

# TALCB Bulletin



TALCB was created by an act of the Texas Legislature in 1991 to license, certify and regulate real estate appraisers in Texas under state and federal laws. In 2011, TALCB's jurisdiction was expanded to register and regulate appraisal management companies.

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## Fingerprints Required Starting January 1, 2017

Starting January 1, 2017, any person applying for or renewing an appraiser license must provide their fingerprints, in a specified format, so that an FBI criminal history check can be performed. Once fingerprints are on file with the Texas Department of Public Safety (DPS), appraisers will not need to be fingerprinted for subsequent renewals but will be required to pay a subsequent background check fee at the time the renewal application is filed. Individuals who have already been fingerprinted for a real estate broker, sales agent, inspector or easement or right-of-way license will not need to be fingerprinted again for TALCB but will be required to pay a subsequent background check fee.

Fingerprint services will not be available before January 1, 2017. Any person who applies for or renews an appraiser license before January 1, 2017, will not need to submit fingerprints with their application or renewal. New applicants and

current license holders who apply for or renew an appraiser license on or after January 1, 2017, will need to obtain and submit fingerprints with their application or renewal. To avoid delays and assure continued licensure, current license holders should get electronically fingerprinted at least three weeks before their license expiration date.

MorphoTrust is the vendor that collects and submits fingerprints to the FBI through DPS. They have no role in the actual research and processing of the criminal background checks or the delivery of its results. After January 1, 2017, please visit the [TALCB website](#) for additional instructions and information on how to get fingerprinted.

## TALCB Enforcement Actions

The Texas Appraiser Licensing and Certification Board publishes their enforcement actions regularly on [the TALCB website](#). To read the reports please go to the TALCB website and click on, public and disciplinary actions.

## Governor Appoints New Board Members

Governor Abbott has appointed five new members to the Texas Appraiser Licensing and Certification Board (TALCB) and reappointed three. James Jefferies and Clayton Black have been reappointed with terms set to expire January 31, 2017. Alejandro Sostre-Odio and Joyce Yannuzzi with terms set to expire January 31, 2019 and Chance Bolton, Tony Peña and Martha Reid for terms set to expire January 31, 2021. Abbott has named Jamie Wickliffe of Midlothian, as Chair of the Board for the remainder of her term which is also set to expire January 31, 2019.

Jamie Wickliffe of Midlothian is the owner of S.J. Wickliffe and Co. She is a member of the National Association of Independent Fee Appraisers, National Association of Realtors, Texas Association of Realtors and North Texas Commercial Brokers. She is a former mayor pro tem of Midlothian and member of the Midlothian City Council. Wickliffe received an Associates Degree in real estate and business from Cedar Valley College.

Clayton Black of Stanton is the owner and manager of Lazy Leven Ranch. He is a past member of the American Society of Civil Engineers, National Concrete and Masonry Association, Texas Society of Professional Engineers, Lubbock Chamber of Commerce, Lubbock Lions Club and the Midland Jaycees. Additionally, he is a graduate from Leadership Lubbock and Leadership Midland. Black received a Bachelor of Science and a Master of Science in civil engineering from Texas Tech University.

James Jeffries of Georgetown is the owner of Jeffries Appraisal Services. He is a member of the Appraisal Institute and the American Society of Farm Managers & Rural Appraisers. He is a past chairman and board of directors member of the Texas Land Trust Council. Jeffries received a Bachelor of Arts in pre-law and political science from Wright State University and a Master of Arts in political science from Ohio State University.

Alejandro Sostre-Odio of San Antonio is a partner with Uhl, Fitzsimons, Jewett & Burton, PLLC. He is a member of the State Bar of Texas, San Antonio Bar Association and the Knights of Columbus at his local parish. Additionally, he is board certified by the Texas Board of Legal Specialization in Commercial Real Estate Law. Sostre-Odio received a Bachelor of Arts in English from the University of Puerto

Rico-Cayey Campus, a Juris Doctor from the Interamerican University of Puerto Rico School of Law and a Master of Laws in real estate property development from the University of Miami School of Law.

Joyce Yannuzzi of New Braunfels is a dedicated community leader and volunteer. She is a member of the United Way of Comal County Board of Directors and the New Braunfels Partnership Committee and grants chair for the Rotary Club New Braunfels. Yannuzzi received a Bachelor of Science in family studies from Texas Tech University.

Chance Bolton of Bee Cave is the managing partner of Bolton Real Estate Consultants, Ltd., and he is licensed a real estate appraiser and real estate broker. He is a candidate for designation with the Appraisal Institute, past board member of the Lake Travis Foundation and a former member of the Real Estate Council of Austin. Bolton received a Bachelor of Business Administration in entrepreneurship from the University of Houston and is a United State Navy Veteran.

Tony Peña of Lubbock is the Lubbock Market President of First Capital Bank of Texas. He is a board member of the Lubbock Area United Way, Lubbock Chamber of Commerce and Lubbock Christian University Fellowship Foundation Board. Peña received a Bachelor of Science in business administration from Lubbock Christian University.

Martha Gayle Lynch of El Paso is the owner of Gayle Reid Appraisal Services, Inc., and is a licensed Texas Real Estate Broker. She is a past president and member of the Appraisal Institute and Rio Grande Chapter of the Appraisal Institute, sustaining member of the Junior League of El Paso, member of the Executive Forum and a former Court Appointed Special Advocate for Children's rights. Lynch received a Bachelor in Business Administration from The University of Texas at El Paso.

TALCB is pleased to welcome the newly appointed and reappointed members to the board, and thanks them for their time and willingness to volunteer. The Board is committed to continuing its record of excellence in consumer protection and is grateful to have these new and returning members who will ensure this important mission.



Douglas E. Oldmixon

## From the Commissioner...

Governor Abbott has reappointed three members and appointed five new members to the Board. He also named Jamie Wickliffe as the Chair of the Board. A copy of the news release announcing the new members is included

elsewhere in this newsletter. We welcome each of them and look forward to their future contributions to the mission of this agency. With the recent appointment of new members to the Appraisal Management Company (AMC) Advisory Committee, the Board is now fully staffed with professional policy makers and advisors. And just in time, as we have much important work to do.

We also express our gratitude to the members who have served the Board so diligently for these many years: appraiser industry members Walker Beard of El Paso and Laurie Fontana of Houston, and public members Jesse Barba Jr of McAllen,

Brian Padden of Austin and Patrick Carlson of Austin. We greatly appreciate your commitment and contributions to the success of this agency.

The Board will next meet on Friday Nov 18 at agency HQ. On Thursday Nov 17, the members will meet in a workshop format to begin forging the knowledge base of the new members and discussing important items of interest and concern to the mission of the Board and its efficient operations under a committee structure. Recent and proposed federal regulatory changes will be the main topics under review, as well as any needed or desirable legislative matters for the upcoming session.

At its meeting on Friday, in addition to the normal business it routinely conducts, the Board will consider finalizing two proposed fee reductions, one for renewal of AMC registrations and one for AMC appraiser panel management functions.

Just a reminder to please [complete the open survey of agency license holders](#) so that we can better understand your characteristics and needs. A link is available at the homepage of our website. Thank you!

### IMPORTANT DATES TO REMEMBER

TALCB Board Meeting—November 18

Thanksgiving Holiday—November 24-25

*Check the [TALCB website](#) regularly for postings of all of our upcoming meetings.*

# Experience Audit Requirements for Licensure in Texas

As the number of applications for appraiser licenses received by the Board continues to increase, it is timely to revisit the requirements for a key step in the license process: experience audits.

## FEDERAL REQUIREMENTS

The requirement for experience audits may be traced to the licensing criteria established by the Appraiser Qualifications Board (AQB) and enforced by the Appraisal Subcommittee (ASC) through Policy Statement 4, which provides:

*AQB Criteria sets forth the minimum education, experience and examination requirements applicable to all States for credentialing of real property appraisers. In the application process, States must, at a minimum, employ a reliable means of validating both education and experience credit claimed by applicants for credentialing.*

Policy Statement 4 requires the Board to validate all appraiser claims for experience by analyzing a representative sample of the applicant's work to determine compliance with USPAP.

## TALCB REQUIREMENTS

First, note that the number of hours of required experience has not changed: 2,000 hours acquired over 12 months for licensed residential appraiser, 2,500 hours acquired over 24 months for certified residential appraiser, and 3,000 hours acquired over 30 months for certified general appraiser.

Also, the types of appraisal assignments that qualify for experience credit have not changed; however, many trainees and their supervisors may not be aware of the broad range and flexibility provided by the TALCB's Rules when it comes to the types of acceptable appraisal-related experience. Most are familiar with the requirement that appraisals completed to develop and communicate a value of real property must generally comply with STANDARDS 1 and 2. As provided in TALCB Rule 153.15(e)(1):

*Experience credit may be awarded for: (1) Fee or staff appraisal when it is performed in accordance with STANDARDS 1 and 2 and other provisions of the USPAP in effect at the time of the appraisal.*

But many are not as familiar with the other types of appraisal assignments that also qualify for experience credit, such as appraisal review assignments. When an appraisal review assignment is completed in accordance with STANDARD 3 AND demonstrates proficiency in the skills used by appraisers under STANDARD 1, the appraisal review may count towards a trainee's experience requirements for licensure. See TALCB Rule 153.15(e)(4).

Ad valorem tax (or mass) appraisals may also count towards experience requirements as long as they conform to the STANDARD 6 AND, as in the case of appraisal

reviews, demonstrate proficiency in the skills used by appraisers under STANDARD 1. See TALCB Rule 153.15(e)(2).

Some of the less common types of appraisal work that may also count towards experience requirements include: condemnation appraisals, market analysis performed by a real estate broker or sales agent when it is prepared in conformity with USPAP STANDARDS 1 and 2, and real property appraisal consulting services. Experience credit may not be awarded for teaching appraisal courses.

## WORK FILE REQUIREMENTS

When you apply for an appraiser license, you will complete and submit the Appraisal Experience Log and the Appraisal Experience Affidavit along with your application. The log will list the appraisal experience that you are claiming to satisfy the experience requirement. The affidavit represents your certification that your experience complies with USPAP, is verifiable (supported by written reports and work files), and complies with the AQB experience criteria.

From your log, the Board will choose a minimum of two sample files for review, and you will be asked to reproduce and deliver them (the appraisal reports and work files) via hard copy or electronic media. It is important to note that by signing the affidavit you are verifying you have the work files in your possession (or in your sponsor's possession).

If you cannot produce copies of your work files when requested, the Board may deny your application or, at a minimum, disallow credit for any experience based on those work files. Texas law and the USPAP Recordkeeping Rule require applicants to maintain all business records related to each appraisal assignment for five years from the date of the appraisal. See Tex. Occ. Code §1103.404.

## SUMMARY

There are many ways to meet the experience requirements to become licensed as an appraiser in Texas. Keep in mind that all experience submissions are reviewed for compliance with USPAP and you will be required to provide copies of your work files upon request.

By understanding the types of experience permitted and anticipating the documents you will be asked to submit, your application should be processed without delay.



## Proposed Rules From the August Board Meeting

### PROPOSED RULES

The Board proposed amendments to the following rules at the Board meeting on August 19, 2016. These proposed amendments will be on the agenda for adoption by the Board at the next Board meeting on November 18, 2016. You may review the full text of the proposed amendments on the Rules and Laws section of the TALCB website. The deadline for submitting written comments on the proposed amendments has passed, but you may still submit comments in person at the Board meeting on November 18, 2016.

#### 22 TAC §153.15, Experience Required for Licensing

The Board repropose amendments to this rule based on a revised interpretation from the Appraisal Subcommittee (ASC). The proposed amendments clarify the criteria required for awarding experience credit for applicants and license holders. The amendments also remove redundant language and reorganize this section to improve readability.

#### 22 TAC §159.52, Fees

The proposed amendments reduce the renewal fee for appraisal management companies by \$300 per two-year license renewal period and reduce the fee to add or remove an appraiser from an AMC panel from \$10 to \$5. The Board proposes these AMC fee reductions as part of its budget for fiscal year 2017.

#### 22 TAC §159.161, Appraiser Panel

As recommended by the Appraisal Management Company (AMC) Advisory Committee, the proposed amendments allow the Board to remove an appraiser from an AMC's panel without any charge to the AMC if the Board suspends or revokes the appraiser's license. The proposed amendments also clarify when an appraiser will be removed from an AMC's panel after the appraiser's license expires.

#### 22 TAC §159.201, Guidelines for Revocation, Suspension or Denial of a License

As recommended by the Working Group for AQB Criminal History Check Criteria and the Appraisal Management Company (AMC) Advisory Committee, the proposed amendments allow an AMC to conduct additional criminal history checks beyond those required by the Board, so long as an AMC does not require an appraiser to pay for or reimburse an AMC for the additional criminal history checks.

### FORMS

The Board took no action regarding forms at its meeting on August 19, 2016.