

South Carolina Real Estate Appraisers Board
Regular Meeting/Hearings
Thursday, November 10, 2005 10:00 AM
Kingstree Building, Room 108

Members Attending: Herbert R. Sass, III, Chairman; Rhonnie Newton, Secretary; Chris Cochran and Nancy Johnson.

Members Absent: Carlton Segars and Charles Stone

Staff attending: Robert S. Selman, Assistant Deputy Director; Sharon Dantzer, Advice Counsel; Jay Pitts, Administrator; Ann Parris; Administrative Assistant; Laura Smith; Investigator; Sheridan Spoon, Staff Counsel; Beau Tiller, Education Manager; Doug Green and Gary Wiggins, Building Codes Council.

Guests: Robert J. Duvala; SCAR Appraisers Section; Kelli Kline, SC Appraisal Institute

Call to Order and Freedom of Information Statement

Herb Sass, Chairman, called the meeting to order at 10:20 A.M. and stated for the record the following Freedom of Information statement. Public notice of this meeting was properly posted at the Real Estate Appraisers Board office, Synergy Business Park, Kingstree Building, Columbia, South Carolina, and provided to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of the South Carolina Freedom of Information Act. A quorum was present at all times.

Approval of Minutes – August 11, 2005

Motion: Ms. Johnson moved and Mr. Cochran seconded that the minutes of the August 11, 2005 meeting be approved as written. Motion unanimously passed.

Management Update – Jay Pitts, Administrator

Mr. Pitts reported on the following items:

Legislative Update - Efforts to remove the amendment to H3796 continue.

This amendment deals with Act 335 of 2000 that reclassified all registered appraisers as apprentice appraisers. This amendment would automatically reclassify these appraisers as Certified General if they met certain stipulations.

Staffing – Plans are underway to move Ed Coleman, by the first of next year, from the Office of Investigations back to the Appraisers Board office. Mr. Coleman will continue to conduct the Apprentice Appraisers Workshop, handle appraiser upgrade requests as well as a number of other programmatic matters. Laura Smith will handle all investigations.

Newsletters –No more newsletters. Important information will be disseminated to licensees by electronic means. It will not be billed as a newsletter but will be current information that will be posted on the web site and will be kept current. If for any reason, it is necessary to send a written notice, that can be done also. The Appraisers Board staff has captured a very high percentage of licensees email addresses, so that too is an effective way to notify licensees to check the web site for important information. However, Mr. Pitts stated he did not want to abuse email by sending too many

emails that individuals could delete without reading as they may receive high volumes of spam. Ms. Newton offered as information a way to send email that might help and that is to send it to one person, i.e., chairman of the board, and bcc all other members. That way it is not possible to tell whom else is receiving the email. Mr. Pitts thanked Ms. Newton for the information.

Renewals have been completed. As of yesterday there were 881 apprentice appraisers; 574 licensed appraisers, 696 certified general appraisers; and 763 certified residential appraisers.

February Meeting – Reminder that the Board will meet in Charleston, SC on February 9 in conjunction with The Appraisal Foundation meeting. Mr. Pitts stated he had set aside rooms for the Board members but each Board member must call the hotel and make their personal reservation.

January 24th Hearings – It appears that it will be necessary to meet and hold hearings on the 24th of January. More information will be forthcoming as the time draws nearer.

AARO Conference Update –Chairman. Sass reported on the AARO Annual Conference held in Washington, DC in October that he and Mr. Segars attended. He said some of the topics on the agenda were AQB Course Implementation Task Force Training, distance education, effective experience training, and mortgage fraud. Mr. Sass stated that the SC program is held in high regard with other appraiser officials. Mr. Sass said many of the programs around the country are having a lot of difficulty. He stated that Wyoming was very impressed with what South Carolina had done with the Appraiser/Trainee Workshops and planned to request information on this highly successful program. Mr. Pitts assured him that the information would be sent when the request was received.

No Unfinished Business.

Engine Bill – Engine Bill

Mr. Selman stated the Engine Bill basically is the LLR framework bill that was passed in 1996 and this was simply an update. He said the Engine Bill is a default practice act or supplemental practice act which means that it picks up on issues that aren't addressed in the actual practice act. He stated if there is a conflict between the individual practice act and the statute, then the individual statute controls. The Engine Bill does not trump any individual practice act.

He said there has been some controversy surrounding this bill but that by meeting with members of associations, lobbyists and their clients, many questions and concerns have been satisfied. It appears that a lot of the concern was because of misunderstandings. Mr. Selman stated that the bottom line is that this bill changes nothing in the way the Appraisers Board operates.

He said LLR has the support of many associations, lobbyists and boards already, and he would like to be able to say that the South Carolina Real Estate Appraisers Board supports the bill as well.

The Board agreed it would be helpful if there were time to review the Engine Bill before taking a vote on the Board's position. It was decided that a conference call would be made on November 29, 2005, at 10:00 a.m. to poll the Board membership regarding a decision to either support or not support this legislation.

New Business – Gary Wiggins, Administrator, SC Building Codes Council, and Doug Green, Program Coordinator, Modular Buildings, discussed an issue developing in the appraiser field that is affecting the Modular Building Construction Act. Mr. Wiggins gave an overview of the Modular Building Program. He stated there is some misconception among appraisers regarding differences in the two types of modular buildings-- manufactured houses and modular built houses. He discussed the differences in the identification plates required for manufactured houses and for modular built structures. He asked if the Board could publish some information on their web site that may help clarify this matter. Mr. Pitts stated he would look into getting the information on the site.

AARO Resolution - Fannie Mae Form

Chairman Sass stated that one matter that received a great deal of discussion was the new Fannie Mae Form 1004 certification #23 “which as currently written can be viewed to identify persons that may rely on appraisal reports beyond those identified by in the forms as intended users.” Chairman Sass stated that AARO member jurisdictions authored a Resolution asking “that Fannie Mae address this issue, recognize the potential problem the matter creates for the real property appraiser regulatory officials, and take immediate corrective action to resolve the item(s) listed.” Chairman Sass stated South Carolina signed the Resolution but he would like to have it on record that the SC Real Estate Appraisers Board supports the content of the Resolution and the fact that the Resolution would be presented to Fannie Mae.

Motion: Mr. Cochran moved that the Board supports the Resolution and Ms. Newton seconded the motion. The motion was unanimously passed.

There being no further business, the meeting was adjourned on motion of Mr. Cochran at 11:55 a.m. Motion unanimously carried.