

NEVADA COMMISSION OF APPRAISERS OF REAL ESTATE MEETING

APRIL 22, 2025, MINUTES

VIA IN PERSON AND WEBEX VIRTUAL MEETING APRIL 22, 2025

Nevada State Business Center
3300 W. Sahara Avenue
4th Floor, Nevada Room
Las Vegas, Nevada 89102

VIDEO CONFERENCE TO:
Nevada Division of Insurance
1818 East College Parkway
Suite 103
Carson City, Nevada 89706

1) Commission/Division Business:

A) Call to Order, Introduction of Commissioners in Attendance; and Establish Quorum.

President Gandy called the meeting to order at 9:03 A.M.

Introduction of Commissioners in Attendance: Larry Michael Gandy Jr., Scott Krueger, and Timothy O'Brien, a quorum was established.

Commission Counsel: Joseph Ostunio, Deputy Attorney General.

B) Introduction of Division Staff in Attendance

Sharath Chandra, Administrator; Charvez Foger, Deputy Administrator; Shareece Bates, Administration Section Manager; Rebecca Bruce, Appraisal Program Manager; James Silva, Compliance Audit Investigator; Amy Reveyrand, Commission Coordinator; and Maria Gallo, Commission Coordinator.

Phil Su, Senior Deputy Attorney General, and Christal Keegan, Deputy Attorney General, representing the Division.

2) Public Comment

None

3) REGULATION WORKSHOP AND ADOPTION FOR LCB FILE NO. T006-24

Section 1

Shareece Bates read Section 1 into the record.

No public comment.

Sections 2 & 3

Shareece Bates read Sections 2 & 3 into the record.

James Torrez stated that for the definition of classroom, there are different types of programs used within other industries, such as education on site and apprenticeships, which don't imply that there is a classroom setting but a learning environment.

Sections 4 & 5

Shareece Bates read Sections 4 & 5 into the record.

No public comment.

Section 6

Shareece Bates read Section 6 into the record.

James Torrez stated that this program is greatly needed in Nevada. Mr. Torrez stated that the hours of education required by Nevada are higher when compared to other states. Mr. Torrez stated that the increased hours asks a lot of an entrepreneur or student and several other states have different mechanisms for students to achieve the required hours in less time.

Scott DiBiasio, with the Appraisal Institute, stated his support of the recommended changes, especially the incorporation of PAREA language and the change in the number of hours required.

James Torrez stated that with the increased economy in Nevada, the state will need more appraisers throughout the state, and the changed language will help students complete the requirements and start working in the field sooner.

Sections 7 & 8

Shareece Bates read Sections 7 & 8 into the record.

No public comment.

Sections 9 & 10

Shareece Bates read Sections 9 & 10 into the record.

No public comment.

Sections 11-13

Shareece Bates read Sections 11 - 13 into the record.

Referencing section 11, James Torrez stated that the language of 'certificate as a residential appraiser' may need to be amended to avoid confusion between the requirements for a licensed residential appraiser and certified residential appraiser.

Public Comment

Scott DiBiasio, with the Appraisal Institute, restated the institute's support of the incorporation of PAREA as well as the change in hours and time periods. Mr. DiBiasio stated the PAREA program has been in effect for 18 months, it is functioning well and has turned out well qualified appraisers. Mr. DiBiasio stated that 29 people have graduated from the program and of those, 19 have taken the national uniform licensing exam and have passed on the first attempt. Mr. DiBiasio stated there are approximately 150 enrollees in the licensed residential PAREA program and another 100 enrollees that

have passed the readiness exam and are awaiting to enroll in the program as spots become available. Mr. DiBiasio stated the institute established a readiness exam to ensure that instructors were not having to spend an inordinate amount of time re-educating participants to make sure that all requirements have been covered prior to application for the program. Mr. DiBiasio stated the certified residential PAREA program will hopefully be up and running soon and the expectation is that some of the licensed residential participants will apply for that program. Mr. DiBiasio restated the success of the PAREA program and mentioned that several participants have been hired and are working within the field.

The public workshop portion of the hearing was closed at 9:37am.

Commissioner Discussion and Deliberation – Adoption Workshop

Sharath Chandra, Administrator, explained to the commissioners that they can choose to adopt the regulation as a whole or they can review and vote on the individual sections.

Shareece Bates, Administration Section Manager, explained that as a temporary regulation, the language would be sent to the Legislative Counsel Bureau (LCB) for a preliminary review. Once approved, the language would be in effect. Ms. Bates explained that once the legislative session and processes are completed, LCB staff will create a formal draft of the regulation which would then go before the legislative committee for final approval.

Mr. Chandra stated that the Division's process is always very deliberate. Mr. Chandra stated there have been several presentations of PAREA over the last two years from different perspectives to help the state prepare for the integration of the program. Mr. Chandra stated that the majority of states have adopted PAREA with noted success of the program. Mr. Chandra also stated that one of the objectives of the regulation was to align state requirements to national levels and to expand the number of licensees within the state. Mr. Chandra stated that these changes are also in line with the governor's 2023 executive order, which essentially streamlines regulations to maximize efficiencies and minimize barriers for occupational licenses. Mr. Chandra also stated that some of the language of the proposed regulation came from the recommendations of our 2023 audit.

Commissioner Scott Krueger asked whether the temporary regulation would be approved this year or if approval waits for the conclusion of the legislative session.

Mr. Chandra stated that temporary regulations become effective once/if approved, however they must be reviewed and approved by the legislative commission for adoption.

The Commissioners decided to review each section separately.

Adoption Voting

Sections 2 & 3

Commissioner Krueger moved to approve Sections 2&3. Seconded by Commissioner O'Brien. Motion carried.

Section 4

Commissioner Krueger moved to approve Section 4. Seconded by Commissioner O'Brien. Motion carried.

Section 5

Commissioner O'Brien asked the impact of the language changes on a license transaction.

Maria Gallo explained the licensing section process for insufficient fund transactions.

Commissioner Krueger moved to approve Section 5. Seconded by Commissioner O'Brien. Motion carried.

Section 6

Commissioner O'Brien expressed his concerns and asked what problem is being solved by these changes. Commissioner O'Brien stated that many lenders in the industry are no longer accepting trainees and requiring recent graduates to have at least 2 years of experience post degree. Commissioner O'Brien stated that the reduction of experience and hours seems to be too far for initial regulations and suggested that the commission consider statutory changes at the next legislative session. Commissioner O'Brien stated that his preference would be that a PAREA graduate's certification does not count for 100 percent but to be included as part of the experience. Commissioner O'Brien reiterated that there is no shortage of appraisers in the north, only a shortage of appraisers willing to accept low fees.

Commissioner Krueger echoed the concerns of Commissioner O'Brien and expressed gratitude for Mr. DiBiasio's presentation of the success of the PAREA program. Commissioner Krueger asked whether the commission's concerns regarding the program were included in the current proposed regulation.

Mr. Chandra stated that the commissioner's comments and concerns were taken into consideration. Mr. Chandra stated that a customization of Nevada's eligibility requirements might negatively impact reciprocity for licensees. Mr. Chandra stated that the Division felt it was important to ensure that Nevada regulations align with the federal program. Mr. Chandra also explained that part of the Governor's initiative as expressed through an executive order, is to increase licensed professionals throughout the state by eliminating and reducing restrictive licensing regulations.

In discussing complex commercial appraisals, Commissioner Krueger stated it can be very difficult to get the experience, education and knowledge without spending additional time working with experienced professionals. Commissioner Krueger stated his understanding of the need to accomplish the certification in a shorter amount of time; however, he restated his concerns about the reduction of experience and hours.

President Gandy stated his concern of lowering requirements at the cost of attempting to reduce barriers to entry into the field.

Commissioner O'Brien moved to reject Section 6. Seconded by Commissioner Krueger. Motion carried.

Section 7

Commissioner O'Brien moved to approve Section 7. Seconded by Commissioner Krueger. Motion carried.

Section 8

President Gandy stated that the change to increase to 3 interns is reasonable and is in line with other state regulations as well.

Commissioner Krueger stated that several individuals have stated concerns with difficulty finding supervisors, and this change may help.

Commissioner O'Brien agreed with the comments made by President Gandy and Commissioner Krueger.

Commissioner Krueger moved to approve Section 8. Seconded by Commissioner O'Brien. Motion carried.

Section 9

Commissioner O'Brien stated the language is aligning with existing process and streamlining of 645C.

Commissioner Krueger moved to approve Section 9. Seconded by Commissioner O'Brien. Motion carried.

Sections 10 & 11

Mr. Chandra stated the proposed language change in these sections came from recommendations from the federal audit. Mr. Chandra stated a licensee seeking reciprocity need only prove they are in good standing; the five-year requirement is not enforceable.

Commissioner Krueger moved to approve Sections 10&11. Seconded by Commissioner O'Brien. Motion carried.

Sections 12 & 13

Commissioner Krueger moved to approve Sections 12&13. Seconded by Commissioner O'Brien. Motion carried.

4) DISCIPLINARY ACTION: DISCUSSION AND DECISION REGARDING RESPONDENT'S PETITION FOR RESTITUTION RESTRUCTURE:

A. NRED v. DON E. BEEBE JR., for possible action

Case No. 2020-638

License No. A.0004097-CR (INACTIVE)

Parties Present

Christal Keegan, Deputy Attorney General, was present representing the Division.

Don Beebe, Respondent, was present

Preliminary Matters

Ms. Keegan gave a summary of the case.

Mr. Beebe stated that he had some medical issues and would like to restructure his restitution payment plan. Mr. Beebe stated he wants to pay \$100.00 a month starting in May and ending in December of 2025, and in 2026 pay \$220 a month starting in January of 2026 through November and making a lump sum payment of \$518.00 in December of 2026, and that would pay in full the \$3,738.00 by the end of 2026.

Ms. Keegan stated Mr. Beebe's request is untimely and the Commission should stand by their original order.

The Commissioners questioned Mr. Beebe about his petition for restructuring his restitution payment plan.

The Commissioners questioned Division staff on the collection process if a Respondent defaults on their payment plan.

The Commissioners deliberated on what action to take against the Respondent.

Commissioner Krueger moved to restructure the terms of the payment plan for the remaining balance owed of \$3,738.00, the Respondent is to pay \$100 a month starting in May of 2025 and ending in December of 2025, then pay \$220 monthly starting in January of 2026 through November and pay \$518 in December of 2026, no new application for a new license until the balance is paid in full and if the debt is not paid by the end of December 2026 that the matter go straight to collections for the remaining balance. Seconded by President Gandy. Motion carried.

5) DISCIPLINARY ACTION: DISCUSSION AND DECISION REGARDING RESPONDENT'S PETITION REQUEST FOR CONSIDERATION OF GLOBAL SETTLEMENT TERMS AND DISCIPLINE:

A. NRED v. GLENN J. HOWARD, for possible action

Case No. 2019-585, 2019-751, 2020-576, 2020-623, 2021-607 AND 2021-675.

License No. A.0007090-RES (SUSPENDED)

Parties Present

Christal Keegan, Deputy Attorney General, was present representing the Division.

Glenn Howard, Respondent, was present virtually.

Preliminary Matters

None

Mr. Howard stated he was asking for a reconsideration of a global settlement payment plan. Mr. Howard stated he stopped payment due to the lack of work because the disciplinary action became public information, and the lenders stopped calling. Mr. Howard stated he has been offered a new job as a Timeshare Agent; however, he cannot apply for any Real Estate license because he is in default of his global settlement. Mr. Howard stated Division staff informed him that because he stopped making payments his license was suspended. Mr. Howard stated he has held other jobs but not at the same income level that he was earning working as an appraiser.

Ms. Keegan stated in the global settlement order that Mr. Howard signed stated that the action taken may be subject to public records laws and there was also language in the settlement of what would occur if Mr. Howard defaulted. Ms. Keegan stated Mr. Howard knew what actions would happen to him if he defaulted. Ms. Keegan stated the petition request for reconsideration is untimely and is only being heard now because Mr. Howard wants another professional license. Ms. Keegan stated she wants the Commission to stand by their lawful order.

Ms. Keegan moved to admit the exhibits from the filed Opposition to the Petition.

Ms. Keegan stated the exhibits show the timeline from the date of the Order, the dates of payment and the date his license was suspended.

President Gandy admitted the exhibits from the filed Opposition to the Petition.

Mr. Howard stated a lot of things have happened in his life and wants to make a plan to repay what is owed.

President Gandy questioned staff about the status of Mr. Howard's license.

The Commissioners questioned Mr. Howard about his petition for reconsideration.

The Commissioners deliberated on what action to take against the Respondent.

President Gandy moved to deny the Respondent's Petition Request for Reconsideration of Global Settlement Terms and Discipline. Seconded by Commissioner O'Brien. Motion carried.

6) DISCIPLINARY ACTION: DISCUSSION AND POSSIBLE ACTION BY THE COMMISSION

A. NRED v. KEITH T. KAVULA, for possible action

Case No. 2022-427

License No. A.0071395-CR (INACTIVE)

Parties Present

Phil Su, Senior Deputy Attorney General, was present representing the Division.

Keith Kavula, Respondent, was present virtually.

Janeen Isaacson Esq., was present virtually representing the Respondent.

Preliminary Matters

None

Mr. Su stated that both parties have reached a settlement.

Mr. Su read the complaint into the record.

Mr. Su read the settlement agreement into the record as follows:

By entering into this Stipulation, the RESPONDENT does not admit the above factual and legal allegations set forth above but nevertheless agrees to waive his right to contest the above alleged facts and legal violations if the Stipulation is approved by the Commission. Accordingly, in an effort to avoid the time and expense of litigating these legal and factual issues before the Commission, as well as any possible further legal appeals from any such decision, and the parties desire to compromise and settle the instant controversy upon the following terms and conditions:

1. RESPONDENT agrees to pay the Division a total amount of ELEVEN THOUSAND EIGHT HUNDRED SEVENTY SEVEN DOLLARS and 12/100 cents (\$11,877.12) ("Amount Due"), consisting of SIX THOUSAND FOUR HUNDRED DOLLARS AND NO CENTS (\$6,400.00) in administrative fines imposed by the Division and the Division's pre-hearing attorney's fees in the

amount of FOUR THOUSAND THREE HUNDRED NINETY SEVEN DOLLARS and 12/100 cents (\$4,397.12), and investigative costs incurred in the total amount of ONE THOUSAND EIGHTY DOLLARS AND NO CENTS (\$1,080.00).

2. The Amount Due shall be payable to the Division in thirty-six (36) monthly installments of THREE HUNDRED TWENTY NINE DOLLARS AND 92/100 cents (\$329.92), with the first payment due thirty (30) days after approval of this Stipulation by the Commission. Lump sums can be made in pre-payment with no penalties. No grace period is permitted; if any payment is not actually received by the Division in full on or before its due date, it shall be construed as an event of default by RESPONDENT.

3. RESPONDENT, whose Nevada Real Estate Appraisal License No. A.0007139-CR was already in inactive status as of January 16, 2024, hereby agrees that he will not file to reactivate his inactive Appraisal License for a period of five (5) years from the effective date of the Order approving this Settlement Stipulation. If RESPONDENT thereafter wishes to reactivate his Appraisal License A.0007139-CR, he agrees that he first petition to appear before this Commission at its next regularly scheduled public meeting for prior approval.

President Gandy asked the Respondent if he agrees with the settlement.

Ms. Isaacson stated that once a complaint is filed it can contain many (alleged) violations of law, that if found true carry a penalty of up to \$5,000 per violation and the associated fees and costs of an investigation. Ms. Isaacson stated that she tells her clients that if the case were to go to Commission, they could get rid of some of the violations. However, some of the violations could be proven because an appraisal is an opinion of value. Ms. Isaacson stated once the violations have been proven, NRED also seeks to recover their fees and costs which by the time it gets to Commission have doubled, and the Respondent may also have had to hire and pay an attorney to represent them. Ms. Isaacson stated the system has problems and at this time a settlement is the best option to mitigate costs to the Respondent.

Mr. Kavula stated that he agrees to the terms of the settlement.

President Gandy moved to approve the terms of the settlement. Seconded by Commissioner Kruger. Motion carried.

7) Commission/Division Business:

A) Discussion Regarding the Administrators' report.

Sharath Chandra stated the technology project is progressing and may deploy some phases by the end of the year. Mr. Chandra stated that we are in the legislative session and all the Division's budgets have been approved. Mr. Chandra stated there were not many bills having to do with real estate, most had to do with common-interest communities. Mr. Chandra stated that staff vacancies are being filled.

The Commissioners questioned Mr. Chandra about the current and upcoming vacancies on the CARE Commission.

Mr. Chandra stated there has been some movement on the vacancies, and thanked President Gandy for his time serving on the Commission.

B) Discussion regarding the Disciplinary Report.

Shareece Bates presented this report. The Commission was provided with the report in the meeting packet.

C) Discussion regarding Appraisal Program Manager's report on compliance caseload.

Rebecca Bruce presented this report. The Commission was provided with the report in the meeting packet.

The Commissioners questioned Ms. Bruce about the report.

D) For possible action: Discussion and possible action to approve the minutes for the January 21, 2025, meeting.

President Gandy moved to approve the minutes for the January 21, 2025, meeting. Seconded by Commissioner Krueger. Motion carried.

8) FOR POSSIBLE ACTION: DISCUSSION AND DECISION ON DATE, TIME, PLACE, AND AGENDA ITEMS FOR UPCOMING MEETING(S)

The next CARE meeting: July 22-24, 2025

9) PUBLIC COMMENT:

James Torrez stated he had comments about section 6 of the proposed regulations. Mr. Torrez stated that having 2 years' experience was common with banks, if the state regulations change the establishments may also change their experience requirement. Mr. Torrez stated there may not be a shortage of appraisers, however PAREA is an economic building block and if there is not a need for appraisers as it stands there will not be motivation for the people to go to school. Mr. Torrez stated that section 6 does not change the education requirement.

Commissioner Krueger stated it is his fifth year on the Commission and as an appraiser and member of the public, are appreciative of both President Gandy and Commissioner O'Brien for their dedication and commitment to the profession. Mr. Krueger stated he is sad to see President Gandy leave.

Commissioner O'Brien expressed his gratitude for having served alongside President Gandy, recognizing him as an outstanding resource on residential matters as well as a valuable provider of data and software.

Scott DiBiasio stated that what he is about to say does not reflect on the Division staff. Mr. DiBiasio stated the CARE commission is not keeping pace with the evolving needs of the modern profession. Mr. DiBiasio stated it sends a disheartening message that the Commission is reluctant to expand opportunity, modernize the field and support the next generation of appraisers. Mr. DiBiasio stated PAREA is not an experiment, it is a nationally recognized AQB approved pathway that addresses long standing barriers of entry such as scarcity of supervisors and geographic limitations while upholding strong training and competency standards. Mr. DiBiasio stated Nevada now stands alone as the only state to take deliberate steps to block PAREA, aspiring appraisers in Nevada face fewer pathways, and restricts rather than empowers. Mr. DiBiasio stated PAREA will still train Nevada's future appraisers with reciprocity and Nevada will continue to be the most inflexible licensing model in the country when other states are embracing a more dynamic competency-based framework. Mr. DiBiasio stated states across the country are welcoming new talent and encouraging diversity, Nevada by contrast is becoming more isolated and that is not a model of sound regulation. Mr. DiBiasio added that Nevada consistently

levies fines against appraisers that are exponentially higher than others that are seen across the country. Mr. DiBiasio stated one of the Commissioners' vocal and persistent opposition to PAREA, his apparent prioritization of personal agendas over professional advancement has drawn national notice. Mr. DiBiasio stated Nevada appraisers deserve better, and the Commission's credibility is at stake, it is time to move past excuses and move toward a more inclusive forward-thinking regulatory environment.

Commissioner O'Brien stated that multiple states are in legislative or rule making process, but those states are not in the adopted category.

President Gandy expressed his gratitude to the administration, staff, and Commissioners. President Gandy stated that he deeply appreciates the insight and professionalism everyone has demonstrated and holds everyone in high regard and considers it an honor to have worked with everyone. He closed by saying how much he truly appreciated the experience.

10) FOR POSSIBLE ACTION: ADJOURNMENT

The meeting was adjourned at 12:57 PM

Workshop Minutes Prepared by: _____
Shareece Bates, Administration Section Manager

Meeting Minutes Prepared by: _____
Maria Gallo, Commission Coordinator