

**REAL ESTATE APPRAISER ADVISORY COMMITTEE**

Professional and Vocational Licensing Division  
Department of Commerce and Consumer Affairs  
State of Hawaii

MINUTES OF MEETING

The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by Section 92-7(b), Hawaii Revised Statutes.

Date: Wednesday, October 5, 2016

Time: 10:00 a.m.

Place: Queen Liliuokalani Conference Room  
King Kalakaua Building  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii 96813

Present: Richard Stellmacher, Industry Member, Chairperson  
Brian J. Walther, Industry Member, Vice-Chairperson  
George Leong, Financial Institution Member  
Shelly H. Tanaka, Industry Member  
James Paige, Deputy Attorney General ("DAG")  
Alan Taniguchi, Executive Officer  
Lori Nishimura, Secretary

Excused: Lars B. Larson, Financial Institution Member

Guest: None.

Call to Order: There being a quorum present, the meeting was called to order at 10:00 a.m. by Chairperson Stellmacher.

Additions/  
Revisions to the  
Agenda: None.

Approval of the  
August 10, 2016  
Public Hearing and  
Meeting Minutes: After discussion, it was moved by Vice-Chairperson Walther, seconded by Ms. Tanaka, and unanimously carried to approve the August 10, 2016 public hearing and meeting minutes as circulated.

New Business:      a.      Review of Application

None

b.      Review of Courses

After discussion, it was moved by Vice-Chairperson Walther, seconded by Ms. Tanaka, and unanimously carried to approve the following courses, based on the initial review and recommendation by Vice-Chairperson Walther:

**Course Provider:      Allterra Group**

Index #:      Course Title & Approved Hours:

16-192      2016 Fannie Mae Update/Appraisal Best Practices  
[ November 12, 2016 ]  
7 CE

16-193      2016 Keynote/Industry Update/Big Data  
[ November 11, 2016 ]  
7 CE

**Course Provider:      Appraisal Institute**

Index #:      Course Title & Approved Hours:

16-188      Residential and Commercial Valuation of Solar  
[ major revision of 16-126 ]  
15 CE w/ exam  
14 CE w/o exam

16-189      Review Case Studies - Residential  
15 CE w/ exam  
14 CE w/o exam

After discussion, it was moved by Ms. Tanaka, seconded by Mr. Leong, and unanimously carried to ratify the approval of the following CAP approved courses:

**Course Provider:      Appraisal Institute**

Index #:   Course Title & Approved Hours:

16-190    2016-2017 Online 15-Hour National USPAP  
              Equivalent Course  
              15 QE/CE w/ exam  
              14 CE w/o exam

**Course Provider:      American Continuing Education  
                                  Institute dba Calypso Continuing  
                                  Education**

Index #:   Course Title & Approved Hours:

16-191    2016-2017 7-Hour Equivalent USPAP Update Course  
              7 CE

**Course Provider:      OnCourse Learning Corporation  
                                  dba Career Webschool**

Index #:   Course Title & Approved Hours:

16-194    Residential Sales Comparison & Income Approaches  
              30 QE/CE w/ exam  
              29 CE w/o exam

**Course Provider:      McKissock, LP**

Index #:   Course Title & Approved Hours:

16-186    The Income Approach: An Overview  
              7 CE

16-187    Residential Property Inspection for Appraisers  
              7 CE

c.    Hawaii Administrative Rules (“HAR”) Proposed  
      Amendments - Update

Executive Officer Taniguchi provided an update to the proposed amendments to HAR chapter 16-114, to codify the state's regulations on supervisory and trainee appraisers to comply with AQB Criteria requirements. He stated the Governor has provided his final approval (last week) for adoption of the rules, and those rules are currently at the Office of the Lieutenant Governor for filing.

Unfinished  
Business:

Discussion ensued on the Committee's formal recommendation to Director Awakuni Colón who had requested for the Committee to propose a formal recommendation regarding the level of regulation that should be implemented based on the context of Hawaii's current and future real estate appraisal needs on the new federal requirements relating to the minimum requirements for Appraisal Management Companies ("AMCs"). Chairperson Stellmacher thanked Ms. Tanaka for her work with the Hawaii Chapter of the Appraisal Institute in conducting a survey that was emailed to about 300 real estate appraisers and affiliates for their comments/concerns regarding the regulation of AMCs. A total of 49 responses were received. A third of the respondents did not do any work for AMCs; only 8 said AMCs accounted for 50% or more of their assignments. Chairperson Stellmacher stated that comments included low appraisal fees and slow payment times and that respondents primarily were concerned with "protection from the ills of business".

The Committee pointed out that AMC regulation is not mandated, and there would not be any penalties for implementing regulation at a later date. Therefore, considering the projected cost to implement an AMC regulatory framework, and lack of overwhelming support in favor of regulation, the Committee recommends to Director Awakuni Colón to defer AMC regulation at this time.

Correspondence: None.

Announcements: None.

Next Meeting: Wednesday, December 7, 2016  
10:00 a.m.  
King Kalakaua Conference Room

King Kalakaua Building  
335 Merchant Street, 1<sup>st</sup> Floor  
Honolulu, Hawaii 96813

Adjournment: There being no further discussion, the meeting adjourned at 10:10 a.m.

Taken and recorded by:

/s/ Lori Nishimura

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Lori Nishimura  
Secretary

Reviewed and Approved by:

/s/ Alan Taniguchi

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Alan Taniguchi  
Executive Officer

AT:ln

10/27/16

Minutes approved as is.

Minutes approved with changes. See Minutes of \_\_\_\_\_.