

**MINUTES OF THE
RULES COMMITTEE MEETING
July 31st, 2013 9:00 A.M.**

Call to order and roll call

The meeting was called to order by Frank Ugenti at 9:00 a.m.

Those Committee members present at roll call:

Frank Ugenti, Chairman of the Committee

Jeff Nolan

Mike Petrus, Vice Chairman of the Board

Joe Stroud

Staff Attendance:

Debra Rudd, Executive Director

Jeanne Galvin, Assistant Attorney General

Jeanne Hann, Rule Writer

Frank Ugenti read the first item on the agenda which was to approve the minutes of the July 19th, 2013 meeting. Mike Petrus motioned to approve the minutes and Jeff Nolan seconded the motion. All voted in favor of the motion, except Joe Stroud who abstained, due to his absence from this meeting.

Frank Ugenti then read the next item on the agenda which was to begin the process of reviewing the current rules and what changes should be considered for the new SB1316, AMC rules, etc. He then asked Jeanne Hann to explain the changes that have been made to the draft of rule revisions since the last meeting. She outlined in the draft changes that had been made and the questions that she had when reviewing the document. The revision draft includes five Articles of the rules.

The Committee then started at the beginning of Article 2 of this draft to review the changes. Discussion involved when a Trainee Appraiser may begin to be registered. Debra Rudd reported SB1316 stated that they must be registered by January 1, 2015 but she is looking for guidance from the Board as to when they would like staff to start taking the new registrations for Trainee Appraisers. Additional discussion resulted in a consensus that the rules would have to be finished to set the fee for this classification prior to applications being accepted.

A question from Debra Rudd about existing appraisers going up in classification was asked of Jeanne Galvin and Jeanne Hann. After discussion, a minor change to remove the word 'only' from this draft was considered and agreed upon, but otherwise the section R4-46-201(C)(2)(b) was to remain the same as previously drafted.

R4-46-201(A) was discussed to make clear the interim process between now and January 1, 2015. Jeanne Galvin recommended that a separate section be inserted to make the

process clear of what is required before January 1, 2015 and then after that date. This was agreed to by the Committee.

Joe Stroud asked a question about fingerprint cards, whether an applicant can do digital fingerprints instead of a hard card. Jeanne Galvin pointed out that the AQB encourages digital fingerprints. There was a question about whether the State DPS would allow this type of method being used. Debra Rudd was asked to look into this and report back to the Committee.

Discussion about limiting the number of temporary practice permits that are allowed resulted in keeping the number as shown in the draft to ten per year, per appraiser. The Committee acknowledged that the fee of \$150 per practice permit would probably limit them already. No change to the draft was the consensus of the Committee.

The next section of the rules that was discussed pertained to R4-46-207(A)(2)(e), giving continuing education credit to volunteer auditors, teaching a course, attending a Board meeting, writing a textbook, or attending an appraisal related field trip. Continuing education credit for teaching a course of up to fifty percent of the required 28 hours per renewal cycle was agreed upon by the Committee. The Committee recommended to not allow attendance at an appraisal related field trip or the writing of a textbook, as it would be too difficult for staff to determine what would qualify and what would not. As to the attendance at a Regular Board meeting, after much discussion, they decided to recommend an hour per hour credit, with a 2-hour minimum and maximum of 3-hours per renewal cycle. The Committee decided it will be the Executive Director's responsibility to establish a system to track attendance of those wanting continuing education credit. Additional discussion regarding the requirement of an Appraiser Trainee to attend a Board meeting included whether this should be continuing education or could be qualifying education. Debra Rudd explained that there are specific qualifying courses and electives for Appraiser Trainees established by the AQB. Frank Ugenti stated he wants to require the Appraiser Trainees to attend one Board meeting, and to receive three hours of credit for attendance. The discussion included whether continuing education would even come into play if the trainee were to meet the requirements for licensure or certification prior to the expiration of their registration. Debra Rudd offered to do more research on what the AQB and/or ASC would allow for qualifying education to answer the questions brought forward by the Committee. This concluded their review of Article 2.

Frank Ugenti then directed the Committee to look at R4-46-106 regarding fees. Application for registration as a Trainee Appraiser was discussed. Debra Rudd stated that she thought an Economic Impact Statement (EIS) was required similar to when the AMC bill was going through the legislative process. Jeanne Galvin and Jeanne Hann pointed out that this was a different process for the Legislative body than what is required for the Governor's Regulatory Rules Committee (GRRC). The Committee then reviewed the fees for all categories. A few members questioned why the fee for appraiser licensing could not be raised. It was explained that most of the fees have been set in statute, thus cannot be changed. Furthermore, it was the Committee's job to determine only the fees

for the application for registration as an Appraiser Trainee, renewal of the Appraiser Trainee registration, and application for license or certificate by reciprocity as these three had not been set in statute. Debra Rudd was asked to research how many new appraisal applicants the Board received in the past year, not to include those coming in by reciprocity and to report back at a future meeting. They then discussed service fees for copies of audio recordings and paper copies, which resulted in the Committee instructing Debra Rudd to treat everyone the same and to recover the costs of processing the requests. The convenience fee for the credit card payment was discussed. Debra Rudd explained that the intent of this section of SB1316 was to allow the cost of the credit card transaction charged by the new credit card vendor for the State be passed on to the person wishing to use this service for licensing or registrations.

Confirmation of Meeting Dates, Times and Locations

A discussion of the next meeting for Rules Committee was decided to be August 15th at 1:30 p.m. at the Board office conference room in Suite 103A. The next meeting will concentrate on the changes made to Article 2, and then to review Articles 5. Article 3 would also be reviewed, time permitting. There being no further business, the meeting then adjourned.

The Rules Committee meeting then adjourned at 11:35 p.m.