

Department of Commerce, Community
and Economic Development

Division of Corporations, Business
and Professional Licensing

Alaska Board of Certified Real Estate Appraisers
Annual Report
Fiscal Year 2022



Department of Commerce, Community and Economic Development
Division of Corporations, Business and Professional Licensing
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**Alaska Board of Certified Real Estate Appraisers
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Identification of the Board

Board Member	Duty Station	Date Appointed	Term Expires
Ashlee Stetson Chairman - Public Member	Wasilla	Mar 1, 2019	Mar 1, 2023
Velery Kudryn Certified Residential Appraiser	Wasilla	Mar 1, 2022	Mar 1, 2026
William McKean Mortgage Industry Executive	Anchorage	Mar 1, 2021	Mar 1, 2025
Mae Hayes Certified Residential Appraiser	Wasilla	Sept 18, 2020	Mar 1, 2024
Vacant Certified General			

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Identification of Staff

Jun Maiquis – Regulations Specialist II

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(907) 465-2550

Nancy Harris – Executive Administrator

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Sara Sather - Licensing Examiner

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Erika Prieksat – Senior Investigator

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Anna Gabriel – Investigator

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Narrative Statement

Board Overview

The Board of Certified Real Estate Appraisers (Board) has been endowed with the powers and duties conferred by AS 08.01, and the mandate to establish the examination specifications for certification as a general and residential real estate appraiser; the adoption of rules of professional conduct; and the adoption of regulations to carry out the purposes of this chapter, including regulations necessary to comply with the federally regulated requirements of 12 U.S.C. 3331-3351.

Towards the goal of accomplishing these mandates as well as establishing / extending emergency orders due to the COVID-19 Pandemic of 2020/2021, the Board met five times in FY 2022 via videoconference. All Board Meetings were public-noticed, and a copy of the agenda was made available to the public on the Board's website. Meeting minutes were approved at subsequent meetings and were also posted on the Board website. One major focus of FY2022 was to continue to assist licensees in navigating business through the global pandemic and provide relief in expediting emergency regulations updates. Another significant focus of FY2022 was to modify existing regulations to comply with new legislation, as well as provide clarification of existing regulations through regulations projects. The Board continued to conduct regular business including the review and approval of new licenses, as well as implementation of the laws for the registration and regulation of the Appraisal Management Companies (AMC's).

Education Review – Qualifying and Continuing Education

The Board continued its review and approval of education classes for qualifying education for General and Residential Appraiser Certification, as well as continuing education courses. Special consideration for distance learning has continued to be a topic of discussion both due to the pandemic and the overall economic shift to online platforms seen in all industries. The Board pursued a regulation project with regard to distance education whereby the definitions of "Synchronous," "Asynchronous," "Classroom," and "Continuing Education" would be clarified by regulation. Said regulations project is currently ongoing with the intent to modify 12 AAC 70.215, 12 AAC 70.220, 12 AAC 70.140, 12 AAC 70.210, and 12 AAC 70.990.

Appraiser Certifications

Applications for appraisal certifications were approved, denied, or pended on a case-by-case basis, following Board consideration. Review and determination encompassed applicants for General and Residential Certification, taking into consideration education, experience, work product review, and successful completion of the applicable approved examination. The Board also processed applications for Registered Appraisal Trainees, Trainee Supervisors, applications for Certification by Reciprocity and Courtesy Licenses.

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Narrative Statement (continued)

Appraiser Disciplinary Review

Complaints and/or conduct concerns have been continued to be reported by the assigned departmental Investigator to the Board. When needed, the Investigator engaged the Board to advise and/or assist on technical appraisal issues. The majority of those complaints have been closed to date, but several remain open due to Investigative Unit regulatory processes and timelines. The Board agreed to and signed a Consent Agreement and Decision for Case No. 2018-001318 in FY22 for a disciplinary case with regard to a Certified Residential Real Estate Appraiser.

SB21 – Military Licensing

The Board was tasked with expeditiously undertaking a special regulations project to ensure regulation compliance with SB21. The Board completed a regulations project modifying 12 AAC 70.111 to comply with the new legislation of HSC SB 21 which provides for special consideration of occupational licensing for military personnel and their spouses.

Appraisal Management Company Regulations

The Board continued business of registration and regulation of real estate Appraisal Management Companies (AMC's). The Board previously committed to AMC oversight regulation in 2015 and reaffirmed that in 2017. Under the federal Dodd-Frank Act, AMC's are now allowed to operate in states that do not enact AMC oversight by August of 2018. Also under Dodd-Frank, oversight responsibility is conferred on state appraisal boards. An effort was made by the Alaska Chapter of the Appraisal Institute to get AMC legislation considered in the 2015 legislative session, but they were unable to secure a sponsor legislator. With a push from Wells Fargo bank and the AMC lobby organization REVAA (Real Estate Valuation Advocacy Association) Representative Andy Josephson and Senator Kevin Meyer both sponsored legislation to allow AMC oversight regulation. With testimony and support from the Alaska Board, that legislation was successfully passed in 2018, and signed by the Governor in July 2018. In FY2022, the Board approved 7 Appraisal Management Company applications.

Appraisal Subcommittee Compliance Review of the Alaska Appraiser Regulatory Program

All state appraiser boards are subject to federal oversight and conformance with uniform national standards. No Appraisal Subcommittee (ASC) Audit was required in FY2022. The last ASC Audit of the Board conducted in FY2020 resulted in a "Good" rating. The Board is scheduled to complete its next Audit and review with the ASC in FY2024.

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Budget Recommendations for FY 2023

Budget Recommendations section anticipates the board's fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt-supported services or RSS). Be sure to explain any items listed as "other" so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
August 9, 2022	Videoconference	5	2-3
<input type="checkbox"/> Airfare <input type="checkbox"/> Hotel <input type="checkbox"/> Ground <input type="checkbox"/> Other:			
Total Estimated Cost:			\$0.00

Board Meeting Date	Location	# Board	# Staff
November 1, 2022	Videoconference	5	2-3
<input type="checkbox"/> Airfare <input type="checkbox"/> Hotel <input type="checkbox"/> Ground <input type="checkbox"/> Other:			
Total Estimated Cost:			\$0.00

Board Meeting Date	Location	# Board	# Staff
February 7, 2023	Videoconference	5	2-3
<input type="checkbox"/> Airfare <input type="checkbox"/> Hotel <input type="checkbox"/> Ground <input type="checkbox"/> Other:			
Total Estimated Cost:			\$0.00

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Budget Recommendations for FY 2023 (continued)

Board Meeting Date	Location	# Board	# Staff
May 9, 2023	Videoconference	5	1-3
<input type="checkbox"/> Airfare <input type="checkbox"/> Hotel <input type="checkbox"/> Ground <input type="checkbox"/> Other:			
Total Estimated Cost:			\$0.00

Travel Required to Perform Examinations			
<input checked="" type="checkbox"/> Not Applicable			
Date	Location	# Board	# Staff
Description of meeting and its role in supporting the mission of the Board:			
<input type="checkbox"/> Airfare: <input type="checkbox"/> Hotel: <input type="checkbox"/> Ground: <input type="checkbox"/> Conference: <input type="checkbox"/> Other:			
Total Estimated Cost:			\$ 0.00

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Budget Recommendations for FY 2023 (continued)

Out-of-State Meetings and Additional In-State Travel (Rank in order of importance)

#1 Rank in Importance or Not Applicable

Date	Location	# Board	# Staff
October 14 - 17, 2022	Washington, DC	1	1

Description of meeting and its role in supporting the mission of the Board:

Attendance of the AARO Conference provides valuable training and networking opportunities for regulatory officials regarding both appraisers and appraiser management companies. The appraiser management companies (AMC) are federally mandated and it can be a very complicated process. As management of AMCs is a newer process, it is important to stay informed with any changes and updates. Attending the ARRO conference provides APR staff access to firsthand training, information regarding any new updates/changes, resources, and networking with other jurisdictions through AARO that are going through the similar mandates/processes.

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$2,000.00			\$2,000.00
<input checked="" type="checkbox"/> Hotel:	\$3,000.00			\$3,000.00
<input checked="" type="checkbox"/> Ground:	\$200.00			\$200.00
<input checked="" type="checkbox"/> Conference:	\$1,400.00			\$1,400.00
<input checked="" type="checkbox"/> Other:	\$528.00			\$528.00
Describe "Other" (break out all sections): Per diem				
Net Total:	\$7,128.00	\$0.00	\$0.00	\$7,128.00

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Budget Recommendations for FY 2023 (continued)

Out-of-State Meetings and Additional In-State Travel

#2 Rank in Importance

Date	Location	# Board	# Staff
Spring 2023 - TBD	Savannah, Georgia	1	1

Description of meeting and its role in supporting the mission of the Board:

Attendance of the AARO Conference provides valuable training and networking opportunities for regulatory officials regarding both appraisers and appraiser management companies. The appraiser management companies (AMC) are federally mandated and it can be a very complicated process. As management of AMCs is a newer process, it is important to stay informed with any changes and updates. Attending the ARRO conference provides APR staff access to firsthand training, information regarding any new updates/changes, resources, and networking with other jurisdictions through AARO that are going through the similar mandates/processes.

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$2,000.00			\$2,000.00
<input checked="" type="checkbox"/> Hotel:	\$3,000.00			\$3,000.00
<input checked="" type="checkbox"/> Ground:	\$200.00			\$200.00
<input checked="" type="checkbox"/> Conference:	\$1,400.00			\$1,400.00
<input checked="" type="checkbox"/> Other:	\$528.00			\$528.00
Describe "Other" (break out all sections): Per diem				
Net Total:	\$7,128.00	\$0.00	\$0.00	\$7,128.00

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Budget Recommendations for FY 2023 (continued)

Non-Travel Budget Requests

- Not Applicable Resources Examinations
 Membership Training Other

Product or Service	Provider	Cost Per Event
AARO Membership	Association of Appraiser Regulatory Officials	\$350.00

Description of item and its role in supporting the mission of the Board:

This membership would be beneficial to the Real Estate Appraiser staff to have access to information/resources regarding appraisers and appraiser management companies that the AARO provides. The Appraiser Management Companies (AMC) are federally mandated, and it can be a very complicated process. An ARRO membership gives APR staff access to information, resources, and other jurisdictions through AARO, that are going through the similar mandates/processes, that would help them and keep them informed of any changes/updates and pertinent information.

Other Items with a Fiscal Impact

- Not Applicable

Cost Per Event:

Number of Events:

Product or Service	Provider	Cost Per Event

Description of item and its role in supporting the mission of the Board:

Summary of FY 2023 Fiscal Requests

Board Meetings and Teleconferences:	\$0.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$14,256.00
Dues, Memberships, Resources, Training:	\$350.00
Total Potential Third-Party Offsets:	- \$ 0.00
Other:	\$0.00
Total Requested:	\$14,606.00

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Legislative Recommendations - Proposed Legislation for FY 2023

No Recommendations

The Board has no recommendations for proposed legislation at this time.

Recommendations

The Board has the following recommendations for proposed legislation:

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Regulation Recommendations - Proposed Regulations for FY 2023

No Recommendations

The Board has no recommendations for proposed regulations at this time.

Recommendations

The Board has the following recommendations for proposed regulations:

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Goals and Objectives

Part I

FY 2022's goals and objectives and how they were met:

- Continue to thoroughly review General, Residential and Trainee applications in a timely and efficient manner.
- Continue to thoroughly review Appraisal Management Company (AMC) applications in a timely and efficient manner.
- Continue to meet regularly to introduce new Board business, discuss and move forward with existing Board business.
- Continue reviewing existing regulations for inefficiencies and areas of improvement and take on regulations projects as warranted by need or efficacy.
- Continually review the AMC program for federal compliance.
- Travel to AARO Conferences and stay up to date on industry practices and federal regulation changes.

The Board continued to thoroughly review all General, Residential and Trainee applications, as well as AMC applications. However, due to continued delays resulting from the COVID-19 pandemic and subsequent Division staff shortages, a backlog had accumulated by mid-year. With the dedication of the program's new Occupational Licensing Examiner and the Board's steadfast review efforts, the team was able to work through the backlog of applications and now provide more time efficient processing of applications.

The board also continued to meet regularly to introduce new Board business as well as discuss and move forward with the existing Board business. Through such efforts and Public Comment engagement, the Board continued to review existing regulations for inefficiencies and areas of improvement. Several regulations projects were started with the intent of clarifying existing regulations for clarity, and for conformance with newly adopted regulations from legislature. Although the Board was unable to travel to AARO conferences in this fiscal year, the Board has established a goal for FY23 to attend both the fall and spring conferences.

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Goals and Objectives (continued)

Part II

FY 2023's goals and objectives, and proposed methods to achieve them.

Describe any strengths, weaknesses, opportunities, threats and required resources:

Continue to thoroughly review General, Residential and Trainee applications in a timely and efficient manner and diligently work through any accumulated backlogs of applications or renewals in the upcoming renewal year.

Continue to thoroughly review Appraisal Management Company (AMC) applications in a timely and efficient manner and continually review and modify the AMC program as necessary to maintain federal ASC compliance.

Continue to meet regularly to introduce new Board business and continue working through existing Board business.

Continue the SB-21 Military Licensing regulations project through completion and adoption.

Continue the online education clarification regulations project through completion and adoption.

Continue to review and modify existing regulations for efficacy and efficiency per the Governor's Administrative Order 335.

Travel to fall and spring AARO Conferences and stay up to date on industry practices and federal regulation changes.

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Sunset Audit Recommendations

Date of Last Legislative Audit: 06/13/2017

Board Sunset Date: 06/30/2026

Audit Recommendation:

DCBPL's director should continue to improve administrative support to the board.

Action Taken:

Create a Standard Operating Procedure regarding timelines and require investigative staff to enter case notes explaining any gaps in the timeline.

Next Steps:

Monitor for effectiveness, create checklists, update policies and procedures, continue to monitor timelines.

Complete : No Yes If yes, date completed:

Audit Recommendation:

DCBPL's director, in consultation with the board, should reduce fees to address the surplus.

Action Taken:

The Division Director has since consulted with the board and together they have determined the appropriate amount of fee reductions necessary.

Next Steps:

n/a

Complete : No Yes If yes, date completed: n/a