

1 **Minutes**

2 **South Carolina Real Estate Appraisers Board**

3 **November 13, 2024, 10:00 a.m. -Via Webex**

4 **110 Centerview Drive, Kingtree Building, Columbia, SC 29210**

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6 **Meeting Called to Order:**

7 Mark Chapman, Chairman, called the meeting of the South Carolina Real Estate Appraisers
8 Board to order at 10:10 a.m. Other board members present for the meeting included: Jake
9 Knight, Jody Bishop, Ki Thompson, Carlton Segars and Damian Burris.

10 Mr. Chapman announced that public notice of this meeting was properly posted at the South
11 Carolina Real Estate Appraisers office, Synergy Business Park, Kingtree Building, and provided
12 to all requesting persons, organizations, and news media in compliance with Section 30-4-80 of
13 the South Carolina Freedom of Information Act.

14 Staff members participating during the meeting included Megan Flannery(Advice Counsel),
15 Rowland Alston(ODC), Cindy Bagwell(OIE), Tyler Livezey(Communications), Laura Smith
16 (Board Executive), Otis Richardson(AA), Cory Griffin(AC). Public members in attendance
17 included Robin Reibold(Court reporter), Paul deHolczer(DOT), Dawn Weeks(DOT), Barry
18 Phillips(Appraiser-Greenville), Paul Ryll(Appraiser-Greenville), Malinda Griffin(Appraiser-
19 Simpsonville) and Catey Lechner(Capitol Consultants) attended by WebEx.

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21 **Introduction of Board Members and All Other Persons Attending**

22 The board members, LLR staff and all others in attendance were introduced.

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24 **Approval of Excused Absences**

25 All present

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27 **Approval of Agenda**

28 **MOTION:**

29 Mr. Bishop made a motion to approve the agenda. The motion was seconded by Mr. Segars,
30 which carried unanimously.

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32 **Approval of the Minutes from Board Meeting**

33 **MOTION:**

34 Mr. Segars made the motion to approve the minutes from the August 28, 2024 board meeting.
35 Mr. Bishop seconded the motion, which carried unanimously.

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37 **Chairman's Remarks**

38 Mr. Chapman thanked everyone for attending the meeting, , and for the commitment to the real
39 estate appraiser industry. Mr. Chapman emphasized the important work real estate appraisers do,
40 noting that appraisers are essential to every real estate transaction and vital to the overall health
41 of our economy. Real estate appraisers advise people on significant financial decisions that
42 impact their lives.

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45 **Board Reports**

46 **Approval of the Investigative Review Committee (IRC) Report- Cindy Bagwell**

47 The IRC report dated November 14, 2024 was presented for approval.

48 **MOTION:**

49 Mr. Segars made a motion to approve the recommendations in the IRC report. Mr. Burris
50 seconded the motion, which carried unanimously.

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52 **OIE Appraisers Board Case Report – Cindy Bagwell**

53 The OIE Status Report as of November 14, 2024 was submitted as information. Ms. Bagwell
54 noted from January 2, 2024 through November 7, 2024, OIE has received a total of 61
55 complaints. There are currently 23 active investigations. 23 complaints have been closed.

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58 **ODC Case Load Statistics as of August 15, 2024- Rowland Alston**

59 The ODC report was submitted as information. Mr. Alston explained this report reflected
60 information as of October 31, 2024. There are currently 7 open disciplinary cases, the majority
61 of those cases are being handled by ODC attorney Erin Baldwin. 2 of the 7 open cases are
62 pending either a disciplinary hearing or a consent agreement in lieu of a disciplinary hearing. 2
63 of the 7 open cases are pending closure. ODC has closed a total of 3 cases this year. There are no
64 pending appeals.

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67 **Board Executive Remarks - Laura Smith**

68 **Licensure Update**

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	<u>ACTIVE</u>	<u>INACTIVE</u>	<u>TOTAL</u>
70			
	173	0	173
	145	11	156
	992	52	1044
	1030	29	1059
	47	1	48
	72	1	73
	<u>27</u>	<u>3</u>	<u>30</u>
71			
72			
73	2486	97	2583
74			
75			
76	133	13	
77			
78	Issued in 2023	145	Issued in 2024 127

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81 **Budget Update**

82 Mrs. Smith provided the budget report for the Appraisers Board licensing account
83 (\$1,413,090.31) for review by the Board. The National Registry account (\$67,712.08) was also
84 presented to the Board for review. This account is allocated to pay the National Registry fees to
85 the Appraisal Subcommittee. These numbers are ending balances as of September 30, 2024.

86 Ms. Smith discussed ongoing discussions between board staff and CE Brokers. Board staff and
87 CE Brokers are working to fix small glitches that occurred during the renewal period with
88 reporting courses through the providers. CE Brokers has proposed moving appraiser course
89 approval process to CE Broker, which would result in course applications being processed and
90 paid for through CE Broker. This would allow CE Broker to process the application and funds,
91 keep track of those courses and every quarter, the funds would be transferred to the board and
92 would be reflected in the board budget. The end goal is to simplify CE reporting and tracking for
93 licensees and board staff.

94 Ms. Smith advised she had received correspondence that the Appraisal Subcommittee will be in
95 South Carolina doing their review the week of July 7th, 2025. Prior to that review, board staff
96 will supply the Appraisal Subcommittee with all the applications, investigations, and everything
97 the board has done over the last two years. The Appraisal Subcommittee will then randomly
98 select applications or cases for detailed review.

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101 **Conference/ Travel Updates**

102 Mr. Chapman updated the board on the Valuation Expo Conference he attended in Las Vegas in
103 August. Mrs. Smith updated the board on the Appraisal Summit she attended in Las Vegas in
104 September. Mrs. Smith also updated the board on the AARO Conference she attended in Boston
105 in October.

106 Mrs. Smith informed the board that the AARO Conference would be held as a virtual conference
107 April 29 – May 1, 2025. Mrs. Smith requested board approval to attend the TAFAC and CARE
108 meetings in Washington DC, November 18-19, 2024 and approval for attendance by staff and
109 board members to attend the ACTS Conference to be held in San Antonio, April 4-9, 2025.
110 Early registration will be necessary due to this conference being held the same weekend of the
111 men's final four basketball tournament.

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114 **MOTION:**

115 Mr. Bishop made a motion to approve Mrs. Smith to attend the TAFAC and CARE meetings in
116 Washington DC November 18th-19th and approve Mrs. Smith, along with one staff member and
117 two board members to attend the ACTS Conference April 4-9, 2025. The motion was seconded
118 by Mr. Segars, which carried unanimously.

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120 **Unfinished Business**

121 **Legislative Update**

122 The updates to the Appraiser's Regulations have been pre-filed and are awaiting approval. The
123 board-approved regulations are pending public comment at this point. We have not heard from
124 anyone noting any comments or objections. Absent any objections, the board-approved
125 regulations will be filed for the new legislative session in January for legislative promulgation.

126 **ASC Grant Update**

127 The grant was submitted, and the board is awaiting further information from the ASC.

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129 **New Business**

130 **AMC Renewals**

131 AMC renewals were changed from biennial to annual renewals in the approved statute. AMCs
132 will begin annual renewals during the coming 6/30/2025 renewal along with the annual National
133 Registry reporting and payment.

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135 **Waiver Valuations**

136 Chairman Mark Chapman advised he received a couple of communications from Dawn Weeks,
137 Chief Appraiser for SC Department of Transportation (SCDOT) and Michael Barbee, Director of
138 Right of Way from the SCDOT. Department of Transportation. The communications noted the
139 legislative changes to Section 40-60-20, relating to appraisal waivers and appraisals.

140 Paul deHolczer, Assistant Chief Counsel for SCDOT and Dawn Weeks, are seeking guidance
141 from the appraisal board with respect to licensed appraisers with SCDOT doing waiver
142 valuations. SCDOT advised the board that much of what SCDOT acquisition of property
143 involve appraisals. SCDOT is attempting to navigate and reconcile state and federal laws and
144 regulations with respect to waiver valuations. In particular, where SCDOT is seeking a de
145 minimis, or very small acquisition, SCDOT is making an offer based on an idea of what the
146 property may be worth. SCDOT is not stating that is an appraisal or should be an appraisal in

147 any way. The Code of Federal Regulations, Title 49, Subtitle A, Part 24, Section 24.102(c)(2)
148 states the purpose of the appraisal waiver provision is to “provide agencies a technique to avoid
149 the cost and time delay associated with appraisal requirements for uncomplicated valuation
150 problems within the low fair market value limits.” Mr. deHolczer stated waiver valuations are
151 not appraisals as defined by the Uniform Act and therefore appraisal performance requirements
152 or standards, regardless of their source, are not required for waiver valuations and there should
153 be no requirement for an appraisal review. Mr. deHolczer explained SCDOT processes and
154 procedures for de minimus acquisitions and noted they are designed to expedite and reduce
155 public expenditures. Additionally, if requested by a landowner, SCDOT will make an appraisal.
156 Moreover, SCDOT projects have significant federal and state oversight and both state and
157 federal laws offer protection for landowners.

158 Ms. Flannery asked if SCDOT would be utilizing licensed appraisers to make the valuations?
159 Mr. deHolczer explained SCDOT has the ability to use people who are not licensed appraisers on
160 the condition that the valuation service is not referred to as an appraiser. In most cases, SCDOT
161 would utilize a licensee, someone who is aware of appraisal principles, aware of the de minimis
162 requirements imposed by the federal government and knows something about appraising to make
163 these valuations.

164 Mr. Chapman asked if SCDOT would use a licensed real estate agent to make these valuations.
165 Mr. deHowczer indicated SCDOT would not use a licensed real estate agent, they would
166 generally use a licensed appraiser to make waiver valuations. Mr. Chapman inquired about the
167 \$20,000 threshold. Ms. Weeks believes that arises from the FHWA in federal regulations.

168 Mr. Bishop expressed concern on how this would impact the appraisal community in South
169 Carolina. Mr. Bishop asked if an attorney or corporate entity, an estate or CPA wanted several
170 properties appraised for the state, would they just need to apply a waiver valuation rather than
171 comply with USPAP? Mr. deHolczer explained that a waiver valuation under Federal Code,
172 under the Uniform Act for the acquisition of real property for public works projects is a very
173 narrow window and would not apply in a commercial setting. SCDOT is seeking assurances that
174 their appraisers would not be subject to discipline for doing waiver valuations, due to a potential
175 violation of USPAP. Additionally, the USPAP jurisdictional rule allows appraisers to comply
176 with state law when it is in conflict with the USPAP.

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181 **Executive Session**

182 **MOTION:**

183 Mr. Segars made a motion to enter executive session, with Laura Smith, the board executive to
184 remain in executive sessions. The motion was seconded by Mr. Thompson, which carried
185 unanimously.

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188 **MOTION:**

189 Mr. Thompson made a motion to exit executive session, where no votes were taken. Mr. Bishop
190 seconded the motion, which carried unanimously.

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193 **MOTION:**

194 Mr. Bishop made a motion that any real estate appraisal signed by a South Carolina licensed real
195 estate appraiser must comply with USPAP. Valuation waivers must continue to be treated as
196 appraisals and any completed by a real estate appraiser must comply with USPAP in completing
197 a valuation waiver. The motion was seconded by Mr. Thompson, which carried unanimously.

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200 **Public Comments** – None

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202 **Adjournment**

203 Mr. Thompson made the motion to adjourn. Mr. Bishop seconded, which carried unanimously.
204 The board adjourned at 12:07 p.m.

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206 The next Real Estate Appraisers Board meeting is scheduled for February 13, 2025.