

AARO TAF BOT Representative Report

October 29 - 31, 2009

Scottsdale, AZ

Date: November 6, 2009

To: Executive Committee
Association of Appraiser Regulatory Officials (AARO)

From: Bruce Fitzsimons,
AARO President

Report of the Joint Venture Task Force (JVTF)

Committee Members in attendance:

Bruce Fitzsimons AARO - nominated Chair of the JVTF
Larry Disney AARO – via conference call
Jim Park – ASC
Denise Graves – ASC
Dave Bunton – TAF
John Brennan – TAF
Paula Douglas-Seidel – Secretary

Discussions of the best use of financial support from the ASC. It was decided the best use of funds would be for training purposes. Suggestions for use of funds were to have a professional video company tape a ½ day session on Legal Training. First half of the session would be a mock trial. Second half would be Q&A to address the variety of legal issues in different states and jurisdictions. Another video training session could be an enhanced version of the Board Member Training Program that would cover topics for Administrators, Board Members, Attorneys, and Investigators. This would also be a half day session.

Selection of “expert” speakers for the videos could be current AARO members or outside experts in a particular field. TAF would cover the expense of outside expert speakers.

These DVD videos would then be provided to all State appraiser regulators as training materials, along with accompanying training manual/bound materials. Expert speakers could be provided by the ASC or TAF, including judges, prosecutors, etc. The expense of these experts would be included in the ASC special grant.

It was agreed a \$100,000 grant request would be made to cover the cost of these expenses.

It was agreed AARO would continue to have total control over session topics, speakers, etc at future spring conferences. TAF and ASC will assist with Spring Conference

speaker invitations, program topics, etc, but not be involved directly with the AARO Program Committee.

The Fall Conference would be focused more on training with input from the ASC and TAF. Requests for program assistance will be channeled through the AARO joint committee representatives.

Other topics discussed were consideration of holding AARO Committee Meetings by conference call – thus freeing up more conference time for current topics and speaker sessions. Committee meeting reports from conference calls could be provided to the Executive Committee as part of the EC

The group liked the idea of having Brian Shea on the spring program for a Q&A session.

Jim Park has been invited to meetings with the National Association of Governors and thought AARO may have an opportunity to invite their group, or participate with their group on appraiser regulatory issues as the need arises. Jim will keep us posted.

HR 1728 may change the entire landscape of appraisal regulation by next March or April. If that occurs, Jim and/or Dave may be able to have a high level official speak of the changes to the industry at the Spring Conference – if a last minute program change/addition would be allowed by AARO.

The JVTF suggests the AARO program committee try to lock Todd Harper, Chief Advisor to Rep Kanjorski, into speaking at the Fall 2010 Conference. Todd said he couldn't make it last October because of the Columbus Day 3 day holiday. The next fall conference will not be held during a 3 day weekend.

TAF and ASC asked if AARO could provide a list of primary and secondary contact information for all “engaged” appraiser regulators for all States and Territories. I committed to providing a list to them by our next conference call meeting scheduled for November 20th.

The JVTF would like to know the response from AARO members about the suggested half day video taped conference topics and any suggestions for other topics or training sessions.

Jim Park said he would like to hear more speakers on the topic of AMC legislation at the Spring Conference. Denise Graves said the ASC and policy managers would be very receptive to breakout sessions of 2 – 4 groups of state regulators that have similar issues – not necessarily geographic groups at the Spring or Fall conference

Final version of TAF Consistent Disciplinary Enforcement Matrix should be available for the Spring conference. Joe Traynor will be available to speak at AARO spring conference.

Report of the TAF BOT Meeting

HR 1728 may be in the Senate by April or May and may include consolidations of federal agencies including TAF.

TAF grant of \$1.65 million should be approved by the ASC next month. TAF grant request of \$100,000 for TAF/ASC/AARO joint participation in conference received tentative approval based on future specifically defined uses of the funds for training purposes only.

HVCC / IVPI still not set up. TAF may end up housing the IVPI – which may be included in a proposal first of 2010.

Excellent responses to the AARO/ASC/TAF Investigator Training Program – highest ever ratings for a training course. Lots of federal agencies are interested in the program.

The Arab Appraisal Foundation is setup and looking to the AF for appraisal training.

Sandy said the ASB has submitted a draft of USPAP for regulators for consideration.

Gary said 2100 exams were given YTD. Many are repeats. Pass rate of first time test takers is 50%.....30% if you include the repeaters.

New exams to go online 1/1/10. Barry Shea will be monitoring exams in 2010. Texas A&M and Colorado real estate courses have been approved by the AQB.

Jim Amarin of AI addressed the BOT regarding the AF mission statement – assuring the public trust. Very concerned about the process leading up to the Appraisal Best Practices Board development did not have public exposure.

Dave Bunton replied the AF has never exposed anything publicly other than work product. ASB and AQB were not publicly exposed when they were created. BOT voted unanimously again at the meeting to approve the ABP Board, which will be constituted 7/1/10.

Dave Bunton said there is currently \$7.5 million in a treasury account. TAF ran a deficit of \$1.2 million in 2009 and expects to run a \$1.2 million deficit in 2010. Considering raising the national registry fees.

Alan Hummel report of the AF finance committee. Long term reserves of \$1.6 million. 2010 budget will have \$300,000 less revenue due to reduction of appraisers taking USPAP. No funds allowed for ECAFS to continue.

Joe Traynor report on USPAP for users of appraisal services. ASB is providing an 11 page report. This may be the beginning of a series of publications.

John Brennan report on the lack of differences between development and reporting by residential appraisers that just fill out forms. Under development – Residential Appraisal Reporting and Development Reporting RADAR form with direct link to USPAP section.