

**MARYLAND COMMISSION OF REAL ESTATE APPRAISERS, APPRAISAL
MANAGEMENT COMPANIES, AND HOME INSPECTORS
BUSINESS MEETING MINUTES**

DATE: August 13, 2019

TIME: 10:33 a.m.

PLACE: 500 N. Calvert Street
2nd Floor Conference Room
Baltimore, Maryland 21202

PRESENT: Commissioner Anatol Polillo, Chairman
Commissioner Harold Huggins, Vice-Chair
Commissioner George Fair
Commissioner Michelle Marzullo
Commissioner Helen Won
Commissioner Terry Dunkin
Commissioner Jeremiah Hosford
Commissioner Coleen Courtney-Morrison

ABSENT: Commissioner James Smith
Commissioner Joseph Berk
Commissioner John Hamilton

DEPT. OF LABOR STAFF PRESENT: Todd Blackistone, Executive Director
Sloane Fried Kinstler, Assistant Attorney General
Michael Szlachetka, Administrative Specialist

Call to Order

Commissioner Anatol Polillo, Chairman, called the business meeting of the Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors to order at 10:33 a.m.

Approval of Minutes

The minutes of the business meeting held on June 11, 2019 were reviewed and considered. By Motion made by Commissioner Huggins, seconded by Commissioner Fair and carried by a unanimous vote, the minutes of the June 11, 2019 business meeting be approved.

Real Estate Appraiser Complaint Committee Reports

Commissioner Polillo reported to the Commission that the Appraiser Complaint Committee met prior to the public meeting and reviewed several items of business placed before the Committee. The disposition of which was as follows:

Complaints	-	3	case was reviewed;
		3	cases were dismissed

- 6 cases were closed
- 3 were tabled, and
- 1 case was in process

A Motion was made by Commissioner Fair and seconded by Commissioner Huggins, Vice-Chair, that the Commission accept the report and recommendations of the Appraiser Complaint Committee. This motion passed by a unanimous vote.

Home Inspector Complaint Committee Report

Commissioner Fair reported that the Home Inspector Complaint Committee met prior to the public meeting and reviewed 7 items of business placed before the Committee. The disposition of which was as follows:

- Complaints - 2 cases resulted in informal meetings
- 3 case as sent for precharge.
- 1 case was dismissed.
- 1 case was reviewed

A Motion was made by Commissioner Huggins, seconded by Commissioner Marzullo and unanimously carried that the Commission accept the recommendations of the Home Inspector Complaint Committee.

Education Committee Report

Commissioner Polillo reported that the Appraiser Education Committee met on this date and approved 71 courses. A Motion was made by Commissioner Fair, seconded by Commissioner Huggins and unanimously carried that the Commission accept the recommendations of the Education Committees.

Old Business

The Commission revisited the topic of hybrid appraisals and the potential challenges they pose to the consumers, real estate appraisers, and the real estate industry. In the informal discussion, the general consensus of the real estate appraiser members of the Commission was that they are not in favor of hybrid appraisals. This discussion was tabled and further discussion is expected to resume in the future.

New Business

Appraisal Management Company Board Member

Executive Director Blackistone addressed the Commission about the need for an Appraisal Management Company representative to be appointed as a member of the Commission. Qualified individuals are desired and should apply for consideration.

Real Estate Appraiser Technical Review

Mr. Blackistone brought to the attention of the Commission the need for a qualified real estate appraiser to evaluate appraisals that are subject of administrative complaints for USPAP compliance in certain instances. The technical review must be conducted by an experienced real estate appraiser with appropriate qualifications, and which may require testimony in administrative regulatory proceedings and compensation to be determined by the Commission on a case-by-case basis.

Licensee Reinstatement

Executive Director Blackistone brought to the Commission's attention the request of a former appraiser licensee, whose license expired in 2001, to reinstate the license. This individual has been working in the real estate area, but not in the capacity of a real estate appraiser. The applicant submitted 42 hours of real estate appraiser continuing education with the request to reinstate.

The Commission discussed, at length, the changes in the industry over the past decade and the expressed concern over the ripeness of the applicant's appraisal knowledge. The Commission calculated how many hours of continuing education a continuously licensed appraiser would have had to complete during the time within which the applicant's license has been expired, to reach a total of over 250 hours. A Motion was made by Commissioner Fair, seconded by Commissioner Marzullo and voted to approve by a majority to deny the applicant license reinstatement after 18 years out of the appraisal profession.

A Motion was made by Commissioner Courtney-Morrison, seconded by Commissioner Huggins and by a majority vote in favor of the motion, it was determined that the Commission would allow the individual to restart the application process as a real estate appraiser trainee if the applicant wishes to pursue licensure.

Real Estate Appraiser Pay Schedule

Mr. Blackistone revisited the proposal that the Commission adopt a change in the current pay schedule for appraisal management companies to reimburse real estate appraisers from 45 days to 30 days. The Commission determined that the current 45-day pay schedule was sufficient.

Course Provider Review

Executive Director Blackistone addressed the Commission in regards to the multiple courses submitted by the company Green Training USA for approval for home inspection education. The courses had previously been reviewed by home inspector members of the Commission and were found insufficient for approval. Mr. Pollilo had most recently reviewed the course provider's materials and found that while some of the material had merit in part, none of the courses in total could be approved because they were outside of the scope of the provision of home inspector services, including training focused on subject matter such as energy efficiency assessments, mold remediation, LEED testing, and solar installations, which are beyond the core focus of training for home inspectors as specified in the minimum standards of practice set forth in COMAR 09.36.07.01-.13. Additionally, the home inspector members who had reviewed the materials found that most of the hours assigned to the training by the provider seemed to have been inflated. As a result of the lengthy review home inspector members had already devoted to the course provider's materials, the request for Green Training USA to make a presentation to the Commission was

determined to likely be redundant, unpersuasive, and unproductive.

Chairman's Report

The Chairman welcomed the new Commission members and elected not to deliver a report.

Assistant Attorney General's Report

Assistant Attorney General Kinstler welcomed the new Commission members. AAG Kinstler explained, for the benefit of new members, the Commission's observance during meetings of parliamentary procedure. Counsel Kinstler offered an overview of the administrative complaint process.

Assistant Attorney General Kinstler also highlighted the need for an expert witness for real estate appraiser complaints to evaluate the merits of allegations concerning technical matters, such as USPAP compliance, in some cases requiring a peer review for accurate valuation. A qualified real estate appraiser may volunteer his or her services to the Commission to determine if a technical violation has occurred. Without this oversight, the Commission may not have resources to accurately evaluate some complaints which may result in them being closed due to insufficient evidence.

Assistant Attorney General Kinstler addressed the Commission about an amendment to existing law taking effect on October 1, 2019. Presented as HB 22, the bill amended Crim. Proc. Art., Md. Ann. Code, §1-209, setting forth certain restrictions on license denial after seven (7) or more years have passed after an applicant completes the imposed sentence for his or her crime. Counsel explained that in such cases, a license denial may not be based solely on an applicant's conviction for such offenses. Counsel further explained that some exceptions exist, such as when an individual is convicted of a crime for which registration as a sex offender is required.

Executive Director's Report

Executive Director Todd Blackistone provided an update to the Commission that legislation for renewals for real estate appraiser trainees is moving forward. Mr. Blackistone also informed the Commission that the regulatory changes to adopt the Appraiser Qualification Board's (AQB) 2018 criteria for minimum standards for real estate appraiser licensing is still in process.

Closed Session

A Motion was made by Commissioner Fair, seconded by Commissioner Hosford, and unanimously carried that the Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors meet in a closed session at 11:57 a.m. in the 2nd floor conference room, 500 N. Calvert Street, Baltimore, MD 21202, pursuant to General Provisions Article, Maryland Annotated Code, § 3-305(b)(2), (7) and (8) to seek the advice of counsel regarding a contested administrative case and to consider the credentials of an applicant a home inspector license.

Home Inspector License Applicant

An applicant for a home inspector license reported a criminal history in which the applicant was convicted in 2019 of a felony theft scheme, misappropriation by a fiduciary (embezzlement) and

misdemeanor theft, both misdemeanors, for which the applicant was sentenced to a period of incarceration for which some time was suspended and ordered to pay restitution of over \$100,000.00, which has been satisfied. The applicant remains under court-ordered supervision until June 30, 2022.

The Commission also considered supplemental materials the applicant provided including documentation of proceedings with other agency licensing bodies, and a letter verifying the applicant's independent contractor status with a realty firm.

Executive Director Blackistone reported that the applicant currently holds licenses issued by the Maryland Home Improvement Commission as well as a Maryland Real Estate Commission. In both instances, the license applications were initially denied and, after a hearing, were granted by the licensing body.

A Motion was made by Commissioner Fair, seconded by Commissioner Marzullo and, by a unanimous vote, carried that the Maryland Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors deny the license application based on the individual's criminal history, the recent nature of the convictions and recent release from incarceration.

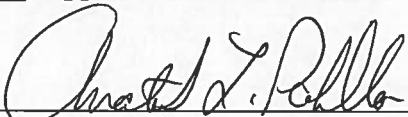
The Commission reconvened its Business Meeting at 12.24 p.m. By a Motion made by Commissioner Huggins, seconded by Commissioner Dunkin, and unanimously carried, the Commission unanimously voted to approve the decision rendered during the closed session.

Adjournment

There being no further business to discuss, a Motion was made by Commissioner Fair, seconded by Commissioner Courtney-Morrison, and unanimously carried that the meeting adjourn. The meeting adjourned at 12:26 p.m.

Approved without corrections

Approved with corrections



Commissioner Anatol Polillo, Chair



Date