

January 25, 2008 AQB Meeting- San Antonio
Notes by Bob Keith

David Bunton – Report of the President of The Appraisal Foundation

Requests for comments will be posted on TAF website for everyone to read. Bunton referenced a memo he wrote for the Board of Trustees on pending appraiser legislation the affects appraiser independence, changing roles of ASC, trainee and license qualifications, and a mandatory appraiser equal to 1 % of the sum of the previous year's valuation. There are three BOT openings – seeking someone from academia, unaffiliated appraiser, and an at-large seat. TAF website hard to navigate and will be seeking working group to provide input for improvement Supervising appraiser best practices task force to establish best practice for trainees, to kick off in couple weeks.

ASB Report – Chair Sandy Guilfoil

Invitation to comment will be reissued. How to improve USPAP understandability and enforcement? ASB held joint meeting with AQB yesterday. Wants to know how to use USPAP in an easy comfortable way. March 2008 hearing at a joint meeting of the ASB and AQB. This will be a semi formal forum that will include panels of like groups to provide input on how to improve USPAP understandability and enforceability. There will also be time for public comment. Will see where things are after six months. Next comment format will be more “survey like” ...do you want “x “or “y”.

IAC Report – Scott B?

IAC will be meeting in New Orleans in a couple weeks. Joint task force on appraiser independence continues. IAC supports the new AQB criteria. IAC has concerns about the impact of the new AQB criteria on the labor pool, concerned about how to ensure supply of entry level appraisers who stay in the business. Task force on continuing education (CE): wondering if there something to be done about the quality of CE? Concerned about appraisers not paying attention in CE classes, i.e. reading newspaper. How to ensure supervising appraisers are getting good quality CE.

TAFAC Report by Bob Keith on Behalf of TAFAC Chair Nate Arnold.

TAFAC Chair Nate Arnold sends his regrets that he is not able to appear before the AQB and asked Keith to give the TAFAC report on his behalf. TAFAC is continuing to enjoy an excellent relationship with the AQB and is thankful that the AQB has sent its representatives to our meetings. These representatives have made important contributions to various TAFAC discussions. The AQB has been working with our Personal Property Appraisers Work Group. The Working Group has been working on various ideas concerning Personal Property/Machinery & Equipment Instructors becoming AQB Certified in order to teach USPAP and other courses. TAFAC will host a new-members orientation breakfast on the morning of its next meeting in Washington DC on February 1st. This orientation provides new TAFAC members with an overview of the operational structure of The Appraisal Foundation and of TAFAC.

ECAFS Report – David Lange from IAAO

No notes recorded.

National Exam Report – John Brennan with The Appraisal Foundation

3 approved vendors, until very recently Pearson Vue was the only one. 165 test takers so far. Scores are not being released yet to examinees in order to provide time for the Foundation to validate the exam and cut scores. Hopes to be done by end of February to early March. Many of them have been calling John to complain. Sample questions and Q&A's are on TAF web site. The exams will not be graded on a curve. Cut scores were developed when exam was, but needs to be validated. Passing rates are not going to be good because exams are much more rigorous. More questions, more difficult questions that were based on the new education criteria, but people taking exams now have not had all the new education and have not had to satisfy any specified core curriculum. Bunton said that prior to 1-1-08 there were a total of seven different appraisal exams floating around out there and now, since all states are using the new AQB approved exam, there will be more uniformity and consistency in the exam across the country.

Course Approval Program Update – Rick Baumgardner from the AQB

214 approved CAP courses, 18 are USPAP courses. 47 courses in the pipeline, either in the application or review process. Turn around time is now well below their 60 day target. The CAP web page has been developed and is being beta tested. Thinks CAP website will be available to states by end of January. Policy and procedure manual has been updated and reorganized to be more user-friendly. The CAP brochure with FAQ's should be out shortly, it will provide tools to help understand the CAP process better.

Question David Lange with IAAO: suggests new survey on regulatory agency acceptance of CAP approved courses, e.g. do they accept only CAP approved courses or do they have their own process that either includes CAP approval or not. Gary Taylor – AQB tried to discourage states from only accepting CAP approved courses. This would preclude the 2-hour dinner meeting and/or other offerings that would be good CE but the provider wouldn't bother to get CAP approval.

Report of Gary Taylor – AQB Chair

AQB/ASB request for comment is rather comprehensive. So far 90 responses from 100,000 requests that were sent out. University Education Task Force trying to find ways to work with colleges and universities. Most of their courses are integrated which creates some difficulty for state regulatory agencies in "measuring" how much education in the various "modules" of required education is being received. Instructor Recertification Project Team – Guilfoil and Taylor are going to appoint a team to address the issues of recertification training occurring in an untimely manner, i.e. USPAP instructors teaching new USPAP courses for many months before the receive recertification training from the Foundation. They are looking for different structure and format for recertification and having it ready to offer by the 3rd quarter of 2009. Status of the (new) Instructor Certification Program: The problem in the past is that the two Boards, the AQB and ASB, met at separate times and in separate locations so it was difficult to coordinate and work together. Since the two Board's met together for the first time yesterday they are hoping to get things worked out and to begin offering the ICC course in September or October of 2008. The course will be offered only once per year.

Open Public Forum

- Larry Disney – Kentucky arranged for a mobile test center and got all their examinees tested. Larry interviewed examinees after the 2007 exam, some people had advanced degrees and complained about how disjointed the exam was. Larry doesn't want to see a repeat of the past, hopes that the AQB will continue to monitor the exam quality. Raised reciprocity issue over "CAP only" states verses not. John Brennan reminded the group that the AQB says that a credential holder in good standing from one state is considered to be in good standing in another state. Bunton said 25 to 28 states accept CAP approved courses and the goal all along was to get the number higher. Larry asked AARO for a program similar to the CAP program on the AARO website where a state could go to see what courses were already looked at and approved. Supervisor/trainee issue: \$250,000 threshold – seeing more complaints. Time limit before one can become a supervisor: KY uses one year but wonders if that's enough time. Worried about the availability of all categories of classes required for certified general credential. Bunton said proposed legislation would require reconsideration of the threshold amount within 18 months of the effective date of the legislation.
- Bob Keith – Indicated AARO's spring conference in San Francisco will include an open forum on reciprocity where all jurisdictions will have the opportunity to voice their concerns regarding reciprocity. Keith invited anyone interested in hearing about the state's concerns regarding this issue to attend the conference.
- Thom O'Bryant from the Florida Real Estate Appraiser Board. Expressed concern about the national exam and that the first 2008 credential cannot be issued any earlier than April 2008. Exam cut-scores must be codified in state law and their law requires cut scores to be established before implementing the program. Now they have to go to the state supreme court to get a fix. The exam validation delay is having an adverse economic impact on their state.
- Denise Graves, ASC Appraisal Policy Manager – Regarding education/reciprocity regarding CAP/Non-Cap. Reminded us reciprocity is not required.
- Bob Keith informed the AQB about the ASC Policy Statement 10(g) issue and expressed confusion why the AQB has not required residential education for the certified general credential if the ASC says states must verify residential experience (and compliance with USPAP) as part of the certified general application process. Keith also expressed concern over the manner in which the ASC adopted the 10 (g) revisions, by exposing language for comment in March 2006 and adopting something different in August 2006 without the opportunity to comment of the new language.