Texas Appraiser Licensing & Certification Board

BOARD MEETING

May 13, 2016

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

Stephen F. Austin Building

Room 170

1700 N. Congress Ave

Austin, Texas

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

MEETING AGENDA

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

Friday, May 13, 2016, 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 absence(s), if any
3. Welcome new Board members and recognize outgoing Board members

ELECTIONS AND APPOINTMENTS

4. Discussion and possible action regarding committee appointments
5. Discussion and possible action regarding appointments to Peer Investigative Committees

PUBLIC COMMENTS

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

EXECUTIVE SESSION

7. Executive session to discuss pending litigation or receive advice of counsel pursuant to Texas Government Code §551.071 and personnel matters pursuant to Texas Government Code §551.074

CONSENT AGENDA

8. Ratification of the official record of the February 19, 2016 Board meeting as approved for posting on the website by the Secretary of the Board

9. Approval of agreed final orders and surrenders in the matter of:
    a. Complaint #15-272 (Renee Kay Brandt, TX-1338686-R)
    b. Complaint #15-285 (Paul R. Porras, TX-1336425-R)

MODIFICATIONS

10. Discussion and possible action to approve request for modification of agreed order in the matter of Complaint #14-272 (Lena G. Walker, TX-1334107-R)

COMMITTEE REPORTS

11. Report by AQB Working Group

12. Report by Executive Committee

13. Report by Budget 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 PROPOSAL

15. Discussion and possible action to propose a new rule and amendments to 22 TAC, Chaper 153, Rules Relating to provisions of the Texas Appraiser Licensing and Certification Act:
    a. 22 TAC §153.5, Fees
    b. 22 TAC §153.9, Applications
    c. 22 TAC §153.12, Criminal History Checks
    d. 22 TAC §153.15, Experience Required for Licensing
    e. 22 TAC §153.16, License Reinstatement
    f. 22 TAC §153.17, Renewal or Extension of License
    g. 22 TAC §153.23, Inactive Status
    h. 22 TAC §153.25, Temporary Out-of-State Appraiser License
    i. 22 TAC §153.27, License by Reciprocity

PENDING BUSINESS

16. Discussion and possible action on recommendations from the Executive Committee regarding
    a. continued attendance of OAG Counsel at Board and committee meetings
    b. amendments to the FY2016-17 TREC/TALCB Memorandum of Understanding

17. Discussion and possible action on recommendations from the Working Group for AQB Criminal History Check Criteria regarding additional criminal history checks by Appraisal Management Companies

18. Update regarding 2016 Appraisal Subcommittee Review

19. Update regarding comments submitted to the Appraiser Qualifications Board (AQB) on Alternative Experience Criteria

NEW BUSINESS

20. Discussion regarding performance review and salary of Commissioner

21. Discussion and possible action regarding draft of FY2017 TALCB Budget

22. Discussion and possible action regarding the Agency's Strategic Plan for FY2017-21

OTHER BUSINESS

23. Request for potential future meeting agenda items

24. Discussion and possible action to schedule future meeting dates

25. 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 and 551.074.

Pursuant to section 46.035(c) of the Texas Penal Code handgun license holders are prohibited from carrying a handgun at this open meeting. This prohibition applies to both concealed and open carry handguns.

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TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

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 May 13, 2016 Board meeting is/are hereby excused.

AGENDA ITEM 3

Welcome new members and recognize outgoing Board members.

AGENDA ITEM 4

Discussion and possible action regarding committee appointments.

AGENDA ITEM 5

Discussion and possible action regarding appointments to Peer Investigative Committees.

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

P.O. Box 12188 • Austin, Texas 78711-2188 • www.talcb.texas.gov

APPLICATION TO SERVE ON A PEER INVESTIGATIVE COMMITTEE (PIC)

Applicants must meet the following minimum requirements:

* Texas certified residential or certified general appraiser
* In good standing in Texas and any other state(s) of licensure/certification, with no disciplinary history
* Certified as a USPAP instructor

Please return this signed application with a letter on your professional letterhead stating your qualifications, experience, and rationale for requesting appointment to a PIC.

1. Full Name:

Reynolds (Last) Gregory (First) Robert (Middle)

2. Mailing Address and Contact Information: (Post Office Box may be used)

2877 Stoneridge Dr (Number, Street and Apt No.)

Garland (City) Tx (State) 75044 (Zip Code) 9038219537 (Phone Number)

Fax Number: _____ E-mail Address: reynolds.gr@gmail.com

3. TX Appraiser Certification Number: 1325685 **4. Expiration Date:** 11/30/17

5. What market area(s) do you serve? Dallas / Ft. Worth

6. What property type(s) do you appraise? S.F.

7. Are there any lawsuits, regulatory complaints, or criminal action pending against you in Texas or elsewhere? ☐ Yes ☒ No

If yes, explain: _____

CERTIFICATION

I certify that the information I have provided is true and correct. If I am appointed to serve on a Peer Investigative Committee, I agree to perform each assignment within 30 days of acceptance. I will decline any assignment I am not competent to complete or that presents a conflict of interest or even the appearance of a conflict of interest.

Signature of Applicant _____ **Date Signed** 2/20/16

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TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 6

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

AGENDA ITEM 7

Executive session to discuss pending litigation or receive advice of counsel pursuant to Texas Government Code §551.071 and personnel matters pursuant to Texas Government Code §551.074.

Announcement by Chair to enter Executive Session:
The time is _____. The Board will now go into executive session to obtain the advice of legal counsel or discuss pending or contemplated litigation, including settlement offers and enforcement actions, pursuant to Texas Government Code §551.071, and to discuss personnel matters pursuant to Texas Government Code §551.074. 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.

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TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

CONSENT AGENDA

AGENDA ITEM 8

Ratification of the official record of the February 19, 2016 Board meeting as approved for posting on the website by the Secretary of the Board.

FOR REFERENCE:

22 TAC §153.24. Complaint Processing.

AGENDA ITEMS 9(a) & (b)

Approval of agreed final orders and surrenders in the matter of:

a. Complaint #15-272 (Renee Kay Brandt, TX-1338686-R)
b. Complaint #15-285 (Paul R. Porras, TX-1336425-R)

STAFF RECOMMENDATION

Ratify and approve all items on the Consent Agenda as presented.

RECOMMENDED MOTION

MOVED, that the Board ratify and approve items all items on the Consent Agenda as presented.

Minutes accompanying meeting video from February 19, 2016

These minutes set out the agenda item, the subject matter discussed, and any action taken on each item. To hear the full discussion on any agenda item, click on the link, and you will be taken directly to that section of the meeting video on the right side of the screen.

Note: While the written portion of the minutes below are published in agenda order, the Board may have taken items out of order.

AGENDA ITEM 1 - Call to order and pledges of allegiance

AGENDA ITEM 2 - Roll call and discussion and possible action to excuse Board member absence(s), if any

A roll call was conducted by the recording secretary and the following members of the Board, constituting a quorum, answered present: Chair, Ms. Jamie Wickliffe, Ms. Laurie Fontana, Mr. Jim Jeffries, Mr. Walker Beard, Mr. Clayton Black, Mr. Jesse Barba, Mr. Brian Padden, and Mr. Buster Renfrow.

ACTION TAKEN: Mr. Barba moved to excuse the absence of Mr. Patrick Carlson. Mr. Black seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 3 - Welcome new Board members and recognize outgoing Board members

The Chair officially welcomed new Board member Mr. Buster Renfrow.

The Chair also recognized outgoing member Mr. Mark McAnally for his service on the Board.

AGENDA ITEM 4 - Election of Officers

ACTION TAKEN: Ms. Wickliffe opened the floor for nominations. Hearing none, Mr. Black moved to approve the slate of officers nominated at the November 20, 2015 Board meeting. Ms. Fontana seconded the motion, and the Board unanimously elected Mr. Jeffries as Vice Chair and Mr. Renfrow as Secretary.

AGENDA ITEM 5 - Discussion and possible action regarding committee appointments

ACTION TAKEN: The Chair appointed Board members to the following committees:

Budget & Finance Committee:

- Clayton Black (chair)
- Buster Renfrow
- Patrick Carlson

Education Committee:

- Walker Beard (chair)
- Jim Jeffries
- Brian Padden

Enforcement Committee:

- Laurie Fontana (chair)
- Jesse Barba
- temporarily vacant

Executive Committee:

- Jamie Wickliffe (chair)
- Jim Jeffries
- Buster Renfrow

The Chair also noted that the Vice Chair of the Board (Jim Jeffries) is statutorily designated as chair of the AMC Advisory Committee. In addition, Mr. Barba will continue to serve as the chair of the Working Group for AQB Background Checks, and Mr. Padden will continue as the Board representative in a joint working group with the Texas Real Estate Commission to explore the possibility of constructing an office building.

AGENDA ITEM 6 - Discussion and possible action regarding appointments to Peer Investigative Committees

ACTION TAKEN: Mr. Jeffries moved to appoint Glenn Garoon, Robert Hetrick, Deloris Kraft-Longoria, G.T. Murfee, Tony Pistilli, Dane Sever, Gregory Stephens, James Synatzske, and Pamela Teel to Peer Investigative Committees for a period of two years. Mr. Beard seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 7 - Comments from members of the public regarding non-agenda items

Comments were made by Mr. Mark Loftus, representing Appraisal Practice Consultation, suggesting that a percentage of appraiser continuing education be required to be taken in a live classroom setting as opposed to online.

AGENDA ITEM 8 - Executive session to discuss pending litigation or receive advice of counsel pursuant to Texas Government Code §551.071

ACTION TAKEN: The Chair called the Board into executive session at 10:40am.

The Chair reconvened the meeting at 11:35am.

AGENDA ITEMS 9 & 10 - Consent Agenda

Ratification of the official record of the November 20, 2015 Board meeting as approved for posting on the website by the Chair of the Board

Approval of agreed final orders and surrenders in the matter of:

1. Complaint #14-048, 14-091 & 14-124 (George Nicholas Paraskevas, TX-1322633-R)
2. Complaint #15-172 (Mee Ping Lee, TX-1338121-R)
3. Complaint #15-206 (Reed Bradley Farnsworth, TX-1333657-L)
4. Complaint #15-220 (William Ward Guffey, TX-1322262-R)
5. Complaint #15-261 (Billie F. Waits, TX-1337007-R)
6. Complaint #15-221 & 15-286 (Shanna Fuller Lane, TX-1336483-R)
7. Complaint #15-199 & 15-264 (Haskell Joe Walker, TX-1332765-R, Expired)
8. Complaint #15-169 (John Walter Kirchen, TX-1326155-R)
9. Complaint #15-269 (Freda Gail Maynard, TX-1334602-R)
10. Complaint #15-028 (Kenneth L. Becker, TX-1338662-R)
11. Complaint #15-171 (William Mark Beaty, TX-1324188-G)
12. Complaint #15-069 (Wayne Ballard Baer, TX-1320542-G)
13. Complaint #13-145 & 15-229 (Mark Oliver Sikes, TX-1326712-G)

ACTION TAKEN: Mr. Beard moved to approve items 9 and 10a - 10k. Mr. Padden seconded the motion, and the Board approved the motion unanimously.

Ms. Wickliffe recused herself from action on the remaining enforcement matters. Mr. Jeffries moved to approve items 10l & 10m. Ms. Fontana seconded the motion, and with the exception of the recused member, the Board approved the motion unanimously.

AGENDA ITEM 11 - Staff reports on processes, monthly activities, and statistical data

- Mr. Douglas Oldmixon, Commissioner
- Ms. Kristen Worman, General Counsel
- Ms. Lorie Deanda, Director of Reception & Communication Services
- Ms. Gwen Jackson, Director of Education & Licensing Services
- Mr. Steve Spyropoulos, Director of Information & Technology Services
- Ms. Melissa Huerta, Director of Staff & Support Services
- Mr. Troy Beaulieu, Director of Standards & Enforcement Services

AGENDA ITEM 12A - Discussion and possible action to adopt amendments to 22 TAC §153.18, Appraiser Continuing Education (ACE)

ACTION TAKEN: Ms. Fontana moved for the adoption of the rule as published. Mr. Jeffries seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 12B - Discussion and possible action to adopt new rule 22 TAC §153.22, Voluntary Appraiser Trainee Experience Reviews

ACTION TAKEN: Mr. Jeffries moved for the adoption of the rule as published. Mr. Beard seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 12C - Discussion and possible action to adopt amendments to 22 TAC §153.27, License by Reciprocity

ACTION TAKEN: Mr. Padden moved for the adoption of the rule as published. Mr. Black seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 13 - Discussion and possible action regarding approval of Investment Policy

ACTION TAKEN: Mr. Beard moved to adopt the Investment Policy as presented. Ms. Fontana seconded the motion, and the Board approved the motion unanimously.

AGENDA ITEM 14 - Report of the Appraisal Subcommittee

AGENDA ITEM 15 - Request for future meeting agenda items

AGENDA ITEM 16 - Discussion and possible action to schedule future meeting dates

Future meeting dates were confirmed for May 13, 2016 and August 19, 2016.

AGENDA ITEM 17 - The Chair adjourned the meeting at 1:00pm.

§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 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 from any person, if necessary, to determine how to proceed with the complaint.

(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 after receipt of the response from Respondent to determine whether sufficient evidence of a potential violation of the Act, Board rules, or the 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 (k) of this section, the complaint shall be dismissed with no further processing.

(h)A formal complaint will be opened and investigated by a staff investigator or peer investigative committee, as appropriate, if:

(1)the informal complaint is not dismissed under subsection (g) of this section; or

(2)staff opens a formal complaint on its own motion.

(i)Written notice that a formal complaint has been opened will be sent to the Complainant and Respondent.

(j)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. Reports prepared by a peer investigative committee shall be reviewed by the Standards and Enforcement Services Division.

(k)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 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 license holder's honesty, integrity, or trustworthiness to the Board, the license holder'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 license holder's honesty, trustworthiness or integrity to the Board, the license holder'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 the Respondent completes all remedial measures required in the agreement within the 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 prior discipline, including:

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

(ii)The nature of the disciplinary sanctions previously imposed; and

(iii)The length of time since the prior 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; or

(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 extent or 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 following sanctions guidelines 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; or

(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; or

(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 Respondent's practice;

(IV)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

(V)Restrictions on the scope of practice the Respondent is allowed to engage in for a

specified time period or until specified conditions are satisfied; or

(VI)Up to $250 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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 Respondent's practice;

(vi)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

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

(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 Respondent's practice;

(IV)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

(VI)Up to $250 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, up to the maximum $5,000 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 Respondent's practice;

(vi)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

(viii)Up to $1,500 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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 Respondent's practice;

(vi)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

(viii)Up to $1,500 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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 Respondent's practice;

(vi)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

(viii)$1,000 to $1,500 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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 Respondent's practice;

(vi)Restrictions on the Respondent's ability to sponsor any appraiser trainees;

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

(viii)$1,500 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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; or

(ii)$1,500 in administrative penalties per act or omission which constitutes a violation(s) of the Act, Board rules, or USPAP, 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, Board rules, or USPAP.

(l)Agreed resolutions of complaint matters pursuant to Texas 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.

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD	§	
vs.	§	DOCKETED COMPLAINT NO. 15-272
RENEE KAY BRANDT TX-1338686-R	§	

AGREED FINAL ORDER

On the _____ day of _____, 2016, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the license of Renee Kay Brandt (the "Respondent").

In order to conclude this matter, Respondent neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein. Respondent further agrees to the disciplinary action set out in this Agreed Final Order (the "Agreed Final Order"). The Board makes the following findings of fact and conclusions of law and enters this Agreed Final 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 license number TX-1338686-R and was certified by the Board during all times material to the above-noted complaint.

2. Respondent appraised residential real property located at 2018 Laney Drive, Sanger, Texas 76266 (the "Property"), on or about July 26, 2014.

3. Thereafter, the complaint, numbered 15-272, was filed with the Board by a homeowner, on or about June 12, 2015. The Board investigated the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CH. 1103 (the "Act") and 22 TEX. ADMIN. CODE CHS. 153 and 155 (the "Rules").

4. The Board, in accordance with the mandate of TEX.GOV'T CODE ANN. CHPT. 2001, the Administrative Procedure Act (the "APA"), and the Act, notified Respondent of the nature of the accusations involved, on or about June 19, 2015. Respondent was afforded an opportunity to respond to the accusations in the complaint and was also requested to provide certain documentation to the Board. Thereafter, the Respondent responded with documentation, on or about June 29, 2015.

5. As a result of the Board's investigation, the Board finds that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1 by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal of the Property:

a. USPAP Record Keeping Rule; – Respondent failed to maintain work file containing all data, information and documentation necessary to support her opinions, analyses and conclusions;

b. USPAP Scope of Work Rule; USPAP Standards 1-2(h) & 2-2(a)(vii) – Respondent failed to perform the required scope of work necessary to develop credible assignment results.

c. USPAP Standards 1-2(e)(i) & 2-2(a)(iii); 1-3(a) & 2-2(a)(viii) – Respondent failed to identify and describe the site adequately. Respondent failed to identify the zoning classification properly and did not provide analysis of the market area;

d. USPAP Standards 1-4(b)(i) & 2-2(a)(viii); 1-4(b)(ii) & 2-2(a)(viii); 1-4(b)(iii) & 2-2(a)(viii); 1-1(a) – Respondent failed to use an appropriate methods or techniques in the cost approach. Respondent failed to collect, verify and analyze comparable cost data to estimate cost new of improvements and failed to collect, verify and analyze comparable data to estimate the difference between cost new and the present worth of the improvements;

e. USPAP Standards 1-4(a) & 2-2(a)(viii); 1-1(a) – Respondent failed to collect, verify and analyze comparable sales data adequately and did not employ recognized methods and techniques;

f. USPAP Standards 1-5(a) & 2-2(viii); 1-6(a), 1-6(b) & 2-2(viii); – Respondent failed to analyze the current listing in effect as of the effective date of her report. Respondent failed to provide a reconciliation of quality or quantity of data used in the approaches to value; and,

g. USPAP Standards 1-1(a), 1-1(c), 2-1(a) and 2-1(b) – For the reasons detailed above, Respondent committed several substantial errors resulting in an appraisal report that was not credible.

6. Respondent made material misrepresentations and omitted material facts with respect to the appraisal of the Property as detailed above.

7. In order to reach an expeditious resolution of this matter and avoid the time and expense of litigation, the parties enter into this Agreed Final Order in accordance with TEX. OCC. CODE § 1103.458.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Act.

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

3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(12) by making material misrepresentations and 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**:

1. **EDUCATION**. On or before November 14, 2016, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Agreed Final 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 Agreed Final 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) hour classroom course in USPAP;

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

2. **MENTORSHIP**. On or before August 15, 2016, Respondent shall complete eight (8) hours of in-person or video conferenced mentorship conducted by a mentor 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 mentor 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 Agreed Final Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.

   a. Four (4) hours concerning the sales comparison approach;

   b. Two (2) hours addressing the cost approach;

   c. One (1) hour concerning work file requirements under USPAP; and,

   d. One (1) hour focusing on scope of work requirements under USPAP.

3. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and

4. 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.

ACKNOWLEDGMENT AND WAIVER

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, 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 SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE ACT OR THE APA, 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 or to bring any civil suit in state or federal court regarding the validity or enforcement of this Agreed Final Order, regardless of the claims asserted. This Agreed Final Order, the findings of fact and the conclusions of law contained in it have been fully and fairly litigated or the parties had an opportunity to so litigate. This matter has been finally adjudicated and resolved via this Agreed Final Order. This Agreed Final Order shall be treated as res judicata, precluding any re-litigation of those claims and extinguishing the right to bring suit on the matter by the parties or those in privity with them. 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.

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 and I am aware of my right to be represented by an attorney of my own choosing. 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 (e.g. payment of a penalty, completion of remedial education, or failure to provide logs).

DELIVERY OF DOCUMENTS AND PAYMENTS FOR COMPLIANCE

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" and delivered via certified mail, return receipt requested. Respondent shall retain documentation (reply

email, fax confirmation, return receipt, etc.) confirming timely receipt by the Board of all the documents necessary for compliance of this Agreed Final Order.

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.

EXECUTION

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.

RESPONDENT

Signed this 22 day of April, 2016.

Renee Kay Brandt

RENEE KAY BRANDT

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 22 day of April, 2016, by Renee Kay Brandt, to certify which witness my hand and official seal.

ALEX ARRUDA
Notary Public, State of Texas
Comm. Expires 04-04-2020
Notary ID 130605317

Notary Public's Signature

STANDARDS AND ENFORCEMENT SERVICES DIVISION

Signed by the Standards and Enforcement Services Division this 26th day of April, 2016.

Troy Beaulieu, Director
Texas Appraiser Licensing and Certification Board

COMMISSIONER

Signed by the Commissioner this 25 day of April, 2016.

Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

CHAIRPERSON

Approved by the Board and Signed this ____ day of _____, 2016.

_____
Jamie Wickliffe, Chairperson
Texas Appraiser Licensing and Certification Board

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD	§	
	§	
	§	
	§	
vs.	§	DOCKETED COMPLAINT NO. 15-285
	§	
	§	
PAUL R. PORRAS	§	
TX-1336425-R	§	

AGREED FINAL ORDER

On the _____ day of _____, 2016, the Texas Appraiser Licensing and Certification Board (Board) considered the matter of the license of Paul R. Porras (Respondent).

In order to conclude this matter, Respondent neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein. Respondent 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 Agreed Final 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 license number TX-1336425-R and was licensed by the Board during all times material to the above-noted complaint.

2. Respondent appraised a residential real property located at 905 Fresno Street, Zapata, Texas 78076 (Property), on or about November 28, 2014.

3. Thereafter, the complaint, numbered 15-285, was filed with the Board by an appraisal management company, on or about June 18, 2015. The Board investigated the complaint to ensure compliance with the Uniform Standards of Professional Appraisal Practice (USPAP), TEX. OCC. CODE CH. 1103 (Act) and 22 TEX. ADMIN. CODE CHS. 153 and 155 (Rules).

4. The Board, in accordance with the mandate of the Act and TEX. GOV'T CODE CH. 2001 (APA), notified Respondent of the nature of the accusations involved, on or about June 26, 2015. Respondent was afforded an opportunity to respond to the accusations in the complaint and was also requested to provide certain documentation to the Board. Thereafter, the Respondent responded with documentation, on or about August 18, 2015.

5. As a result of the Board's investigation, the Board finds that Respondent violated TEX. OCC. CODE § 1103.405, 22 TEX. ADMIN. CODE §§ 153.20(a)(6) and 155.1 by the

following acts or omissions which did not conform to USPAP in effect at the time of the appraisal of the Property:

a. USPAP Record Keeping Rule – Respondent violated the Record Keeping Rule because he failed to maintain a workfile containing all data, information and documentation necessary to support the opinions, analyses and conclusions in the appraisal;

b. USPAP Competency Rule – Respondent violated the Competency Rule because he failed to perform the site inspection competently;

c. USPAP Standards 1-2(f), 1-2(g), 2-1(c) & 2-2(a)(xi) – Respondent utilized an extraordinary assumption which could affect the assignment results significantly and failed to disclose that use of this extraordinary assumption might affect the assignment results;

d. USPAP Standards 1-2(e)(i) & 2-2(a)(iii); 1-3(b) & 2-2(a)(ix) – Respondent failed to provide an accurate description of the site and summarize the support and rationale for his highest and best use determination;

e. USPAP Standards 1-4(b)(i) & 2-2(a)(viii); 1-4(b)(ii) & 2-2(a)(viii) – Respondent failed to use an appropriate method or technique to develop an opinion of the site value. Respondent failed to collect, verify and analyze comparable cost data to estimate cost new of improvement;

f. USPAP Standards 1-4(a) & 2-2(a)(viii); 1-1(a) -- Respondent failed to collect, verify and analyze comparable sales data adequately. Respondent failed to employ recognized methods and techniques in the Sales Comparison Approach;

g. USPAP Standards 1-5(b) & 2-2(a)(viii); 1-6(a), 1-6(b) & 2-2(a)(viii) – Respondent failed to identify all sales of the subject property within three (3) years prior to the effective date of the appraisal. Respondent failed to reconcile the quality and quantity of the data within the approaches used, and the applicability or suitability of the approaches; and,

h. USPAP Standards 1-1(a), 1-1(b), 1-1(c), 2-1(a) – For the reasons detailed above, Respondent committed several substantial errors resulting in an appraisal report that was misleading and not credible..

6. Respondent made material misrepresentations and omissions of material fact with respect to the appraisal of the Property as detailed above.

7. In order to reach an expeditious resolution of this matter and avoid the time and expense of litigation, the parties enter into this Agreed Final Order in accordance with TEX. OCC. CODE § 1103.458.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Act.

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

3. Respondent violated 22 TEX. ADMIN. CODE § 153.20(a)(12) by making material misrepresentations and 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**:

1. **EDUCATION**. On or before **November 14, 2016**, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Agreed Final 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 Agreed Final 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;; and,

    b. A minimum seven (7) classroom hour course in the sales comparison approach.

2. **MENTORSHIP**. On or before **August 15, 2016**, Respondent shall complete eight (8) hours of in-person or video conferenced mentorship conducted by a mentor 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 mentor 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 Agreed Final Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.

    a. One (1) hour addressing the cost approach;

b. Three (3) hours concerning developing and supporting adjustments in the sales comparison approach;

c. Three (3) hours addressing how to identify and analyze property characteristics; and

d. One (1) hour focusing on record keeping.

3. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and

4. 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.

ACKNOWLEDGMENT AND WAIVER

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, 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 SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE ACT OR THE APA, 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 or to bring any civil suit in state or federal court regarding the validity or enforcement of this Agreed Final Order, regardless of the claims asserted. This Agreed Final Order, the findings of fact and the conclusions of law contained in it have been fully and fairly litigated or the parties had an opportunity to so litigate. This matter has been finally adjudicated and resolved via this Agreed Final Order. This Agreed Final Order shall be treated as res judicata, precluding any re-litigation of those claims and extinguishing the right to bring suit on the matter by the parties or those in privity with them. 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.

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 and I am aware of my right to be represented by an attorney of my own choosing. 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 (e.g. payment of a penalty, completion of remedial education, or failure to provide logs).

DELIVERY OF DOCUMENTS AND PAYMENTS FOR COMPLIANCE

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" and delivered via certified mail, return receipt requested. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming timely receipt by the Board of all the documents necessary for compliance of this Agreed Final Order.

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.

EXECUTION

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.

RESPONDENT

Signed this 29 day of April, 2016.

Paul R. Porras

Paul R. Porras

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 29 day of April, 2016, by Paul R. Porras, to certify which witness my hand and official seal.

IRMA D. AYALA
MY COMMISSION EXPIRES
July 1, 2016

Irma D. Ayala

Notary Public's Signature

STANDARDS AND ENFORCEMENT SERVICES DIVISION

Signed by the Standards and Enforcement Services Division this 3 day of May, 2016.

Mark R. Lee, Staff Attorney
Texas Appraiser Licensing and Certification Board

COMMISSIONER

Signed by the Commissioner this 2 day of May, 2016.

Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

CHAIRPERSON

Approved by the Board and Signed this ____ day of _____, 2016.

Jamie Wickliffe, Chairperson
Texas Appraiser Licensing and Certification Board

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 10

Discussion and possible action to approve request for modification of agreed order in the matter of Complaint #14-272 (Lena G. Walker, TX-1334107-R).

SUMMARY

As part of the agreed order approved by the Board on May 15, 2015, Lena G. Walker was required to take an in-person 15-hour USPAP course. Ms. Walker has been unable to attend the required course and requests an extension of time to do so. She has registered to attend a 15-hour USPAP course to be held in Dallas, Texas on June 11-12, 2016. Ms. Walker has completed the other requirements of the agreed order, including 8 hours of Mentorship.

STAFF RECOMMENDATION

Staff does not oppose the request for extension.

RECOMMENDED MOTION

IF GRANT:

MOVED, that the Board GRANT the request for modification and extend the time for compliance with the agreed order until _____, 2016.

IF DENY:

MOVED, that the Board DENY the request for modification.

Dione Frederick

From: Kristen Worman
Sent: Tuesday, May 03, 2016 3:52 PM
To: Dione Frederick
Subject: FW: TALCB Complaint 14-272
Attachments: Scan0002.pdf; CSRE Student Receipt.pdf

FYI

From: Lena Walker [mailto:llenagrace@aol.com]
Sent: Tuesday, May 03, 2016 11:18 AM
To: Kristen Worman <Kristen.Worman@trec.texas.gov>; Dione.Fredrick@trec.texas.gov; gstephens@metrowestappr.com
Subject: Re: TALCB Complaint 14-272

Attached is a copy of the completion of the mentoring and receipt for the USPAP class for June 11 and 12. Please contact me if more information is needed.

-----Original Message-----
From: Kristen Worman <Kristen.Worman@trec.texas.gov>
To: Lena Walker <llenagrace@aol.com>; gstephens <gstephens@metrowestappr.com>
Sent: Wed, Apr 27, 2016 9:13 am
Subject: RE: TALCB Complaint 14-272

Dear Ms. Walker -

Thank you for submitting your request for modification. Would you please clarify and/or provide the following information? I will need this information to present your request to the Board at their next meeting.

1) How much additional time (or until what date) are you requesting for this modification? E.g. June 30, 2016 (30 days if your time expires on May 30, 2016), or August 31, 2016 (3 months).

2) Have you already registered for the next class? If so, would you please send a copy of your registration?

Please consider the date of the next 15-hour in-person USPAP class when responding.

Best regards,
Kristen Worman
General Counsel, TALCB

Sent from my Verizon, Samsung Galaxy smartphone

-------- Original message --------
From: Lena Walker <llenagrace@aol.com>
Date: 4/26/16 6:57 PM (GMT-06:00)
To: Kristen Worman <Kristen.Worman@trec.texas.gov>, gstephens@metrowestappr.com
Subject: TALCB Complaint 14-272

I am requesting additional time to complete the 15 hrs USPAP due to illness and the lack of classroom USPAP.

Thank you

Lena Walker

Champions School of Real Estate
Dallas North Campus
3721 Mapleshade Lane
Plano, Texas 75075
972-867-4100
www.ChampionsSchool.com

SALES RECEIPT

05/03/2016
10:38am

Customer:	Lena Walker
Payment method:	CrCd-VISA
Clerk:	mdeaton
Card holder:	Lena Walker
Card number:	xxxxxxxxxxxx9219
Approval code:	948719

Subtotal: 199.00 **Owed:** 199.00 **Paid:** 199.00 **Balance Due:** 0.00

Type	Name	Price	Discount	Owed	Paid
Course	**APP QE - USPAP (CL)** Dallas North Campus 8:30am-4:45pm Jun 11-12	199.00	0.00	199.00	199.00
Material	USPAP Textbook	0.00	0.00	0.00	0.00

REFUND POLICY

- Course Refunds
  - Correspondence courses are refundable **WITHIN 5 DAYS** from date of purchase. After the 5 days, courses are non-refundable.
  - Online courses are refundable **WITHIN 5 DAYS** from date of purchase. After the 5 days, courses are non-refundable.
  - All other courses are refundable **WITHIN 5 DAYS** from date of purchase. After the 5 days, courses are non-refundable.
  - The Prep course is Non-Refundable once a student has picked up their textbook or attended any portion of the class.
  - All courses have a $20 non-refundable fee.
- Textbook Refunds
  - All textbooks are included in class prices. Additional textbooks can be purchased individually.
  - There are NO refunds on textbooks or software. All sales are final. If an item is defective we will gladly exchange it for a new one of the same version within ten (10) days of your purchase date.

Electronic Check Transfer

When you provide a check as payment, you authorize us to use information from your check to make a one-time electronic fund transfer from your account. Funds may be withdrawn from your account as soon as the same day we receive your payment, and you will not receive your check back from your financial institution.

Signature: _____

Thank You For Your Business

CERTIFICATION OF COMPLETION OF MENTORSHIP

I hereby certify to the Texas Appraiser Licensing and Certification Board that during the time period of 4/19/2016 to 4/27/2016, I conducted a total of 8 ~~4~~ hours in person, face-to-face mentorship meetings with LENA WALKER ("Appraiser"). During each of these mentorship meetings I discussed the Uniform Standards of Professional Appraisal Practice, real estate appraisal practices, skills, methods, techniques, processes or other germane material with the Appraiser in an effort to improve this individual's skills as a real estate appraiser. The Appraiser was interactive and collaborative with me in our common goal to improve this individual's skills as a real estate appraiser.

GREG STEPHENS
NAME (PRINT)

SIGNATURE

DATE: 4/27/2016

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD	§	
	§	
	§	
	§	
vs.	§	DOCKETED COMPLAINT NO. 14-272
	§	
	§	
LENA G. WALKER	§	
TX-1334107-R	§	

AGREED FINAL ORDER

On the 15 day of May, 2015, the Texas Appraiser Licensing and Certification Board, (the "Board"), considered the matter of the certification of Lena G. Walker (the "Respondent").

In order to conclude this matter, Respondent neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein. Respondent further agrees to the disciplinary action set out in this Agreed Final Order (the "Agreed Final Order"). The Board makes the following findings of fact and conclusions of law and enters this Agreed Final 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-1334107-R and was certified by the Board during all times material to the above-noted complaint.

2. Respondent appraised residential real property located at 412 Crosstimber Drive, Hurst, Texas (the "Property"), on or about January 28, 2013.

3. Thereafter, the complaint, numbered 14-272, was filed with the Board by an appraisal management company, on or about July 28, 2014. The Board investigated 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. The Board, in accordance with the mandate of TEX.GOV'T CODE ANN. CHPT. 2001, the Administrative Procedure Act (the "APA"), and the Act, notified Respondent of the nature of the accusations involved, on or about August 5, 2014. Respondent was afforded an opportunity to respond to the accusations in the complaint and was also requested to provide certain documentation to the Board. Thereafter, the Respondent responded with documentation, on or about September 1, 2014.

5. As a result of the Board's investigation, the Board contends that 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 of the Property:

a. USPAP Scope of Work Rule, USPAP Standards Rules 1-2(h) and 2-2(b)(viii) – Respondent failed to perform the scope of work necessary for credible assignment results;

b. USPAP Standards Rule 2-2(b)(x) – Respondent failed to state the use of an extraordinary assumption would affect the assignment results;

c. USPAP Standards Rules 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to adequately identify and report the site description;

d. USPAP Standards Rules 1-2(e)(i) and 2-2(b)(iii) – Respondent failed to adequately identify and report the improvements;

e. USPAP Standards Rules 1-2(e)(iv) and 2-2(b)(viii) – Respondent failed to identify and report the Property's zoning;

f. USPAP Standards Rules 1-3(b) and 2-2(b)(ix) – Respondent failed to properly develop the opinion of highest and best use;

g. USPAP Standards Rules 1-1(a) and 1-4(b)(i) – Respondent failed to use an appropriate method or technique to develop a site value determination;

h. USPAP Standards Rules 1-1(a), 1-4(a), and 2-2(b)(viii)– Respondent has failed to collect, verify, analyze and reconcile comparable sales data adequately and has not employed recognized methods and techniques in the sales comparison approach;

i. USPAP Standards Rules 1-6(a) and 2-2(b)(viii) – Respondent failed to reconcile the quality and quantity of the data within the sales comparison approach; and

j. USPAP Standards Rules 1-1(a), 1-1(b), 1-1(c), 2-1(a), and 2-1(b) – For the reasons detailed above, Respondent produced an 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 material misrepresentations and material omissions of material fact with respect to the appraisal of the Property as detailed above.

7. In order to reach an expeditious resolution of this matter and avoid the time and expense of litigation, the parties enter into this Agreed Final Order in accordance with TEX. OCC. CODE § 1103.458.

CONCLUSIONS OF LAW

1. The Board has jurisdiction over this matter pursuant to the Act.

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 and material 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**:

1. **EDUCATION**. On or before May 15, 2016, Respondent shall submit documentation of attendance and successful completion of the classes set out below to the Board. All classes required by this Agreed Final 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 Agreed Final 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 on USPAP, a minimum of fifteen (15) class hours, on or before May 15, 2016.

2. **MENTORSHIP**. On or before May 15, 2016, Respondent shall complete eight (8) 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 Agreed Final Order and is urged to do so well in advance of any compliance deadline to ensure adequate time for completion.

   a. Eight (8) hours of mentorship concerning the sales comparison approach and the above-noted violations in the findings of fact, on or before May 15, 2016.

3. Respondent shall fully and timely comply with all of the provisions of this Agreed Final Order; and

4. 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.

ACKNOWLEDGMENT AND WAIVER

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 SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE ACT OR THE APA, 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 or to bring any civil suit in state or federal court regarding the validity or enforcement of this Agreed Final Order, regardless of the claims asserted. This Agreed Final Order, the findings of fact and the conclusions of law contained in it have been fully and fairly litigated or the parties had an opportunity to so litigate. This matter has been finally adjudicated and resolved via this Agreed Final Order. This Agreed Final Order shall be treated as res judicata, precluding any re-litigation of those claims and extinguishing the right to bring suit on the matter by the parties or those in privity with them. 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.

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 and I am aware of my right to be represented by an attorney of my own choosing. 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 (e.g. payment of a penalty, completion of remedial education, or failure to provide logs).

DELIVERY OF DOCUMENTS AND PAYMENTS FOR COMPLIANCE

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" and delivered via certified mail, return receipt requested. Respondent shall retain documentation (reply email, fax confirmation, return receipt, etc.) confirming timely receipt by the Board of all the documents necessary for compliance of this Agreed Final Order.

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.

EXECUTION

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.

RESPONDENT

Signed this 24 day of March, 2015.

Lena G. Walker

Lena G. Walker

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on the 24 day of March, 2015, by Lena G. Walker, to certify which witness my hand and official seal.

Kathleen M. Shannon

Notary Public's Signature

KATHLEEN M. SHANNON

Notary Public's Printed Name

KATHLEEN M. SHANNON
Notary Public, State of Texas
My Commission Expires
February 06, 2018

STANDARDS AND ENFORCEMENT SERVICES DIVISION

Signed by the Standards and Enforcement Services Division this 25th day of March, 2015.

Kyle Wolfe, Staff Attorney
Texas Appraiser Licensing and Certification Board

COMMISSIONER

Signed by the Commissioner this 1 day of April, 2015.

Douglas Oldmixon, Commissioner
Texas Appraiser Licensing and Certification Board

CHAIRPERSON

Approved by the Board and Signed this 15 day of May, 2015.

Jamie Wickliffe, Chairperson
Texas Appraiser Licensing and Certification Board

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 11

Report by AQB Working Group.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Jamie S. Wickliffe
Chair

James J. Jeffries
Vice Chair

Earl "Buster" Renfrow
Secretary

Jesse Barba

Walker Beard

Clayton P. Black

Patrick M. Carlson

Laurie C. Fontana

Brian L. Padden

Douglas E. Oldmixon
Commissioner

Working Group for AQB Criminal History Checks
Report of May 13, 2016

Members: Jesse Barba, Chair, Jeff Dickstein, Kris Kastner, Randall Kopfer, Kathleen Muneio, Tony Pistilli, and William Trombly

Since the February 2016 Board meeting, the Working Group met twice by teleconference on March 17, 2016 and April 11, 2016.

Meeting on March 17, 2016

Working Group Members in attendance: Jesse Barba, Chair, Jeff Dickstein, Kris Kastner, Randall Kopfer, Kathleen Muneio, Tony Pistilli and William Trombly

Other Board Members in attendance: None

Staff in attendance: Douglas Oldmixon, Commissioner; Kristen Worman, General Counsel; Dione Frederick, Recording Secretary; Troy Beaulieu, Director-SES; Gwen Jackson, Director-ELS; and Denise Sample, Licensing Manager-ELS.

Public in attendance: Joe Woller, FACT; and Greg Stephens.

The Working Group discussed the criteria for criminal history checks adopted by the Appraiser Qualifications Board (AQB) that will become effective on January 1, 2017, and considered how to implement these criteria in Texas. The Working Group noted that the Board currently conducts statewide criminal history checks for all applicants at initial application and renewal through the Texas Department of Public Safety (DPS). The Working Group also noted that the Texas Real Estate Commission has conducted national fingerprint-based criminal history checks since 2008. The Working Group reached a consensus that the Board should adopt national fingerprint-based history checks for appraisers and asked Staff to draft rules to implement these criteria to be considered at a future Working Group meeting.

The Working Group set a future meeting date on April 11, 2016 at 2:00pm.

Meeting on April 11, 2016

Working Group Members in attendance: Jesse Barba, Chair, Jeff Dickstein, Randall Kopfer, Kathleen Muneio, Tony Pistilli and William Trombly

Other Board Members in attendance: None

DRAFT

Staff in attendance: Douglas Oldmixon, Commissioner; Kristen Worman, General Counsel; Dione Frederick, Recording Secretary; Tony Slagle, Government Affairs; and Troy Beaulieu, Director-SES.

Public in attendance: Joe Woller, FACT.

The Working Group reviewed the draft rules presented by Staff to implement criminal history checks for appraisers and recommends the Board implement national fingerprint-based criminal history checks for appraisers at initial application and upon license renewal effective January 1, 2017, to coincide with the effective date of the AQB criteria. The Working Group recommends the Board phase-in this process over the two-year renewal cycle as appraisers renew their licenses. The Working Group approved the rules presented by Staff and recommends the Board submit the rules for publication in the Texas Register for public comment.

The Working Group also discussed whether to adopt a limitation on appraisal management companies (AMCs) requiring appraisers to pay for additional criminal history checks beyond those to be conducted by the Board under the new criteria, if adopted. The Working Group considered a similar limitation adopted by North Carolina and noted that the Board already has limitations on AMCs requiring appraisers to pay fees incurred by an AMC in other contexts, including national registry fees charged to AMCs. Aside from the criminal history checks to be required under Rule 153.12, if adopted, the Working Group recommends the Board not limit AMCs from requiring additional criminal history checks, so long as they are not done at the appraiser's expense.

The Working Group did not set a future meeting date.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 12

Report by Executive Committee.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

Executive Committee Report of May 13, 2016

TALCB Board Members

Jamie S. Wickliffe
Chair

James J. Jeffries
Vice Chair

Earl "Buster" Renfrow
Secretary

Jesse Barba

Walker Beard

Clayton P. Black

Patrick M. Carlson

Laurie C. Fontana

Brian L. Padden

Douglas E. Oldmixon
Commissioner

Members: Jamie Wickliffe, Chair; Jim Jeffries and Buster Renfrow

Since the February 2016 Board meeting, the Executive Committee met twice by teleconference on March 31, 2016, and April 26, 2016.

Meeting on March 31, 2016

Committee Members in attendance: Jamie Wickliffe, Chair; Jim Jeffries and Buster Renfrow

Other Board Members in attendance: None

Staff in attendance: Douglas Oldmixon, Commissioner; Kristen Worman, General Counsel.

The Committee discussed several items, including the 2016 Appraisal Subcommittee (ASC) Preliminary Compliance Review of Texas' Appraiser Regulatory Program, ASC National Registry reporting issues, submitting comments to the AQB on alternative experience criteria for appraisers, and amendments to the TREC/TALCB Memorandum of Understanding. The Committee directed staff to respond to the ASC Preliminary Review and to submit comments to the AQB on alternative experience criteria for appraisers on behalf of the Board.

The Committee also considered whether to have OAG general counsel continue to attend Board and Committee meetings, hosting a USPAP training workshop for non-appraisers, and possible amendments to Rule 153.15, Experience Required for Licensing. The Committee recommends the Board discontinue the practice of OAG general counsel to attend Board and Committee meetings. The Committee approved hosting a USPAP workshop for non-appraisers on May 12, 2016, the day before the Board meeting and asked that all Board members be invited, but not required, to attend. The Committee tabled the discussion of amendments to Rule 153.15 until a future meeting.

The Committee set a future meeting date for April 26, 2016 at 10:00am.

Meeting on April 26, 2016

Committee Members in attendance: Jamie Wickliffe, Chair; Jim Jeffries and Buster Renfrow

Other Board Members in attendance: None

DRAFT

Staff in attendance: Douglas Oldmixon, Commissioner; Kristen Worman, General Counsel.

The Committee discussed several items, including the final ASC Compliance Review, comments submitted to the AQB regarding alternative experience criteria for appraisers, the agency's Strategic Plan for FY2017-2021, and possible amendments to 22 TAC §153.15, Experience Required for Licensing. The Committee asked staff to reach out to other Board members who may have attended a session of the agency's Strategic Planning Listening Tour to get their feedback and suggested that it may be helpful to add a breakout session for appraisers in the future. The Committee also suggested revisions to the proposed amendments to Rule 153.15 presented by staff and recommends the Board publish the proposed amendments as revised for public comment. The Committee commended the staff for achieving an "Excellent" rating on the final ASC Compliance Review.

The Committee set a future meeting date for June 20, 2016 at 10:00am.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 13

Report by Budget Committee.

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-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	**FYTD Total 2016**
Local Lines	16,624	15,445	15,557	16,835	21,161	21,160	22,077						128,859
TALCB LL	**947**	**916**	**1,033**	**1,079**	**1,337**	**1,256**	**1,320**						**7,888**
Total Calls	17,571	16,361	16,590	17,914	22,498	22,416	23,397						**136,747**

Walk Ins

	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	**FYTD Total 2016**
Licensing	131	108	145	154	176	205	140						1,059
Education	26	22	24	25	41	34	29						201
Inspector	3	17	10	10	11	9	11						71
Enforcement	6	3	4	10	10	14	12						59
TALCB Lic	**3**	**6**	**1**	**1**	**6**	**4**	**4**						**25**
TALCB Enf	**3**	**3**	**2**	**1**	**1**	**1**	**1**						**12**
Total	172	159	186	201	245	267	197						**1,427**

Emails

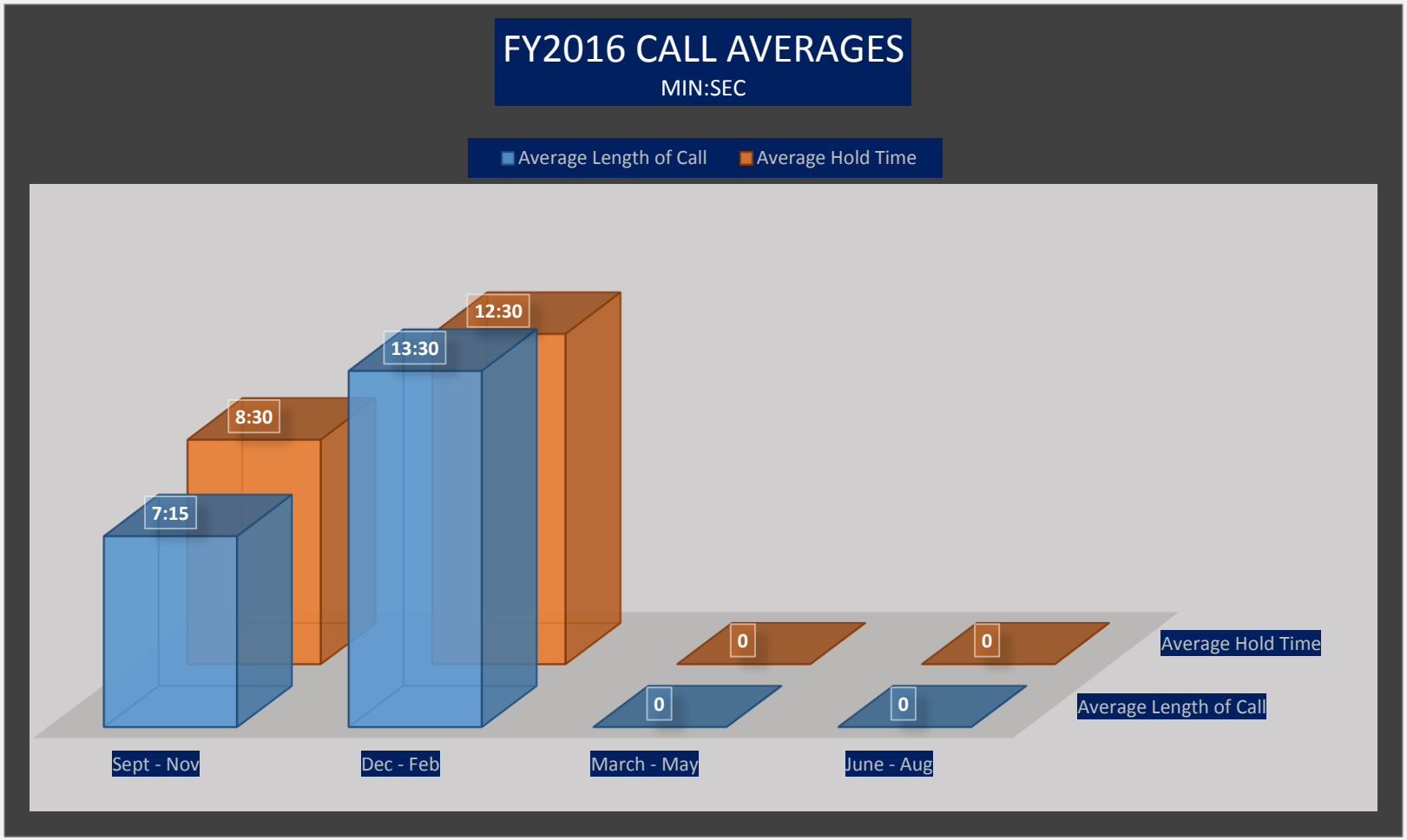
	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	**FYTD Total 2016**
Lic**ensing**	5,023	4,113	4,058	5,227	6,091	5,193	5,650						35,355
Education	1,066	938	785	1,065	1,272	1,327	1,652						8,105
Inspector	84	50	39	38	17	24	43						295
Enforcement	117	108	125	128	135	155	177						945
TALCB Lic	**289**	**286**	**280**	**341**	**400**	**327**	**343**						**2,266**
TALCB Enf	**16**	**15**	**49**	**17**	**7**	**10**	**22**						**136**
Total	6,595	5,510	5,336	6,816	7,922	7,036	7,887						47,102

C1 Report
FY2016

Customer Service Surveys

FY2016	Surveys Received	Responded by Email	Responded by Phone	Anonymous (No Contact Info)
September	14	10	1	3
October	17	9	1	7
November	15	7	3	5
December	21	9	3	9
January	46	14	11	21
February	35	17	2	16
March	41	18	5	18
April				
May				
June				
July				
August				
Grand Total	**189**	**84**	**26**	**79**

C2 Report


FY2016 CALL AVERAGES
MIN:SEC
Average Length of Call
Average Hold Time
7:15
8:30
13:30
12:30
0
0
0
0
Average Hold Time
Average Length of Call
Sept - Nov
Dec - Feb
March - May
June - Aug

C3 Report

TEXAS APPRAISER LICENSING AND CERTIFICATION BOARD
ACTIVE CERTIFICATIONS AND LICENSES

FISCAL YEAR	END OF MONTH	GENERAL	RESIDENTIAL	LICENSE	PROVISIONAL	TOTAL G.R.L. & P	*G.R.L.& P CHANGE*	TRAINEE	*TRAINEE CHANGE*	*TOTAL*	*TOTAL CHANGE*
FY-2013	Sep12	2,382	2,388	512	9	5,291	*10*	534	*19*	5,825	*29*
	Oct12	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*
	Dec12	2,390	2,381	501	6	5,278	*-11*	550	*16*	5,828	*5*
	Jan13	2,377	2,380	502	6	5,265	*-13*	576	*26*	5,841	*13*
	Feb13	2,379	2,377	499	4	5,259	*-6*	591	*15*	5,850	*9*
	Mar13	2,382	2,374	490	3	5,249	*-10*	607	*16*	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	*23*	5,881	*10*
	Jun13	2,368	2,369	480	2	5,219	*-5*	682	*25*	5,901	*20*
	Jul13	2,359	2,367	477	2	5,205	*-14*	702	*20*	5,907	*6*
	Aug13	2,367	2,371	470	2	5,210	*5*	724	*22*	5,934	*27*
FY-2014	Sep13	2,368	2,375	467	1	5,211	*1*	741	*17*	5,952	*18*
	Oct13	2,367	2,381	467	1	5,216	*5*	767	*26*	5,983	*31*
	Nov13	2,371	2,381	467	1	5,220	*4*	781	*14*	6,001	*18*
	Dec13	2,374	2,380	466	1	5,221	*1*	792	*11*	6,013	*12*
	Jan14	2,363	2,382	461	1	5,207	*-14*	786	*-6*	5,993	*-20*
	Feb14	2,365	2,379	457	N/A	5,201	*-6*	780	*-6*	5,981	*-12*
	Mar14	2,368	2,385	453	N/A	5,206	*5*	788	*8*	5,994	*13*
	Apr14	2,373	2,393	454	N/A	5,220	*14*	783	*-5*	6,003	*9*
	May14	2,375	2,399	457	N/A	5,231	*11*	779	*-4*	6,010	*7*
	Jun14	2,378	2,401	451	N/A	5,230	*-1*	777	*-2*	6,007	*-3*
	Jul14	2,377	2,403	454	N/A	5,234	*4*	766	*-11*	6,000	*-7*
	Aug14	2,386	2,405	453	N/A	5,244	*10*	760	*-6*	6,004	*4*
FY-2015	Sep14	2,393	2,407	451	N/A	5,251	*7*	767	*7*	6,018	*14*
	Oct14	2,402	2,418	448	N/A	5,268	*17*	766	*-1*	6,034	*16*
	Nov14	2,407	2,415	440	N/A	5,262	*-6*	749	*-17*	6,011	*-23*
	Dec14	2,409	2,431	442	N/A	5,282	*20*	756	*7*	6,038	*27*
	Jan15	2,405	2,437	446	N/A	5,288	*6*	767	*11*	6,055	*17*
	Feb15	2,417	2,437	442	N/A	5,296	*8*	760	*-7*	6,056	*1*
	Mar15	2,423	2,445	444	N/A	5,312	*16*	761	*1*	6,073	*17*
	Apr15	2,408	2,451	442	N/A	5,301	*-11*	763	*2*	6,064	*-9*
	May15	2,404	2,444	436	N/A	5,284	*-17*	761	*-2*	6,045	*-19*
	Jun15	2,413	2,436	432	N/A	5,281	*-3*	773	*12*	6,054	*9*
	Jul15	2,409	2,424	432	N/A	5,265	*-16*	774	*1*	6,039	*-15*
	Aug15	2,408	2,415	434	N/A	5,257	*-8*	779	*5*	6,036	*-3*
FY-2016	Sep15	2,406	2,417	428	N/A	5,251	*-6*	786	*7*	6,037	*1*
	Oct15	2,414	2,418	431	N/A	5,263	*12*	791	*5*	6,054	*17*
	Nov15	2,417	2,420	430	N/A	5,267	*4*	793	*2*	6,060	*6*
	Dec15	2,419	2,425	430	N/A	5,274	*7*	795	*2*	6,069	*9*
	Jan16	2,420	2,422	428	N/A	5,270	*-4*	794	*-1*	6,064	*-5*
	Feb16	2,418	2,418	427	N/A	5,263	*-7*	783	*-11*	6,046	*-18*
	Mar16	**2,423**	**2,417**	**427**	**N/A**	**5,267**	***4***	**784**	***1***	**6,051**	***5***

(March 2016: Temporary Out of State Appraisers = 1,100; Inactive Appraisers = 154)

APPRAISAL MANAGEMENT COMPANY REGISTRATIONS
March 2016

	Month	Paper Apps. Received	Online Apps. Received	Total Apps. Received	Total AMC Registrations Issued	Total AMC Renewals Issued
FY-2012	Mar-12	18	4	22	0	
	Apr-12	16	5	21	0	
	May-12	25	16	41	44	
	Jun-12	53	14	67	65	
	Jul-12	13	6	19	53	
	Aug-12	5	1	6	7	
FY- 2013	Sep-12	0	1	1	3	
	Oct-12	0	3	3	5	
	Nov-12	2	1	3	2	
	Dec-12	1	2	3	4	
	Jan-13	0	0	0	2	
	Feb-13	1	0	1	0	
	Mar-13	0	0	0	0	
	Apr-13	1	1	2	0	
	May-13	0	0	0	1	
	Jun-13	0	1	1	4	
	Jul-13	0	1	1	1	
	Aug-13	1	1	2	1	
FY- 2014	Sep-13	0	3	3	2	
	Oct-13	0	1	1	2	
	Nov-13	0	0	0	0	
	Dec-13	0	1	1	0	0
	Jan-14	0	0	0	1	1
	Feb-14	0	0	0	0	5
	Mar-14	0	2	2	2	9
	Apr-14	1	0	1	2	18
	May-14	1	1	2	0	28
	Jun-14	1	1	2	4	38
	Jul-14	0	0	0	0	24
	Aug-14	0	0	0	0	15
FY- 2015	Sep-14	1	1	2	1	4
	Oct-14	0	0	0	1	2
	Nov-14	1	1	2	2	2
	Dec-14	3	1	4	1	0
	Jan-15	3	0	3	1	1
	Feb-15	0	0	0	5	1
	Mar-15	1	0	1	0	0
	Apr-15	0	1	1	0	1
	May-15	0	0	0	1	0
	Jun-15	0	0	0	1	0
	Jul-15	1	0	1	1	6
	Aug-15	1	1	2	1	0
FY-2016	Sep-15	1	0	1	0	1
	Oct-15	0	0	0	2	2
	Nov-15	2	0	2	1	0
	Dec-15	1	0	1	0	0
	Jan-16	2	0	2	2	1
	Feb-16	0	0	0	1	2
	Mar-16	0	0	0	1	7
TOTALS		**156**	**71**	**227**	**227**	**168**

Registrations Surrendered as of March 2016	-14
Registrations Revoked as of March 2016	-3
Registrations Expired > 6 months as of March 2016	-26
TOTAL AMC REGISTRATIONS	**184**

Education & Licensing Services Division - TALCB

Fiscal Year Comparison

Fiscal Year - 2016
MARCH

	This YTD 09/15 - 03/16	Last YTD 09/14 - 03/15	Change Count	Change Percent
Original Applications Received				
Certified General Applications	70	87	-17	-19.54%
Certified Residential Applications	61	110	-49	-44.55%
Licensed Residential Applications	42	43	-1	-2.33%
Appraiser Trainee Applications	170	147	23	15.65%
Non-Residential Temporary Applications	157	134	23	17.16%
Total Original Applications	500	521	-21	-4.03%
Licenses Issued from Original Applications				
Certified General Licenses	88	91	-3	-3.30%
Certified Residential Licenses	95	107	-12	-11.21%
Licensed Residential Licenses	42	47	-5	-10.64%
Appraiser Trainee Licenses	158	125	33	26.40%
Non-Residential Temporary Licenses	158	129	29	22.48%
Total Licenses from Original Applications	541	499	42	8.42%
Licenses Issued from Renewal Applications				
Certified General Renewals	687	720	-33	-4.58%
Certified Residential Renewals	780	624	156	25.00%
Licensed Residential Renewals	131	154	-23	-14.94%
Appraiser Trainee Renewals	189	261	-72	-27.59%
Total Renewal Licenses Issued	1,787	1,759	28	1.59%
Licenses Issued from Reinstatement Applications				
Certified General Reinstatements	4	11	-7	-63.64%
Certified Residential Reinstatements	3	4	-1	-25.00%
Licensed Residential Reinstatements	2	2	0	0.00%
Appraiser Trainee Reinstatements	7	8	-1	-12.50%
Total Reinstatement Licenses Issued	16	25	-9	-36.00%

Examination Activity - Fiscal Year 2015-2016

YEAR-TO-DATE RESULTS: September 2015 thru March 2016	Licensed Residential	Certified Residential	Certified General	Overall Pass Rate	Overall Failure Rate
Examinations Passed	23	27	24	74	
Examinations Failed	21	30	16		67
Examinations Taken	44	57	40	141	141
Examination Pass Rate (%)	52.27%	47.37%	60.00%	52.48%	47.52%

All examination types	
Total first time candidates:	74
Total repeat candidates:	67
Total pass:	74
Total fail:	67
Total examinations taken:	141

Examination Activity - Fiscal Year 2015-2016

MONTHLY RESULTS: March 2016	Licensed Residential	Certified Residential	Certified General	Overall Pass Rate	Overall Failure Rate
Examinations Passed	3	4	2	9	
Examinations Failed	1	4	1		6
Examinations Taken	4	8	3	15	15
Examination Pass Rate (%)	75.00%	50.00%	66.67%	60.00%	40.00%

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

EXAMINATION ACTIVITY

FISCAL YEAR-TO-DATE COMPARISON
MARCH

	March 2016 Pass Rate	March 2015 Pass Rate
Certified General Appraiser	60.0%	64.1%
Certified Residential Appraiser	47.3%	60.4%
Licensed Residential Appraiser	52.2%	42.5%
Overall Appraiser Pass Rate	52.4%	56.5%

Information Technology Services Division

Electronic Information Outlet Statistics

March 2016

Website	Current Month	Total Fiscal YTD	Total Prior Fiscal YTD
Total Pages Viewed	1,085,479	6,757,918	1,083,256
Total Monthly Unique Visitors	33,605	204,286	62,439

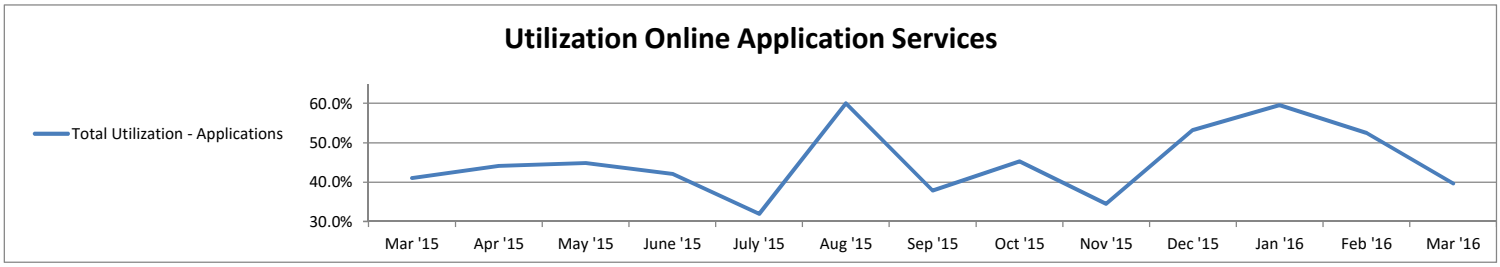
Online Transactions	Total	Online	Online Percent	FYTD Online Percent	Prior FYTD Online Percent
Applications	**53**	**21**	**39.6%**	**46.7%**	**76.8%**
AMC	1	0	**0.0%**	14.3%	54.5%
Certified General Appraiser	12	1	**8.3%**	17.6%	14.6%
Certified Residential Appraiser	9	2	**22.2%**	23.7%	21.4%
State Licensed Appraiser	5	1	**20.0%**	40.7%	47.6%
Appraiser Trainee	26	17	**65.4%**	74.8%	65.0%
Renewals	**265**	**242**	**91.3%**	**91.1%**	**88.7%**
AMC	7	4	57.1%	76.9%	80.0%
Certified General Appraiser	97	90	92.8%	89.3%	89.5%
Certified Residential Appraiser	115	108	93.9%	93.8%	94.7%
State Licensed Appraiser	23	19	82.6%	85.3%	68.3%
Appraiser Trainee	23	21	91.3%	91.3%	74.8%
AMC Panel:	**603**	**603**	**100.0%**	**100.0%**	**100.0%**
Invitations	556	556	100.0%	100.0%	100.0%
Removals	47	47	100.0%	100.0%	100.0%

Information Technology Services Division

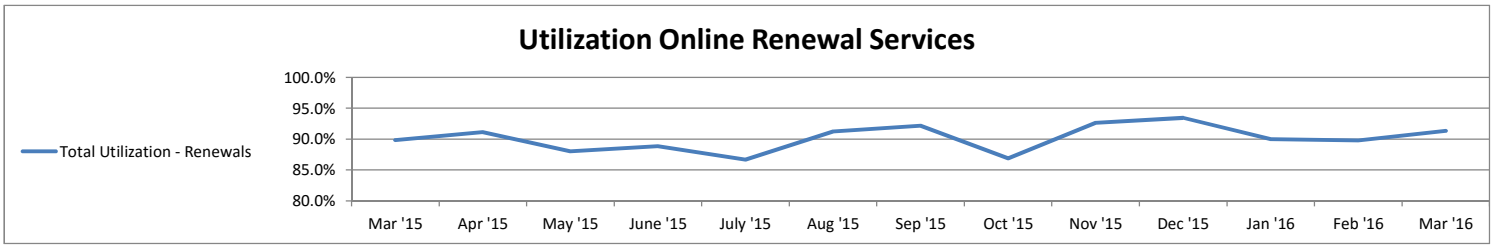
Electronic Information Outlet Statistics

March 2016

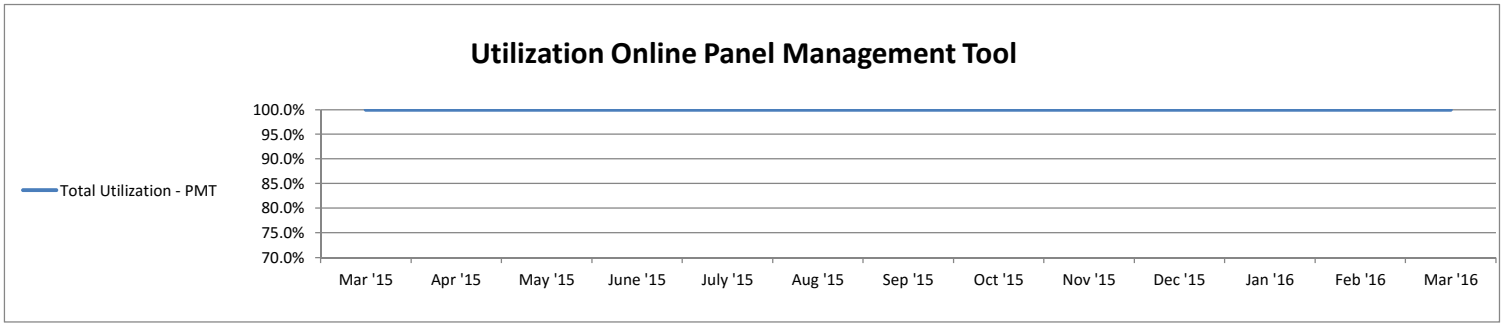
Applications	Mar '15	Apr '15	May '15	June '15	July '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16
AMC	0.0%	0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	50.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Certified General Appraiser	10.0%	0.0%	10.0%	33.3%	6.3%	66.7%	0.0%	8.3%	14.3%	10.0%	46.2%	25.0%	8.3%
Certified Residential Appraiser	16.7%	26.7%	50.0%	0.0%	0.0%	0.0%	11.1%	40.0%	14.3%	25.0%	28.6%	20.0%	22.2%
State Licensed Appraiser	33.3%	33.3%	0.0%	50.0%	50.0%	71.4%		20.0%	0.0%	75.0%	40.0%	66.7%	20.0%
Appraiser Trainee	85.7%	76.9%	88.9%	64.7%	64.7%	65.0%	65.0%	70.8%	66.7%	85.7%	90.0%	81.3%	65.4%
Total Utilization - Applications	**41.0%**	**44.1%**	**44.8%**	**42.1%**	**31.9%**	**60.0%**	**37.8%**	**45.3%**	**34.5%**	**53.2%**	**59.6%**	**52.5%**	**39.6%**



Renewals	Mar '15	Apr '15	May '15	June '15	July '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16
AMC Renewals	0.0%	100.0%	0.0%		83.3%	0.0%	100.0%	100.0%		0.0%	100.0%	100.0%	57.1%
Certified General Appraiser Renewals	86.9%	89.1%	81.4%	86.7%	87.2%	90.1%	87.9%	87.7%	93.0%	92.4%	84.3%	85.2%	92.8%
Certified Residential Appraiser Renewals	96.0%	93.6%	95.6%	91.7%	93.0%	93.2%	95.2%	86.6%	94.3%	94.7%	94.6%	97.0%	93.9%
State Licensed Appraiser Renewals	82.6%	83.3%	100.0%	92.3%	83.3%	90.0%	93.8%	75.0%	83.3%	92.0%	90.0%	50.0%	82.6%
Appraiser Trainee Renewals	88.9%	100.0%	87.5%	83.3%	84.6%	85.7%	85.7%	93.3%	83.3%	94.1%	90.9%	92.3%	91.3%
Total Utilization - Renewals	**89.8%**	**91.1%**	**88.0%**	**88.9%**	**86.7%**	**91.3%**	**92.2%**	**86.9%**	**92.7%**	**93.4%**	**90.0%**	**89.8%**	**91.3%**



PMT	Mar '15	Apr '15	May '15	June '15	July '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16
AMC Panel Invitations	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
AMC Panel Removals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total Utilization - PMT	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**



Staff & Support Services Division

TALCB Budget Status Report

March 2016

5/12 = 41.67%

Expenditure Category	Budget FY2016	Expenditures	Balance	Budget % Remaining	Comments
Salaries & Wages	$875,842	$458,094	$417,748	47.7%	
Employee Benefits	277,440	148,457	128,983	46.5%	
Retiree Insurance	39,600	17,800	21,800	55.1%	
Other Personnel Costs	25,220	14,685	10,535	41.8%	
Professional Fees & Services	77,550	37,770	39,780	51.3%	Versa customization budget not expended as of report date
Consumables	7,500	2,455	5,045	67.3%	
Utilities	1,740	1,103	637	36.6%	
Travel	30,000	14,319	15,681	52.3%	
Office Rent	37,625	26,479	11,146	29.6%	Office rent paid for the year; refunded $8,753 for rent payment due to SWCAP allocation
Equipment Rental	14,138	4,719	9,419	66.6%	
Registration & Membership	16,125	5,974	10,151	63.0%	Attorney CLE budget not expended as of report date
Maintenance & Repairs	12,267	12,411	(144)	-1.2%	Versa annual maintenance paid
Reproduction & Printing	1,600	116	1,484	92.8%	budget for envelopes not expended as of report date
Contract Services	29,540	2,233	27,307	92.4%	budget for court report, ERS and transcripts not expended as of report date
Postage	6,350	2,400	3,950	62.2%	
Supplies & Equipment	6,500	1,202	5,298	81.5%	budget for computer software and computer hardware not expended as of report date
Communication Services	8,246	4,627	3,619	43.9%	
Other Operating Expenses	4,342	881	3,461	79.7%	budget for certified copies, witness fees, and appraiser registry not expended as of report date
Subtotal -Operations Expenditures	**1,471,625**	**755,725**	**715,900**	**48.6%**	
DPS Criminal History Background Checks	3,000	1,654	1,346	44.9%	
Statewide Cost Allocation Plan (SWCAP)	45,000	20,517	24,483	54.4%	
Contribution to General Revenue	30,000	17,500	12,500	41.7%	% allocated monthly but pmt not due until 8/31/16
Subtotal - Nonoperational Expenditures	**78,000**	**39,671**	**38,329**	**49.1%**	
Total Expenditures	**$1,549,625**	**$795,396**	**$754,229**	**48.7%**	

Revenue	FY2016 Projected	Revenue Collected	Revenue Remaining to be Collected	Revenue % Remaining to be Collected	Comments
License Fees	$1,084,345	**$666,170**	$418,175	38.6%	increase in Certified General and Residential Appraisers
AMCs	749,580	**165,760**	$583,820	77.9%	Majority of renewals occur in last fiscal quarter (June-August)
Administrative Penalties	45,000	**39,600**	$5,400	12.0%	
Other Miscellaneous Revenue	26,280	**13,015**	$13,265	50.5%	Exam Admin Fees/NSF fees/Misc/Public Info fees less Administrative Penalties
Total Revenue	**$1,905,205**	**$884,545**	**$1,020,660**	**53.6%**	

	FY16 Carry Forward	Allocated Amount	Remaining to be Allocated	Carry Forward % Remaining	This is estimated AMC revenues collected in FY16 that will be set aside for FY17 budget.
AMC Revenue Carry Forward from FY16	**($290,054)**	**($169,198.17)**	**($120,856)**	**41.7%**	**Pro-rated thru March**

Revenue Over/(Under) Expenditures & Transfers	**$65,526**	**($80,049)**			**Includes AMC Carry Forward**

Staff Services Division

Tx Appraiser Licensing & Certification Board Operating Account No. 3056 Investments
Current Securities

March 2016

Purchase Date	Par Value	Purchase Price	Beginning Market Value	Additions Changes	Ending Market Value	Accrued Interest	Description	Maturity Date
12/24/2015	150,000.00	149,911.72	149,941.50	135.00	150,076.50	276.64	U.S. T-Notes, 0.63%	12/15/2016
12/04/2014	100,000.00	100,484.97	100,027.00	18.00	100,045.00	147.54	U.S. T-Notes, 0.50%	06/15/2016
07/16/2015	100,000.00	100,839.34	100,180.00	15.00	100,195.00	40.42	U.S. T-Notes, 0.88%	09/15/2016
Totals	$ 350,000.00	$ 351,236.03	$ 350,148.50	$ 168.00	$ 350,316.50	$ 464.60		

Receipts:	**Current Month**	**FY2016 Cumulative Total**
Treasury Note Earnings	437.50	1,250.00

Investment Compliance: These investments have been made in compliance with the Board's Investment Policy.

Melissa Huerta

Melissa Huerta, Investment Officer

Barbara C Kolb

Barbara Kolb, Alternate Investment Officer

TALCB Standards & Enforcement Services

CASE STATUS REPORT FY 2016 as of April 15, 2016

# of Cases Received

Case Classification	FY2014	FY2015	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr	16-May	16-Jun	16-Jul	16-Aug	FYTD
Complaint Category:															
AMCs	12	8	0	0	0	0	2	4	1	0					7
Dodd Frank	16	22	0	0	0	4	0	1	3	2					10
Ethics	5	4	0	0	0	0	0	0	0	0					0
USPAP	114	143	22	12	10	6	10	11	8	4					83
Other	4	11	1	1	0	0	0	1	5	0					8
No Jurisdiction	0	3	2	2	0	0	0	0	0	1					5
	151	**191**	25	15	10	10	12	17	17	7	0	0	0	**SUB:**	**113**
Experience Audits	155	161	19	14	11	6	12	9	10	7					88
RFAs & Covert Complaints	3	13	0	0	2	0	3	0	0	0					5
MCD Inquiries	4	3	0	0	0	1	0	0	2	1					4
	162	**177**	19	14	13	7	15	9	12	8	0	0	0	**SUB:**	**97**
Opened During FY Year|Month	**313**	**368**	**44**	**29**	**23**	**17**	**27**	**26**	**29**	**15**	**0**	**0**	**0**		**210**

# of Cases Closed

Case Disposition	FY2014	FY2015	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr	16-May	16-Jun	16-Jul	16-Aug	FYTD
Surrendered	4	5	0	0	4	0	0	3	0	0					7
Agreed Final Order / Final Order	44	43	0	0	20	0	1	15	0	0					36
Other Disciplinary Action	3	2	0	0	0	0	0	0	0	0					0
Insufficient Evidence	0	2	0	0	0	0	0	0	1	0					1
Dismissed	110	125	12	10	12	9	9	12	8	0					72
No Jurisdiction	0	7	1	3	2	0	0	0	0	1					7
	161	**184**	13	13	38	9	10	30	9	1				**SUB:**	**123**
Experience Audits	131	186	7	12	10	17	15	10	12	5					88
RFAs	14	10	0	0	0	1	0	3	0	0					4
MCD Inquiries	3	0	0	0	0	0	0	1	1	0					2
	148	**196**	7	12	10	18	15	14	13	5	0	0	0	**SUB:**	**94**
Closed During FY Year|Month	**309**	**380**	**20**	**25**	**48**	**27**	**25**	**44**	**22**	**6**	**0**	**0**	**0**		**217**

Total Cases Open as of 4/15/16: **194**

TALCB Standards & Enforcement Services

AMC CASE STATUS REPORT FY 2016 as of April 15, 2016

# of Cases Received

Case Classification	FY2014	FY2015	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr	16-May	16-Jun	16-Jul	16-Aug	FYTD
Complaint Category:															
AMC Compliance	0	0	0	0	0	0	0	0	0	0					0
Dodd Frank	0	0	0	0	0	0	0	0	0	0					0
Ethics	1	0	0	0	0	0	0	0	0	0					0
USPAP	9	7	0	0	0	0	0	1	0	1					2
Other	1	0	0	0	0	0	2	3	1	0					6
No Jurisdiction	0	1	0	1	0	0	0	0	0	0					1
	11	**8**	0	1	0	0	2	4	1	1	0	0	0	**SUB:**	**9**
RFAs & Covert Complaints	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Opened During FY Year|Month	**11**	**8**	**0**	**1**	**0**	**0**	**2**	**4**	**1**	**1**	**0**	**0**	**0**		**9**

# of Cases Closed

Case Disposition	FY2014	FY2015	15-Sep	15-Oct	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr	16-May	16-Jun	16-Jul	16-Aug	FYTD
Surrendered	0	0	0	0	0	0	0	0	0	0					0
Agreed Final Order	0	0	0	0	0	0	0	0	0	0					0
Other Disciplinary Action	2	0	0	0	0	0	0	0	0	0					0
Insufficient Evidence	0	0	0	0	0	0	0	0	0	0					0
Dismissed	7	8	0	1	1	0	1	0	2	0					5
No Jurisdiction	0	1	0	1	0	0	0	0	0	0					1
	9	**9**	0	2	1	0	1	0	2	0	0	0	0	**SUB:**	**6**
RFAs & Covert Complaints	0	0	0	0	0	0	0	0	0	0	0	0	0		0
Closed During FY Year|Month	**9**	**9**	**0**	**2**	**1**	**0**	**1**	**0**	**2**	**0**	**0**	**0**	**0**		**6**

Total Cases Open as of 4/15/16: **7**

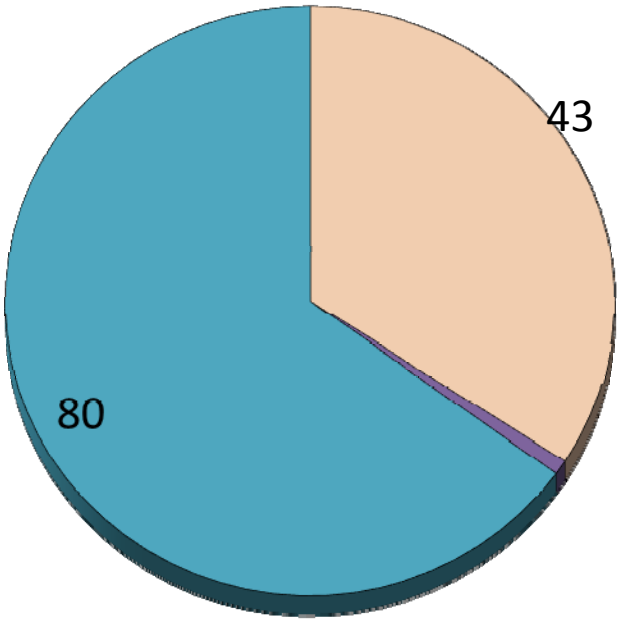
TOTAL OPEN COMPLAINTS

Fiscal Year	No. Pending (as of 01/26/15))	No. Pending (as of 04/15/2016)	IN REVIEW	INVEST COMPLETE	SOAH	AWAITING FINAL DISPOSITION	RFAs & COVERT CASES	Percentage Change from Previous Reporting Period
2009	1	1	___	___	___	___	1	0%
2013	1	0	___	___	___	___	___	(100%)
2014	2	2	___	___	___	___	2	0%
2015	85	42	12	11	2	7	10	(50.59%)
2016	65	100	92 (1 @ PIC)	3	1	2	2	53.85%
Total	154	145	104	14	3	9	15	(5.84%)
Total 1 YR OLD	7	8	___	___	___	2	6	14.28%

CASE RESOLUTIONS - FY 2016

SEPTEMBER 1, 2015 – APRIL 15, 2016

123 Total Complaints Resolved



- 42 (34.15%) Agreed Final Orders & Voluntary Surrenders
- 0 (0%) Litigated
- 1 (0.81%) NOAV / Default Final Order
- 80 (65.04%) Dismissals
  - 27 (33.75%) Dismissals
  - 24 (30%) Dismissals with Warning Letter
  - 20 (25%) Contingent Dismissals
  - 7 (8.75%) Non-Jurisdictional Dismissals
  - 2 (2.5%) Other

% of License Holders w/Disciplinary Actions			
FY 2013	FY 2014	FY 2015	FY 2016
.8%	.6%	.7%	.6%

Total Number of Licensees (as of March 31, 2016):

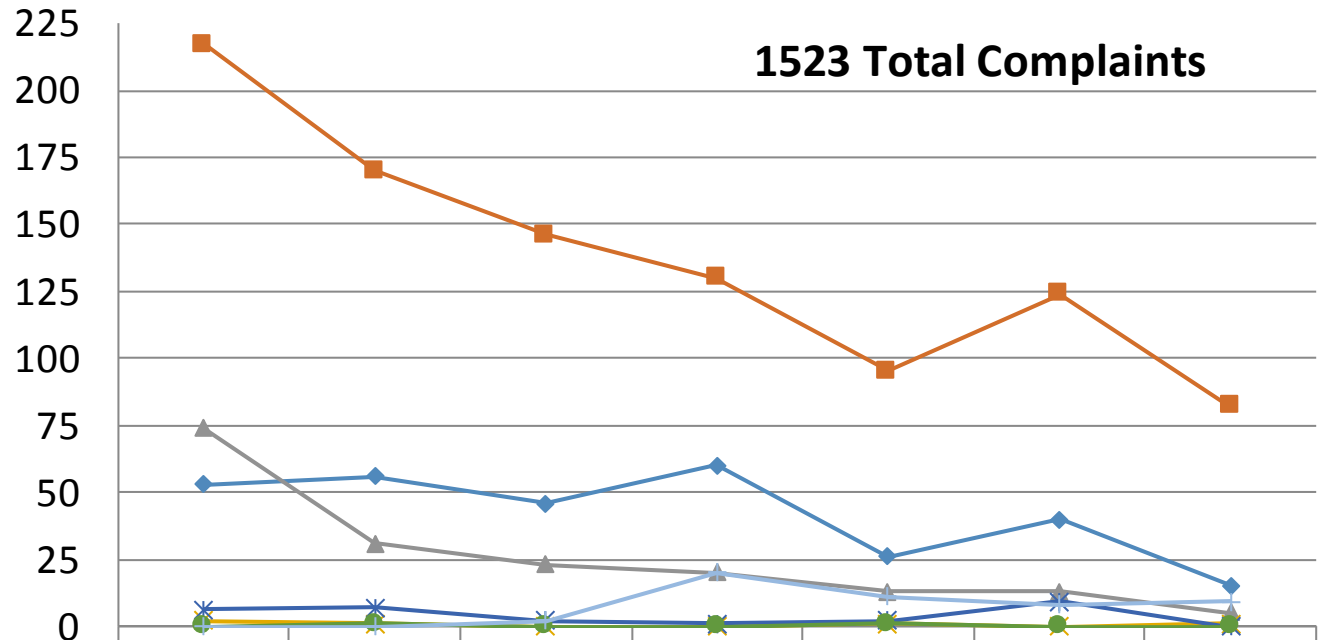
7,305

FY 2016 Recidivism Rate:

23.25%

Total # of Complaints Received

(Per License Type)

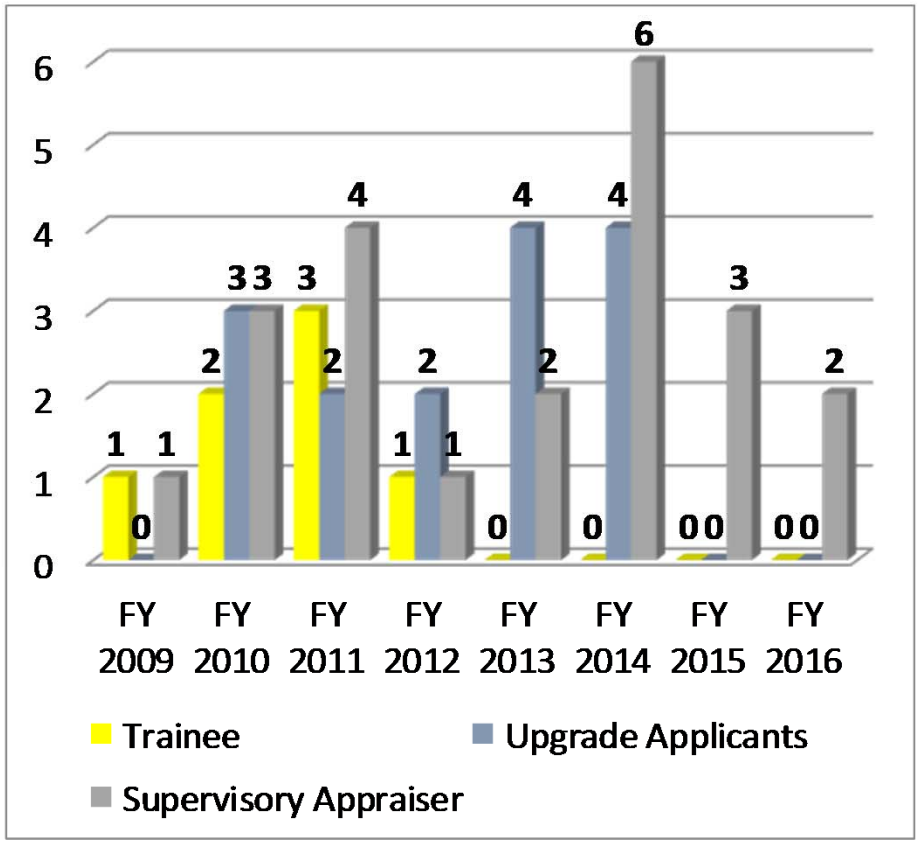


	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Certified General	53	56	46	60	26	40	15
Certified Residential	217	170	146	130	95	124	82
State Licensed	74	31	23	20	13	13	5
Provisional Licensed	2	1	0	0	1	0	1
Appraiser Trainee	6	7	2	1	2	9	0
Out-of-State Temporary Registrations	0	1	0	0	1	0	0
AMCs	0	0	2	20	11	8	9

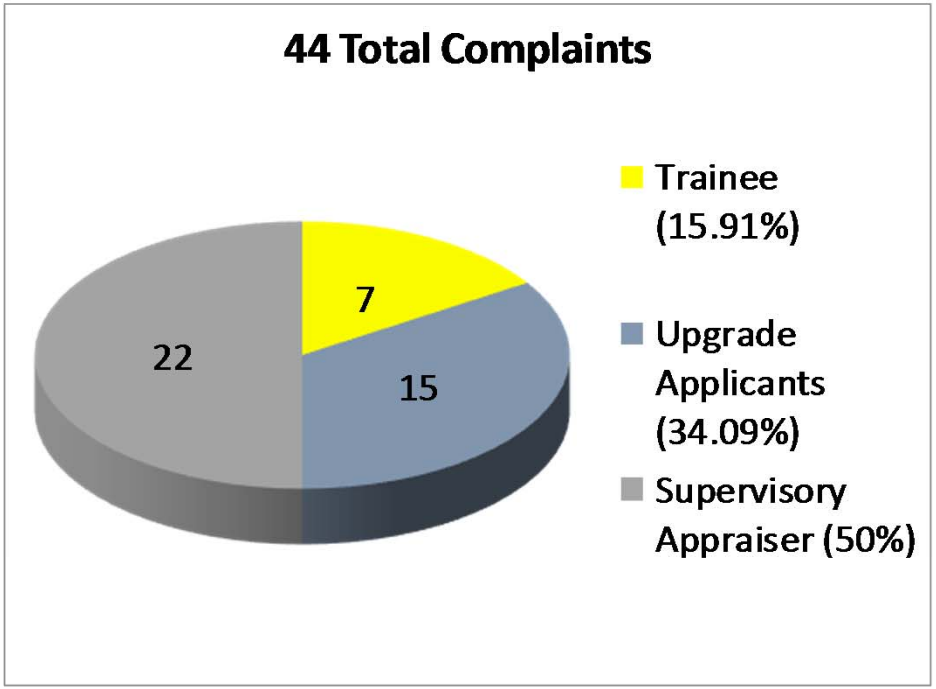
(as of 04/15/16)

STAFF-INITIATED COMPLAINTS BASED ON EXPERIENCE AUDITS

# of Staff-Initiated Complaints from Audits per Fiscal Year



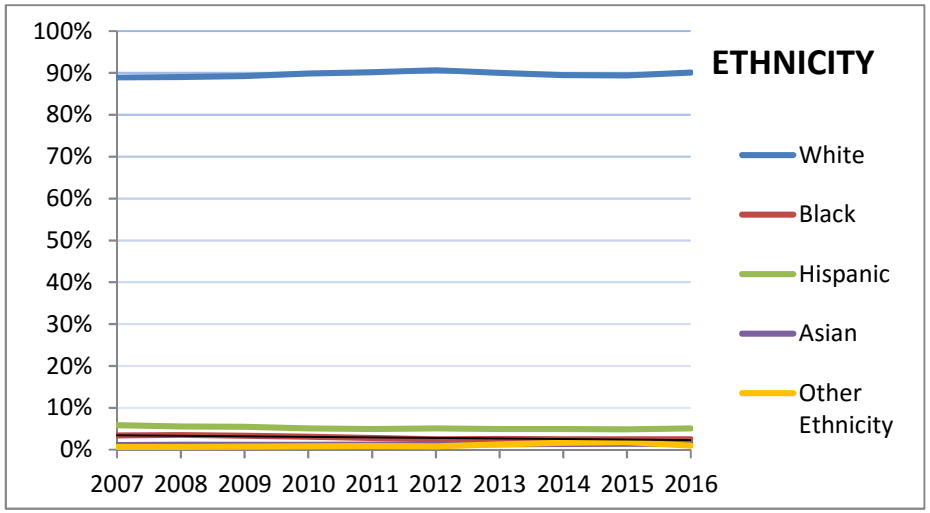
% of Staff-Initiated Complaints from Audits per Respondent Type

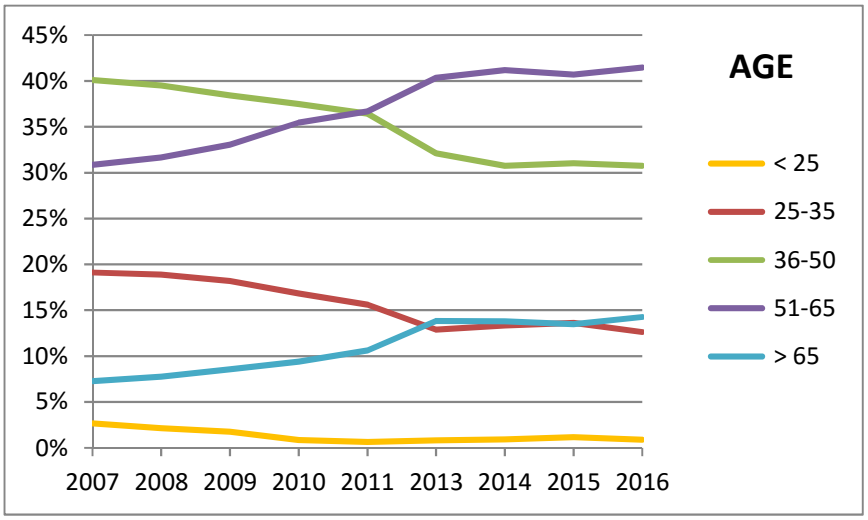


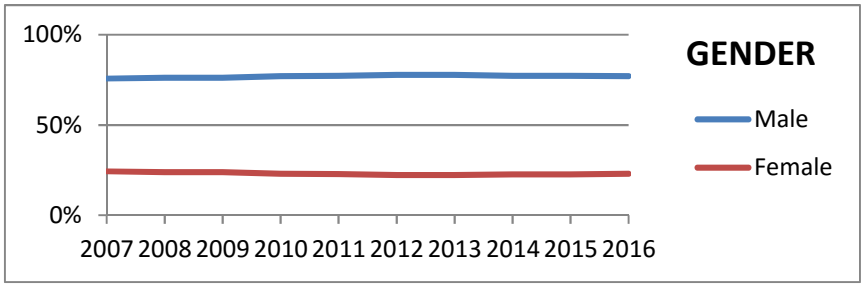
(as of 04/15/16)

TALCB APPRAISER DEMOGRAPHICS

Percentage of Total by Year												
Fiscal Year	White	Black	Hispanic	Asian	Other Ethnicity	Male	Female	< 25	25 - 35	36 - 50	51 - 65	> 65
2007	88.91%	3.43%	5.88%	1.13%	0.68%	75.68%	24.32%	2.66%	19.12%	40.10%	30.86%	7.26%
2008	88.99%	3.54%	5.60%	1.22%	0.70%	76.14%	23.85%	2.13%	18.89%	39.53%	31.68%	7.77%
2009	89.21%	3.35%	5.47%	1.21%	0.78%	76.17%	23.83%	1.76%	18.20%	38.42%	33.06%	8.56%
2010	89.86%	3.08%	5.09%	1.18%	0.84%	77.04%	22.96%	0.84%	16.82%	37.50%	35.46%	9.39%
2011	90.15%	2.83%	4.97%	1.23%	0.86%	77.13%	22.87%	0.62%	15.60%	36.46%	36.70%	10.62%
2012	90.65%	2.48%	5.10%	1.29%	0.84%	77.75%	22.25%	0.73%	14.61%	34.86%	38.28%	11.51%
2013	89.99%	2.60%	4.92%	1.27%	1.25%	77.67%	22.28%	0.81%	12.90%	32.10%	40.37%	13.83%
2014	89.45%	2.52%	4.95%	1.44%	1.66%	77.19%	22.71%	0.91%	13.35%	30.76%	41.20%	13.78%
2015	89.38%	2.49%	4.87%	1.42%	1.81%	77.25%	22.66%	1.16%	13.63%	31.03%	40.72%	13.46%
2016	90.08%	2.52%	5.07%	1.39%	0.97%	77.10%	22.93%	0.89%	12.62%	30.75%	41.48%	14.26%
Since Market Peak (2007)	1.17%	-0.91%	-0.81%	0.26%	0.29%	1.42%	-1.38%	-1.77%	-6.50%	-9.35%	10.61%	7.00%







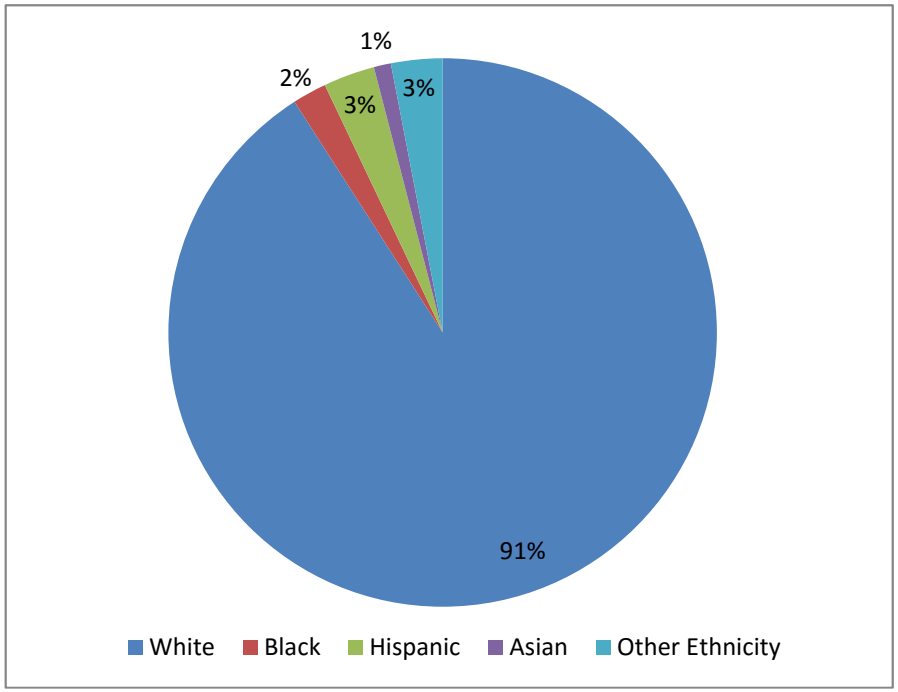
How Does Texas Compare Nationally? (2016)

Source	White	Black	Hispanic	Asian	Other Ethnicity	Male	Female	< 25	25 - 35	36 - 50	51 - 65	> 65	Total
AI Survey*	1306 90.00%	29 2.00%	44 3.00%	15 1.00%	44 3.00%	1074 74.00%	377 26.00%	15 1.00%	174 12.00%	348 24.00%	740 51.00%	160 11.00%	1451
Texas Numbers	5495 90.08%	154 2.52%	309 5.07%	85 1.39%	56 0.92%	4707 77.16%	1399 22.93%	54 0.89%	770 12.62%	1876 30.75%	2530 41.48%	870 14.26%	6100
Difference	0.08%	0.52%	2.07%	0.39%	-2.08%	3.16%	-3.07%	-0.11%	0.62%	6.75%	-9.52%	3.26%	

* Numbers taken from the Appraisal Institute's U.S. Valuation Profession Fact Sheet - December 2015-survey conducted in 2014 of 1451 individuals (+/- 2.6%)

ETHNICITY

NATIONAL NUMBERS



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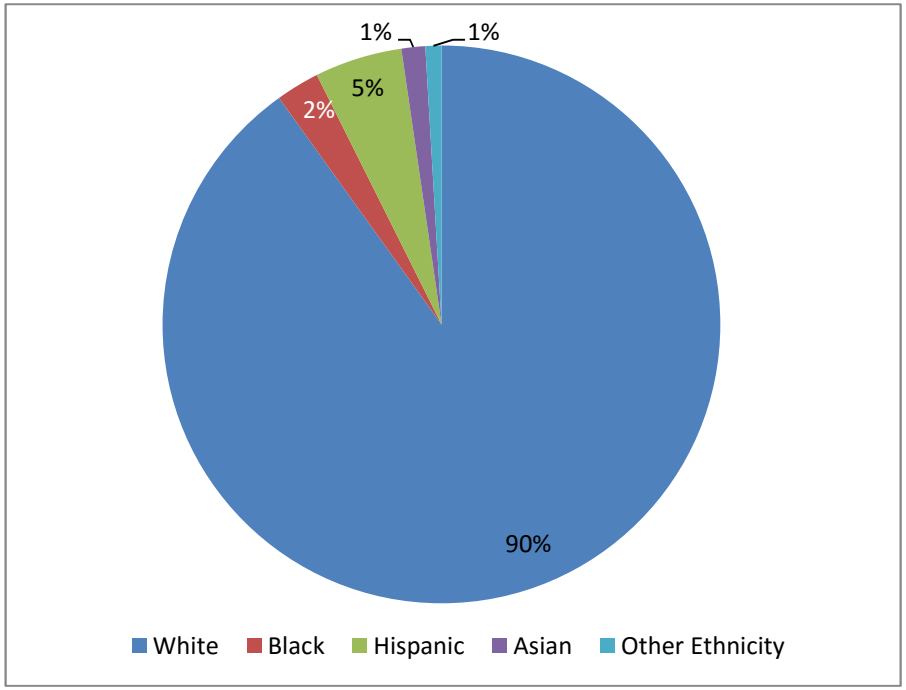
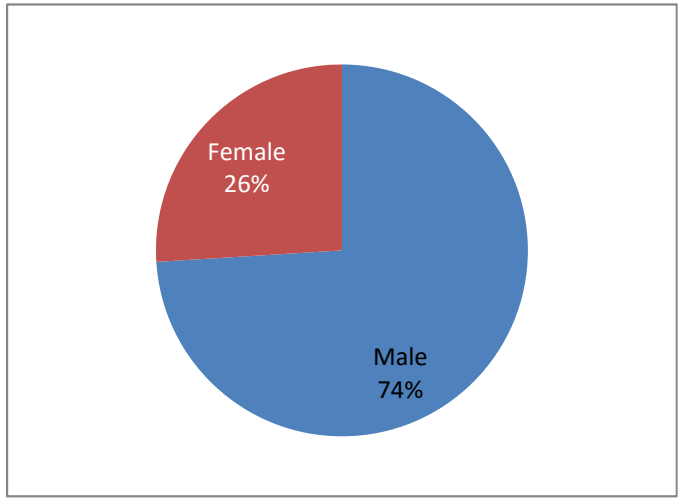


How Does Texas Compare Nationally? (2016)

GENDER

NATIONAL NUMBERS



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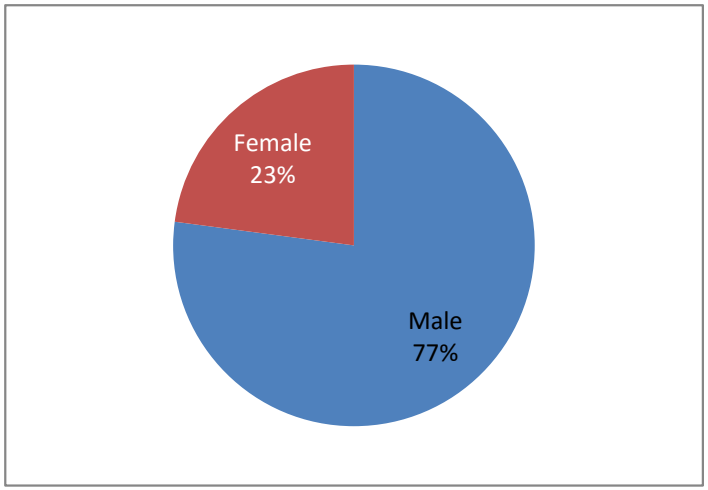

AGE

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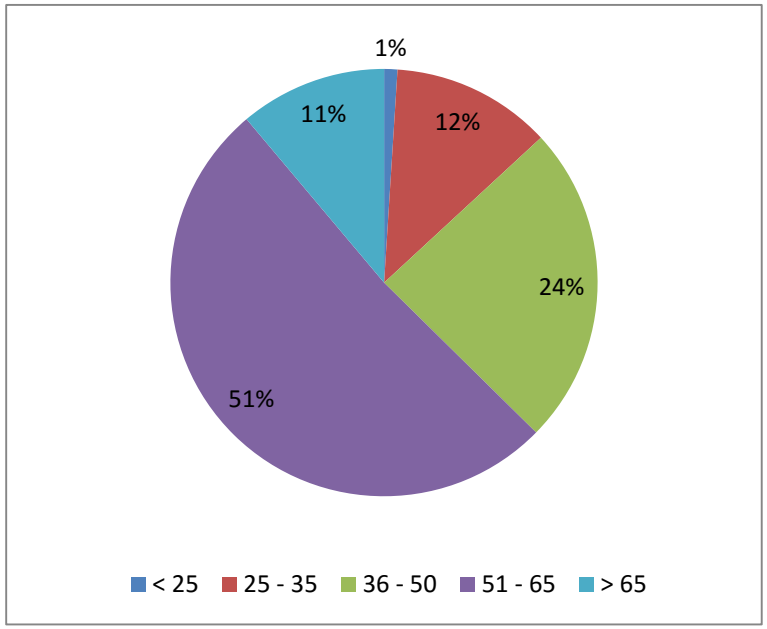

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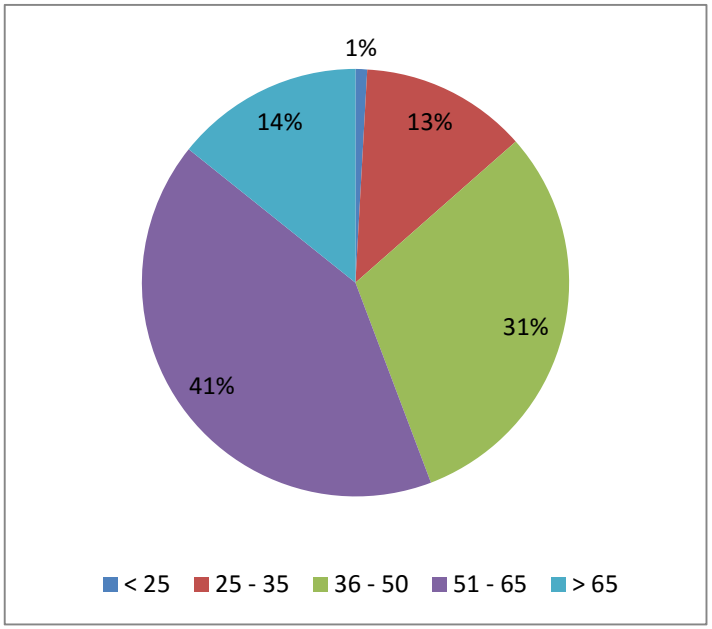


TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(a)

Discussion and possible action to propose amendments to 22 TAC §153.5, Fees.

SUMMARY

The proposed amendments add a reference to the fee for voluntary appraiser trainee experience reviews previously adopted by the Board in 22 TAC §153.22 at its meeting on February 19, 2016. The amendments also propose a new fee for fingerprint-based criminal history checks or other related services as recommended by the Working Group for AQB Criminal History Check Criteria.

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, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.5. Fees

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.5, Fees. The proposed amendments add a reference to the fee for voluntary appraiser trainee experience reviews previously adopted by the Board in 22 TAC §153.22 at its meeting on February 19, 2016. The amendments also propose a new fee for fingerprint-based criminal history checks or other related services as recommended by the Working Group for AQB Criminal History Check Criteria.

The Legislature delegated authority to the Board to adopt rules requiring applicants and license holders to provide fingerprints for the purpose of obtaining criminal history record information. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing national fingerprint-based criminal history checks for applicants and current license holders. The fee for fingerprint-based criminal history checks or other related services allow the Board to recoup the costs of these checks and services from license holders.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman 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 section as proposed will be recovery of direct costs from applicants for implementation of rule requirements consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.5. Fees

(a) The Board shall charge and the Commissioner shall collect the following fees:
(1) a fee of $400 for an application for a certified general appraiser license;
(2) a fee of $350 for an application for a certified residential appraiser license;
(3) a fee of $325 for an application for a licensed residential appraiser license;
(4) a fee of $300 for an application for an appraiser trainee license;
(5) a fee of $360 for a timely renewal of a certified general appraiser license;
(6) a fee of $310 for a timely renewal of a certified residential appraiser license;
(7) a fee of $290 for a timely renewal of a licensed residential appraiser license;
(8) a fee of $250 for a timely renewal of an appraiser trainee license;
(9) a fee equal to 1-1/2 times the timely renewal fee for the late renewal of a license within 90 days of expiration;
(10) a fee equal to two times the timely renewal fee for the late renewal of a license more than 90 days but less than six months after expiration;
(11) a fee of $250 for nonresident license;
(12) the national registry fee in the amount charged by the Appraisal Subcommittee;
(13) an application fee for licensure by reciprocity in the same amount as the fee charged for a similar license issued to a Texas resident;
(14) a fee of $40 for preparing a certificate of licensure history, active licensure, or supervision;
(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 license;
(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 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) an examination fee as provided in the Board's current examination administration agreement;
(23) a fee of $20 per certification when providing certified copies of documents;
(24) **a fee of $75 to request a voluntary appraiser trainee experience review;**
(25) the fee charged by the Federal Bureau of Investigation, the Texas Department of Public Safety or other authorized entity for fingerprinting or other service for a national or state criminal history check in connection with a license application or renewal;
(26) 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
(27)[~~(25)~~] any fee required by the Department of Information Resources for establishing and maintaining online applications.
(b) Fees must be submitted in U.S. funds payable to the order of the Texas Appraiser Licensing and Certification Board. Fees are not refundable once an application has been accepted for filing. Persons who have submitted a check which has been returned, and who have not made good on that check within thirty days, for whatever reason, shall submit all future fees in the form of a cashier's check or money order.
(c) Licensing fees are waived for members of the Board staff who must maintain a license for employment with the Board only and are not also using the license for outside employment.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(b)

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

SUMMARY

The proposed amendments implement fingerprint-based criminal history checks for license applicants as recommended by the Working Group for AQB Criminal History Check Criteria and clarify when the Board may terminate an application.

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, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.9. Applications

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.9, Applications. The proposed amendments implement fingerprint-based criminal history checks for license applicants as recommended by the Working Group for AQB Criminal History Check Criteria and clarify when the Board may terminate an application.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments add this requirement to the rule and clarify that the Board may terminate an application if an applicant fails to provide fingerprints or satisfy other licensing requirements within one year from the date an application is filed.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection, clarity for license holders and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

The statute affected by these amendments is Texas Occupations Code, Chapter 1103. No

other statute, code or article is affected by the proposed amendments.

§153.9. Applications

(a) A person desiring to be licensed as an appraiser **or**[,] appraiser trainee[, or temporary out-of-state appraiser] shall file an application using forms prescribed by the Board or the Board's online application system, if available. The Board may decline to accept for filing an application that is materially incomplete or that is not accompanied by the appropriate fee. Except as provided by the Act, the Board may not grant a license to an applicant who has not:

(1) paid the required fees;

(2) **submitted a complete and legible set of fingerprints as required in section 153.12 of this title;**

(3) satisfied any experience and education requirements established by the Act, Board rules, or the AQB;

(4)[(3)] successfully completed any qualifying examination prescribed by the Board;

(5)[(4)] provided all supporting documentation or information requested by the Board in connection with the application;

(6)[(5)] satisfied all unresolved enforcement matters and requirements with the Board; and

(7)[(6)] met any additional or superseding requirements established by the Appraisal Qualifications Board.

(b) **Termination of application.** An application **is** [may be considered] void and subject to no further evaluation or processing if**:**

(1) an applicant fails to provide information or documentation within 60 days after the Board makes a written request for the information or documentation**; or**

(2) within one year from the date an application is filed, an applicant fails to satisfy:

(A) a current education, experience or exam requirement; or

(B) the fingerprint and criminal history check requirements in section 153.12 of this title.

(c) A license is valid for the term for which it is issued by the Board unless suspended or revoked for cause and unless revoked, may be renewed in accordance with the requirements of §153.17 of this title (relating to Renewal or Extension of Certification and License or Renewal of Trainee Approval).

(d) The Board may deny a license to an applicant who fails to satisfy the Board as to the applicant's honesty, trustworthiness, and integrity.

(e) The Board may deny a license to an applicant who submits incomplete, false, or misleading information on the application or supporting documentation.

(f) When an application is denied by the Board, no subsequent application will be accepted within two years after the date of the Board's notice of denial as required in §157.7 of this title.

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

(1) The Board shall waive the license application and examination fees for an applicant who is:

(A) a military service member or military veteran whose military service, training, or education substantially meets all of the requirements for the license; or

(B) a military service member, military veteran, or military spouse who holds a current license issued by another jurisdiction that has licensing requirements that are substantially equivalent to the requirements for the license in this state.

(2) The Board shall issue on an expedited basis a license to an applicant who holds a current license issued by another state or jurisdiction that has licensing requirements that are substantially equivalent to the requirements for the license issued in this state.

(3) The Board may issue a license to an applicant who within the five years preceding the application date, held the license in this state.

(4) The Board may allow an applicant to demonstrate competency by alternative methods in order to meet the requirements for obtaining a particular license issued by the 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 license.

(5) In lieu of the standard method(s) of demonstrating competency for a particular 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:

(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 will 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.

(4) The Board will evaluate applications filed by an applicant who is serving on active duty or is a veteran of the armed forces of the United States consistent with the criteria adopted by the AQB and any exceptions to those criteria as authorized by the AQB.

(i) A person applying for license under subsection (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) of this section.

(j) The commissioner may waive any prerequisite to obtaining a license for an applicant as allowed by the AQB.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(c)

Discussion and possible action to propose new rule 22 TAC §153.12, Criminal History Checks.

SUMMARY

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed rule implements fingerprint-based criminal history checks to comply with criteria adopted by the Appraiser Qualifications Board (AQB).

STAFF RECOMMENDATION

Propose the new rule as presented.

RECOMMENDED MOTION

MOVED, that staff is authorized, on behalf of this Board, to submit new rule 22 TAC §153.12, Criminal History Checks, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.12. Criminal History Checks

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes new §153.12, Criminal History Checks. As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed rule implements fingerprint-based criminal history checks to comply with criteria adopted by the Appraiser Qualifications Board (AQB).

The Legislature delegated authority to the Board adopt rules requiring applicants and license holders to provide fingerprints for the purpose of obtaining criminal history record information. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments would require applicants to undergo fingerprint-based criminal history checks as part of the application process. The proposed amendments would require current license holders to undergo fingerprint-based criminal history checks when renewing their license.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed rule.

Ms. Worman also has determined that for each year of the first five years the rule as proposed is in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.12. Criminal History Checks

(a) An applicant or license holder applying for or renewing a license issued by the Board must submit a complete and legible set of fingerprints, in a manner approved by the Board, to the Board, the Texas Real Estate Commission, the Texas Department of Public Safety, or other authorized entity for the purpose of obtaining criminal history record information from the Texas Department of Public Safety and the Federal Bureau of Investigation.
(b) The Board will conduct a criminal history check of each applicant for a license or renewal of a license.
(c) If an applicant or license holder has previously submitted fingerprints on behalf of the Board or Commission as provided in (a), no additional fingerprints are required.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(d)

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

SUMMARY

The proposed amendments clarify the criteria required for awarding experience credit for applicants and license holders. The proposed amendments also remove redundant language and reorganize this section to improve readability. The Executive Committee has reviewed the proposed amendments and recommends the Board publish the proposed amendments for comment.

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, Experience Required for 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.15. Experience Required for Licensing

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.15, Experience Required for Licensing. The proposed amendments clarify the criteria required for awarding experience credit for applicants and license holders. The proposed amendments also remove redundant language and reorganize this section to improve readability.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be clarity for applicants and license holders and a requirement that is easier to understand and consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, which authorize TALCB to: adopt rules relating to certificates and licenses and prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB.

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

153.15. Experience Required for Licensing

(a) An applicant for a certified general real estate appraiser license must provide evidence satisfactory to the Board that the applicant possesses the equivalent of 3,000 hours of real estate appraisal experience over a minimum of 30 months. At least 1,500 hours of experience must be in non-residential real estate appraisal work. ~~Hours may be treated as cumulative in order to achieve the necessary hours of appraisal experience.~~

(b) An applicant for a certified residential real estate appraiser license must provide evidence satisfactory to the Board that the applicant possesses the equivalent of 2,500

hours of real estate appraisal experience over a minimum of 24 months. ~~Hours may be treated as cumulative in order to achieve the necessary hours of appraisal experience.~~

(c) An applicant for a state real estate appraiser license must provide evidence satisfactory to the Board that the applicant possesses at least 2,000 hours of real estate appraisal experience over a minimum of twelve months.

(d) Experience by endorsement: An applicant who is currently licensed and in good standing in a state that has not been disapproved by the ASC is deemed to satisfy the experience requirements for the same level of license in Texas. The applicant must provide appropriate documentation as required by the Board.

(e) The Board awards experience credit in accordance with current criteria established by the AQB 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 is based solely on actual hours of experience. **Hours may be treated as cumulative in order to achieve the necessary hours of appraisal 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~~ **An** appraisal **or appraisal analysis** when [~~it is~~] performed in accordance with Standards 1 and 2 and other provisions of the USPAP **edition** in effect at the time of the appraisal **or appraisal analysis**.

(2) **Mass appraisal, including ad** [~~Ad~~] valorem tax appraisal that:

(A) conforms to USPAP Standard 6; and

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

(3)[~~Condemnation appraisal.~~]

~~(4)~~ **Appraisal**[~~Technical~~] review [~~appraisal to the extent~~]that [~~it~~]**:**

(A) conforms to USPAP Standard 3; and

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

[~~(5) Appraisal analysis. A market analysis typically performed by a real estate broker or salesperson may be awarded experience credit when the analysis is prepared in conformity with USPAP Standards 1 and 2.~~

(4) [~~(6) Real property appraisal~~]**Appraisal** consulting services, including market analysis, cash flow and/or investment analysis, highest and best use analysis, and feasibility analysis when it demonstrates proficiency in appraisal principles, techniques, or skills used by appraisers practicing under USPAP Standard 1 and performed in accordance with USPAP Standards 4 and 5.

(f) Experience credit may not be awarded for teaching appraisal courses.

(g) **Each applicant must submit a Board–approved Appraisal Experience Log and Appraisal Experience Affidavit listing each appraisal assignment or other work for which the applicant is seeking experience credit.**

(1) The Board may grant experience credit for those real property appraisals listed on an applicant's Appraisal Experience Log that:

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

(B) are verifiable and supported by:

(1) work files in which the applicant is identified as participating in the appraisal process; or

(2) appraisal reports that:

(i) name the applicant in the certification as providing significant real property appraisal assistance; or

(ii) the applicant has signed;

(C) were performed when the applicant had legal authority to do so; and

(D) comply with the acceptable categories of experience established by the AQB and stated in subsection (e) of this section.

(2) The Board, at its sole discretion, may accept evidence other than an applicant's Appraisal Experience Log and Appraisal Experience Affidavit to demonstrate any experience claimed by an applicant.

(h) [~~Experience claimed by an applicant must be submitted on an Appraisal Experience Log with an accompanying Appraisal Experience Affidavit.~~

~~(1)In exceptional situations, the Board, at its discretion, may accept other evidence of experience claimed by the applicant.~~

~~(2)If the Board determines just cause exists for requiring further information, the Board may obtain additional information by:~~

~~(A)requiring the applicant to complete a form, approved 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.~~

~~(3)~~]The Board **must verify the experience claimed by each applicant.**[~~will require verification of acceptable experience of all applicants. Applicants have 60 days to provide all documentation requested by the Board. The~~]

(1) **Verification**[~~verification~~] may be obtained by:

(A)**requesting copies of appraisals and all supporting documentation, including the work files**[~~requiring the applicant to complete a form, approved 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

(B)[~~(C)~~] engaging in other investigative research determined to be appropriate by the Board.

(2) If the Board requests documentation from an applicant to verify experience claimed by an applicant, the applicant has 60 days to provide the requested documentation to the Board.

(3)[~~(4)~~] Failure to comply with a request for **documentation to verify experience**[~~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 a license application, and any disciplinary action up to and including revocation.

[~~(h)An applicant may be granted experience credit only for real property appraisals that:~~

~~(1)comply with the USPAP edition 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;~~

~~(3)were performed when the applicant had legal authority; and~~

~~(4)comply with the acceptable categories of experience as per the AQB experience criteria and stated in subsection (e) of this section.~~]

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(e)

Discussion and possible action to propose amendments to 22 TAC §153.16, License Reinstatement.

SUMMARY

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for applicants who apply for license reinstatement.

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 §153.16, License Reinstatement, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.16. License Reinstatement

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.16, License Reinstatement. As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for applicants who apply for license reinstatement.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments implement this requirement for persons who apply to reinstate their license.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.16. License Reinstatement

(a) This section applies only to a person who:

(1) previously held an appraiser license issued by the Board that has expired; and

(2) seeks to obtain the same level of appraiser license previously held by the person before its expiration.

(b) A person described in subsection (a) may apply to reinstate the person's former license by:

(1) submitting an application for reinstatement on a form approved by the Board;

(2) paying the applicable fee;

(3) satisfying the Board as to the person's honesty, trustworthiness and integrity; [~~and~~]

(4) satisfying the experience requirements in this section**; and**

(5) satisfying the fingerprint and criminal history check requirements in §153.12 of this title.

(c) Applicants for reinstatement under this section must demonstrate completion of 14 hours of appraiser continuing education for each year since the last renewal of the person's previous license.

(d) Applicants for reinstatement must demonstrate that their appraisal experience complies with USPAP as follows:

(1) Persons who have work files/license expired less than 5 years. A person described in subsection (a) who has appraisal work files and whose previous license has been expired less than five years may apply to reinstate the person's previous license by submitting an experience log as follows:

(A) For reinstatement as a licensed residential appraiser, a minimum of 10 residential appraisal reports representing at least 200 hours of residential real estate appraisal experience.

(B) For reinstatement as a certified residential real estate appraiser, a minimum of 10 residential appraisal reports representing at least 250 hours of residential real estate appraisal experience.

(C) For reinstatement as a certified general appraiser, a minimum of 10 non-residential appraisal reports representing at least 300 hours of non-residential real estate appraisal experience.

(2) Persons who do not have work files/license expired more than 5 years.

(A) A person described in subsection (a) who does not have appraisal work files or whose previous license has been expired for more than five years may apply for a license as an appraiser trainee for the purpose of acquiring the appraisal experience required under this subsection.

(B) An appraiser trainee licensed under this section may apply for reinstatement at the same level of appraiser license that the applicant previously held, after the applicant completes the required number of appraisal reports or hours of real estate appraisal experience as follows:

(i) For reinstatement as a licensed residential appraiser, the applicant must complete a minimum of 10 residential appraisal reports or 200 hours of residential real estate appraisal experience, whichever is more.

(ii) For reinstatement as a certified residential appraiser, the applicant must complete a minimum of 10 residential appraisal reports or 250 hours of residential real estate appraisal experience, whichever is more.

(iii) For reinstatement as a certified general appraiser, the applicant must complete a minimum of 10 non-residential appraisal reports or 300 hours of non-residential real estate appraisal experience, whichever is more.

(C) Upon completion of the required number of appraisal reports or hours of real estate appraisal experience, the applicant must submit an experience log.

(e) Consistent with §153.15, the Board will evaluate each applicant's real estate appraisal experience for compliance with USPAP based on the submitted experience log.

(f) For those persons described in subsection (a) the Board may waive the following requirements:

(1) Proof of qualifying education;

(2) College education or degree requirement; and

(3) Examination.

(g) Consistent with this chapter, upon review of the applicant's real estate appraisal experience, the Board may:

(1) Reinstate the applicant's previous appraiser license;

(2) Reinstate the applicant's previous appraiser license, contingent upon completion of additional education, experience or mentorship; or

(3) Deny the application.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(f)

Discussion and possible action to propose amendments to 22 TAC §153.17, Renewal or Extension of License.

SUMMARY

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for license holders when renewing their license.

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, Renewal or Extension of License, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.17. Renewal or Extension of License

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.17, Renewal or Extension of License. As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for license holders when renewing their license.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments implement this requirement for current license holders who renew their license.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.17. Renewal or Extension of License

(a) General Provisions.

(1) The Board will send a renewal notice to the license holder at least 90 days prior to the expiration of the license. It is the responsibility of the license holder to apply for renewal in accordance with this chapter, and failure to receive a renewal notice from the Board does not relieve the license holder of the responsibility to timely apply for renewal.

(2) A license holder renews the license by timely filing an application for renewal, paying the appropriate fees to the Board, and satisfying all applicable education, **experience, fingerprint and criminal history check** [~~and experience~~] requirements.

(3) An application for renewal or extension received by the Board is timely and acceptable for processing if it is:

(A) complete;

(B) accompanied with payment of proper fees; and

(C) postmarked by the U.S. Postal Service, accepted by an overnight delivery service, or accepted by the Board's online processing system on or before the date of expiration.

(b) Certified General, Certified Residential and Licensed Residential Appraisers.

[~~(1) A license holder may renew the license by timely filing an application for renewal, paying the appropriate fees to the Board and, unless renewing on inactive status, satisfying ACE requirements.~~]

(1)[~~(2)~~] In order to renew on active status, the license holder must complete the ACE report form approved by the Board and, within 20 days of filing the renewal, submit course completion certificates for each course that was not already submitted by the provider and reflected in the license holder's electronic license record.

(A) The Board may request additional verification of ACE submitted in connection with a renewal. If requested, such documentation must be provided within 20 days after the date of request.

(B) Knowingly or intentionally furnishing false or misleading ACE information in connection with a renewal is grounds for disciplinary action up to and including license revocation.

(2)[~~(3)~~] The Board may grant, at the time it issues a license renewal, an extension of time of up to 60 days after the expiration date of the previous license to complete ACE required to renew a license, subject to the following:

(A) The license holder must:

(i) timely submit the completed renewal form with the appropriate renewal fees;

(ii) complete an extension request form; and

(iii) pay an extension fee of $200.

(B) ACE courses completed during the 60-day extension period apply only to the current renewal and may not be applied to any subsequent renewal of the license.

(C) A person whose license was renewed with a 60-day ACE extension:

(i) will not perform appraisals in a federally related transaction until verification is received by the Board that the ACE requirements have been met;

(ii) may continue to perform appraisals in non-federally related transactions under the renewed license;

(iii) must, within 60 days after the date of expiration of the previous license, complete the approved ACE report form and submit course completion certificates for each course that was not already submitted by the provider and reflected in the applicant's electronic license record; and

(iv) will have the renewed license placed in inactive status if, within 60 days of the previous expiration date, ACE is not completed and reported in the manner indicated in paragraph (2) of this subsection. The renewed license will remain on inactive status until satisfactory evidence of meeting the ACE requirements has been received by the Board and the fee to return to active status required by §153.5 of this title (relating to Fees) has been paid.

(c) Appraiser Trainees.

(1) Appraiser trainees must maintain an appraisal log and appraisal experience affidavits on forms approved by the Board, for the license period being renewed. It is

the responsibility of both the appraiser trainee and the supervisory appraiser to ensure the appraisal log is accurate, complete and signed by both parties at least quarterly or upon change in supervisory appraiser. The appraiser trainee will promptly provide copies of the 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) Renewal of Licenses for Persons on Active Duty. A person who is on active duty in the United States armed forces may renew an expired license without being subject to any increase in fee imposed in his or her absence, or any additional education or experience requirements if the person:

(1) did not provide appraisal services while on active duty;

(2) provides a copy of official orders or other documentation acceptable to the Board showing the person was on active duty during the last renewal period;

(3) applies for the renewal within two years after the person's active duty ends;

(4) pays the renewal application fees in effect when the previous license expired; and

(5) completes ACE requirements that would have been imposed for a timely renewal.

(e) Late Renewal. If an application is filed within six months of the expiration of a previous license, the applicant shall also provide satisfactory evidence of completion of any continuing education that would have been required for a timely renewal of the previous license.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(g)

Discussion and possible action to propose amendments to 22 TAC §153.23, Inactive Status.

SUMMARY

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for license holders with an inactive license and license holders who seek to renew an expired license on inactive status.

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 §153.23, Inactive Status, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.23. Inactive Status

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.23, Inactive Status. As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for license holders with an inactive license and license holders who seek to renew an expired license on inactive status.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments implement this requirement for license holders whose license is already on inactive status and for license holders who seek to renew an expired license on inactive status.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.23. Inactive Status

(a) A license holder may request to be placed on inactive status by filing a request for inactive status on a form approved by the Board and paying the required fee.
(b) A license holder whose license has expired may renew on inactive status within six months after the license expiration date by:
(1) filing an application for renewal on a form approved by the Board;
(2) indicating on the application that the license holder wishes to renew on inactive status; [~~and~~]
(3) paying the required late renewal fees; **and**
(4) satisfying the fingerprint and criminal history check requirements in section 153.12 of this title.
(c) A license holder on inactive status:
(1) shall not appraise real property, engage in appraisal practice, or perform any activity for which a license is required; and
(2) must file the proper renewal application and pay all required fees, except for the national registry fee, in order to renew the license.
(d) To return to active status, a license holder who has been placed on inactive status must:
(1) request to return to active status on a form approved by the Board;
(2) pay the required fee;
(3) satisfy all ACE requirements that were not completed while on inactive status, except that the license holder is not required to complete the most current USPAP update course more than once in order to return to active status and shall substitute other approved courses to meet the required number of ACE hours**; and**
(4) satisfy the fingerprint and criminal history check requirements in section 153.12 of this title.
(e) A license holder who has been on inactive status may not resume practice until the Board issues an active license.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(h)

Discussion and possible action to propose amendments to 22 TAC §153.25, Temporary Out-of-State Appraiser License.

SUMMARY

The proposed amendments clarify the requirements an applicant must satisfy when applying for a temporary out-of-state license. Because applicants for a temporary out-of-state license are subject to criminal history checks in their original licensing jurisdiction and because subjecting applicants for a temporary out-of-state license would impose an unreasonable and burdensome delay in the Board's ability to process such applications, the Working Group does not recommend implementing fingerprint-based criminal history checks for these applicants.

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 §153.25, Temporary Out-of-State Appraiser License, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.25. Temporary Out-of-State Appraiser License

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.25, Temporary Out-of-State Appraiser License. The proposed amendments clarify the requirements an applicant must satisfy when applying for a temporary out-of-state license.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB).

The Working Group recognizes that applicants who apply for a temporary out-of-state license are appraisers who are already licensed in another jurisdiction with a regulatory program that is approved by the Appraisal Subcommittee (ASC). Because those regulatory programs are also subject to the same criminal history check criteria adopted by the Appraiser Qualifications Board (AQB), those jurisdictions also require applicants to undergo criminal history checks. The Working Group also recognizes that federal law prohibits the Board from imposing burdensome requirements for temporary practice and requires the Board to issue a temporary out-of-state license within five business days of receipt of a completed application. Accordingly, because applicants for a temporary out-of-state license are subject to criminal history checks in their original licensing jurisdiction and because subjecting applicants for a temporary out-of-state license would impose an unreasonable and burdensome delay in the Board's ability to process such applications, the Working Group does not recommend implementing fingerprint-based criminal history checks for these applicants.

The proposed amendments make clear that applicants for a temporary out-of-state registration must submit the Board-approved application form, pay the appropriate fee, and provide all supporting documentation or information requested by the Board; however, these applicants are not subject to the fingerprint requirements in §153.12.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section

as proposed will be clarity for applicants who apply for a temporary out-of-state license and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.25. Temporary Out-of-State Appraiser License

(a) A person licensed as an appraiser by another state, commonwealth, or territory may register with the Board so as to qualify to appraise real property in this state without holding a license issued under the Act if:

(1) the state, commonwealth or territory licensing program under which the person holds a license has not been disapproved by the ASC; and

(2) the appraiser's business in this state is of a temporary nature not to exceed six months.

(b) A person wishing to be registered under this section must**:**

(1) submit **an**[~~a completed~~] application **for registration on a** form approved by the Board

(2) pay the required fees; and

(3) provide all supporting documentation or information requested by the Board in connection with the application for registration.

(c) A person registered under this section must submit an irrevocable consent to service of process in this state on a form approved by the Board.

(d) A person registered under this section may apply for a 90 day extension to the original expiration date of the temporary registration, provided the person:

(1) is continuing the same appraisal assignment listed on the original application for temporary out-of-state appraiser registration; and

(2) requests an extension on a form approved by the Board, received by the Board or postmarked prior to the expiration of the current temporary registration.

(e) a person who registers under this section is not required to comply with the fingerprint requirements in §153.12 of this title.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 15(i)

Discussion and possible action to propose amendments to 22 TAC §153.27, License by Reciprocity.

SUMMARY

As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for applicants who apply for a license by reciprocity.

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 §153.27, License by Reciprocity, 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 May 13, 2016 Meeting of the Texas Appraiser Licensing and Certification Board

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

Rule 153.27. License by Reciprocity

The Texas Appraiser Licensing and Certification Board (TALCB or Board) proposes amendments to §153.27, License by Reciprocity. As recommended by the Working Group for AQB Criminal History Check Criteria, the proposed amendments implement fingerprint-based criminal history checks for applicants who apply for a license by reciprocity.

The Legislature delegated authority to the Board to adopt rules requiring fingerprint-based criminal history checks. The Board appointed the Working Group in November 2015 to consider whether to implement fingerprint-based criminal history checks for appraisers to comply with criteria adopted by the Appraiser Qualifications Board (AQB). The Working Group recommends implementing fingerprint-based criminal history checks for applicants and current license holders. The proposed amendments implement this requirement for persons who apply for a license by reciprocity. As stated in the proposed amendments, a person applying for a license by reciprocity is subject to the same requirements for other applicants who apply for a license under §153.17, including the requirement for fingerprint-based criminal history checks.

Kristen Worman, 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 proposed amendments. There is no anticipated significant impact on small businesses, micro-businesses or local or state employment as a result of implementing the proposed amendments. There is no significant anticipated economic cost to persons who are required to comply with the proposed amendments.

Ms. Worman also has determined that for each year of the first five years the sections as proposed are in effect the public benefits anticipated as a result of enforcing the section as proposed will be increased consumer protection and a requirement that is consistent with state and federal law.

Comments on the proposal may be submitted to Kristen Worman, General Counsel, Texas Appraiser Licensing and Certification Board, P.O. Box 12188, Austin, TX 78711-2188 or emailed to 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-.152, and 1103.2031, which authorize TALCB to: adopt rules relating to certificates and licenses; prescribe qualifications for appraisers that are consistent with the qualifications established by the AQB; and require applicants and current license holders to submit fingerprints for the purpose of obtaining criminal history record information.

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

§153.27. License by Reciprocity

(a) A person who is licensed as an appraiser under the laws of a state whose appraiser program has not been disapproved by the ASC may apply for a Texas license at that same level by completing and submitting to the Board the application for [~~or~~] license by reciprocity and paying the appropriate fee to the Board.
(b) The Board shall verify that the applicant's license is valid and in good standing by checking the National Appraiser Registry. A reciprocal license may not be issued without the verification required by this subsection.
(c) Renewal of a license granted through reciprocity shall be in the same manner, and with the same requirements, term, and fees, as for the same classification of license as provided in §153.17 of this title [~~(relating to Renewal or Extension of License)~~].

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 16(a)

Discussion and possible action on recommendations from the Executive Committee regarding continued attendance of OAG Counsel at Board and committee meetings.

SUMMARY

As requested by the Board, the Executive Committee considered whether to continue requiring the attendance of OAG Counsel at Board and committee meetings. The Executive Committee recommends the Board no longer require attendance of OAG Counsel at Board and Committee meetings.

RECOMMENDED MOTION

MOVED, that the Board no longer require OAG Counsel to attend Board and Committee meetings.

AGENDA ITEM 16(b)

Discussion and possible action on recommendations from the Executive Committee regarding amendments to the FY2016-17 TREC/TALCB Memorandum of Understanding.

SUMMARY

To be presented.

RECOMMENDED MOTION

MOVED, that the Board approve the amendments to the FY2016-17 TREC/TALCB Memorandum of Understanding 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 80th 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 Executive Director 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 Executive Director/Commissioner's salary is allocated from TALCB resources. ~~TALCB members will have the opportunity to provide individual input each time TREC reviews the performance of the Executive Director/Commissioner.~~

TREC and TALCB recognize that under the current legislative structure, the ability to hire and fire the Executive Director/Commissioner is the responsibility of the Commission. However, for purposes of performance evaluation, the parties agree that the Commission will seek and consider input from Board Members on the Executive Director's/Commissioner's annual performance review. The Chairs of the Commission and Board may agree to discuss the annual performance review with the Executive Director/Commissioner jointly. If there is no agreement, each Chair may meet separately with the Executive Director/Commissioner to discuss the Executive Director's/Commissioner's performance.

~~The Texas Real Estate Commission (TREC) and the Texas Appraiser Licensing & Certification Board (TALCB)~~ TREC and TALCB further 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 support services, except as described in section C below;
3. Personnel training programs involving no charges to TREC;
4. Use of meeting rooms on a space available basis;
5. Texas Register Liaison services; and
6. Governmental and public relations services.

B. TALCB 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 allocated 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. Telephone and data system equipment and services;
8. Travel, meals, and lodging;
9. Dues and subscriptions;
10. Personnel training and continuing professional education;
11. Database service modifications primarily benefiting TALCB; and
12. Per capita cost for acquisition, lease or maintenance of computer hardware and software.

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 Executive Director/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 Texas Occupations Code Chapter 1105.

F. The Executive Director/Commissioner, at his discretion, may determine that TREC will provide additional administrative support services as necessary to ensure the smooth operation of the agency. ~~Texas Appraiser Licensing and Certification Board/Texas Real Estate Commission Memorandum of Understanding~~

G. The Executive Director/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 becomes effective as of September 1, 2015and remains in effect for fiscal years 2016 and 2017 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 Agreement shall not be construed to create any additional liability or obligation for either party.

This Agreement as amended takes effect on June 1, 2016.

_____	_____
Avis Wukasch, Chair Texas Real Estate Commission	Jamie Wickliffe, Chair Texas Appraiser Licensing & Certification Board
_____	_____
Date	Date

Exhibit A

1. Effective September 1, 2015, portions of the following TREC salaries are allocable to and payable by TALCB:

TREC Executive Director/TALCB Commissioner – 25%

2. Effective September 1, 2015, portions of the following TALCB salaries are allocable to and payable by TREC:

A. TALCB General Counsel/TREC Deputy General Counsel – 40%

B. TALCB/TREC Education & Licensing Supervisor – 25%

AGENDA ITEM 17

Discussion and possible action on recommendations from the Working Group for AQB Criminal History Check Criteria regarding additional criminal history checks by Appraisal Management Companies.

AGENDA ITEM 18

Update regarding 2016 Appraisal Subcommittee Review.

Appraisal Subcommittee
Federal Financial Institutions Examination Council

April 15, 2016

Ms. Jamie Wickliffe, Board Chair
Texas Appraiser Licensing & Certification Board
P O Box 12188
Austin, TX 78711-2188

RE: ASC Preliminary Compliance Review of Texas' Appraiser Regulatory Program

Dear Ms. Wickliffe:

Thank you for your cooperation and your staff's assistance in the February 16-19, 2016, Appraisal Subcommittee (ASC) Compliance Review (Review) of the Texas appraiser regulatory program (Program). Enclosed are the ASC Staff Preliminary Compliance Review Findings. The Preliminary Compliance Review Findings are based on the Policy Statements in effect at the time of the Review.

The ASC staff would like to commend the Program and its staff for its hard work and dedication. As a result, no compliance issues were noted. However, in order to conclude our investigation and review, we invite you to provide written comments within 60 days from the date of this letter.

After receiving your response, or once the 60-day response period has passed, whichever occurs first, all correspondence and staff recommendations will be forwarded to the ASC for final consideration. You will receive a final ASC Compliance Review Report (Report) with the ASC's findings and required actions. The final Report will be posted to the public section of the ASC website in accordance with the Freedom of Information Act.

Please contact us if you have any questions.

Sincerely,

Vicki Metcalf

for Denise Graves
Deputy Executive Director

Enclosure

cc: Mr. Douglas Oldmixon, Commissioner
Ms. Kristen Worman, Deputy Commissioner/General Counsel

1401 H Street, NW • Suite 760 • Washington, DC 20005 • (202) 289-2735 • Fax (202) 289-4101

ASC Compliance Categories:

Below are descriptions of the categories for the ASC Staff Assessment column of "yes", "no" and "Area of Concern (AC)" on the ASC Preliminary Compliance Review Report.

- **No** – A **No** applies when the identified area is not in compliance with Title XI, ASC Policy Statements or AQB Criteria. **No** applies when the State has not completely resolved the concern. A **No** may be changed to a **yes** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State completely resolves the concern and ASC staff has validated the change. A **No** may be changed to an **AC** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State reports they resolved the concern, however, ASC staff has not validated the action(s).

- **Area of Concern (AC)** – An **AC** applies when an area is identified as technically in compliance, however ASC staff identified something that if continued could cause the Program to become out of compliance.

  As an example, the State's regulations do not require AQB Criteria for continuing education. The State, however, is in compliance by practice. The concern is that if the State is challenged legally, they could lose and be required to allow an appraiser to be renewed under the erroneous regulation.

  An **AC** also applies when ASC staff has identified best practice suggestions that could strengthen the Program.

  An **AC** may be changed to a **yes** from the Preliminary Compliance Review Report to the Final Compliance Review Report if the State's action resolves the concern and ASC staff has validated the action(s).

  As an example, the State amended and adopted the regulation to meet AQB Criteria and provided documentation showing the adoption was finalized.

  An **AC** will remain if ASC staff is unable to verify the State's reported remedy.

  As an example, if the State reports that a remedy is in place and provides documents showing the new process, but ASC staff cannot validate that the State is actually using the new process, it will remain an AC until the next Review.

- **Yes** – A **Yes** applies when the State is in compliance in the area and ASC staff has not recommended State actions.

ASC Staff Compliance Review Preliminary Findings

Texas Appraiser Regulatory Program (State)		
Texas Appraiser Licensing & Certification Board (Board) / Decision Making	**ASC Compliance Review Date: February 16-19, 2016**	**PM: J. Tidwell**
Umbrella Agency: Independent	**Review Period: February 2014 to February 2016**	**Report Issue Date: April 15, 2016**
Number of State Credentialed Appraisers on National Registry: 5,668	**Complaints Received During Review Period: 484**	**Complaints Outstanding: 155**
Complaints Outstanding > 1 yr. < 2 yrs.: 2	**Complaints Outstanding > 2 yrs.: 4**	**Complaints Exempted for Special Documented Circumstances: 6**

Applicable Federal Citations	**ASC Staff Assessment** Compliance (YES/NO) Areas of Concern (AC)			**ASC Staff Observations**	**ASC Staff Comments**
	YES	**NO**	**AC**		
Statutes, Regulations, Policies and Procedures:	X				
				No compliance issues noted.	None
Temporary Practice:	X				
				No compliance issues noted.	None
National Registry:	X				
				No compliance issues noted.	None
Application Process:	X				
				No compliance issues noted.	None
Reciprocity:	X				
				No compliance issues noted.	None
Education:	X				
				No compliance issues noted.	None
Enforcement:	X				
				No compliance issues noted.	None

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Jamie S. Wickliffe
Chair

James J. Jeffries
Vice Chair

Earl "Buster" Renfrow
Secretary

Jesse Barba

Walker Beard

Clayton P. Black

Patrick M. Carlson

Laurie C. Fontana

Brian L. Padden

Douglas E. Oldmixon
Commissioner

April 19, 2016

Ms. Denise Graves, Deputy Executive Director
Appraisal Subcommittee
1401 H Street, NW, Suite 760
Washington, DC 20005

RE: ASC Preliminary Compliance Review of Texas' Appraiser Regulatory Program

Dear Ms. Graves:

Thank you and your staff, Ms. Tidwell and Mr. Fenochietti, for conducting the recent compliance review visit with proficiency and grace. We received your April 15, 2016, letter with preliminary findings attached.

The Board agrees with the Staff Preliminary Compliance Review Findings and happily accepts the ASC staff's commendation for the Texas Appraiser Regulatory Program and the hard work and dedication of our staff.

The Board also commends the ASC's practice of assigning two policy managers to review each state's regulatory program over a four-year period with a two-year period of transition to the next team of policy managers. This practice provides for consistency in the ASC's review and guidance of each state's program as that program develops over time.

Thank you for the opportunity to offer this response.

Sincerely,

Jamie Wickliffe, Chair
Texas Appraiser Licensing & Certification Board

cc: TALCB Board Members
Douglas Oldmixon. Commissioner
Kristen Worman, Deputy Commissioner/General Counsel

P.O. Box 12188, Austin, Texas 78711-2188 • 512-936-3021 • www.talcb.texas.gov

Appraisal Subcommittee
Federal Financial Institutions Examination Council

April 22, 2016

Ms. Jamie Wickliffe
Texas Appraiser Licensing & Certification Board
P O Box 12188
Austin, TX 78711-2188

RE: ASC Compliance Review of Texas' Appraiser Regulatory Program

Dear Ms. Wickliffe:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Texas appraiser regulatory program (Program) on February 16-19, 2016, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and the State's response to those results. The Program has been awarded an ASC Finding of "Excellent." Texas will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

James R. Park
Executive Director

Attachment

cc: Mr. Douglas Oldmixon, Commissioner
Ms. Kristen Worman, Deputy Commissioner/General Counsel

1401 H Street, NW • Suite 760 • Washington, DC 20005 • (202) 289-2735 • Fax (202) 289-4101

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	• State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure	2-year
Good	• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure	2-year
Needs Improvement	• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure	2-year with additional monitoring
Not Satisfactory	• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure	1-year
Poor[1]	• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

[1] An ASC Finding of "Poor" may result in significant consequences to the State. *See* Policy Statement 5, *Reciprocity*; *see also* Policy Statement 8, *Interim Sanctions*.

ASC Compliance Review Report

			ASC Finding: Excellent
			Final Report Issue Date: April 22, 2016
Texas Appraiser Regulatory Program (State)			
Texas Appraiser Licensing & Certification Board (Board) / Decision Making	**PM: J. Tidwell**	**ASC Compliance Review Date: February 16-19, 2016**	**Review Period: February 2014 to February 2016**
Umbrella Agency: Independent		**Number of State Credentialed Appraisers on National Registry: 5,668**	**Review Cycle: Two Year**

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			**ASC Staff Observations**	**State Response**	**Required/Recommended State Actions**	**General Comments**
	YES	**NO**	**AC**				
Statutes, Regulations, Policies and Procedures:	**X**						
				No compliance issues noted.	N/A	None	None
Temporary Practice:	**X**						
				No compliance issues noted.	N/A	None	None
National Registry:	**X**						
				No compliance issues noted.	N/A	None	None
Application Process:	**X**						
				No compliance issues noted.	N/A	None	None
Reciprocity:	**X**						
				No compliance issues noted.	N/A	None	None
Education:	**X**						
				No compliance issues noted.	N/A	None	None
Enforcement:	**X**						
				No compliance issues noted.	N/A	None	None

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 19

Update regarding comments submitted to the Appraiser Qualifications Board (AQB) on Alternative Experience Criteria.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

TALCB Board Members

Jamie S. Wickliffe
Chair

James J. Jeffries
Vice Chair

Earl "Buster" Renfrow
Secretary

Jesse Barba

Walker Beard

Clayton P. Black

Patrick M. Carlson

Laurie C. Fontana

Brian L. Padden

Douglas E. Oldmixon
Commissioner

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

March 31, 2016

Mr. Traynor,

In response to the February 11 memo you issued regarding five important issues that the AQB is considering, please accept these summarized comments from the Texas Appraiser Licensing & Certification Board (TALCB). We solicited comments from our database of 6,000+ license holders and took those into account when compiling this response. Thank you for taking the time to consider these important matters.

1. Alternative Track to Certification

- Is there a shortage of appraisers? In Texas as a whole, appraisers remain very busy, and apparently need to travel into some smaller market areas to fill unmet demand. Our license holder numbers have remained fairly stable for the last six years, with a reduction in Licensed Residential appraisers and an increase in Trainees. But consider that the population of Texas has also increased by 10% in the last six years.

- Should a Licensed Residential Appraiser be able to upgrade to Certified Residential without a college degree? Yes, by demonstrating sufficient qualifying experience.

- How many years of experience? At least 5, not more than 10 years. Much more important than years is the quantity and quality of experience (hours and/or reports).

2. Enhanced Practicum Curriculum

- Is it economically viable? The market will determine.

- Is there sufficient interest from educators/students to support? Ask them directly.

- Drawbacks? Getting the right mix of education and experience within the course will be the greatest challenge. This will require significant experimentation to achieve.

- Length and credit hours? Not more than half of required education or experience should be achieved by an enhanced practicum curriculum.

3. Alternative Experience

- Allow it? Yes, if the experience can be categorized as sufficiently related.

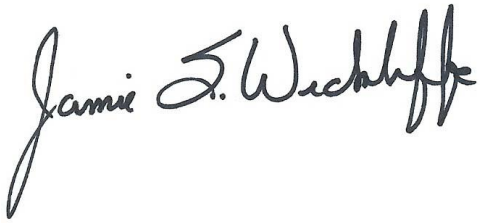
- Which professions? Real estate brokers and/or agents who engage in the business of preparing Comparative Market Analyses and Broker Price Opinions; attorneys and accountants who engage in practice that includes asset and/or business valuations; other license holders who engage in the practice of establishing and challenging property values for ad valorem tax purposes; and others whose work involves concepts and tools similar to the concepts and recognized methods and techniques used in real property valuation. Again, it is not the amount of time spent in a particular profession, but rather some minimum quantity of actual relevant practice, as well as the ability to master the concepts and tools relevant to real property appraisal practice.
- Documentation? Each topic or area of experience claimed would require different documents to prove, but each should contain sufficient evidence of direct analytical tasks deemed relevant for consideration.
- Are current hours and length of time reasonable? Too extensive to make economic sense. A lower minimum floor should be established and advancement should be competence based instead. 2/3 to 3/4 of current is generally considered more than adequate for a floor, if review of work product to establish competence is also used.

4. "Trainee" nomenclature?
- Is it negative? Yes
- Suggested alternatives? Associate Appraiser or Assistant Appraiser
- Merge with Licensed category? No; these are different enough to justify both.

5. Three Year Experience Supervisory Residence Minimum?
- Public Trust at risk if changed? No, not if the appraiser has held a credential with active work for at least three years in some other jurisdiction already.
- Geographic Competence? Geographic competence is not attained by mere time, but by the level of experience. Perhaps reduce residence requirement to at least one year in the "new" jurisdiction, but also with some minimum number of demonstrated hours/reports in that jurisdiction.

We appreciate the opportunity to submit these comments. More will follow as AQB offers additional refinements to the concepts for consideration. Know that TALCB Commissioner Douglas Oldmixon will be in attendance at your public meeting on April 8 in Phoenix, AZ to offer additional input on behalf of the Board and our license holders, including comments from a coalition of professional associations of Texas appraisers. We trust you will give all inputs due consideration. Thank you!

Sincerely,



Jamie S. Wickliffe
TALCB Chair

cc: TALCB Commissioner

March 31st, 2016

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

RE: Real Property Appraiser Qualification Criteria

This letter is in response to request for comments for memo dated February 15th, 2016 regarding *Real Property Appraiser Qualification Criteria.*

The Foundation Appraisers Coalition of Texas (FACT) serves as the face and voice of the appraisal industry in Texas. FACT enhances the professional lives of its members through advocacy, communication, education and service. Our members are represented by the following nationally recognized industry associations: AI, ASFMRA, ASA & NAIFA.

Recently our organization conducted a general survey to request appraiser feedback and below are the responses that pertain to "Qualifications".

Survey highlights:

- 14.3% completion rate based on total number of Texas Appraisers
- 45% of the respondents were Certified Residential and 42% were Certified General
- 62% serve the residential market & 22% are commercial, 8% do both
- 72% have Bachelor's degree or higher
- 20% are training a future appraiser
- 32% indicated Educational requirements as the largest barrier to entering the profession
- 37% indicated Experience requirements as the largest barrier
- 67% of the respondents indicated there is not a lack of Certified Appraisers in their area
- 54% do not believe degrees in certain discipline should allow for less experience to become certified

The survey results are similar to a recent survey conducted in Illinois where a high percentage of practicing appraisers do not believe there is a shortage of appraisers. The results also indicate experience requirements are considered the largest barrier to entry into the profession. FACT therefore encourages the AQB to continue the pursuit of alternative experience requirements as expediently as possible.

Sincerely,
Greg Stephens
FACT President 2016-2018

FACT
PO Box 202197
Austin, Tx 78720
512-828-7455 or admin@supportfact.org
www.supportfact.org

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 20

Discussion regarding performance review and salary of Commissioner.

AGENDA ITEM 21

Discussion and possible action regarding draft of FY2017 TALCB Budget.

AGENDA ITEM 22

Discussion and possible action regarding the Agency's Strategic Plan for FY2017-21.

SUMMARY

To be presented.

RECOMMENDED MOTION

MOVED, that the Board authorize the Executive Committee to provide final approval of the Agency Strategic Plan before submission to the Legislative Budget Board on June 24, 2016.

TALCB

TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

AGENDA ITEM 23

Request for potential future meeting agenda items.

AGENDA ITEM 24

Discussion and possible action to schedule future meeting dates.

AGENDA ITEM 25

Adjourn.

Texas Appraiser Licensing and Certification Board

May 13, 2016

May 2016						
S	M	T	W	T	F	S
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29	30	31				

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July 2016						
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August 2016						
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28	29	30	31			

May

8 Mothers' Day
13 TALCB Meeting
20/21 UT Commencement
30 Memorial Day

June

19 Fathers' Day

July

4 Independence Day

August

19 TALCB Meeting

September 2016						
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November 2016						
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December 2016						
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25	26	27	28	29	30	31

September

5 Labor Day

October

10 Columbus Day

November

8 Election Day
11 Veterans' Day
24 Thanksgiving

December

25 Christmas Holiday
31 New Year's Eve

January 2017						
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February 2017						
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March 2017						
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April 2017						
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23	24	25	26	27	28	29
30						

January

1 New Year's Day
16 MLK Day

February

20 Presidents' Day

March

April

14 Good Friday
16 Easter