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

DATE:

August 9, 2016

TIME:

11:30 a.m.

PLACE:

500 N. Calvert Street

2nd Floor Conference Room Baltimore, Maryland 21202

PRESENT:

Commissioner George Fair

Commissioner Derek Owings Commissioner Joseph Berk Commissioner Terry Dunkin Commissioner Anatol Polillo Commissioner Michael Picarello Commissioner Joseph Norman Commissioner Helen Won

ABSENT:

Commissioner Steven O'Farrell, Chair

Commissioner Denise Herndon Commissioner James Smith Commissioner Mike Ranelli

Commissioner Christopher Daniell Commissioner Harold Huggins

OTHERS PRESENT:

Patricia Schott, Executive Director

Milena Trust, Assistant Attorney General

Simone Chambers, Board Specialist

Larry Wasson, President, Maryland Association of Home

Inspectors

Call To Order

In the absence of Chairman O'Farrell, Vice-Chairman Commissioner Fair called the regular meeting of the Commission of Real Estate Appraisers, Appraisal Management Companies and Home Inspectors to order at 11:30 a.m.

Approval of Minutes

The minutes of the business meeting held on June 14, 2016 were approved without corrections. A Motion was made by Commissioner Owings, seconded by Commissioner Polillo and by majority vote carried that the minutes of the business meeting be approved

without corrections. A motion was made by Commissioner Owings, seconded by Commissioner Polillo and by majority vote carried that the minutes of the executive session be approved without corrections.

Real Estate Appraiser Complaint Committee Report

Executive Director Schott reported to the Commission that the Appraiser Complaint Committee met prior to the public meeting and reviewed many items of business, which had been placed before the Committee. The disposition of which was as follows:

Complaints

- 17 cases were reviewed;
- 1 case was referred to technical review;
- 1 case was referred for an informal;
- 6 cases were dismissed; and
- 9 cases were tabled.

The Appraiser Complaint Committee met prior to the public meeting in Executive Session, pursuant to Md. State Gov't Code Ann., § 10-508(a)(7), to receive the advice of counsel regarding the above-mentioned matters. A Motion was made by Commissioner Picarello and seconded by Commissioner Dunkin that the Commission accept the report and recommendations of the Appraiser Complaint Committee. This motion passed by a unanimous decision.

Appraiser Education/Application Committee Report

Commissioner Dunkin reported that the Appraiser Education Committee met on this date and reviewed 5 courses and 5 were approved. A Motion was made by Commissioner Picarello, seconded by Commissioner Berk and unanimously carried that the Commission accept the recommendations of the Real Estate Appraiser Education Committee.

Home Inspector Complaint Committee Report

Board Specialist Chambers reported that the Home Inspector Complaint Committee met prior to the public meeting and reviewed 15 items of business, which had been placed before the Committee. The disposition of which was as follows:

Complaints

- 4 cases were dismissed;
- 1 case was referred to investigation;
- 1 case disposition is pending;
- 1 case was referred for an informal; and
- 8 cases are awaiting further information.

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

Old Business

Final Findings of ASC Compliance Review

Executive Director Schott advised that the Appraisal Subcommittee ("ASC") conducted a Compliance Review of the Maryland appraiser regulatory program on April 12-13, 2016, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 and the ASC's Policies. Executive Director Schott reported that the ASC considered the preliminary results of the Review and the State's response to those results in its determination in giving the Commission's appraisal program an overall rating of "Good." Director Schott advised that there was only one area of concern identified in the final report issued by the ASC and it will be corrected as soon as the Commission's pending proposed regulatory action under COMAR 09.19.08.01 is finalized.

New Business

Final Action COMAR 09.19.08.02 Reciprocal Licenses and Certification

Executive Director Schott advised that Proposed Action to amend Regulation .02 under COMAR 09.19.08 Temporary Permits and Reciprocity was published in the May 27, 2016 publication of the Maryland Register. She advised that no comments were received and recommended that the Commission take final action to adopt the regulation.

A Motion was made by Commissioner Owings, seconded by Commissioner Dunkin and unanimously carried that the Commission take final action to amend Regulation .02 under COMAR 09.19.08 Reciprocal Licenses and Certification.

Final Action COMAR 09.19.07.01 Fees Owed the Commission.

Executive Director Schott advised that Proposed Action to amend Regulation .01 under COMAR 09.19.07 Fees was published in the June 24, 2016 publication of the Maryland Register. She advised that no comments were received and recommended that the Commission take final action to adopt the regulation.

A Motion was made by Commissioner Owings, seconded by Commissioner Polillo and unanimously carried that the Commission take final action to amend Regulation .01 under COMAR 09.19.07 Fees.

Larry Wasson, Presentation of Jonathan's Law

Larry Wasson, President of the Maryland Association of Home Inspectors (MAHI), addressed the Commission concerning Jonathan's Law. Jonathan's Law was enacted in 2014 and is governed by the Department of Housing and Community Development, which sets baseline property standards for all residential structures located in the State. The law requires an inspection of each multi-family dwelling containing wooden balcony

railings once every five years to ensure that the railings meet local housing code standards. The law authorizes professionals defined as licensed professional engineers, licensed architects and qualified persons with at least five years of experience in multifamily dwelling operation, upkeep and maintenance to perform balcony railing inspections. Mr. Wasson requested that the Commission support legislative action to amend Jonathan's Law so that it defines home inspectors as individuals who would be also be authorized to conduct balcony railing inspections.

Executive Director Schott advised Mr. Wasson that neither the Commission nor the Department of Labor, Licensing and Regulation is charged with the enforcement of balcony railing inspections in rental properties as defined in Jonathan's law. Assistant Attorney General, Milena Trust, suggested that Mr. Wasson contact the Department of Housing and Community Development and possibly solicit support from a legislator who might be interested in advancing his request.

Closure of NAHI

Commissioner Picarello reported that that National Association of Home Inspectors (NAHI) recently was abolished and its members were absorbed into the American Society of Home Inspectors (ASHI). Executive Director Schott advised that there is a statutory requirement that one of the home inspector members appointed to the Commission must be a member of NAHI and one of the home inspector members appointed to the Commission must be a member of ASHI.

The Commission determined to research the matter further and report its findings at its next meeting scheduled in October 2016.

Adjournment

There being no further business to discuss, a Motion was made by Commissioner Owings, seconded by Commissioner Dunkin and unanimously carried that the meeting adjourn. The meeting adjourned at 12:05 p.m.

| Approved without corrections | |
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| Approved with corrections | |
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| Steven O'Farrell, Chairperson | Date |