



MEETING AGENDA

TALCB Enforcement Committee

4th Floor, Stephen F. Austin State Office Building
1700 North Congress, Austin, Texas 78701

Friday, April 24, 2015, 9:30 a.m.
Via Teleconference

1. Call to order
2. Discussion and possible action regarding Board Order policy
3. Discussion and possible action regarding policy and rule for order modifications
4. Discussion and possible action regarding proposed definition of "experience"
5. Discussion and possible action regarding qualifications for appointment as Mentors and consideration of a referral process for possible candidates
6. Discussion and possible action regarding checklist for investigative conference
7. Review of Action Items
8. Discussion regarding future agenda items
9. Discussion regarding future meeting dates
10. Adjourn



TALCB Board Members

Jamie S. Wickliffe
Chair

Laurie C. Fontana
Vice Chair

Mark A. McAnally
Secretary

Jesse Barba, Jr.

Walker R. Beard

Clayton P. Black

Patrick M. Carlson

James J. Jeffries

Brian L. Padden

Douglas E. Oldmixon
Commissioner

POLICY MEMORANDUM

Date: November 21, 2014

RE: Board Order Guidelines

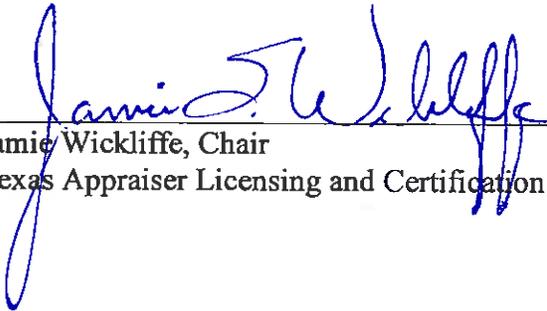
This memorandum confirms that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for all Agreed and Final Orders of the Board.

- Experience logs will be due after completion of any ordered education;
- There will be clear and specific dates set out as deadlines for delivery of evidence of compliance with terms and conditions contained in the Order;
- In an Order where a respondent is not placed on probated suspension or probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00.
- In an Order where a respondent is placed on probated suspension or probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation of the probation and the full term of the suspension or the revocation will take effect;
- If a respondent fails to comply with any of the terms or conditions of an Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation;
- Use the term "cashier's check or money order" instead of "certified funds" in all Agreed or Final Orders; and
- Include the category of property that is the subject of the appraisal in the Order.

The Board revokes the previous memoranda entitled Agreed Order Guidelines, adopted November 9, 2012; Agreed Order Guidelines Part 2, adopted February 15, 2013; Final Order Guidelines, adopted May 17, 2013; and Board Orders, adopted May 9, 2014.

This policy is effective as of November 21, 2014 and remains in effect unless and until changed or revoked by the Board.

Approved by the Board and signed this ____ day of November, 2014.



Jamie Wickliffe, Chair
Texas Appraiser Licensing and Certification Board

POLICY MEMORANDUM

Date: ~~May~~November 15, 2014

RE: Board Order Guidelines

This memorandum confirms that the Texas Appraiser Licensing and Certification Board (Board) approved the implementation of the following guidelines for all Agreed and Final Orders of the Board.

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- In an Order where a respondent is not placed on ~~probated suspension or~~ probated revocation, if a respondent fails to comply with any of the terms with a stated due date in the Order within the time allotted, the Order shall contain a provision setting out a sanction of automatic suspension until respondent is in full compliance with the Order and an administrative penalty of \$1,000.00~~;~~;
- In an Order where ~~a~~ respondent is placed on ~~probated suspension or~~ probated revocation, the Order will state that failure to comply with the terms and conditions of the Order will result in automatic revocation ~~of the probation and the full term of the suspension or the revocation will take effect;~~;
- If a respondent fails to comply with any of the terms or conditions of an Order that will result in automatic suspension or revocation, at least three (3) days prior to the effective date of the suspension or revocation, Board staff will send a written notice to the respondent via e-mail stating that respondent is in violation of the Order and respondent will be suspended or revoked as of the effective date set out in the notice unless, respondent can provide evidence of having previously submitted evidence of timely compliance with the Order. This policy is being put in place as a safeguard against mistakenly suspending or revoking a respondent who was actually in compliance and not as a method for a respondent to comply with terms or conditions after being notified of the violation;
- Use the term “cashier's check or money order” instead of “certified funds” in all Agreed or Final Orders; and
- Include the category of property that is the subject of the appraisal in the Order.

The Board revokes the previous memorandum entitled ~~Board Order Guidelines, Agreed Order Guidelines,~~ adopted November ~~219,~~ 201~~42;~~ ~~Agreed Order Guidelines Part 2,~~ adopted February ~~15,~~ 2013; ~~Final Order Guidelines,~~ adopted May 17, 2013; and ~~Board Orders,~~ adopted May 9, 2014.

This policy is effective as of ~~May 15, November _____,~~ 2014 and remains in effect unless and until changed or revoked by the Board.

Approved by the Board and signed this ~~15th _____~~ day of ~~May~~ ~~November~~, 201~~5~~4.

Jamie Wickliffe, Chair
Texas Appraiser Licensing and Certification Board

RULE §157.8 Adverse Action Against a License Holder or Registrant

- (a) If the Board proposes to take adverse action against a license holder, former license holder, or registrant, the Board shall promptly give written notice to the person against whom the action is proposed to be taken. If an appraiser trainee is the respondent, the Board shall send a copy of the notice to the sponsor.
- (b) The notice shall include:
 - (1) a summary of the facts and laws on which the proposed action is based;
 - (2) a statement of the action proposed by the Board, including the proposed sanction and/or the amount of any administrative penalties; and
 - (3) a statement of the right of the person to a hearing.
- (c) A license holder or registrant who has agreed in writing to suspension or revocation for failure to comply with the terms of a consent order, consent agreement, or agreed order in connection with an application or a previous disciplinary matter is deemed to have had notice and an opportunity for a hearing in a subsequent action resulting from failure to comply with an administrative requirement of probation, such as payment of a fee or completion of coursework.
- (d) The Board will consider a modification of an existing agreed or consent order at its next scheduled Board meeting if the license holder or registrant:
 - (1) is currently in compliance with the existing order; and
 - (2) submits a written request that sets out the specific modification requested and the reason for the modification to the Board's general counsel on or before the 14th day prior to a scheduled Board meeting. Submission of a request for modification of an agreed or consent order to the Board does not relieve the license holder or registrant of compliance obligations under the existing order.

Source Note: The provisions of this §157.8 amended to be effective June 8, 2014, 39 TexReg 4253

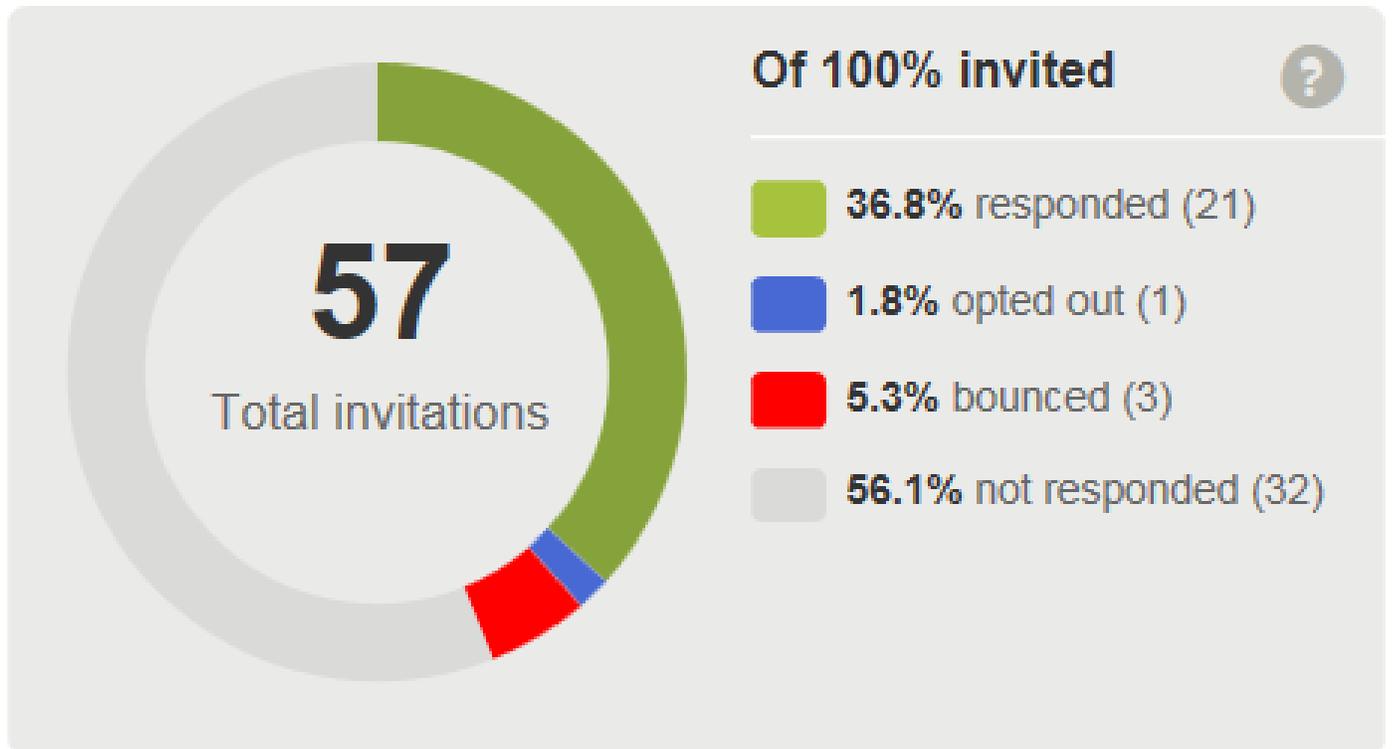
22 TAC § 153.1 “Definitions”

153.1(40) “Real estate appraisal experience” – valuation services performed as an appraiser or appraiser trainee by the person claiming experience credit. Mere observation of another appraiser’s work is not real estate appraisal experience.

Recommended Mentor criteria:

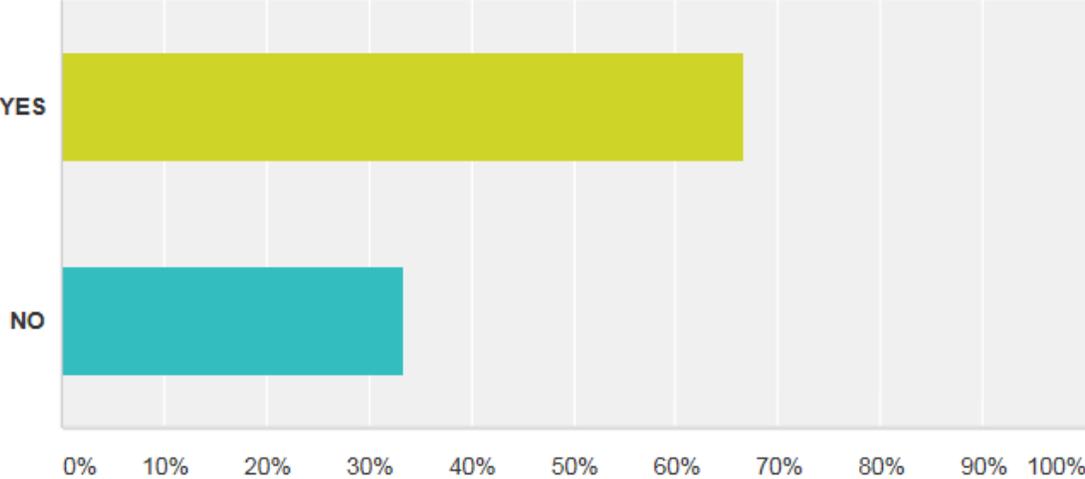
1. 10+ years of appraisal experience with a state certification (residential or general);
2. 2 letters of recommendation from other licensed appraisers;
3. Experience in the past 5 years as an appraiser course instructor, sponsor/supervisor for appraiser trainees, or former TALCB appraiser-investigator;
4. Any professional appraiser designation, including USPAP Certified Instructor, SRA, MAI, AI-GRS, ASA, IFA, IFAS or ARA; and
5. In good standing with no formal disciplinary history, in accordance with TALCB standards.

TALCB Survey on Alternative Criteria to be a Board Approved Mentor



Question #1

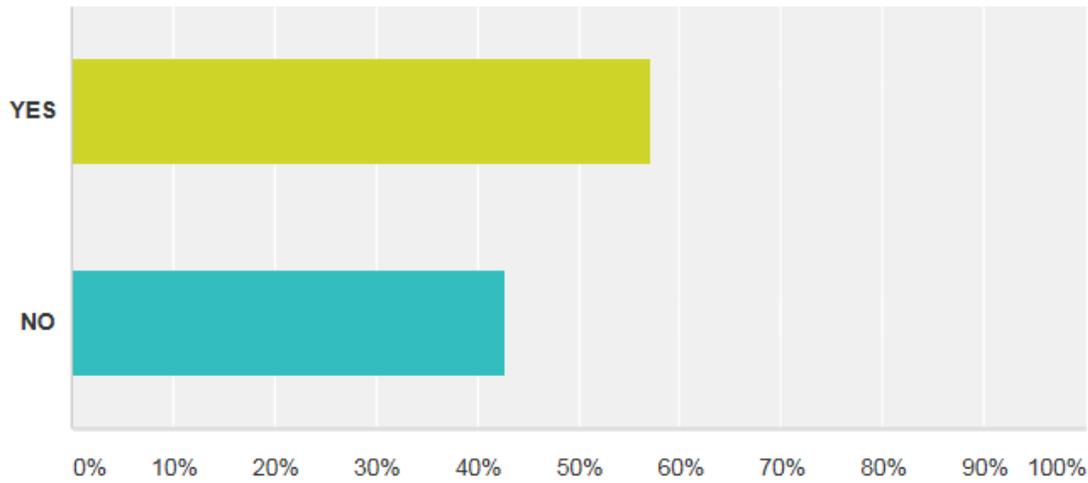
If the Board approved alternative criteria to be a Board approved mentor (criteria yet to be determined), do you believe more appraisers would be willing to serve as a Board approved mentor?



YES	66.67%	14
NO	33.33%	7

Question #2

If the Board approved alternative criteria to be a Board approved mentor (criteria yet to be determined), and you qualified to be a mentor under the alternative criteria, would you be willing to serve as a mentor?



YES	57.14%	12
NO	42.86%	9

Question #3

If there was an experience component to the alternative criteria, what should that experience be (how many years and doing what)?

0-5 years	00.00%	0
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6-10 years	40.00%	8
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6-10

All types of real estate appraisal

this should be the minimum

I'm not sure what answer your looking for here. Yes, 6 to 10 years of BOTH field and review work.

I would suggest 6-10 years of residential appraisal experience for SF appraisal mentors.

6-10 appraising

With the same certification, i.e., residential/general

in the same line of work

11+ years	65.00%	13
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11+

As an appraiser

Specific to the experience required of the particular mentoring.

yes

I would suggest 11+ years of appraisal experience for commercial.

At least 10 years in the particular field

11+ years doing active field work

Active field appraisal with a review by TALCB prior to being approved.

Mortgage lending background & varied commercial appraisal by previous examples provided

License and Certification in good standing.

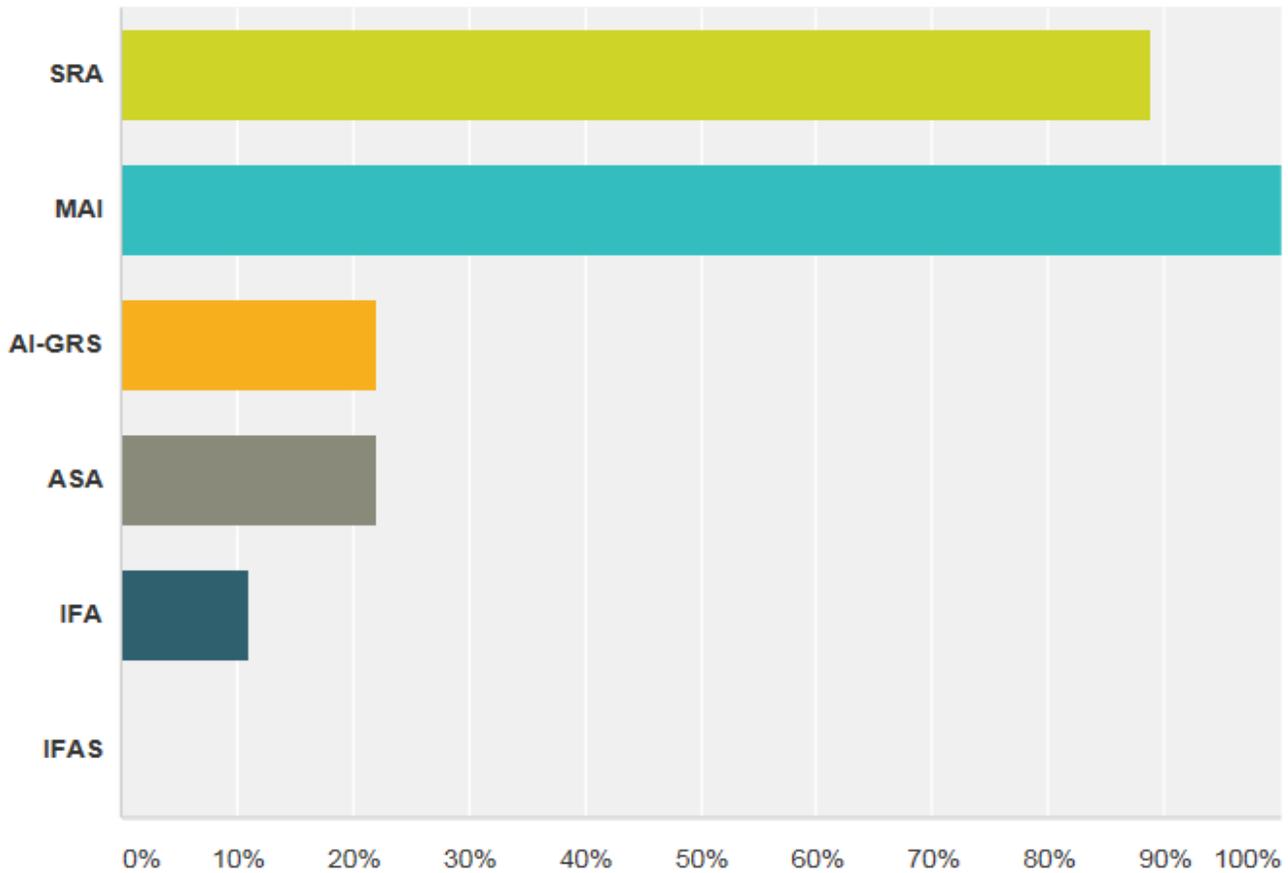
appraising the appropriate property type

Bachelors, General, and no formal complaints

Ten years

Question #4

If there was a certification or designation component to the alternative criteria, what certification or designation should that be?



SRA	88.89%	8
MAI	100.00%	9
AI-GRS	22.22%	2
ASA	22.22%	2
IFA	11.11%	1
IFAS	00.00%	0

Other/Comments:

At a minimum any designation

RPA through TDLR

Designations would be nice, but there are some idiots who possess them.

None

No, I find in my classes most appraisers do NOT hold a designation from AI, ASA or IFA; they don't need it to get field work.

Quality education & experience are more important

Most designations by legitimate trade organizations should be acceptable. The problem with the above listing is that there are none with any rural or non-urban training, which is where many complaints originate. ARA would be a good one for rural mentorship.

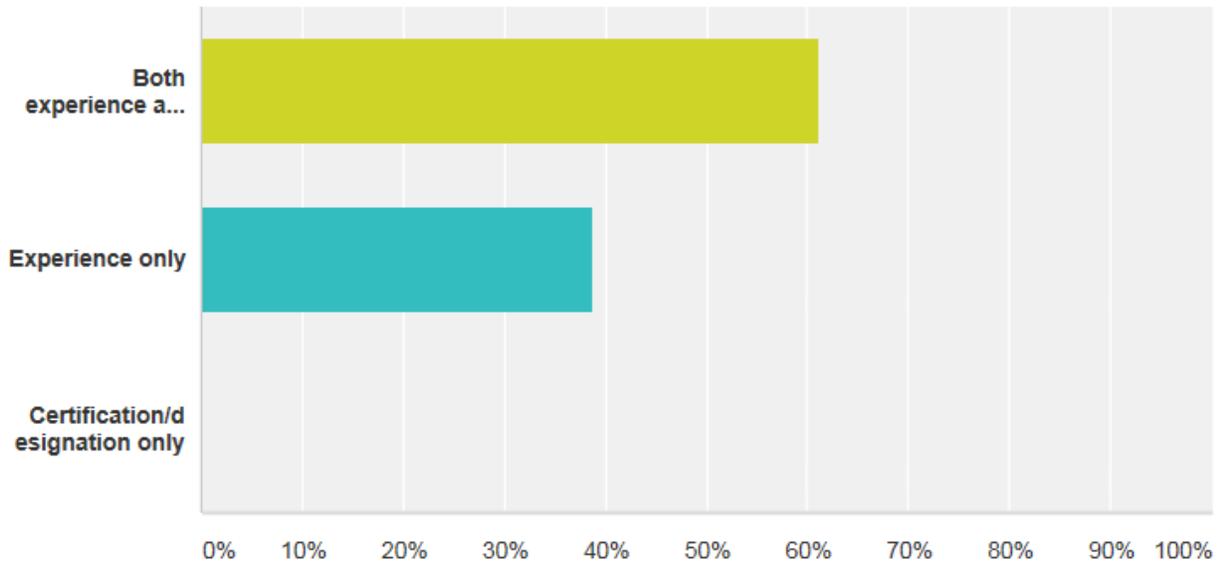
Designation not required

State Certification

AI-RRS

Question #5

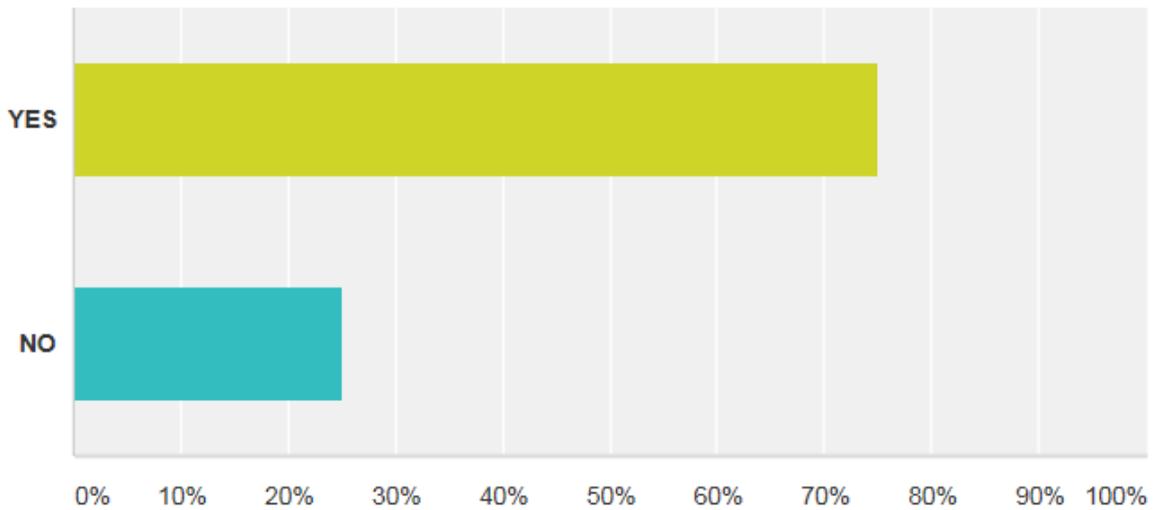
Would you favor alternative criteria that has both an experience and certification or designation component, or just one or the other, and if so; which one?



Both experience & designation/certification	61.11%	11
Experience only	38.89%	7
Designation/certification only	00.00%	0

Question #6

Do you believe there should be an experience component added to the current criteria to be a Board approved mentor (that there should be an experience requirement in addition to being a Certified USPAP Instructor)?



YES	75.00%	15
NO	25.00%	5

Question #7

Additional comments or suggestions:

Just being an instructor & not a practicing appraiser gives you no real world experience.

1. There is already an experience component to becoming an AQB Certified USPAP Instructor. 2. There are USPAP instructors with NO PRACTICAL knowledge or experience of the areas for which they're required to provide mentoring. PML

I chose not to be a mentor this year only. I want to see what the PIC entails. I plan to apply as a mentor next time - or do neither. Maybe a little more discussion with TALCB or an actual mentor would help; I truly don't know what they do or the time involved.

I do not see anyone volunteering for this as it may be time consuming. If there is some payment involved, then maybe others are willing to apply. Also, there is the liability associated with mentoring another appraiser. The liability issues would need to be resolved.

Would be ideal if it was a team.....One USPAP instructor and one experienced individual that was actually practicing rather than just academic.

I am designated, but that is not enough & not the most important component. Active field work & quality education including USPAP instructor certification are more important..

Don't forget about rural Texas. Some of the highest qualified appraisers in the State hold other designations other than those listed above. The mentorship program is a good idea and should work if both parties really want it to help make a more qualified appraiser.

Actively regulate AMC with enforcement!!

Not true in all cases, but many times I think USPAP instructors are less in touch with the real world issues in appraising and the balance between the economics of running a business and how far one has to go to be "USPAP Compliant". Don't read this as me saying you can't achieve both, but it seems some USPAP instructors are not in touch with the economics of running a business in an ethical and competent manner.

A mentor program should be based on the state's certification and/or license, bachelors, more than ten years experience, and no formal complaints with state regulators. There should also be letters of recommendation. If the mentor program continues on its current path with "Certified USPAP Instructors" and/or a "designation" from some organization, we will continue to lack the mentorship within the ethnic minority appraisal community. The ethnic minority appraisal community is the area in which the state should be looking at to assist them with mentorship. The number of ethnic minority

appraisers continue to decline at a much higher rate. If we eliminate ethnic minority appraisers, ethnic minority communities will lack appraisers willing to go into their neighborhoods and appraise their most valuable investment.

Being a USPAP instructor is one of the requirements that should be reconsidered. Too many times the AQB certified USPAP instructors disagree on what USPAP says to make that a meaningful requirement. I'd rather have a well trained, experienced and designated member mentoring than someone who holds the AQB USPAP credential.

Kristen Worman

From: Megan Polansky <megan.polansky@trec.state.tx.us>
Sent: Monday, April 06, 2015 12:20 PM
To: JUVENALHERRERA5@live.com
Cc: troy.beaulieu@talcb.state.tx.us
Subject: Conference Confirmation - Rescheduled to Wednesday, April 15th @ 10:45 A.M.
Attachments: 2015-04-06 Ltr to Herrera - Resched Conference Conf.pdf; Statement of Conference Procedures and Rights.pdf; TALCB SES Complaint Process and Resolution Overview.pdf

Mr. Herrera –

Thank you for getting back with us. Please see the attached letter confirming our rescheduled conference for Wednesday, April 15th at 10:45 AM.

I have also attached our Statement of Conference Procedures and Rights for your review, as well as our Complaint Process and Resolution Overview.

And, again, here is the list of topics we will want to discuss during the conference:

- Scope of Work Rule
- Definition of Market Value
- Report Dates
- Site Characteristics
- Highest and Best Use
- Selection of Comparable Sales and Adjustments
- The Ethics Rule
- Significant Professional Assistance

We look forward to holding this conference and discussing these matters and anything else you may bring.

Thank you, and I hope you had a great Easter!

Megan N. Polansky

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