

**NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE  
MEETING  
JUNE 6, 2017 MINUTES**

**DEPARTMENT OF BUSINESS AND INDUSTRY  
DIVISION OF INSURANCE  
1818 E. COLLEGE PARKWAY  
1<sup>ST</sup> FLOOR HEARING ROOM  
CARSON CITY, NV 89706**

**VIDEO CONFERENCE:  
NEVADA STATE BUSINESS CENTER  
3300 WEST SAHARA AVENUE  
TAHOE ROOM, SUITE 430  
LAS VEGAS, NV 89102**

**JUNE 6, 2017**

**9:06 A.M.**

**1-A) Introduction of Commissioners in attendance**

In Las Vegas: Glenn Anderson; Debbie Huber.

In Carson City: David Stefan; Cynthia Hoonhout; Daniel Walsh; and Senior Deputy Attorney General Sarah Bradley acting as Commission counsel.

**1-B) Introduction of Division Staff in attendance**

In Las Vegas: Sharath Chandra, Administrator; Teralyn Thompson, Administration Section Manager; Claudia Rosolen, Commission Coordinator.

In Carson City: Stacey Spoerl, Program Officer; Jaye Lindsay, Appraisal Investigator; and Deputy Attorney General Peter K. Keegan acting as Division Counsel.

**2) Public Comment**

None.

**4-A) Disciplinary Report**

Teralyn Thompson presented this report. Ms. Thompson stated that the highlighted parts on the report are changes since the last Commission meeting.

President Anderson asked if there are any delinquent accounts.

Ms. Thompson stated that the majority of licensees take care of the discipline because they don't want to have their license suspended. Ms. Thompson stated that the few delinquent accounts that the Division has will not be placed on the report, but will go to the Controller's office for collection.

**3-1) Disciplinary action: Hearing and possible action by the Commission**

**NRED v. DAVID LYSNE, for possible action**

**Case No. AP15.048.N**

**License#: A.0205479-CG (ACTIVE)**

Parties Present:

Deputy Attorney General Peter K. Keegan was present representing the Division.

David Lysne was present.

Commissioner Stefan stated that he had prior knowledge of some of the information regarding the case and recused himself.

Mr. Keegan stated that an agreement has been reached and the terms for a stipulation are as follows:

- Respondent voluntary revocation of his license for one year, effective upon the acceptance by the Commission of the Stipulation.
- Respondent may reapply for licensure one (1) year after the effective date of the Commission Order accepting the Stipulation.
- The Division agrees not to pursue any other or greater remedies or fines in connection with the conduct referenced in the Alleged Violations section above.

President Anderson asked if Mr. Lysne was in favor of the obligations under the terms of the stipulation.

Mr. Lysne stated that he understood and agreed with the terms set forth in the stipulation.

Commissioner Walsh moved to accept the stipulation. Commissioner Huber seconded.

Motion carried 4 to 0 with Commissioner Stefan abstained.

**4-B) Discussion regarding Appraisal Officer's report on compliance case load**

Stacey Spoerl presented this report. Ms. Spoerl stated that since March 2017 the appraisal section has a new investigator. Ms. Spoerl stated that there are 48 open cases, 13 of those cases are 13 to 24 months old.

**4-C) Discussion regarding the status and current case load of the Appraisal Advisory Review Committee (AARC)**

Stacey Spoerl presented this report. Ms. Spoerl stated that on May 19, 2017 the Division had an AARC meeting with 4 cases. Ms. Spoerl stated that the stipulations are out for signature and another AARC will be conducted in August 2017. Ms. Spoerl stated that currently there are 10 cases under review.

President Anderson asked if cases are under contracted review or reviewed by the investigator.

Ms. Spoerl stated that those cases are under contracted reviews and the investigator is working on the current case load.

**4-B) Discussion regarding Customary and Reasonable Fees in regard to the Dodd-Frank Act concerning the Coalition of Appraisers in Nevada (CAN)**

Sharath Chandra stated that the general timeline for when the fee will be implemented is August 10, 2018. Mr. Chandra stated that the State can receive a 12 month extension from that date. Mr. Chandra stated that areas that have gaps and need clarification are in the definitions that are currently in the statute. Mr. Chandra stated that changes in fee structures need to be done in statute. Mr. Chandra stated that there is some flexibility with regulations, but the State needs language in the statute that would allow for that. Mr. Chandra stated that as a State they can require the Customary and Reasonable Fees,

but the issue is going to be the implementation of that. Mr. Chandra stated that the current questions that Division's staff is working on are: what authority the Division has, what authority the State is going to grant to the Division to enforce it, and how much the implementation part is going to cost to the Division. Mr. Chandra stated that the Division will have a conversation on how much this will cost once the Division has a better handle on what those costs are going to look like.

Mr. Chandra stated that historically the Division has had a lot of unfunded mandates and that is why the current focus is on cost analysis. Mr. Chandra stated that the Division is currently 30% below staffing levels and the workload went up 14% annually across the board. Mr. Chandra stated that the next step is to come up with proposed language and guidance on what needs to be statutorily revised and what needs to be regulatory done.

President Anderson asked if the State of Nevada won't implement some of those guidelines, the responsibility would fall back at Federal level.

Mr. Chandra stated that under CFR 12 §34.213(b)(5) the minimum requirements are to "Establish and comply with processes and controls reasonably designed to ensure that the AMC conducts its appraisal management services in accordance with the requirements of section 129E (a) through (i) of the Truth in Lending Act, 15 U.S.C. 1639e(a) through (i), and regulations thereunder." Mr. Chandra stated that the Division is going to stay neutral in a lot of the processes. Mr. Chandra stated that the Division will present the facts and a template of what expectations are, but at the end of the day the Legislature will have to decide.

Commissioner Huber asked the opinion of the other Commissioners on the study that was funded by the Coalition of Appraisers in Nevada (CAN).

Commissioner Walsh stated that the study, related to residential appears, to be at market. Commissioner Walsh stated that the multifamily portion seems lacking, but overall the basic format of the study is quite comprehensive.

Commissioner Hoonhout agreed with Commissioner's Walsh opinion on the study being comprehensive.

Commissioner Stefan stated that he liked the study and was kind of upset that they weren't able to work quicker and now the study is outdated.

President Anderson stated that another point that should be considered should be the funding to keep the study updated.

Commissioner Huber stated that she likes the fact that the study was tailored to Nevada. Commissioner Huber asked to keep this item on the next agenda meeting.

Mr. Chandra stated that the issue is not just to accept a study but what happened after. Mr. Chandra stated that the points that the Division is focusing on are execution, authority to enforce the plan, and cost.

**4-D-1) Administrator's Report: Personnel**

**4-D-2) 2017 Legislative Session and the Division's budget**

Sharath Chandra presented these reports. Mr. Chandra stated that the Division had filled the investigative position. Mr. Chandra stated that there was nothing in the legislative process that affected the appraisal industry.

**4-E) For possible action: Discussion and possible action to approve the minutes of the February 7, 2017 meeting.**

Commissioner Huber moved to approve the minutes of February 7, 2017 Commission meeting. Commissioner Stefan seconded.

Motion carried unanimously.

**4-F) Discussion regarding the attendance requirement of pre-licensees of three consecutive hours of the Appraisal Commission meetings, with possible changes to the continuous block of time requirement**

Commissioner Walsh proposed to credit the licensees, or those who are working on the continuing education, for the time that they attended a meeting and not on 3 consecutive hours of meeting since the Commission meetings have not lasted 3 hours.

Stacey Spoerl read NAC 645C.355. Ms. Spoerl stated that the requirements for 3 consecutive hours is located in the appraiser licensing requirements.

Commissioner Walsh asked counsel if they can change the requirements to 2 hours.

Ms. Bradley stated that the Commission can start the process to amend the regulation.

Commissioner Hoonhout stated that this would put the burden of keeping track on Division staff. Commissioner Hoonhout stated that each Commission meeting should last at least 2 hours.

Mr. Chandra stated that the Division is not placing the registered intern "on hold" if the other requirements are met. Mr. Chandra stated that a license is granted and as long as the new licensee shows that the requirement is fulfilled over a period of time that is acceptable. Mr. Chandra cited NAC 645C.068.

Commissioner Hoonhout stated that there should be a cap on the grace period.

Commissioner Stefan stated that the Commission should make an amendment to make those hours cumulative.

Ms. Bradley recommended that the practices administratively should match what the regulation is.

President Anderson requested to have this item on the next agenda meeting.

**4-H) Discussion regarding the approval of continuing education classes by the Appraisal Officer**

Stacey Spoerl stated that she updated the approval form to include NAC 645C.244 so that sponsors understand that part of the requirements for course approval are coming from the statute. Ms. Spoerl stated that she received an explanation on the Appraiser Qualifications Board (AQB) approval and that she is making sure that those courses are current. Ms. Spoerl stated that she approved 37 courses and denied one.

President Anderson requested to have a list of the courses that are approved and not approved.

**4-I) For possible action: Discussion and possible action on date, time, place and agenda items for upcoming meeting(s)**

Teralyn Thompson stated that the next Commission meeting is September 26-28, 2017.

Commissioner Hoonhout asked to meet in person or video-conference and not as a phone-conference in order to give the proper attention to the topics on the agenda.

**4-J) Commissioner Comment**

Commissioner Walsh complimented Ms. Spoerl on her knowledge and the fact that she has been studying.

Commissioner Stefan stated that it has been an honor being on the Commission with President Anderson and thanked him for his leadership.

The rest of the Commission agreed with Commissioner Stefan's comment.

President Anderson stated that he had a wonderful time working with this group of Commissioners and thanked them.

**5) Public Comment**

In Las Vegas: Brice Twitchell, appraiser intern commented. Mr. Twitchell asked for the Commission's opinion on the proposed changes to appraisers licensing requirements. Mr. Twitchell stated that his concern is that the current proposal would only require education hours and not actual market experience; the level of education is going to be reduced to an associate degree with specific credit hours related to the field.

Commissioner Huber stated that the requirement of a college degree was hindering a lot of people from entering the field. Commissioner Huber stated that field experience is a must.

Commissioner Hoonhout stated that she does not see the proposal to remove field experience from the requirements for a license being approved.

In Las Vegas: Jerad Hunsaker commented. Mr. Hunsaker stated that a lot of appraisers that he has spoken to are still getting a lot of pressures from realtors. Mr. Hunsaker asked if there is something that the Appraiser Commission and the Real Estate Commission can do to bridge the gap and help alleviate or reduce that pressure.

President Anderson stated that it's an ethical thing for the realtors to deal with.

Commissioner Huber stated that in NAC there is a provision that pertain to appraiser's independence. Commissioner Huber stated that it is not something that will go away and is part of the business.

**6) Adjournment**

The meeting adjourned at 10:53 a.m. on June 6, 2017.

Respectfully Yours,

Claudia Rosolen  
Commission Coordinator

NOT APPROVED BY THE COMMISSION