Residential Hours	TOTAL HOURS (Appraisal Type)
Fee or Staff Appraisal			
Ad Valorem Tax Appraisal			
Condemnation Appraisal			
Appraisal Analysis			
Real Property Appr Consulting			
<b>TOTAL HOURS (Non-Res/Res)</b>			

Complete the chart below with the time period(s) for each log submitted. Indicate complete month, day, and year.

Starting Date	Ending Date	Number of Months
<b>TOTAL TIME</b>		

CERTIFICATION STATEMENT

I certify that for all experience listed on this affidavit I signed the appraisal report or am named in the report as providing significant assistance. I further certify that I personally have the work files (or copies thereof) for the experience claimed in this affidavit in my possession or I have written verification from the respective sponsor that the sponsor currently has them in his/her possession. I understand that I may be asked to produce copies of work files to verify experience claimed and that my application may be denied if I am unable to provide a work file for an appraisal listed on this affidavit. I understand that furnishing false information on this affidavit is a violation of the Texas Appraiser Licensing and Certification Act and a Class B misdemeanor.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date Signed

State of Texas

County of \_\_\_\_\_

SWORN AND SUBSCRIBED before me by \_\_\_\_\_  
(applicant or appraiser trainee's printed name)

on \_\_\_\_\_, 2013.

\_\_\_\_\_  
Notary Public, State of Texas

My Commission expires on: \_\_\_\_\_

PRIVACY NOTICE

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPRAISAL EXPERIENCE AFFIDAVIT**

State of Texas, County of \_\_\_\_\_

Being duly sworn, I, \_\_\_\_\_ (printed name), certify to the best of my knowledge and ability that the following information is true and correct and represents verifiable and acceptable experience for which I am responsible. The experience claimed herein conforms to the Texas Appraiser Licensing and Certification Act, the Texas Appraiser Licensing and Certification Board Rules, and appropriate provisions of the Uniform Standards of Professional Appraisal Practice ("USPAP").

In order to be acceptable, a person claiming experience must have had legal authority to appraise and experience must:  
 (1) comply with USPAP;  
 (2) be verifiable (supported by written reports and workfiles); and  
 (3) comply with Appraiser Qualifications Board criteria for acceptable experience.

Type of Appraisal	NON-Residential Hours	Residential Hours	TOTAL Hours
Fee or Staff Appraisal			
Ad Valorem Tax Appraisal			
Condemnation Appraisal			
Technical Review Appraisal			
Appraisal Analysis			
Real Property Appraisal Consulting			
<b>TOTAL HOURS</b>			

The appraisal experience referenced above represents work covering the following time period(s) (indicate complete month, day, and year):

Starting date (month/day/year):	Ending date (month/day/year):	Time in (months):
Starting date (month/day/year):	Ending date (month/day/year):	Time in (months):
Starting date (month/day/year):	Ending date (month/day/year):	Time in (months):
<b>TOTAL TIME (months):</b>		

**For the APPLICANT or APPRAISER TRAINEE:**

All experience indicated on this affidavit is experience for which I can produce a copy of a workfile wherein I signed the appraisal report or am named in the certification as providing significant assistance. I understand that I may be asked to produce copies of workfiles to verify experience claimed herein and that furnishing false information on this affidavit is a violation of the Texas Appraiser Licensing and Certification Act and is a Class B misdemeanor.

**I certify that I personally have the work files for the appraisals for which I claim experience (or copies thereof) in my possession, or I have written verification from the respective sponsor that the sponsor currently has them in his/her possession. I understand that I cannot claim any experience for which I am unable to provide a workfile and that my application may be denied if I am unable to provide a workfile for an appraisal listed on my log.**

This document is available on the TALCB website at [www.talcb.texas.gov](http://www.talcb.texas.gov)

\_\_\_\_\_  
Signature of Licensee

\_\_\_\_\_  
Date Signed

SWORN AND SUBSCRIBED before me by \_\_\_\_\_  
(applicant or appraiser trainee's printed or typed name)  
on \_\_\_\_\_, 2013

\_\_\_\_\_  
Notary Public, State of Texas

My Commission expires on:

### PRIVACY NOTICE

The following notice about certain information, laws, and practices is given in accordance with Chapter 559, Texas Government Code.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Government Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**APPRAISAL EXPERIENCE EXPLANATION**

To be used **ONLY IF** the appraisal experience you are claiming to meet the experience requirement for licensure or certification was **NOT** gained under the legal authority of:

- (1) the Texas Appraiser Licensing and Certification Board (TALCB)
- (2) the Texas Real Estate Commission (TREC)
- (3) another state appraiser licensing agency

Complete the chart below indicating the legal authority under which you gained your appraisal experience.

Agency Issuing License	License Type	License Number	Dates of Licensure
			--
			--
			--

Please include a detailed explanation (attach additional sheets if necessary).

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**CERTIFICATION STATEMENT**

By my signature below, I hereby certify that I have read and understand the Appraisal Experience Explanation and the information given herein is true, correct, and complete.

The experience claimed conforms to §1103.205 of the Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103), the Rules of the Texas Appraiser Licensing and Certification Board, and the Uniform Standards of the Professional Appraisal Practice (USPAP).

\_\_\_\_\_  
Applicant's Typed or Printed Name

\_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date Signed

**PRIVACY NOTICE**

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

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- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



APPRAISAL EXPERIENCE EXPLANATION

In order to meet the experience requirement for certification or licensure as a real estate appraiser, acceptable real estate appraisal experience must have been performed when a person had legal authority to appraise real property, be verifiable, and conform to the USPAP in effect at the time of the appraisal.

Table with 4 columns: Agency Issuing License, License Type, License Number, Dates of Licensure. Contains three rows with dashes in the last column.

If you did NOT receive your real estate appraisal experience (1) while actively licensed or certified as a real estate appraiser through the Texas Appraiser Licensing and Certification Board (TALCB), (2) as a TALCB-authorized appraiser trainee, or (3) while actively licensed as a real estate broker or salesperson through the Texas Real Estate Commission (TREC), and you are not exempted under the law or claiming experience outside the state of Texas, please include a detailed explanation (use additional sheets if necessary):

Multiple horizontal lines for providing a detailed explanation.

By my signature below, I hereby certify that I have fully read and understand the Appraisal Experience Explanation and the information given herein is true, correct, and complete.

The experience claimed conforms to §1103.205 of Texas Appraiser Licensing and Certification Act (Texas Occupations Code, Chapter 1103), the Rules of the Texas Appraiser Licensing and Certification Board, and the Uniform Standards of the Professional Appraisal Practice (USPAP).

Applicant's Typed or Printed Name

Applicant's Signature

Date Signed

This document is available on the TALCB website at www.talcb.texas.gov

### **PRIVACY NOTICE**

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- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.**



**APPRAISER CONTINUING EDUCATION (ACE) SUBMISSION FORM FOR ONLINE RENEWALS**

After completing your online renewal, you must fax this form and course completion documents to (512) 936-3899.

- Licensees must complete 28 hours of acceptable ACE, which must include 7 hours from a National USPAP Update.
- Required education must be completed during the term of the license being renewed. Hours cannot be carried over from one renewal term to another.
- Credit will not be awarded for the same course taken more than once within 3 years (except for the National USPAP Update Course).

Complete the chart below with the ACE you have completed to meet the minimum renewal education requirement. You must submit copies of ACE course completion documents for all education listed. If additional information is requested, you will be notified and will have 20 days to provide the required documentation.

Course/Seminar Title	Course Provider or Sponsor	Date Completed	Hours
<b>Total ACE Hours Completed</b>			

**CERTIFICATION STATEMENT**

- I have personally completed all coursework listed on this renewal form and am submitting copies of course completion documents with this form.
- I understand that my certification or license is not renewed until the TALCB reissues my certification or license.

\_\_\_\_\_

**Printed Name**

\_\_\_\_\_

**License No.**

\_\_\_\_\_

**Signature**

\_\_\_\_\_

**Date Signed**



**REQUEST FOR ACTIVE STATUS**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
ACTIVE STATUS		\$50.00		
NATIONAL REGISTRY <i>(not required for trainees)</i>		\$40.00 (1-12 months) \$80.00 (13-24 months)		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK.  
MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEES ARE NON-REFUNDABLE.**

Name (as it appears on license)

License No.

Email Address

The following items **MUST** accompany this request in order to be accepted for processing.

- \$50.00 Active Status Fee
- National Registry Fee (as applicable)
  - ◆ Required for licensed/certified appraisers only if NOT previously submitted with an Appraiser Renewal Application or Appraiser Continuing Education (ACE) Extension. Please contact TALCB to confirm.
- Course completion certificates for all ACE
- Addition or Termination of Appraiser Trainee Sponsorship form and fee
  - ◆ Required for trainees only.

Complete the chart below with the Appraiser Continuing Education (ACE) you have completed to meet the minimum renewal education requirement. You must submit copies of ACE course completion documents for all education listed. If additional information is requested, you will be notified and will have 20 days to provide the required documentation.

Course/Seminar Title	Course Provider or Sponsor	Date Completed	Hours

**Total ACE Hours Completed**

CERTIFICATION STATEMENT

I have personally completed all coursework listed on this Request for Active Status form and am submitting copies of course completion documents with this form.

I understand that my certification or license will not become active until TALCB notifies me that I have been returned to active status.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date Signed

**PRIVACY NOTICE**

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

- (1) With few exceptions, an individual is entitled on request to be informed about the information that a state governmental body collects about the individual.
- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**REQUEST FOR ACTIVE STATUS**

REQUIRED FEES	AMOUNT	REGISTER NUMBER	DATE RECEIVED
Active Status	\$50.00		
National Registry	\$80.00	(Not required for trainees)	
Total			

**DO NOT WRITE ABOVE THIS LINE  
MAKE CHECKS OR MONEY ORDERS PAYABLE TO: TALCB  
ALL INFORMATION MUST BE PRINTED IN INK. INCOMPLETE FORMS WILL NOT BE ACCEPTED.**

Full Name: \_\_\_\_\_  
(As it appears on certification or license)

Certification/License Number: TX- \_\_\_\_\_

Email Address: \_\_\_\_\_

**The following items MUST accompany this request in order to be accepted for processing.**

- \$50.00 Active Status Fee**
- \$80.00 National Registry Fee** (Required only if NOT previously submitted with an Appraiser Renewal Application or Appraiser Continuing Education (ACE) Extension. Please contact TALCB office to confirm.)
- Course completion certificates for ALL ACE listed on page two of this form. (See page 2 of this form for instructions regarding documentation of required courses.)
- Addition or Termination of Appraiser Trainee Sponsorship form and fee (Required for trainees only.)

**CERTIFICATION**

I hereby certify that I have personally completed all coursework listed on page two of this form.

All information I have submitted in this form is true and correct. I understand that if I have furnished false or misleading information on this renewal application my certification or license may be revoked, or other disciplinary action taken.

I understand that my certification or license is not renewed until the TALCB reissues my certification or license.

\_\_\_\_\_  
Signature of Licensee

\_\_\_\_\_  
Date Signed

This document is available on the TALCB website at [www.talcb.texas.gov](http://www.talcb.texas.gov)

# REQUEST FOR ACTIVE STATUS

## Appraiser Continuing Education (ACE) Courses

Complete the chart below using the AOB Code and AOB Acceptable ACE Topics\* listed on this page. For each course or seminar completed for ACE credit, enter the appropriate AOB Number\*, the course/seminar title, and other course information requested. Courses and seminars must have been devoted to one or more of the AOB Acceptable Topics listed and must have been at least two hours in length. Attach photocopies of ACE course completion documents with this request. Retain the original documents for your personal files. Documents that are submitted with this form will not be returned.

You must complete all ACE hours that would have been required if your license had been on active status, except that you do not need to take more than 7 hours of USPAP Update and shall substitute other approved courses to meet the required number of hours of ACE.

AOB No.*	Course/Seminar Title	Course Provider or Sponsor	Date Completed	Classroom Hours
Total ACE Hours Completed				

**\* AOB No. for AOB Acceptable ACE topics**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li><b>01</b> USPAP/National USPAP/USPAP Update</li> <li><b>02</b> Ethics and standards</li> <li><b>03</b> Ad valorem taxation</li> <li><b>04</b> Arbitration</li> <li><b>05</b> Business courses related to practice or real estate appraisal</li> <li><b>06</b> Construction estimating</li> <li><b>07</b> Land use planning, zoning, and taxation</li> <li><b>08</b> Management, leasing, brokerage, timesharing</li> </ul> | <ul style="list-style-type: none"> <li><b>09</b> Property development</li> <li><b>10</b> Real estate appraisal (valuations/evaluations)</li> <li><b>11</b> Real estate law</li> <li><b>12</b> Real estate litigation</li> <li><b>13</b> Real estate financing and investment</li> <li><b>14</b> Real estate appraisal related computer applications</li> <li><b>15</b> Real estate securities and syndication</li> <li><b>16</b> Real property exchange</li> </ul> |
|---|--|

### PRIVACY NOTICE

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- (3) Under Section 559.004 of the Government Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.**



### AGENDA ITEM 36

Discussion and possible action to approve a new form for:

- a. AMC to Elect Inactive status
- b. AMC Renewal

#### **SUMMARY**

The new AMC to Elect Inactive Status form is being needed to allow AMC's to elect this status, a process which had previously not been set out in the rules. The AMC renewal form is necessary as the first round of AMC renewals approaches this spring. The statute requires that renewal notices be sent out 180 days prior to AMC renewal deadlines so the form has to be in place prior to that time.

#### **STAFF RECOMMENDATION**

Approve the proposed new forms.

#### **RECOMMENDED MOTION**

MOVED, that the Board approve the use of the new AMC to Elect Inactive Status and AMC Renewal forms as presented.





**APPRAISAL MANAGEMENT COMPANY (AMC) REQUEST FOR INACTIVE STATUS**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
INACTIVE STATUS		\$25.00		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK.  
MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. FEES ARE NON-REFUNDABLE.**

**APPRAISAL MANAGEMENT COMPANY**

Name \_\_\_\_\_

TALCB Registration Number \_\_\_\_\_

Email Address of Primary Contact \_\_\_\_\_

**CERTIFICATION STATEMENT**

By my signature below, I certify that:

- I have authority to act on behalf of this AMC.
- The AMC has given written notice of its election to go inactive to all appraisers listed on the AMC's appraiser panel at least 30 days prior to filing this request for inactive status.
- While on inactive status, the AMC will not engage in any activity for which registration is required.
- I understand that an inactive AMC may not renew on inactive status and must satisfy all renewal requirements for an active registration or the registration will expire.

\_\_\_\_\_  
Signature of Person with Authority to Sign on Behalf of AMC

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Title

**PRIVACY NOTICE**

In accordance with Chapter 559, Government Code, the following notice about certain information laws and practices is given.

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- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.



**RENEWAL OF REGISTRATION AS AN APPRAISAL MANAGEMENT COMPANY (AMC)**

FEES	RECEIPT NUMBER	AMOUNT	MONEY TYPE	DATE RECEIVED
TIMELY RENEWAL		\$3419 + (\$10.30 x number of panelists)		
EXPIRED 90 DAYS OR LESS		\$5069 + (\$10.30 x number of panelists)		
EXPIRED MORE THAN 90 DAYS BUT LESS THAN 6 MONTHS		\$6719 + (\$10.30 x number of panelists)		

DO NOT WRITE ABOVE THIS LINE

**ALL INFORMATION MUST BE TYPED OR PRINTED IN INK. MAKE CHECKS OR MONEY ORDERS PAYABLE TO TALCB. YOU CAN AVOID THE \$20 PAPER FILING FEE IF YOU RENEW ONLINE AT WWW.TALCB.TEXAS.GOV. PANELIST FEES MUST BE PAID FOR ALL PANELISTS ON YOUR ACCOUNT. YOU MAY REMOVE A PANELIST ONLINE OR ON A TERMINATION OF PANELIST FORM PRIOR TO RENEWAL WITH THE APPROPRIATE FEE. FEES ARE NON-REFUNDABLE.**

**1. Full Legal Name of AMC:**  
\_\_\_\_\_

**2. TALCB Registration Number:** \_\_\_\_\_ **3. Expiration Date:** \_\_\_\_\_

**4. Place of Business Address: (must be a fixed street address, not a Post Office Box)**  
\_\_\_\_\_  
Number, Street and Suite No.  
\_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Phone Number \_\_\_\_\_

**5. Primary Contact Information: (must meet the definition of "controlling person" in Section 1104.003(b)(6) Texas Occupations Code)**  
The Primary Contact must sign and submit a separate Owner/Primary Contact Background History Form.  
\_\_\_\_\_  
Name  
\_\_\_\_\_  
Number, Street and Suite No.  
\_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_ Phone Number \_\_\_\_\_  
\_\_\_\_\_  
Fax Number \_\_\_\_\_ E-mail Address \_\_\_\_\_

**6. The Primary Contact: (check one)**  
 is a certified appraiser \_\_\_\_\_  
Certification No. \_\_\_\_\_ State \_\_\_\_\_ Expiration Date \_\_\_\_\_  
**OR**  
 has taken a 7-Hour National USPAP Update course within two years of AMC renewal  
(submit copy of course completion certificate)

**7. Owner Information: (for each individual or business entity owning more than 10% of AMC)**

Each owner must sign and submit a separate Owner/Primary Contact Background History form. Space is provided for three owners. Attach an additional copy of this page if there are more than three owners of more than 10% .

- Individual
- Business Entity

---

Name

---

Certification/License No. (if applicable)                      State                      Expiration Date

---

Business Street Address OR P.O. Box No.

---

City                      State                      Zip Code                      Phone Number

- Individual
- Business Entity

---

Name

---

Certification/License No. (if applicable)                      State                      Expiration Date

---

Business Street Address OR P.O. Box No.

---

City                      State                      Zip Code                      Phone Number

- Individual
- Business Entity

---

Name

---

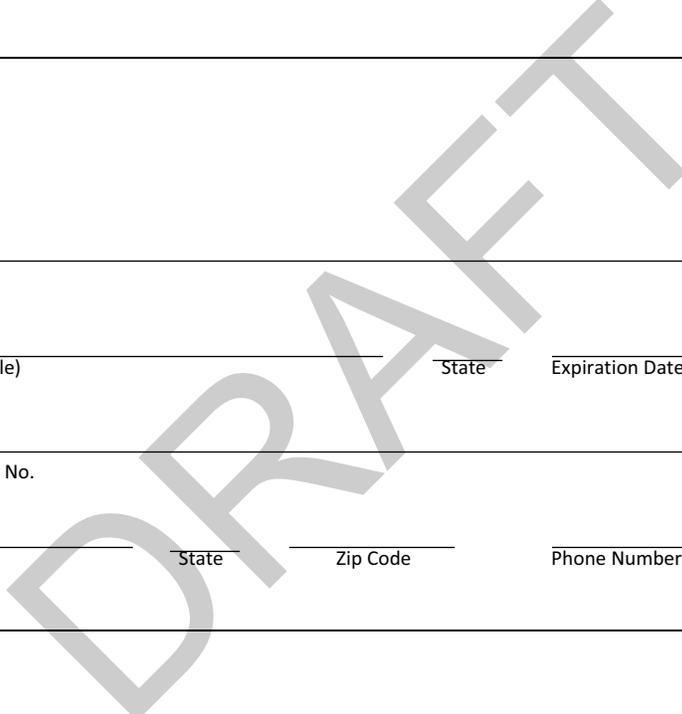
Certification/License No. (if applicable)                      State                      Expiration Date

---

Business Street Address OR P.O. Box No.

---

City                      State                      Zip Code                      Phone Number



**8. Appraiser Contact Information: (must be a licensed or certified appraiser)**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Certification/License No.

\_\_\_\_\_  
State

\_\_\_\_\_  
Expiration Date

\_\_\_\_\_  
Business Street Address OR P.O. Box No.

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email Address

**9.** Since registration or the last renewal, has the AMC (1) had any professional or occupational license or certification suspended, canceled or revoked; (2) received a reprimand, warning letter, or disciplinary action; or (3) had an application for such denied in Texas or any other state?

Yes  No

**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**10.** Are there any pending complaints, investigations, or disciplinary hearings against any professional or occupational licenses held by the AMC?

Yes  No

**If YES, submit a complete written explanation and appropriate documentation such as final orders, etc.**

**11.** Since registration or the last renewal, has the AMC (1) been convicted of or pleaded *nolo contendere* to a criminal offence (Include **ALL** felonies and misdemeanors); (2) been placed on probation, community supervision, or deferred adjudication; or (3) are there any criminal charges pending against the AMC?

Yes  No

**If the answer to (1), (2), or (3) is YES, submit copies of all indictments, information, judgments, orders and charges, and a written explanation.**

**12.** Since registration or the last renewal, has the AMC had a civil judgment rendered against it, or are there any civil suits pending against it?

Yes  No

**If YES, submit a complete written explanation and copies of all petitions and judgments.**

**IRREVOCABLE CONSENT TO SERVICE OF PROCESS**

I do hereby irrevocably make, constitute, and appoint the Commissioner of the Texas Appraiser Licensing and Certification Board and its successors as my agent, for and in the State of Texas, upon whom service in a legal proceeding arising out of my activities as an appraisal management company may be made, if the plaintiff in the action cannot, in the exercise of due diligence, effect personal service on the AMC through the AMC's agent in Texas. Service of process upon the Commissioner shall be deemed valid personal service upon the AMC pursuant to applicable Texas law. I understand that the AMC has a legal duty to keep the Board informed of its current address. I understand that if and when the Commissioner is served with process, the notice will be forwarded to the primary contact at the current address provided on record with the Board. I also understand that if I fail to notify the Board of any changes, I may not receive notice of legal proceeding against the AMC.

**If the AMC is not domiciled in Texas, the AMC must list a legally authorized agent to accept service of process in Texas below:**

\_\_\_\_\_  
Agent for Service of Process

\_\_\_\_\_  
Business Street Address (must be a fixed street address, not a Post Office Box)

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Phone Number

**CERTIFICATION STATEMENT**

I certify that I am authorized to sign this form on behalf of the AMC, that I have personally prepared this form and all information is true, complete and correct. If so requested by TALCB, I will furnish all additional information or documentation as may be deemed necessary for the verification of information provided. I authorize and consent to TALCB conducting investigations of any individual or entity owning more than 10% of the AMC and the primary contact. I understand that information revealed in an investigation may be cause for the AMC to be placed on inactive status, suspended or revoked if the owners or primary contact do not qualify under Subchapter C of Texas Occupations Code 1104, even though other requirements for renewal have been met. I acknowledge that any registration may be revoked if I provide false or misleading information to the Board. I further acknowledge that information submitted in conjunction with this renewal may become public record.

I certify that the AMC has reviewed each entity owning more than 10% of the AMC and has verified that none are more than 10% owned by a person who has had a license or certificate to act as an appraiser denied, revoked, or surrendered in lieu of revocation and has not subsequently had a license or certification granted or reinstated.

I certify that the AMC has a system in place to ensure compliance with Subchapter D and Section 129E of the Truth in Lending Act (15 U.S.C. Section 1601 et seq.).

If the AMC is a corporation, LLC or partnership (entity), I certify that the entity is in compliance with all statutes, rules and regulations required of it to conduct business in the State of Texas.

I understand that the AMC's registration is not renewed until TALCB reissues my registration.

_____ <b>Signature of Person with Authority to Sign on Behalf of AMC</b>	_____ <b>Date Signed</b>
_____ <b>Typed or Printed Name</b>	_____ <b>Title</b>

**Be certain that your renewal application:**

- \* Is complete - incomplete renewals cannot be processed and will be returned
- \* Is signed and dated
- \* Is postmarked no later than the expiration date
- \* Includes original, signed Owner/Primary Contact Background History forms for all required individuals and entities
- \* Includes copies of course completion document(s) for this renewal
- \* Includes copies of required documents for any "YES" answers

**PRIVACY NOTICE**

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- (2) Under Sections 552.021 and 552.023 of the Governmental Code, the individual is entitled to receive and review the information.
- (3) Under Section 559.004 of the Governmental Code, the individual is entitled to have the governmental body correct information about the individual that is incorrect.





### AGENDA ITEM 37

Discussion and possible action to approve a National Registry Access Policy.

#### **SUMMARY**

The Appraisal Subcommittee (ASC) issued a new Policy Statement 3 on June 1, 2013 that requires that States using the ASC's extranet application for submission of data to the National Registry have a written policy governing access to the Registry to ensure the confidentiality of access and data viewed. The attached policy complies with all of ASC's requirements for such a policy.

#### **STAFF RECOMMENDATION**

Adopt the proposed policy.

#### **RECOMMENDED MOTION**

MOVED, that the Board adopt the policy as presented.



**TALCB Board Members**

Walker Beard  
Chair

Jamie S. Wickliffe  
Vice Chair

Laurie C. Fontana  
Secretary

Clayton Black

Luis F. De La Garza, Jr

Keith Kidd

Mark A. McAnally

Shannon K. McClendon

Sheryl R. Swift

Douglas E. Oldmixon  
Commissioner

**POLICY MEMORANDUM**

**Date:** August 16, 2013

**RE:** TALCB National Registry Access

The Appraisal Subcommittee (ASC) of the FFIEC has issued Policy Statement 3, *National Registry*, which requires that States using the ASC's extranet application for submission of data to the National Registry (Registry) have a written policy governing access to the Registry. This requirement also applies to States with access to the Registry's full data base. The Texas Appraiser Licensing and Certification Board (TALCB) hereby adopts this policy to meet that requirement.

TALCB hereby designates the Commissioner of TALCB to serve as TALCB's Authorized Registry Official (ARO). The ARO will:

1. Notify the ASC in writing of this appointment. The notification will include the ARO's full name, contact address and telephone number, and position.
2. Designate necessary staff to have access to the Registry under any of three secure permission levels for the Registry: (1) User, which gives access only to viewing the non-public side of the Registry; (2) Extranet User, which allows viewing of the non-public side of the Registry as well as the ability to make changes directly to the National Registry data for that State; and (3) File Transfer User, which allows users to securely upload data files to the ASC extranet application for processing by ASC staff. For each such designation, notify the ASC in writing of the full name, level of access to be granted and contact information for that designee. The ASC will, on receipt of such designation, issue a User Name and password unique to that designee directly to the designee.
3. Maintain a list of designated users for the Registry that is accurate and updated as needed. Keep a record of each prior version of the list for two years. Promptly notify the ASC in writing of any changes to the designated users such as termination of access privileges, changes to access levels, etc.
4. Educate all designated users of the Registry regarding the need for user name, password, access and data security in conjunction with their use of the Registry.
5. Obtain a signed Confidential Treatment of Information Acknowledgement form (attached hereto as Exhibit "A") from each designated user.



6. Verify that all equipment used to access the Registry has adequate anti-virus software installed and ensure that such software is kept current.
7. Immediately notify the ASC and the Chair of TALCB of any known or suspected breach of security involving the Registry or its data and provide a description of the known or suspected breach.

This policy is effective as of July 1, 2013 and remains in effect until and unless changed or revoked by the Board.

Approved by the Board and signed this \_\_\_\_ day of August, 2013.

\_\_\_\_\_  
Walker R. Beard, Chairperson  
Texas Appraiser Licensing and Certification Board



**EXHIBIT A**

**Confidential Treatment of Information Acknowledgement**

I understand that the computer system user name and password I receive to access the National Registry is confidential. I will not disclose my user name or password to anyone, including management and technical personnel, and I will not write them or post them where they may be viewed by unauthorized people. Once I have logged on to the National Registry, I will not leave my computer until I have logged off from the National Registry. I understand that I am responsible for any computer transactions performed as a result of access authorized by use of my username and password and I will ensure the accuracy of all data submitted by me to the National Registry. I understand that confidential information viewed on the National Registry is to be held in strictest confidence and I will act in accordance with applicable federal and state laws and regulations regarding the safekeeping and disclosure of confidential information. I understand that unauthorized access to Registry data may result in violations of State and Federal laws and expose the State to civil penalties.

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Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_





### **AGENDA ITEM 38**

Discussion and possible action to authorize the TALCB Commissioner to issue a request for proposals for examination related services.

#### **SUMMARY**

The current contract with the agency's examination related services provider will expire soon and a new request for proposal (RFP) for these services will need to be sent out. In the past, TALCB has issued a combined RFP with TREC to maximize benefit to the agencies.

#### **RECOMMENDED MOTION**

MOVED, that the Board authorizes the Commissioner to issue a request for proposal for examination-related services, and to combine TALCB's request for proposal with TREC's if it makes monetary sense to do so.

### **AGENDA ITEM 39**

Request for new business agenda items.

### **AGENDA ITEM 40**

Discussion and possible action to schedule future meeting dates.

#### **SUMMARY**

Meetings are currently scheduled for November 21, 2013 (Board Member Training), November 22, 2013 and February 21, 2013.

### **AGENDA ITEM 41**

Adjourn.



# Texas Appraiser Licensing and Certification Board

## August 16, 2013

November 13						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

### November

**5** Election Day

**11** Veterans Day

**22** TALCB Meeting

### October

**26** Daylight Savings--set back 1 hour

May 14						
S	M	T	W	T	F	S
						1 2 3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

December 13						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### December

**25** Christmas Holidays

**31** New Year's Eve

### January

**1** New Year's Day

**20** Martin Luther King, Jr.-State Holiday

### February

**17** President's Day-State Holiday

**21** TALCB Meeting

June 14						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

January 14						
S	M	T	W	T	F	S
				1	2	3 4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

July 14						
S	M	T	W	T	F	S
				1	2	3 4 5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

February 14						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	

### April

**6** Daylight Savings--set ahead 1 hour

**18** Good Friday

**20** Easter

### May

**11** Mother's Day

**26** Memorial Day (Observed)-State Holiday

### June

**15** Father's Day

August 14						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

March 14						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 14						
S	M	T	W	T	F	S
						1 2 3 4 5 6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

April 14						
S	M	T	W	T	F	S
				1	2	3 4 5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

### July

**4** Independence Day-State Holiday

### September

**1** Labor Day-State Holiday

October 14						
S	M	T	W	T	F	S
						1 2 3 4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	