

ASSOCIATION OF APPRAISER REGULATORY OFFICIALS

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AARO 's Mission:

Is to be an advocate for the member jurisdictions as to the enforcement and administration of appraiser and appraisal management company regulatory laws. The Association is committed to the success and advancement of state appraiser and appraisal management company regulatory programs and seeks to accomplish these objectives through: Leadership, Cooperation, Communication and Education

Letter from AARO's President Debra Rudd

Dear Colleagues,
As preparations are underway for the upcoming Fall Conference in Washington, D.C., it is time again to reach out to you about the benefits of AARO. Our Program Committee under President-Elect Craig Steinley has been diligently working to bring you another stellar conference. We believe the information you will receive will be worthy of your investment to attend our conference and hope that you do, too. We know you take time out of your lives to come, sometimes with out-of-pocket personal expense. For that reason, we work hard to offer you the chance to hear the latest information directly from the sources, instead of what you may have heard or read about on the blogs. If the feedback we received from the Spring Conference in Tampa is any indication, we know that you will not be disappointed. One of the presentations scheduled for our Fall Conference will address the *FTC vs. the Louisiana Real Estate Appraiser's Board* case. We will hear from the Board's attorney, Steve Cannon of Constantine Cannon LLP. I am as anxious as any of you to learn what he can tell us about the upcoming hearing scheduled for January 2018. For anyone who has questions about enforcement of 'customary & reasonable fee' payments to appraisers, as mandated by the Dodd-Frank Act, this session alone might be worth the cost of the conference. Along with excellent speakers, the Program Committee strives to carve out time to give you an opportunity to network with others who are navigating through the same regulatory processes as you. Many attendees over the years have told us that the chance to discuss ways of treating similar issues, whether it be issuing licenses or handling compliance matters, has been invaluable. We hope you will take the time to check out the program, and register early to assure your spot at our conference. The Fall Conference is where our terms as Officers come to an end. Our Nominating Committee has been busy putting together a slate of nominees for elections. If you know of someone that you believe would make a good candidate for leadership, please contact Anne Petit, our Immediate Past President. She can be reached at

anna.netj@gom.state.oh.us. There are some restrictions on officer eligibility, which is limited to State Regulators, Board Members, Contract Investigators, or Consultants. If you do not fall into one of those categories, please be assured that we still can use your assistance. Please look at our various advisory committees, such as our Appraiser Professional Organizations Advisory Council, or our Appraisal Management Company Organizations Advisory Council and get involved. We may not always agree with each other, but we hope to seek under-

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standing of each other's positions.

We watched as the Congressional Subcommittee hearing was held last November and wondered what would change. So far, there does not seem to be any significant modifications to the appraisal regulatory program. That does not mean change is not happening. There has been an easing of qualifications to allow more home ownership, and in some parts of the country, there were mini-shortages of appraisers available to handle the demand. The supply and demand appears to have stabilized in recent months. Yet, we still hear lenders and real estate agents talk about not having a sufficient supply of appraisers. With increased reporting requirements by Fannie Mae, HUD and others, along with faster turnaround times being required by users, many of the seasoned appraisers are concerned about their future. But the numbers of trainees entering the industry appears to be climbing, at least in some of the states. What is happening in your state?

We learned earlier this year that the definition of a **federally related transaction** means something different than what many of us believed. Opinions about whether this includes loans on single-family homes under \$250,000 is still being debated. If you are located in a voluntary state, defined as those who only require licensing for federally related transactions, there may be additional questions that need to be answered. Are principle dwellings covered as outlined in Dodd-Frank? Does this mean there will no longer be enforcement of consumer complaints about home appraisals that are under the *de minimus* level? What answers can you provide when they contact you as a state regulator? Maybe a discussion with another state regulator will help you navigate through this ever-changing program.

At AARO we are proud of our ongoing partnership with the Appraisal Foundation to provide training to state investigators. This program, which was developed by Dennis Badger, Larry Disney, Tom Lewis with help from many others was created to help further the knowledge base of state regulatory staff and board members- not just investigators. To help facilitate with the training, the ASC

public is protected and the appraisal profession has fair and consistent treatment of complaints by knowledgeable regulators.

As your President this year, I have been fortunate to represent AARO at meetings in Washington, DC, Los Angeles, and Denver. I have heard from members of the *Appraisal Foundation Industry Advisory Council* about issues they face in their daily operations. I have enjoyed working with the *Appraisal Foundation's Practical Applications Panel* to address the possible changes in qualifications as considered in their third exposure draft. I look forward to attending the *Appraiser Qualification Board* meeting in Minneapolis on September 8th to hear about their latest decisions. As my term winds down, I will be representing AARO at the Valuation Expo in Las Vegas in early October.

I am honored to have been given this opportunity to serve and thank you for your support. I look forward to seeing you in October.

Respectfully,

Debra Rudd, AARO President 2016– 2017

Larry Disney (center) receives AARO's Lifetime Achievement Award while Jim Park (L) and Debra Rudd (R) look on.

LARRY DISNEY- an AARO Institution

The appraisal regulatory world is losing one of its

provided a federal grant to the Appraisal Foundation, as their charter allows. The ASC grant to the Appraisal Foundation allows this training to continue today. This sequence, which started in 2009 has now grown from one session into three levels of instruction, and there have been over 902 attendees from 54 of the 55 jurisdictions. We are happy to see this practice continue knowing that effective enforcement will help to ensure the

best, as Larry Disney is retiring. AARO has been blessed with Larry's influence and guidance for over 20 years. His knowledge, leadership and friendship will be greatly missed. Larry was kind enough to discuss his history and his recollections of AARO's past while attending the recent spring conference in Tampa. Larry became first associated with AARO when

he was a contract employee for the state of Kentucky in 1996. He became a state employee in 1999 as an investigator, and finally appointed as the board's Executive Officer in 2003.

The leadership group in place for Larry's early years included Sherry Bren (the first lady of AARO), Dave Campbell, Jim Martin (Arkansas), Lynn Heiden, Ozzie Smith, Henry Faircloth, and Sam Blackburn. Larry credits these folks with helping him begin his AARO legacy.

Larry recalls playing a role in the change that AARO went through in the late 90's from being a contentious body, regionally divided with animosity and competition for control; to a kinder gentler AARO. This change brought on cooperation, unification, and a more welcoming atmosphere. Watching the states come together and embrace TAF, ASC, and the AMCs were some of his proudest moments.

Although Larry served AARO's president twice and held every chair on the board, one of his biggest contributions was the Investigator Training Program. At the request of TAF, ASC and AARO, Larry helped to develop and then taught the first investigator training course at an AARO meeting in Atlanta in 1999. Although he handed off course development in 2000, Larry remained on the job as an instructor until retirement.

Just a few of Larry's other accomplishments include representing AARO on the AQB/ASB Industry Advisory Council, and receiving both the AARO Lifetime Achievement Award and the Foundation's Trustees Award. He considers all to be huge honors.

No one knows the challenges ahead for AARO better than Larry. As he reflects on industry change and turnover in member-

Spring 2017 Conference Highlights

Welcome to the Sunshine State! AARO descended upon Tampa Florida for our Spring Conference. The Grand Hyatt Tampa was a great location and in addition to the warm weather, AARO enjoyed great food and great networking.

Here are some session summaries:

Affiliates & Appraiser Related Organizations

Those in attendance at the break-out included individuals from all sectors of the appraisal industry. There were approximately 70 attendees for the session. The breakdown of the number of attendees was approximately 20 State Regulators, 24 AMCs, 8 Education Providers, 6 Professional Organization representatives, and 12 Appraisers and other attendees.

The first topic of discussion introduced by Craig Steinley acting as moderator was:

AARO's role in facilitating standardization of the processes that all affiliate members face when doing business with the various states.

The first specific issue discussed was the **AMC audit process** and the potential for centralization or standardization of audits that would streamline the practice. Although it was noted that only four states currently have an active audit program, the law requires each state to have the authority to audit and it is only a matter of time before more states begin AMC audits. With all the varied state laws and regulations, many different audits with individualized requirements could be a burden to AMCs. The opinion was voiced that standardi-

ship, he is aware of what it will take for AA-RO to adjust, move forward and preserve institutional knowledge. His parting advice to us “change and grow together, don’t become a damn dinosaur”.

zation would be a huge help to the AMCs since they will eventually have to deal with audits being performed by many different jurisdictions. It was also noted that the states could potentially benefit from standardization as well, given the fact some states do not

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Have the resources to develop an audit program.

One idea discussed was having an independent third party entity perform audits that would be consistent and predictable for the AMC, and potentially shared by various states to cut down on duplication and inconsistency. Another suggestion included starting with a simple two-page questionnaire as a pre-screening process. If properly completed, it might satisfy state auditors, or alternatively identify a problem that would trigger a more in-depth audit.

One AMC representative expressed concern regarding the sharing of information by the states due to the potential for release of proprietary information. And, the potential for that information to be released beyond state regulators due to Freedom of Information Act requests or the various state public records access laws was noted. It was mentioned that most states have laws requiring a public records request be specific and not general or over broad. But it was acknowledged by some in the group that the proprietary information issue could be a matter of concern. Generally, the group favored the idea of a simple pre-screening audit questionnaire that could be standardized and used as a basis for a state to make decisions about the need for a more detailed audit. This document could be designed to audit for compliance with the basic federal minimum requirements, achieve some level of standardization, sharing, and cooperation among the states while reducing the risk of releasing proprietary information. A sign-up sheet was circulated among the attendees to express interest in being part of a work group that could facilitate the development

Downtown Tampa, at night.

**back-
ground**

check requirements for both AMC management and empaneled appraisers. Again, there is no standardization, basic requirements, cooperation, or sharing between states or lender clients in this area. Currently, AMC management and appraisers are undergoing multiple background checks. Many states require some version of a background check with very little conformity. Many lender clients require an individual background check, again with little sharing or conformity. The result is a constant ongoing process of more and more background checks as clients, employees, and appraiser panel members change.

The major question is how to achieve standardization and conformity so that, for instance, a single background check could be used by all the different organizations who require it. Could there be a central depository of background checks for AMCs and appraisers?

Some states have a well-established background process, they like their system and don’t see it as a problem. The independent nature of

of this idea and make recommendations to AA-RO. Thirteen attendees signed up and a work group will be formed.

Another issue discussed was **AMC/Appraiser**

the states and the various interpretations of certain issues that may appear on a background check is an obstacle. Many lenders also have differing background requirements although there are examples of successful standardiza-

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tion such as the NMLS system used by mortgage brokers. The National Registry is not currently an option since the ASC lacks the authority to maintain background records.

The consensus of the group was that a central depository for background check information that could be used by all stakeholders would be beneficial overall, and particularly helpful to AMCs. The final question was how can ARRO help facilitate a process to bring that about? Again, a sign-up sheet was available for interested attendees to volunteer and help ARRO take this issue on.

Continuing the theme of standardization and conformity, the discussion moved to **Education Providers course approvals**. Same issue, different affiliate business, the various states have diverse applications, processes, and requirements: that are always changing. The task of keeping up with these many variables is challenging and standardization across state lines would be very beneficial to Education Providers, particularly those active in many jurisdictions. Regulators also voiced an interest in the benefits that could be achieved by standardization.

Familiar issues were brought up. Some states have requirements for schools that come from outside the appraisal regulatory body, and therefore apply to all professional licensing education in that state. Is reciprocity a possibility? There are currently very few examples of states which accept course approvals from other states, and only for some courses. The independent nature of the states and the many differences in their regulatory programs is the issue. Conclusion; ARRO is willing to help where

The second topic of discussion was:

Update and discussion on the status of the obstacles to AMC and lender acceptance of Trainee signature and inspection of the subject property.

This subject was touched on during the Fall 2016 conference and is a continuing area of interest. The discussion began with the scenario of a Trainee completing the inspection, without a supervisor present. The Trainee would then sign on the left and the supervisor on the right acknowledging that they did not inspect. The client's acceptance of this scenario is the main crux of the issue.

Approximately 28 states now allow for the supervisor to decide when a trainee is capable and competent to perform inspections alone. The GSEs report that they don't object to this process. Some banks are apparently accepting trainee inspections and there may be a misconception that does not recognize a recent loosening of a past policy. It was acknowledged that more investors will now accept the use of trainee appraisers in some way or another. The objection is now more commonly to the abuse or mis-use of trainees.

On the other hand, there is still an issue and concern with the AMC's ability to monetize this trainee appraiser/inspection/signature scenario. It was noted that lenders may still be uncomfortable with the idea that FIRREA requires appraisers to be on the National Registry and trainees are not. Some will still require the right-side signer to inspect. This can still cause hesitation for the AMC.

it can, such as possibly working with the states to develop a uniform course approval application form.

One opinion expressed was that if enough data and testing is presented on the trainee's ability to inspect, with documentation and a body of

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work supporting that argument, it can be successful.

One attendee has noticed a trend in the last 6 months where more and more lenders are starting to accept trainees. But it is still not universal, the market has not completely caught up.

It was noted that some appraisers who do not do AMC work have not experienced this trainee prohibition problem as they are dealing directly with the lender. So, the question came up. Why is there a disconnect when there is an AMC in the middle? In other professions, it is common for a practitioner such as a CPA to sign off taking full responsibility for the work, yet not personally do the work. Why is it so different in the appraisal profession? The session ended but the discussion on this topic will obviously continue.

In wrapping up, the Moderator made it clear that AARO wants to engage on these issues and look for ways to participate in solutions benefiting all stakeholders and parties involved.

Attorney breakout

Thirteen people were in attendance.

Sherry Bren, Board Administrator from South Dakota, posed a question to the group regarding a South Dakota appraiser who had appraised some properties located on tribal lands in Nebraska. His appraisals were reviewed by a staff reviewer for a federal agency. The reviewer was licensed in Nevada, but not Nebraska. The appraiser board in Nebraska would not accept a complaint against the reviewer as the reviewer was not licensed there, and the Nevada board

and Alice Ritter (ASC) said that she would send Sherry some information on the Department of the Interior and their development of valuation methods and techniques to complete valuations of Indian trust lands (which she did).

The group then discussed the impact, if any, the Dental Board case had on their state. In Oklahoma, every Board order, including consent orders, must be approved by the Attorney General's office. Alabama's rules review commission now reviews for anti-trust violations in rules. Other states note that they either have or will have required training for Board members that includes anti-trust law.

AMC complaints were the next topic of discussion. Many of the complaints concern late payments, but some are about removal from a panel.

One issue of concern is finding appraisers willing to serve as expert witnesses before the Board or an Administrative Law Judge (ALJ). Some states use USPAP instructors and teachers, and others pay fee appraisers fairly well. If a state does not pay well, there are few appraisers willing to review reports. Only a few states use their own investigators as expert witnesses.

The group discussed the investigation of complaints and the use of a conditional dismissal to close a case. There was consensus that a complaint based solely on value should still be opened and investigated for USPAP violations, in accordance with Policy Statement 7. Alabama will not take a complaint based solely on an allegation that the value was too high or too low. The Complainant must also give some support for their allegation, such as providing other com-

would not accept a complaint as the properties were in Nebraska. The group discussed the situ-

parable sales or mention features of the subject property that were not properly analyzed in the report.

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Finally, we quickly discussed the use of MLS and other private data sources for information about sales. Some states have full access, while others rely on real estate agents and others to provide the information.

Board Members Break Out

Discussion began with introductions around the room, giving name and state affiliation. Thirty attendees from 19 states, the District of Columbia and the ASC. Joe Ibach of North Dakota acted as Moderator.

First general topic of Discussion: Best Practices:

Moderator Question: What is/should the board's role be in addressing the appraiser "shortage"?

Response: No Roll – Most states felt that shortages were only in the rural areas (states like Montana) whereas urban areas have ample appraisers. When the rates are low and the market active, there are more appraisers and vice versa. The market takes care of supply and demand. It was noted that the entry into the profession has been made more challenging without the end financial rewards. There was discussion regarding AMC risk management and in rural areas issues with the 5 miles and 6/12 month guidelines. Freddie and Fannie aren't the problem, it's the Lender risk-management and directives back to the AMC's. Problem is Lender risk policies. Again, should the board be responsible for the shortage– generally no – It was noted that Florida has a Supervisor/Trainee Rule where the supervisor only needs to stay with the trainee for 6 months and if the trainee is 'ready' to go out and do inspections, he/she is allowed.

FHA and Lender self-imposed restrictions of no longer allowing Licensed Appraisers to complete and sign reports have hurt the industry?

Response: Yes... Although there was a large surge of people upgrading their credentials prior to the new restrictions going into effect, many people have their appraiser license as a secondary career and the burden to upgrade kept it from being financially feasible.

Moderator Question: What is/should the board's role be in legislative issues affecting appraisers?

Response: There are several states where boards have lobbyists that go 'to bat' for the appraisal industry to protect the laws that are mandated and to protect the public trust. Many legislator bodies need to be educated regarding the laws that govern the appraisers – Congress, Title XI, TAF, ASC etc., and how those laws affect state decisions and state laws. Other states do not allow lobbyists.

Boards are responsible for everything that affects the board.

Discussion/comments – Currently 10,000 trainees and there has been an increase in the number of appraisals/appraisers per transactions.

Discussions/comments – ASC and Montana – Alternative Standards – Other than USPAP – VA. Yellow Book, FHA, E-Valuations. AI's alternative standards – Some states are considering them including FL. Montana – Where does it end – regarding different standards and are boards expected to keep abreast of all the different standards.

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which lead to conversations regarding how many appraisers actually have a grasp of the Scope of Work.

ASC staff – A.O. 13 – e-valuation is an appraisal – state by state issue – restricted report.

Moderator Question: What are best practices for getting new board members up to speed? and What successes/failure have the board experienced with utilization of the “Intro to Terms and Concepts of USPAP” for non-appraiser board members?

Response: DC uses CLEAR which is put on once a year and is an introduction to the general duties and responsibilities of serving on a board. Others are educated by the attorney or the supervisor especially regarding Title XI. Recommending that all non-appraiser board members take the USPAP for non-appraisers – 4 hours. Meant for new members, public members and non-appraisers.

Second General Topic - Education:

Moderator Question:

How many boards utilize The Appraisal Foundation’s Voluntary Disciplinary Action Matrix? Describe the successes/failures. What are best practices for achieving consistency in discipline?

Response:

L-R: Craig Steinley, Sherry Bren and Kelly Davids

Many states had forgotten about it or had not seen it. Others use it as a guideline. Attorneys keep track of the levels of offenses and what the discipline was and try to stay in line with prior actions.

States differed on “open meetings” vs “closed meeting”.

When no discipline is required or the case dismissed there may be a “Letter of Guidance” Observation – using the word Allegation instead of Complaint – if no discipline is necessary and the Allegation is dismissed that is the end of it and there is no confusion as to ‘complaints’ on renewal forms. The Allegation moves to filings, it is very clear.

Third General Discussion Topic - Enforcement

Moderator Question: When and how do boards deal with violations that are not distinctly USPAP issues but border on violating the Ethics Rule? Example: Appraiser was always late – That was considered a poor business practice.

Response: Oregon-specific statement – Oregon had an incident where a group of appraisers accepted orders from an AMC and never completed the orders – angry of low fees – this was considered fraud and disciplinary action was taken.

Moderator Question: How many boards use standardized format appraisal reviews? Describe the success/failures.

Response: Many states have a standard form and format for reviewers. Some states did in-house reviews while there are many states that send them to a reviewer. Many provide training for the reviewer.

Moderator Question: How many boards utilize TAF’s corrective education (four 4-hour online

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courses)? Describe the successes/failures.

Response/Discussion: Non-credit, costs \$300 per course – remember to take that into consideration if the board is imposing a fine - It was recommended that TAF incorporate these ‘high disciplinary topics’ in each of the new USPAP renewal courses, especially when there is little NEW in USPAP... get ahead of the issues since they know what the ‘hot issues’ are that get appraisers in trouble. Note: one state noticed that when all the Qualifying ED was done on-line, there was a much higher incidence of disciplinary actions.

Moderator Question: Is it acceptable to dismiss a complaint or approve work product if the report(s) contains only minor USPAP violations, and the severity is determined by the board to be minimal?

Response: Yes- also alternative coaching and monitoring process – AZ
Increases in issues with trainees having deficient reports – more and more taking action against supervisions – opportunity to educate the supervisor as well as the trainee.

Recommendation – Voluntary Review at 500 hours then 1,000, then 1,500 to give guidance - avoid having all the work declined due to deficiencies – no action for any deficiencies for either trainee or supervisor.

Moderator Question: What major USPAP violations, as determined by the board, result in revocation of a license or certificate?

Response: Fraud – refusal to deliver report or refund fees. Doesn't respond to board to produce work file or respond to sanctions.

Moderator Question: Do boards or investiga-

tors monitor Social Media and Websites?

Response: Generally, no, however, if complaint, may view.

Forth Topic of Discussion: Appraisal Management Companies

Moderator Question: How do AMC's bar appraisers from their panels? Is it an AMC or state board issue? Example: you cannot bar an appraiser from appraising in a state unless the appraiser has been barred from practice by the state. Do AMC's have different rules? –

Response: Not without cause and must notify the appraiser in writing and why. One case – complaint against AMC – the appraiser won the case and was reinstated. It is noted that are not required to send you work – that is a business decision, however, they cannot bar the appraiser from the AMC panel without cause.

Moderate Question: AMC Laws – successes

Response: Collecting money – will be good for the boards and for funding education

Executive Directors and Administrators Break Out

Discussion began with introductions around the room, giving name and state affiliation. There were 19 states plus the Appraisal Subcommittee represented. Again, Joe Ibach acted as Modera-

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tor with Tamora Papas taking notes.

Moderator Question: Does any state require a Supervisor Trainee requirement above the required 4 hours?

Response: Minnesota has 6 – 4 basic hours and 2 hours on Minnesota law.

Moderator Question: Does any state have a “how to train a trainee program”?

Response: The shortage of Supervisors to train is a major issue in North Dakota and a few other states. West Virginia has a shortage and receives multiple calls asking how to become an appraiser. West Virginia does not have in-house training and it is very difficult to become an appraiser in the state of West Virginia.

The State of Washington has a plan that allows the supervision of more than three trainees. Authorization to exceed supervision of three trainees may be granted by the director upon approval of a written request and under specific provision outlined in the State of Washington’s regulations. The state of Washington requires a mentoring program if you plan to mentor more than their trainees. The plan has limits based on the number of certified appraisers available as supervisors.

Many did not realize that you can have more than three trainees. This has always been acceptable as long there is a program that includes an education and monitoring plan. For example, in Texas, supervisors must have an educational and monitoring program to provide training to more than three trainees. Some state plans are reviewed by its Board and all of the trainees undergo a review process.

Moderator Question: Does any state have any incentives to be a Supervisor trainee?

Response: No.

Moderator Question: Do states have educational reviews? Is there a fee?

Response: In Texas it is an option to have work product reviewed. There is a \$75.00 fee in Texas for the review. North Dakota offers reviews without a cost or discipline to either the supervisor or the appraiser. South Dakota offers to review work product for a fee based on the type of product for review; the average fee is \$300.00. Alabama requires work product review at the midway point for a fee of \$125.00. The state charge is used to recover the cost to have work evaluated with a limited number of submissions. Some states provide educational review without a charge and others do charge. Some states have it as mandatory criteria. States have implemented this process to reduce the level of non-compliance of trainees for upgrade.

Moderator Question: Are Board members paid to serve?

Response: Alabama board members receive \$300.00 per board meeting.

Oregon-specific statement – having an influx of applicants that have had their license revoked in other states and are coming to Oregon for licensure. The applicants are submitting work experience to qualify for licensure. Oregon thought there was a limitation on the acceptable dates for work experience but there isn’t any time restriction on work experience. One state has a “recent” experience requirement for the submission of the work experience – within the last 5 years and experience must be at least 10% of the license category. The other states do not have a limit on the age of work experience. How long is a revocation on a license? Oregon is the only state that does not have any regulation that addresses revocation of a license.

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Moderator Question: Are Board members allowed to conduct investigations?

Response: The majority indicated that they have investigators assigned to the board.

General discussion:

Education specific qualifications were discussed to allow trainees to qualify for a license. Lawyers require an additional three years after undergraduate degree receipt and architects have an experience requirement with stipends paid during the experience once the lawyer and the architect are allowed to be licensed after they have passed the exam.

Appraiser licensure does not have a partnership with any foreign appraiser program and applicants will be required to be a trainee although they have all of the experience documented from their country. If the board members can review the work log and determine qualification AQB will not allow any flexibility to license the individual.

Georgia indicated it prefers to order a citation via consent order but the licensee will take the hearing because the disciplinary action must be listed on the ASC website. The licensee could be revoked and the licensee would rather take this chance. The citation does not become final, but the perception is that the licensee may be listed on the registry. Texas uses a contingent discipline but it is not considered a contingent discipline once licensees have completed the prescribed remedy. If the licensee completes the contingency, it is dismissed. If the licensee does not complete the prescribed remedy, it is reported as a consent order on the ASC website. Texas has three levels of discipline that are not reported to the ASC.

The states have agreed that there is an issue

with appraisers getting work from the AMC for being disciplined and listed on the ASC website.

Moderator Question: Have any states come up with a plan for the AMC registry fee?

Response: Missouri will collect the check written to the ASC and deposit it to the ASC. South Carolina and Texas have a pass-through account ; the fee is collected upon licensing and forwarded to the ASC. South Dakota will do a pass-through and it is collected in the same manner as the appraiser fees. Iowa collects the money and forwards to the ACS.

Moderator Question: Do you disseminate information to your appraisers or do you leave this for the organizations?

Response: Majority said yes, through electronic newsletters.

L-R: Barbara Disney, Larry Disney,
Dennis Badger and Dwain Wheler

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Meet the Members!

Pictured - Rachel Clark (l) and Amy Lovorn (r)

Meet the AARO Members!

AARO was able to catch up with both Rachel Clark and Amy Lovorn for a few minutes while we were in Tampa. Here's what they had to say:

AARO- Tell us about yourselves:

AL- My home is made in Southaven, Mississippi which is a suburb of Memphis, Tennessee. Our office is located in what was considered the fastest growing area in the United States around the downturn. My late father founded our company as an appraisal, brokerage, and consulting firm. Currently, I serve as the managing broker and appraiser for the firm. As an AQB Certified USPAP Instructor, I also teach, consult, and on occasion- write courses.

In life past, I was a tour guide at the home of Elvis handling many VIP (rock bands to diplomats)/media tours and was employed as Gentil Organisateur at a French company called Club Med.

I obtained both my degrees from The University of Memphis (Go TIGERS!) I hold a BBA with an emphasis in economics and math. In 2014, I earned an Executive MBA in a cohort based program. It was a long 18 continuous months.

RC- I am a native Floridian having lived in Florida most of my life. I attended Tallahassee Community College, Florida State University, and Florida Coastal School of Law. I hold a BS in Sociology from Florida State, a JD from Florida Coastal, and an LLM in Logistics and Transportation from Florida Coastal. I currently reside in Tallahassee and I work for the Attorney General's Office as an Assistant Attorney General in the Administrative Law Bureau. I am counsel to several regulatory boards, one of which is the Florida Real Estate Appraiser Board. Prior to becoming an attorney, I was a workers' compensation adjuster and my first years of law practice were in insurance defense that included workers' compensation.

AARO- How many conferences have you attended? Which ones?

AL- I have attended, I believe, 6 conferences - Washington, D.C., Austin, Nashville, Tampa, and Phoenix.

RC- In 2015 I attended the Federation of Associations of Regulatory Boards (FARB) conference and this is my first AARO conference.

AARO- Is attending the AARO conference helpful for you to do your job?

AL- In my purview, AARO conference attendance is imperative for me in my role as a regulator. It is a wonderful opportunity to research how other states handle those enigmatic matters that tend to arise. In my private practice, attendance is equally important in order to anticipate future industry trends and their effects on my business and the industry as a whole.

RC- Attending the AARO conference is beneficial to me in performing my job because it allows me to meet other board counsels and discuss the regulatory challenges that boards face. In addition, I find it beneficial to discuss

how other jurisdictions have tackled some of the challenges and learn whether the solutions to the challenges worked, didn't work, or made no difference. Furthermore, I find it invaluable to be able to speak with those involved in the industry regardless of their position, i.e. executive director, director, board member, investigator, regulator, etc. One can learn a lot from reading, but the practicality of a matter is not truly realized until the knowledge is put into action and applied to a situation. Learning and sharing experiences helps to put the practicality of a situation in perspective.

AARO- What do you enjoy most about your work?

AL- I enjoy assembling the pieces of the puzzle. I find the most joy in problem solving where my clients see the fruition of a deal thought unmanageable.

RC- I enjoy having to think on my feet, so to speak. As board counsel I cannot possibly contemplate all questions that I may be asked during a meeting, but I find that drawing from the knowledge I do have to provide an answer is both challenging and exhilarating. I enjoy the travel associated with my work, as well as the opportunity to interact with industry members whatever their role.

AARO- What was the last book you read?

AL- I am currently reading 12 Years A Slave, by Solomon Northup.

RC- The Darkest Secret: A Novel , by Alex Marwood

AARO- What is your favorite US city to visit and why?

AL- That is an impossible question! I do love Washington, D.C., not just because I spent some time in my earlier years in politics, but because of the deep-rooted history there. Every single time I go there, I spend time with the Star-Spangled Banner. The exhibit has a soundtrack where you listen to the firing of cannons and the chaos surrounding such a night. I try to imagine how things must have been and how lucky we are today.

RC- My favorite US city to visit is Washington,

DC. I am fascinated by history and I'm a fan of museums. Washington, DC has a fantastic mix of the two, not to mention the political atmosphere thrown into the mix. The combination makes for a great city.

AARO- What is your first impression of AARO?

AL- My first impression was veneration for the mass of knowledge in one room and how open each person was in sharing said knowledge.

RC- My first impression of AARO is that it is a very informative organization structured with many opportunities for learning new or reviewing past information, both of which are beneficial to the industry.

AARO- What challenges do you face at work?

AL- Our biggest day-to-day issue is attempting to meet myriad of differing requirements by an ever-increasing client list.

RC- The biggest challenge I face at work is assuring that I capture the words and intentions of the Florida Real Estate Appraisal Board when assisting with the promulgation of rules, and at the same time drafting the rules within the confines of the statutory authority the Board has been granted. I have found there is a delicate balance between the goal of the Board in promulgating a rule and the authority granted to the Board for the rule.

AARO Fall 2017 Conference

Here is the tentative agenda for the upcoming fall conference in Washington DC.

**2017 Fall DC Conference –
Program at a Glance**

10/13 Friday

Afternoon:

1:00 -1:15 pm Opening Session Remarks

1:15-3:00 pm “ASC and TAF Updates”

3:00-3:15 pm Break

3:15-4:45 pm *Policy Updates - Federal Financial
Regulators and Agencies*”

Evening:

6:00-8:00 pm President’s Reception and
Silent Auction

10/14 Saturday

Morning:

7:45-8:30 am Continental Breakfast

8:30-Noon Simultaneous Round-Robin
Breakouts: Presenters Rotate, One
Hour (+-) Time Blocks with Time in
Between for a Break
“What Makes the Higher Rated States
Different from Other States?” (ASC)
“Proposed Changes to the Real Prop-
erty
Appraiser Qualification Criteria” (AQB)
“AMC Basic Requirements and
Misperceptions” (ASC)

Noon-1:30 pm Lunch – On Your Own

Afternoon:

1:30-3:00 pm General Session – “The Role of
Appraisal Review in a Regulator’s
Mission” (Stephen Wagner and
Amy McClellan)

3:00-3:15 pm Break

3:15-4:45 pm Group Breakouts – Pick One
1). Executive Directors and Adminis-
trators, 2). Attorneys (Closed), 3).
Board Members, 4). Investigators
(Closed), 5). AMCs, and 6). Education
Providers, Appraiser Associations, and
Appraiser Related Organizations.

Evening: Optional Group Off-Site Activity – DC
After Dark Bus Tour

10/15 Sunday

Morning:

8:30-9:25 am AARO Committee Meetings

9:25-9:35 am <Move to Advisory Council Meetings>

9:35-10:30 am AARO Advisory Council Meetings

10:30-10:45 am Break

10:45-Noon AARO Business Session/Election

Noon-1:30 pm Lunch – Provided

Afternoon:

1:30-3:00 pm General Session – “Trainee
Regulatory Programs: New Concepts
and Best Practices in an Evolving
Industry” (Debi Jones, Greg
Stephens, and Craig Morley)

3:00-3:15 pm Break

3:15-4:45 pm General Session – “Home Measure-
ments – Should it be Regulated?”
(John Dingeman, Larry Disney, and
Peter Christensen)

Late Afternoon and Evening:

Open

10/16 Monday

Morning:

7:45-8:30 am Continental Breakfast

8:30-10:00 am General Session – “Active Shooter:
Preparedness and Response” (Kyle
Wolf of the Department of Homeland
Security)

10:00-10:15 am Break

10:15-11:45 am General Session – “Appraiser
Independence and AMCs: Is It True
Independence?” (Francois
Gregoire, Jim Amarin, and a repre-
sentative from the Mortgage Bankers
Association)

11:45-1:15 pm Lunch – Provided

Afternoon:

1:15-2:30 pm General Session – “FTC v Louisiana
Real Estate Appraiser’s Board: The
Board’s Perspective” (Steve Cannon
of Constantine Cannon LLP)

2:30-2:45 pm Closing Remarks

3:00-4:30 pm AARO Board of Directors Meeting

Images from the Spring Conference in Tampa!

Two former AARO Presidents, Don Rodgers (l) and Larry Disney (r) catch up while in Tampa.

AARO attendees enjoying a sunset cruise on the water of Tampa Bay!.

AARO Managing Director Brent Jayes (l) and Larry Disney are all smiles.

Future Conferences

More New Members– AARO welcomes My AMC, eValuation Zone, LIA Administrators and AXIS AMC as Affiliate members!

Fall 2017- Westin Washington DC City Center, October 13-16

Spring 2018- Westin Seattle, May 4-6

Fall 2018- Westin Washington DC City Center, October 19-22

Spring 2019– Grand Hyatt Denver, May 3-5

AARO Officers and Directors for 2016-2017:

President: Debra Rudd, AZ

President-Elect: Craig Steinley, SD

Vice-President: Dee Sharp, WA

Secretary: Tom Veit, KY

Treasurer: Dave Campbell, ND

Immediate Past President: Anne Petit, OH

Directors at Large:

Don Rodgers, NC

Mike McGee, MS

Gae Lynne Cooper, OR

Nicole Novotny-Smith, WY

Robin Hannigan, KS

Vanessa Beauchamp, MO

Tyler Kohtz, NE

Fran Oreto, FL

Jim Martin, CA

Danielle Morales, MS

Alternate Directors:

Brandy March, IA

Marty Fleischhacker, MN

Allison McDonald, FL

Diana Piechocki, AR

Book Your Rooms Early!

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