

# Call To Order / Roll Call

**Alaska Board of Certified Real Estate Appraisers  
Board Roster (As of 01.11.2019)**

<b>Board Member</b>	<b>Appointed</b>	<b>Reappointed</b>	<b>Term Expires</b>
<b>David Derry, Chair</b> <i>Certified General Real Estate Appraiser</i> Kenai, AK	03/01/2014	03/01/2018	03/01/2022
<b>Wendy Lawrence, Vice-Chair</b> <i>Certified Residential Real Estate Appraiser</i> Sitka, AK	08/20/2019		03/01/2020
<b>William Barnes</b> <i>Certified Residential or General Real Estate Appraiser</i> Palmer, AK	08/20/2019		03/01/2022
<b>Renee Piszczek</b> <i>Mortgage Banking Executive</i> Fairbanks, AK	09/02/2014	03/01/2017	03/01/2021
<b>Ashley Stetson</b> <i>Public Member</i> Wasilla, AK	01/11/2019	3/01/2019	03/01/2023

# Continuing Education Statement

# Ethics Report



**The State of Alaska  
Board of Certified Real Estate Appraisers  
State Office Building  
333 Willoughby Ave, 9<sup>th</sup> Floor Conference Room A  
Juneau, AK 99801**

Zoom Webinar Number and ID:

Zoom Webinar: 1 408 638 0968

Webinar ID: 570 197 980

<https://zoom.us/j/570197980>

**December 09, 2019**

**9:00 AM**

**DRAFT Meeting Agenda**

<b><u>Item</u></b>	<b><u>Time</u></b>	<b><u>Subject</u></b>	<b><u>Lead</u></b>
1.	9:00	Call to Order / Roll Call	Chair
2.	9:05	Continuing Education Statement	Chair
3.	9:10	Ethics Report	Chair
4.	9:15	Review/Approve Agenda	Chair
2.	9:20	Review / Approve Meeting Minutes <ul style="list-style-type: none"><li>• August 2, 2019</li><li>• October 25, 2019</li><li>• November 1, 2019</li></ul>	Chair
5.	9:30	Investigative Report	Consuelo
6.	10:00	Break	Chair
7.	10:15	Division Report	TBD
8.	10:30	Voting/Exec. Session Training	Chair/Chambers
9.	11:00	Regulations Update	Zinn



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**December 09, 2019**

**9:00 AM**

**DRAFT Meeting Agenda**

10. 12:00	Lunch	Chair
11. 1:00	Public Comment	Chair
12. 1:15	Review Regulations for Regulations Change Project	Chair
13. 2:00	Review / Approve Tabled Applications	Chair
14. 3:00	Board Business <ul style="list-style-type: none"><li>• Create APR Task List</li></ul>	Chair
15. 3:30	Adjourn	Chair

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5  
6 MINUTES OF THE BOARD MEETING

7 Friday, August 2, 2019

8  
9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*  
10 *Professional Licensing. It has not been reviewed or approved by the Board.*

11  
12 By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
13 scheduled meeting of the Alaska Board of Certified Real Estate Appraisers was held via teleconference  
14 originating from the Robert B. Atwood Building, 550 West 7<sup>th</sup> Avenue, Suite 1550 in Anchorage Alaska  
15 on Friday, August 2, 2019. Alaska Standard Time.

16  
17 **Agenda Item #1** **Call to Order/Roll Call**

18  
19 The meeting was called to order by Chairman Derry at 9:26 a.m.

20  
21 **Board Members present constituting a quorum:**

22 David Derry, Chair, Certified General Real Estate Appraiser (in-person)  
23 Wendy Lawrence, Vice-Chair, Certified Residential Real Estate Appraiser  
24 (teleconference)  
25 Renee Piszczek, Mortgage Banking Executive (in-person)  
26 Ashlee Stetson, Public Member (videoconference)

27  
28 **CBPL Division Staff present:**

29 Allan Alcancia, Occupational Licensing Examiner  
30 Renee Hoffard, Records & Licensing Supervisor  
31 Greg Francois, Senior Investigator  
32 Shyla Consalo, Investigator  
33 Amber Whaley, Senior Investigator (teleconference)

34  
35 **Guests:**

36 Claire Brooks, Lead Policy Manager, Appraisal Subcommittee  
37 Neal Fenochietti, Policy Manager, Appraisal Subcommittee

40 Members of the Public present:  
41       Stuart Burns, License Trainee, for CE Credit  
42       David Churner, AMC representative  
43  
44

45 **Agenda Item #2                   Ethics Disclosure/Ethics Review**

46  
47 There was no ethics issue to disclose.  
48

49 **Agenda Item #3                   Review/Approve Current Agenda**

50  
51 Chairman Derry proposed the following additional items into the current agenda:  
52       - #13.F Appraiser Renewal  
53       - #17.B Old Task, Association of Appraisal Regulatory Official Conference (ARRO)  
54       - #17.A New Task, Executive Session with Director Chambers  
55

56 **A motion to approve the current agenda with additions that Chairman Derry presented,**  
57 **was duly made by Renee Piszczek, and seconded by Wendy Lawrence. It was APPROVED**  
58 **unanimously by a roll call vote.**  
59

60  
61 **Agenda Item #4                   Review/Approve Past Meeting Minutes**

62  
63 May 16, 2019 General Board Meeting  
64

65 **Renee Piszczek made a motion to approve the general board meeting minutes on May 16,**  
66 **2019, and seconded by Wendy Lawrence. It was APPROVED unanimously by a roll call**  
67 **vote.**  
68

69 June 18, 2019 Special Board Meeting  
70

71 **A motion was made by Renee Piszczek to approve the June 18, 2019 special board meeting**  
72 **minutes, and seconded by Wendy Lawrence. It was APPROVED unanimously by a roll call**  
73 **vote.**  
74

75  
76  
77 **Agenda Item #5                   Introduction of Guest Auditors & Overview of Compliance Review**

78



79 Chairman Derry introduced the guests from the Appraisal Subcommittee (Financial Institution  
80 Exam Council), Claire Brooks (Lead Policy Manager) and Neal Fenochietti (Policy Manager) at  
81 the meeting.

82  
83 Ms. Brooks explained the services ASC provides, and that in response to the financial crisis of  
84 2010, Title XI was amended and expanded to include the oversight of AMCs. In August 18,  
85 2015, the AMC rules were finalized setting forth the minimum requirements for AMCs. States  
86 have thirty-six months to implement the minimum requirement if they choose to register AMCs.  
87 Twenty-six states requested one-year extension including Alaska. The extension ends August 10,  
88 2019. Due to this extension, Alaska AMC Program was not reviewed this time. Instead, it  
89 provided a courtesy review of its statutory regulation. There was no full compliance review.

90  
91 Ms. Brooks explained the compliance review process in detail and outlined the processes for  
92 release of the preliminary report to the State Board. She informed the board of the time frame the  
93 report should be issued and the time frame for responses to be submitted to ASC.

94  
95 The preliminary report is anticipated to be available after 60-days due to several variables. The  
96 State has 60-days to respond to preliminary findings and remediate identified deficiencies. When  
97 the response is received or when the 60-days is passed, ASC will make final determination and  
98 send its final decision to the State and post it on the website. The rating categories are excellent,  
99 good, not satisfactory, and poor.

- 100  
101 In response to questions, Ms. Brooks stated that:
- 102 - Preliminary report will be sent to the staff, and sometimes to the chair.
  - 103 - On its courtesy review of the statutes and regulations, it identified a few areas that could use  
104 a little tweaking with Sher Zinn (Regulations Specialist). For example, there was no mention  
105 if AMCs are required to notify the State in writing when an appraiser is removed from the  
106 panel.
  - 107 - It also looked on the AMC application and it may need some changes before AMCs are  
108 entered in the registry.
  - 109 - State has authority to verify an appraiser in the panel, but States are not expected to do it on a  
110 regular basis. The AMC would have to attest to the verification of its appraisers.
  - 111 - The AMC registry fee is for each appraiser that has performed a covered transaction in a  
112 reporting period (established by the State, always 12 months).
  - 113 - By June 2020, States must be able add AMCs into the registry but that doesn't necessarily  
114 mean that all their AMCs have to be in the registry on that time (depending State's renewal  
115 cycle).

116  
117 In response to additional questions, Neal Fenochietti stated that:

- 118 - States must do background checks on the owner/s. It's up to the States to decide how far  
119 up the chain (of ownership) it wants to go to do background check. The law requires the  
120 States to check the background of the owners of the AMC (that is not the parent  
121 company, affiliated corporations, limited partners). At this time the first layer of owners  
122 is being checked. Mr. Fenochietti further added that the form to use for the annual  
123 eligibility into the registry is key.
- 124 - Ms. Brooks added that a tool (found in the website, "Helpful Documents for Regulators)  
125 can be used to determine which AMCs will qualify to be in the registry.
- 126 - Ms. Brooks further stated that August 10, 2019 (for States who requested extension) is  
127 the deadline for the States which are not registering AMCs – the AMCs will not be  
128 allowed to practice in the State (on federally related transactions). AMCs are not required  
129 to register.

130  
131  
132 **Agenda Item #6**

**Morning Break**

133  
134  
135 **Off the record for the morning break, 10:00 a.m.**

136 **Back on record, 10:15 a.m.**

137  
138  
139  
140 **Agenda Item #7**

**Investigations**

141  
142 *Investigative Reviews and Probation Reports*

143  
144 Investigator Shyla Consalo presented her report (compiled between May 23, 2019 through July  
145 23, 2019). Including cases, complaints, and intake matters, since the last report, the Division  
146 opened three (3) matters and closed one (1) matters, a total of six (6) matters remain on-going  
147 and under active investigation or are pending litigation.

148  
149 Matters opened by the Paralegal in Juneau, regarding continuing education audits and license  
150 action resulting from those matters are not covered in the report.

151  
152 Chief Investigator Greg Francois was present at this presentation.

153  
154 **A motion to move into executive session to discuss another subject matter by Investigator**  
155 **Shyla Consalo in accordance with [AS 44.62.310(c)], and Alaska Constitutional Right to**  
156 **Privacy Provisions, and for the purpose of discussing matters involving consideration of**

157 **government records that by law are not subject to public disclosure, was made by Wendy**  
158 **Lawrence, and seconded by Renee Piszczek.**

159

160 **Off the record for the executive session, 10:19 a.m.**

161 **Back on record, 10:50 a.m.**

162

163

164 **Agenda Item #8**

**Public Comment**

165

166 Senior Investigator Amber Whaley called in via teleconference.

167

168 Investigator Consalo asked the guests from ASC for clarification regarding competency reviews  
169 and how it's being done in other states. Ms. Brooks stated that:

170

- 171 - ASC doesn't prescribe how a State will look at its enforcement cases. Ms. Brooks pointed  
172 to the Policy Statement 7 (State Agency Enforcement) of the Appraisal Subcommittee  
173 Annual Report 2018 (page 121) for guidance on timely and effective enforcement. She  
174 added there are a number of ways states review complaints and it wouldn't necessarily  
175 with a standard-three review. Ms. Brooks stated that it would be beneficial for board  
176 members to attend Investigator training to find ideas on how other states do it. For  
177 example, some states have staff initially review to see if it's a valid complaint before  
178 going to the board. She further stated that Alaska do not necessarily need geographic  
179 competence in all aspects to review. Ms. Brooks stated that Alaska has a clause in the  
180 statute stating that board members are not liable for their decision.
- 181 - Neal Fenochietti, suggested that Alaska may consider adding to its statute that board  
182 members can conduct their business without complying with USPAP. Mr. Fenochietti  
183 stated that some states do not worry about the details of the complaint until they are into  
184 the appraisal report at which point they determine whether or not they are competent to  
185 complete it or to seek outside expert in a particular appraisal field. He added that in cases  
186 where the complaint needs an expert or a geographic competence is needed, going with it  
187 prevents the complaint from aging. Mr. Fenochietti reiterated there is no requirement for  
188 standard three review in every complaint.

189

190 **Agenda Item #9**

**Division Update**

191

192 Director Chambers began her presentation (videoconference) at 11:11 a.m.

193

194 In her introduction, Director Chambers highlighted Governor Michael Dunleavy's inaugural  
195 initiative (AO 266) which mandates that all departments, divisions, all agencies, and

196 boards, to look into its statute and regulation, and assess if it's meeting its mandates or  
197 exceeding it, if its setting artificial barriers to licensure, or if its processes are not meeting  
198 customer service efficiency standards. Echoing the goals of the new administration,  
199 Commissioner Julie Anderson and CBPL Director Sara Chambers have taken the task of  
200 developing four (4) new year's resolution multi-layer tasks for its boards and staff, as  
201 illustrated in the memorandum dated July 26, 2019. In summary, those tasks are:

- 202
- 203 1. At all times, our governance should demonstrate that we have internalized the  
204 purpose of professional licensing: safeguarding the public interest.  
205
- 206
- 207 2. Make decisions that reflect proficiency in the statutes, regulations, division policies,  
208 and state/national issues that affect our licensing programs.  
209
- 210
- 211 3. Add value to the bottom line by delivering excellent service to all internal and  
212 external customers.  
213
- 214
- 215 4. Prioritize changes to statutes and regulations that streamline, modernize, and  
216 reduce barriers to employment of qualified individuals.  
217

218

219 Director Chambers reminded that the Board needs to be active and constantly being aware  
220 of changes in the federal level. She encouraged the Board to be fully engaged by maximizing  
221 the talents and commitment of the board in different projects, such as analyzing feedbacks  
222 from related stakeholders.  
223

224 Director Chambers complimented the Board and Chairman Derry for his leadership on the  
225 AMC legislative process and federal standard changes and working collaboratively with the  
226 Division. She reminded that the Board have resources from the website and directly from  
227 the Division through OLE Alcancia who is the first point of contact (new to the program),  
228 and Joe Bonnell being the supervisor. Director Chambers also acknowledged Renee Hoffard  
229 for her assistance to the meeting and for her previous work in the program.  
230

231 In addressing the question of Chairman Derry regarding legislative assistance from the  
232 Division, Director Chambers responded to say that when a Board decides to change a  
233 statute, the Division gets involved administratively when the statute change is introduced.  
234 Director Chambers stated that she would address with the Governor's Legislative Director  
235 the scope of support the Division could offer when the Board has legislative proposals.  
236 Director Chambers stated that she will report back to the board chairs with the specifics  
237 after that meeting.  
238

239 Director Chambers highlighted the importance of a timely Annual Report by the Board in  
240 terms of setting up legislative priorities, and statute changes proposal. Director Chambers  
241 stated that she is happy to advocate for changes that meets the Governor’s standards and  
242 mandate.

243  
244 Chairman Derry stated that he had made a list of strategic plans that will be addressed with  
245 the greater Board in the future board meetings.

246  
247 In closing, Director Chambers presented the highlight of a workbook (Powerpoint) titled “Is  
248 it Government’s Responsibility?” that was designed by the Governor’s Regulatory Review  
249 Team and developed by Commissioner Anderson and Director Chambers for statewide use.

250  
251 Chairman Derry asked if its allowed to form a subcommittee of non-board members to  
252 work on concepts/changes that the Board may consider. Director Chambers answered in  
253 the affirmative and stated that its up to the Board to design its structure, scope and task – it  
254 should be public noticed, coordinated with OLE Alcancia, and should have a certain form of  
255 record of the meeting, but not necessarily with a staff present. Director Chambers stated that  
256 subcommittees are not empowered to take any action, it is the Board.

257  
258 The presentation of Director Chambers ended at 11:58 a.m.

259  
260

261 **Agenda Item #10** **Lunch Break**

262 **Off the record for the recess, 12:00 p.m.**

263  
264

265 **Agenda Item #11** **Call to Order/ Roll Call**

266

267 **Back on record, 1:03 p.m.**

268

269 **Board Members present constituting a quorum:**

- 270 David Derry, Chair, Certified General Real Estate Appraiser (in-person)
- 271 Wendy Lawrence, Vice-Chair, Certified Residential Real Estate Appraiser
- 272 (teleconference)
- 273 Renee Piszczek, Mortgage Banking Executive (in-person)
- 274 Ashlee Stetson, Public Member (videoconference)

275

276 **CBPL Division Staff present:**

- 277 Allan Alcancia, Occupational Licensing Examiner
- 278 Renee Hoffard, Records & Licensing Supervisor

279

280

281 Guests:  
282 Claire Brooks, Lead Policy Manager, Appraisal Subcommittee  
283 Neal Fenochietti, Policy Manager, Appraisal Subcommittee  
284

285 Members of the Public present:  
286 Stuart Burns, License Trainee, for CE Credit  
287  
288  
289  
290

291 **Agenda Item #12** **Board Member Vacancy Update**

292  
293 No response was received to the email invitation sent to the Governor’s Boards & Commission  
294 Office. Vice-Chair Wendy Lawrence stated having spoken with the Commission and that her  
295 appointment will be changed to certified residential to make room for new appointees. Ms.  
296 Lawrence re-appointment will take effect sometime in the Fall. Chairman also reported that he had  
297 contacted the commission several times before via telephone calls and emails with no response.  
298 Chairman Derry further added that he contacted State Representative Sara Rasmussen (certified  
299 residential appraiser) who was successful in finding two applicants to the vacancy.  
300

301  
302 **Agenda Item #13** **Licensing Updates**

303  
304 **13.A Courtesy License**

305  
306 Joseph Bonnell, Records & Licensing Supervisor, joined via teleconference at 1:08 p.m.  
307 Mr. Bonnell reported that courtesy applications will soon go online this month. Mr. Bonnell also  
308 reported there are (20) active courtesy licensees and the processing response time remains within  
309 the (5) days.  
310

311 **13.B AMC Registration**

312  
313 OLE Allan Alcancia reported there are (9) active licensees, (26) active ballots/applications  
314 awaiting board review, and (7) more ballots/applications awaiting board review. There are (23)  
315 new applications waiting review.  
316

317 **TASK:** As proposed by the board to send a task list/worksheet to AMC applicants to serve as  
318 guide to documents that examiner will be looking for in the application.  
319

320 **13.C Biennial Renewal & Random Audit**

321  
322 OLE Allan Alcancia reported that for the July 1, 2019 – June 30, 2021 renewal period and  
323 random audit, there were (248) renewal letters mailed out on May 8, 2019 and (6) letters were  
324 returned for incorrect mailing address. As of reporting time, there were a total of (213) renewed  
325 licensees: (93) Certified General (72 via web); (115) Certified Residential (105 via web); and (5)  
326 Trainees (4 via web).

327  
328 (29) licensees have been randomly selected for this renewal period.  
329 The audit notices will be mailed out the first week of August.

330  
331 **13.D Continuing Education Course Approval Overview**

332  
333 OLE Allan Alcancia reported that for the course registration period between July 1, 2016 – June  
334 30, 2019 there were (244) board approved courses from approximately 13 course sponsors. OLE  
335 Allan Alcancia also provided an overview of the steps involved in the course approval process  
336 and also highlighted different variables in the delay for the submission of course approval  
337 applications for board review.

338  
339 TASK: As proposed by the board, that course sponsors application converted to online platform.

340  
341 **13.E Review Appraiser, AMC Application and Continuing Education Form, & Processing**  
342 **Miscellaneous Applications**

343  
344 ***13.E.1 Determination of Competency (Form 08-4162a)***

345  
346 The Board looked into this application and proposed the following changes to the form

- 347 - Insert a date line  
348 - Correct the spelling ‘appraisers’ in the title  
349 - On the second check box, to insert the text “solely inspect the property” between to and  
350 complete  
351 - Insert a text in the form that references statute 12 AAC 70.935(c)(3)

352  
353  
354 **A motion was made by Wendy Lawrence to update the Determination of Competency**  
355 **(Form 08-4162a) with the changes proposed by the Board. Seconded by Renee Piszczek.**  
356 **The motion was APPROVED unanimously by a roll call vote.**

357  
358

359 ***13.E.2 Verification of Work Experience (For Examination & Transition Applicants Only)***  
360 ***(Form 08-4164c)***

361

362 The Board looked into this application, proposed the following changes to the form

- 363 - On the first paragraph, correct the “24” to 12 months
- 364 - On item #3, correct the “24” to 12 months
- 365 - Insert a text box for the printed name of the verifier, its company/firm, position/title

366

367 ***13.E.3 Verification of Work Experience (For Examination & Transition Applicants Only)***  
368 ***(Form 08-4163c)***

369

370 The Board looked into this application, proposed the following changes to the form

- 371 - On item #3, correct the “30” to 18 months
- 372 - Insert a text box for the printed name of the verifier, its company/firm, position/title

373

374 **A motion was made by Chairman Derry to update the Verification of Work Experience**  
375 **(For Examination & Transition Applicants Only) (Form 08-4164c) and (Form 08-4163c).**  
376 **Seconded by Renee Piszczek. The motion was APPROVED unanimously by a roll call vote.**

377

378

379 ***13.E.4 Continuing Education Course Application – 17402 Seattle Chapter of Appraisal***  
380 ***Institute***

381

382 This ballot was presented to the Board via the OnBoard voting system but it did not receive  
383 majority vote initially. It was presented again to the Board for voting purposes.

384

385 **A motion was made by Renee Piszczek to approve the application, and seconded by Wendy**  
386 **Lawrence. The motion was APPROVED unanimously by a roll call vote.**

387

388

389 **A motion to enter into executive session in accordance with [AS 44.62.310(c)], and Alaska**  
390 **Constitutional Right to Privacy Provisions, and for the purpose of discussing 132014**  
391 **subjects that tend to prejudice the reputation and character of any person, provided the**  
392 **person may request a public discussion. The motion was made by Renee Piszczek and**  
393 **seconded by Wendy Lawrence. The motion was APPROVED unanimously by a roll call**  
394 **vote.**

395

396 **Off the record for the executive session, 2:02 p.m.**

397 **Back on record, 2:16 p.m.**



398 ***13.E.5 Trainee Transition Application – 132014 Stuart Burns***

399

400 **A motion was made by Renee Piszczek to approve the 132014-application pending review**  
401 **of work products, and seconded by Ashley Stetson. The motion was APPROVED**  
402 **unanimously by a roll call vote.**

403

404

405 **Agenda Item #14** **Prospective Regulation Project**

406 Chairman Derry stated a prospective regulation project was the result of a licensee request to  
407 obtain extension to complete the continuing education requirements during the current renewal  
408 period due to extenuating circumstance. In the process, it was discovered that Alaska regulation  
409 does not authorize the Board to grant extension to a licensee that due to hardship/personal issue  
410 is unable to meet the requirement. In summary, an extension was granted in this case.

411

412 Ms. Brooks, commented there are extension for the military built into the criteria but cannot  
413 renew others until CE requirement has been met. As hardship is not outlined in the criteria, a  
414 licensee has to be inactive until the CE is met.

415

416 M. Fenochietti, suggested that the Board take up the proposal of granting extension under  
417 medical extenuating circumstance to the AQB.

418

419 The board reviewed and briefly discussed current language used by other professional licensing  
420 programs regarding extensions. The discussion was put aside to be considered at a later date  
421 when the board is prepared for a regulations project.

422

423

424 **Agenda Item #15** **Processing AMC Applications**

425

426 ***15.A AMC 149655***

427

428 The Board did not vote on this ballot due to minimal ownership documentation provided by the  
429 applicant. The Board tasked OLE Alcancia to contact the applicant for additional documentation.

430

431 ***15.B AMC 149660 Clarocity Valuation Services, LLC***

432

433 **The Board reviewed the application and a motion to approve it was made by Ashlee**  
434 **Stetson. Renee Piszczek seconded. It was APPROVED unanimously by a roll call vote.**

435

436

437 **15.C AMC 146638 ACT Appraisal Inc**

438

439 **The Board reviewed the application and a motion to approve conditionally due to missing**  
440 **page 2 was made by Ashlee Stetson, Renee Piszczek seconded. It was APPROVED**  
441 **unanimously by a roll call vote.**

442

443

444 **Agenda Item #16 Afternoon Break**

445

446 **Off the record for afternoon recess, 3:09 p.m.**

447 **Back on record, 3:31 p.m.**

448

449

450 **Agenda Item #17 Administrative Business**

451

452 **17.A Old Tasks**

453 ***Chairman Derry will draft letter for the Office of Boards and Commission***

454 Chairman Derry stated he did not draft the letter to the commission for reasons he  
455 mentioned when he updated the Board in the early part of the meeting under segment  
456 #12.

457

458

459 **17.B Old Tasks**

460 ***Association of Appraisal Regulatory Official Conference (ARRO)***

461 This new segment was approved for addition in the agenda on the early part of the  
462 meeting segment #12. Chairman Derry stated State of Alaska has joined this association  
463 and its conferences (Spring and Fall schedule) are typically attended by a board member  
464 and a staff. The next conference is October 18-22, 2019 in Washington DC.

465

466 Chairman Derry recommended Ashley Stetson to attend this conference, Ashley Stetson  
467 agreed. Renee Hoffard, Records & Licensing Supervisor, stated that travel approval for  
468 out-of-state travel for a none third-party reimburse has to go the governor's chief of staff  
469 for approval. Ms. Hoffard stated that this request has to be filed early.

470

471 **17.C Old Tasks**

472 ***Amend Work Verification Log into pdf fillable form***

473 This is an update to the Board that this form has been updated and available online.

474 Chairman Derry suggested that OLE Alcanica sends this form to all registered active

475 licensees for their awareness and use. Chairman Derry suggested to task staff to add the  
476 hours entered in the work log. Renee Hoffard, Records & Licensing Supervisor,  
477 responded to say that the Board could assign that task, but the Board has to provide  
478 guidelines for use in the assessment of a task. Chairman Derry further clarified that the  
479 task is to double check the hours entered in the log. Ms. Hoffard responded there is no  
480 need for a motion as it is an administrative task that's being done in some programs.

481  
482 Chairman Derry also opened a conversation about the language of "conditional" approval  
483 versus "preliminary approval" to use in notifying the applicant after their logs have been  
484 approved.

485  
486 TASK: To check the usage of the language with the Investigations Team and Paralegal.  
487 Additionally, due to the upcoming changes with USPAP, this log will be revised again.  
488

#### 489 **17.D Old Tasks**

##### 490 ***Update FAQ page regarding the definition of Synchronuous Education***

491 OLE Alcancia stated in the meeting that this topic was reintroduced into the meeting to  
492 highlight the need for regulation to establish the definition of Synchronuous Education  
493 before it is published in the FAQ website. Renee Hoffard, Records & Licensing  
494 Supervisor, suggested to reference the definition as defined by AQB in the FAQ page.

495  
496 TASK: For OLE Alcancia to circle back to Joseph Bonnell, Renee Hoffard, and Chairman Derry  
497 to identify the definition of *Synchronuous Education*.

498

499

#### 500 **17.E Old Tasks**

##### 501 ***Joe Bonnell will seek legal opinion on the definition of licensed vs. certified***

502 Renee Hoffard, Records & Licensing Supervisor, stated for clarification that under the  
503 CBPL Division Chapter Regulations, the terms licensed and certified are synonymous  
504 only boards listed under ASOA. The synonymy of these terms only apply to Alaska  
505 Board Certified Appraisers specifically.

506

507

#### 508 **Agenda Item #17**

#### 508 **Administrative Business**

509

#### 510 **17.A New Tasks**

##### 511 ***2020-2021 Board Goals Planning***

512

513 A motion to enter into executive session in accordance with [AS 44.62.310(c)], and Alaska  
514 Constitutional Right to Privacy Provisions, for the purpose of discussing matters which by  
515 law, municipal charter, or ordinance are required to be confidential, and the only staff to  
516 remain in the meeting is Director Chambers. The motion was made by Renee Piszczek and  
517 seconded by Ashley Stetson. The motion was APPROVED unanimously by a roll call vote.  
518

519 Director Chambers joined the executive session via teleconference.  
520

521  
522 Off the record for the executive session, 4:05 p.m.

523 Back on record at 5:11 p.m.  
524

525

526

## 526 17.B New Tasks

### 527 *2019-2021 Board Meeting Scheduling* 528

529

530

531 The following dates were proposed for the next board meeting for the remainder of 2019 and the  
532 start of 2020. These proposed dates have yet to be confirmed with the schedule of the Division.

533

534 First Week, October, 2019 – focusing on strategic planning

535 First Week, December, 2019

536 First Week, March, 2020

537

538 Chairman Derry did not entertain a vote for this date proposals, instead, it will be distributed to  
539 the board for scheduling awareness.

539

540 **Agenda Item #18** **Adjournment**

541

542 Chairman Derry commended the board and staff for attendance and moving through the agenda.

543 **The meeting ADJOURNED at 5:16 p.m.**

544

545 Respectfully submitted,

546

547

548

549 \_\_\_\_\_  
Allan Alcancia, Licensing Examiner

\_\_\_\_\_ Date

550

551

552

553 \_\_\_\_\_  
David Derry, Chairman

\_\_\_\_\_ Date

DRAFT

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5  
6 MINUTES OF THE BOARD MEETINGS

7 Friday, October 25, 2019

8  
9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*  
10 *Professional Licensing.*

11  
12 *These minutes have not been reviewed or approved by the Board.*

13  
14  
15 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
16 scheduled meeting of the Board of Certified Real Estate Appraisers was held via teleconference on  
17 Friday, October 25, 2019.

18  
19 **Agenda Item #1** **Call to Order/Roll Call**

20  
21 The meeting was called to order at 10:01 a.m. by David Derry, Chair.

22  
23 Those present, constituting a quorum of the Board:

24 David Derry, Certified General Real Estate Appraiser  
25 Wendy Lawrence, Certified Residential Real Estate Appraiser  
26 Renee Piszczek, Mortgage Lending Member  
27 William Barnes, Certified Residential or General Real Estate Appraiser  
28 Ashlee Stetson, Public Member

29  
30 Division Staff present in the meeting:

31 Tracy Wiard, Occupational Licensing Examiner  
32 Joe Bonnell, Records and Licensing Supervisor  
33 Chris Kennedy Administrative Law Judge  
34 Jerry Juday Senior Assistant Attorney

35  
36 **Agenda Item #2** **Review Agenda**

37  
38 Chair David Derry prompted the Board to review the meeting agenda. There were no changes  
39 made to the agenda.

41 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**  
42 **unanimously, it was:**

43 **RESOLVED to APPROVE the agenda as written.**

44

45 **Agenda Item #3                      Discuss Mediated Stipulation to Remand**

46

47 Board Chair Derry and Administrative Law Judge Kennedy gave the board a brief overview of  
48 the events leading to the remand. The board decided this was to be discussed in Executive  
49 Session.

50

51 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**  
52 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**  
53 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**  
54 **discussing active consent agreement cases, “subjects that tend to prejudice the reputation**  
55 **and character of any person, provided the person may request a public discussion.” Board**  
56 **staff were excused from executive session and Senior Assistant Jerry Juday and**  
57 **Administrative Law Judge Chris Kennedy to remain in the room for executive session.**

58

59 **Off the Record at 10:16 am.**

60 **On the Record at 11:48 am.**

61

62 Those present, constituting a quorum of the Board:

- 63 David Derry, Certified General Real Estate Appraiser
- 64 Wendy Lawrence, Certified Residential Real Estate Appraiser
- 65 Renee Piszczek, Mortgage Lending Member
- 66 William Barnes, Certified Residential or General Real Estate Appraiser
- 67 Ashlee Stetson, Public Member

68

69 Division Staff present in the meeting:

- 70 Tracy Wiard, Occupational Licensing Examiner
- 71 Joe Bonnell, Records and Licensing Supervisor
- 72 Chris Kennedy Administrative Law Judge
- 73 Jerry Juday Senior Assistant Attorney

74

75 There was a suggestion from Chair Derry that the board entertain a motion to request additional  
76 work products and do a review of those work products that would include a complete appraisal  
77 report.

78

79 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**  
80 **to APPROVE the request of additional information and perform an additional review of**  
81 **Mr. Halterman's application.**

82  
83 Bill Barnes wanted clarification on the motion asking if the motion would specifically ask for 3  
84 additional reports or 5 additional reports? Bill Barnes also requested to amend the motion to add  
85 another statement? It was suggested by Chair Derry that they could amend the motion after there  
86 was a 2<sup>nd</sup> and a vote to approve the motion.

87  
88 Bill Barnes then asked the board if they could remember how many of the appraisal reports  
89 submitted by Mr. Halterman were restricted reports? Chair Derry could not recall all of them off  
90 hand. Chair Derry then stated his approval of the motion stating if he wanted the motion to  
91 specify the number of work products for review the board typically asks for 2-3. Bill Barnes  
92 stated he would like the board to request the work files for the original submitted restricted  
93 reports. Chair Derry asked if that was what he wanted or just obtain 3 new reports. Bill Barnes  
94 wants the previously submitted work products in their unrestricted form to make sure they are  
95 USPAP compliant.

96  
97 Chair Derry then asked for a 2<sup>nd</sup> to the motion before a discussion took place. Chair Derry asked  
98 OLE Wiard if there was a 2<sup>nd</sup> to the motion. OLE Wiard suggested the board return to Executive  
99 Session and return knowing the motion the board would like. It was also suggested that the  
100 board specifically list the number work products being requested so staff would know what work  
101 log information to obtain.

102  
103 Chair Derry noted that Wendy Lawrence seconded the motion. It was then suggested the board  
104 discuss the motion. Bill Barnes then asked board if they wanted to place a number on the  
105 requested work products. Chair Derry stated the board could just make an amendment to the  
106 motion as it was on the floor for discussion. Chair Derry also stated that if the previously  
107 submitted work files were to be submitted in unrestricted form that could be added to the motion  
108 as well.

109  
110 Ashlee Stetson stated she would like to amend the motion to request 3 additional work items  
111 from the work log as well as board reconsideration of Mr. Halterman's application. Chair Derry  
112 asked that she specify that selection of the work product be chosen by a board member. Chair  
113 Derry asked if there was a 2<sup>nd</sup> to the change. He asked if Wendy approved. Wendy did approve  
114 of the revised motion. Bill Barnes seconded the motion. Chair Derry stated to include the  
115 appraisers work file. Bill Barnes asked if he amended the motion on the table. Chair Derry  
116 stated they had and Bill Barnes expressed confusion.



117 Chair Derry stated Ashlee amended her motion to include 3 new examples of work and that was  
118 seconded by Wendy. Chair Derry asked for clarification if Wendy wanted the work files as well  
119 as the work product itself? Wendy Lawrence replied yes to obtain the work product and the  
120 work files. Chair Derry reiterated to the board for clarification that 3 new work products and the  
121 original work files were being requested.

122

123 Bill Barnes suggested the board vote on Ashlee's original motion and then make a second  
124 motion. Bill Barnes suggested that Wendy's amendment include the request for any restricted  
125 reports to include the complete original work file in unrestricted form for past submitted reports  
126 and any newly submitted work product for consideration. Wendy Lawrence agreed with the  
127 suggested amendment. Chair Derry suggested that the board not select any restricted reports for  
128 consideration. Bill Barnes noted that there were several restricted reports on the work log and  
129 they may not be USPAP compliant. Chair Derry wanted to know if there were not a total of 3  
130 unrestricted reports available on the work log. Bill Barnes stated he noticed the work log was  
131 sent back for readjustment of hours with the travel hours removed. Then the reports were  
132 submitted to the board with the travel hours subtracted. Bill Barnes stated that in his opinion  
133 restricted reports do not meet USPAP compliance without the accompanying work file.

134

135 Chair Derry stated there was a motion of the floor to ask for three new work products. Chair  
136 Derry was curious as to whether Bill wanted to see the previously submitted reports with the  
137 work file or request 3 new work products? Bill Barnes stated the burden of proof is on the  
138 applicant and without the work file to prove USPAP compliance or not then how many of the  
139 hours submitted meet the burden of proof for USPAP compliance. It was suggested by a board  
140 member to return to executive session. Chair Derry suggested the board vote on the motion and  
141 asked OLE Wiard to restate the motion. OLE Wiard stated the motion was not clear but  
142 suggested the motion should be clear and concise and would be heard on the recording. It was  
143 suggested there only needs to be one motion stating everything the board wanted and then a vote.  
144 Chair Derry thought going back into executive session would be beneficial.

145

146 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**  
147 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**  
148 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**  
149 **discussing active consent agreement cases, "subjects that tend to prejudice the reputation**  
150 **and character of any person, provided the person may request a public discussion." Board**  
151 **staff were excused from executive session and Senior Assistant Jerry Juday and**  
152 **Administrative Law Judge Chris Kennedy to remain in the room for executive session.**

153

154

155

156 **Roll Call Vote:**

157

158 **Board Member                      Approve                      Deny                      Recuse                      Absent**

159

160 **David Derry                      X**

161 **Wendy Lawrence                      X**

162 **William Barnes                      X**

163 **Renee Piszczek                      X**

164 **Ashlee Stetson                      X**

165

166 **Off the Record at 12:07 pm.**

167 **On the Record at 12:26 pm.**

168

169 **Those present, constituting a quorum of the Board:**

170            David Derry, Certified General Real Estate Appraiser

171            Wendy Lawrence, Certified Residential Real Estate Appraiser

172            Renee Piszczek, Mortgage Lending Member

173            William Barnes, Certified Residential or General Real Estate Appraiser

174            Ashlee Stetson, Public Member

175

176 **Division Staff present in the meeting:**

177            Tracy Wiard, Occupational Licensing Examiner

178            Joe Bonnell, Records and Licensing Supervisor

179            Chris Kennedy Administrative Law Judge

180            Jerry Juday Senior Assistant Attorney

181

182 Chair Derry asked the board if there were any new motions the board would like to present  
183 regarding the application of Cody Halterman.

184

185 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**  
186 **to APPROVE by roll call vote, that the board to reconsider Mr. Halterman's application**  
187 **after a board member selects 3 new work sample appraisal reports from the work**  
188 **verification log, the work files for the appraisal reports originally submitted and the**  
189 **revision of the work verification log to clarify commercial or residential work in the**  
190 **appropriate column. Chair Derry stated for clarification there was no column for**  
191 **residential or non-residential appraisals but he could clarify residential and non-residential**  
192 **to item Roman Numeral XI.**

193

194 Chair Derry asked for any discussion? He stated for the record that he is going to vote against  
195 the motion at this point as he does not think it is necessary to request the work files for the



1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5  
6 MINUTES OF THE BOARD MEETINGS

7 Friday, November 1st, 2019

8  
9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*  
10 *Professional Licensing.*

11  
12 *These minutes have not been reviewed or approved by the Board.*

13  
14  
15 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
16 scheduled meeting of the Board of Certified Real Estate Appraisers was held via teleconference on  
17 Friday, November 1st, 2019.

18  
19 **Agenda Item #1** **Call to Order/Roll Call**

20  
21 The meeting was called to order at 9:13 a.m. by David Derry, Chair.

22  
23 Those present, constituting a quorum of the Board:

24 David Derry, Certified General Real Estate Appraiser  
25 Wendy Lawrence, Certified Residential Real Estate Appraiser  
26 Renee Piszczek, Mortgage Lending Member  
27 William Barnes, Certified Residential or General Real Estate Appraiser  
28 Ashlee Stetson, Public Member

29  
30 Division Staff present in the meeting:

31 Tracy Wiard, Occupational Licensing Examiner  
32 Joe Bonnell, Records and Licensing Supervisor  
33 Melissa Dumas, Administrative Officer II  
34 Shyla Consuelo, Investigator III  
35 Sara Chambers, Division Director

36  
37 Public Members present in the meeting:

38 Mark Stevenson, Applicant  
39 Cody Halterman, Applicant  
40 Jeff Oliver, Regional Supervisory Appraiser

41 **Agenda Item #2** **Review Agenda**

42  
43 Chair Derry prompted the Board to review the meeting agenda. Chair Derry wanted to update  
44 the agenda to identify any credentialed appraisers between items 2 and 3 of the agenda. In  
45 addition, Chair Derry recommended under item 7, Division Report, to include the letter  
46 format/template advising preliminary approval of for credentialed appraisers, timeliness of  
47 application processing, status of application number 148873 and a discussion regarding travel  
48 and attendance to the AARO conference. OLE Wiard stated that the AARO conference was also  
49 on agenda item 13 for discussion. The item about the letter/format/template was recommended  
50 to be added to agenda item 8, strategic plan. Chair Derry opted to discuss application 148873  
51 under agenda item 10 as it may warrant an executive session. OLE Wiard stated unless there  
52 was a legal reason executive session wasn't warranted.

53  
54 **On a motion made by William Barnes, seconded by Renee Piszczek, and passed**  
55 **unanimously, it was RESOLVED to APPROVE the agenda as amended.**

56  
57 **Agenda Item #2a** **Continuing Education Credits**

58  
59 Chair Derry recommended the addition of agenda item 2a which he would like to see added to all  
60 future agendas. The board and public attendees who are certified appraisers in Alaska can obtain  
61 continuing education credits for attendance of a board meeting. There is a required minimum of  
62 2 hours that can be attained and a maximum number of 7 hours. Chair Derry asks for people  
63 who would like the continuing education credits to identify themselves. William Barnes stated  
64 he would like to obtain continuing education credit for the meeting. Chair Derry stated it was  
65 Mr. Barnes responsibility to complete the form, e-mail to the chair then submit to the OLE for  
66 approval.

67  
68 **Agenda Item #3** **Review/Approve Past Meeting Minutes**

69  
70 Since the board did not have access to the board packet until the meeting began, it was  
71 recommended the draft meeting minutes be added to the board website but not be reviewed and  
72 approved until the next meeting in December. The board decided it would be best to table the  
73 review and approval of the meeting minutes for the next board meeting

74  
75 **On a motion made by Renee Piszczek, seconded by Bill Barnes, and passed unanimously, it**  
76 **was RESOLVED to TABLE the review and approval of past meeting minutes to the**  
77 **December 2019 board meeting.**

78  
79

80 **Agenda Item #4** **Introduction of New Board Members**

81  
82 Chair Derry introduced Bill Barnes as the new board member. Mr. Barnes is a Certified General  
83 Appraiser with the State of Alaska and has several years of appraisal experience. He will be a  
84 great addition to the board. Chair Derry also informed the board that OLE Tracy Wiard is  
85 returning to the APR board. She had previously worked with the APR board and stated she was  
86 happy to be back.

87  
88 **Agenda Item #5** **Investigative Report**

89  
90 Investigator Shyla Consalo joined the meeting from Anchorage at 9:30 AM for the APR  
91 investigative report. Shyla stated the board report was compiled from July 24, 2019 through  
92 October 8, 2019. There were 3 opened matters, 3 matters that were closed, and 6 matters that  
93 remain on-going and under active investigation or pending litigation. It was noted that matters  
94 opened by the paralegal regarding continuing education audits were not covered in this report.

95  
96 Chair Derry asked Investigator Consalo what the process is for cases with pending litigation.  
97 Investigator Consalo advised that when someone requests a hearing the process is slow and  
98 dependent on the AG and Administrative Law Judge schedule. It was stated that for the 2018-  
99 000048 case, the AG was currently in negotiations with the individual's attorney. The 2019-  
100 000655 was the case the board has been actively dealing with and it had gone to mediation.  
101 Investigator Consalo stated they have little involvement with that it is with the Division  
102 Supervisor and the board. The Administrative Law Judge would issue a proposed order after the  
103 hearing then the board will decide to adopt or reject the order.

104  
105 Chair Derry stated that he has created a USPAP compliant review template in case any board  
106 members are called upon for an investigative review. Investigator Consalo stated she would  
107 send the templates to the reviewing board member as needed. She has kept copies that she sends  
108 with the case check sheet.

109  
110 Off Record: 9:45 AM

111 On Record: 9:57 AM

112  
113 **Those present, constituting a quorum of the Board:**

114 David Derry, Certified General Real Estate Appraiser  
115 Wendy Lawrence, Certified Residential Real Estate Appraiser  
116 Renee Piszczek, Mortgage Lending Member  
117 William Barnes, Certified Residential or General Real Estate Appraiser  
118 Ashlee Stetson, Public Member

119 **Agenda Item #7** **Division Report**

120  
 121 Administrative Officer Dumas joined the meeting and provided the board with the 4<sup>th</sup> quarter  
 122 division report. The 1<sup>st</sup> item covered was the revenues and expenditures. She told the board of  
 123 the newer report showing a biennium comparison due to the renewal and non-renewal years. She  
 124 showed the costs of personnel services, investigative costs, direct and indirect expenditures.

125  
 126 Chair Derry inquired about the source of the revenue coming in. He wanted to know how much  
 127 was coming from AMC registrations, APR Renewal and APR applications. It was noted the  
 128 division does not track revenue at that level. However, OLE Wiard could go into the portal and  
 129 look at license types for 2019 and calculate the fees for each license type. This would give a  
 130 very rough breakdown of revenue.

131  
 132 Chair Derry also noted the expenditures for the past year has increased substantially. He was  
 133 curious to know if the increase in expenses due to AMC processing? Chair Derry wanted to  
 134 make sure AMC's were being charged correctly for time being taken to process them in  
 135 comparison to the other types of APR applications. Chair Derry would like to know the amount  
 136 of revenue generated from AMC's versus other APR applications. Director Chambers stated the  
 137 increased expenses were not due to AMC processing. She stated the additional fees had to do  
 138 with regulation change costs, the regulations specialist costs and the supervisors costs for some  
 139 of the issues the board was having at higher rates of pay than an examiner has added additional  
 140 expenses to the board.

141

	<b>FY 19 Total Revenue</b>	<b>FY 19 Total Expenditures</b>	<b>FY 19 Cumulative Surplus</b>
License Fees	190565	0	323,608
3 <sup>rd</sup> Party	4314	0	
Indirect Expenditures		53,955	
<b>Total:</b>	<b>194,879</b>	<b>188,363</b>	<b>323,608</b>

142

143 **Agenda Item #8** **Strategic Plan**

144

145 Chair Derry discussed the strategic plan he had put together as the bulleted items for the APR  
 146 Board to look at an address. The items were sent to OLE Wiard as an agenda item for today's  
 147 board meeting. OLE Wiard found answers to the bulleted question items for board discussion.  
 148 The list below was presented for board discussion and consideration.

149

## Items Requiring Statutory Change

- **Change Public Board Member Seat to related field.**

- Making this change would require a change to AS 08.87.010. To change the statute, the board would need to find a legislator who would sponsor the bill. The bill would be required to pass the house and senate with majority approval. Some states recommend having a board with most public members.

Chair Derry stated the bulleted item above was before member Ashlee Stetson joined the board and was not a reflection of her contributions to the APR Board but was a consideration as it took so long to find an interested person to occupy the vacant board seat. Chair Derry stated that he understood some of the ideas may be pie in the sky and some may require Legislative support. He does feel like it would be easier for the board to gain Legislative support since there is a licensed appraiser in a Legislative seat for Alaska.

Director Chambers was present for the meeting as a resource for any additional information the board may need if they make motions for changes. OLE Wiard stated she divided the information based on what would require a statutory change as statutory changes are a lengthier process than a regulation change and the board could prioritize the items and complete the items they decide to be most relevant. Chair Derry stated it may be worth creating a task force for each bulleted item the board decides to take on.

- **Allow board to have the authority to set fees.**

- The authority to set fees for licenses resides with the Division of Corporations, Business and Professional Licensing. The authority was granted by statute and listed AS 08.01.050 (a)(1) as one of the administrative duties of the division. To make this change a statute change is required and the board would need to find a legislator who would sponsor a bill for this change. The bill would be required to pass the house and senate with majority approval.

- **Establish & Maintain a Tracking System for AMC Fees.**

- The Division maintains the set fees for each program per AS 08.01.050 (a)(1). The AMC fees are calculated based on the amount of time and resources needed to process the applications not their profitability.

Chair Derry stated this is a carryover from the August meeting to determine the amount of revenue generated by AMC applications and revenue generated by all other APR application types. The idea was to make certain the AMC application fees were being correctly calculated. He stated this also came from exuberant fees APR applicants previously paid to become license but no longer was an issue. Chair Derry also noted the tracking of AMC license fees separate from APR license fees may be too cumbersome of a task to complete.



190 • **Discontinue the Annual Report.**

- 191 ○ The annual performance report is required in centralized statutes. It is listed: **Sec.**  
192 **08.01.070. Administrative duties of boards.** Each board shall perform the  
193 following duties in addition to those provided in its respective law:  
194 (1) take minutes and records of all proceedings;  
195 (2) hold a minimum of one meeting each year;  
196 (3) hold at least one examination each year;  
197 (4) request, through the department, investigation of violations of its laws and  
198 regulations;  
199 (5) prepare and grade board examinations;  
200 (6) set minimum qualifications for applicants for examination and license and  
201 may establish a waiver of continuing education requirements for renewal of a  
202 license for the period in which a licensee is engaged in active duty military  
203 service as described under AS 08.01.100(f);  
204 (7) forward a draft of the minutes of proceedings to the department within 20 days  
205 after the proceedings;  
206 (8) forward results of board examinations to the department within 20 days after  
207 the examination is given;  
208 (9) notify the department of meeting dates and agenda items at least 15 days  
209 before meetings and other proceedings are held;  
210 (10) submit before the end of the fiscal year an annual performance report to the  
211 department stating the board's accomplishments, activities, and needs.

212  
213 If the board wanted to discontinue the annual report, they would be required to  
214 find a legislator to sponsor the bill and get it moved through the House and  
215 Senate. It would be more conducive to discuss the reasons why the board would  
216 like to discontinue the annual report and find solutions.

217  
218 Chair Derry stated that he did not see the Annual Report as a beneficial document for any  
219 purpose. He stated that he does know it is published and utilized by legislators. He doubted any  
220 legislators review the annual report and stated they seemed to duplicate information already  
221 found in meeting minutes and agendas. OLE Wiard asked the board what would make the  
222 annual report easier and a less cumbersome burden to the board. Chair Derry stated a brief  
223 format would be preferred. Chair Derry believes a 1-page document would probably cover all  
224 the required information. Director Chambers stated the board feedback regarding what would  
225 make the annual report easier is certainly welcome. Director Chambers also stated that adding  
226 this to a meeting agenda as the deadline for the annual report would be beneficial in preparing it.

227  
228 • **Adopt Changes on the Statute of Limitations on Appraisers to Shorten the**  
229 **Professional Liability Period to 5 years.**

- 230 ○ **Sec. 08.87.300. Retention of records.** (a) A certified real estate appraiser shall  
231 retain copies of all written contracts engaging the appraiser's services for real  
232 property appraisal work, and all reports and supporting data assembled and  
233 formulated by the appraiser in preparing the reports, for at least five years after

234 the date of the contract engaging the appraiser's services, five years after the date  
235 of the submittal of the appraisal reports to the client, or at least two years after the  
236 final disposition of litigation in which the appraiser provided testimony related to  
237 the engagement, whichever is longer.  
238

239 Chair Derry stated a prior board member was working on this idea around the same time the  
240 AMC regulations were being created. He stated that there was not a lot of legislative support for  
241 this change. Chair Derry stated that nationally there are USPAP documentation retention rules  
242 licensed appraisers are required to adhere to but different entities were reviewing appraisals over  
243 15 years old and filing liability claims. The claims were a result of the real estate crash and high-  
244 risk loans banks were lending out at the time. Some entities bought out bundles of loans,  
245 reviewed appraisals over 15 years old and began filing liability claims against the appraisers.  
246

247 • **Review AMC Statutes & Regulations. Any current recommendations?**

- 248 ○ Solicit recommendations from ASC. The following was listed as the  
249 recommendations from the recent compliance review.  
250

251 **Yes – The following was identified during the Compliance Review as a courtesy since we were**  
252 **not reviewing the AMC Program yet:**

253 *12 AAC 70.175. ANNUAL REPORTING AND FEDERAL REGISTRY REQUIREMENTS FOR*  
254 *APPRAISAL MANAGEMENT COMPANIES. (a) A registered appraisal management company*  
255 *shall report annually on a form provided by the department and submit the registry fee required*  
256 *in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for*  
257 ***federally related transactions** in the state during the preceding calendar year.*

258 *(b) Federally regulated appraisal management companies shall report annually to the board*  
259 *information required by AS 08.87.155 on a form provided by the department and submit the*  
260 *registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel*  
261 *performing appraisals for **federally related transactions** in the state during the preceding*  
262 *calendar year.*

263 **In place of “federally related transactions it should say “covered transactions.” I previously sent**  
264 **an explanatory email to Sher about this but please don’t hesitate if you need further clarification.**

265 *Sec. 08.87.135.(7) is not directly or indirectly owned in whole or in part by a person that has had*  
266 *a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on*  
267 *probation, or surrendered in lieu of a pending revocation in any state unless the person has later*  
268 *had a certificate to act as a real estate appraiser granted or reinstated by the same state;*

269 **This section needs to include that the license was not revoked for a substantive cause. The AMC**  
270 **Rule says: § 34.214 Ownership limitations for State-registered AMCs.**

271 (a) Appraiser certification or licensing of owners. (1) An AMC subject to State registration  
272 pursuant to § 34.213 shall not be registered by a State or included on the AMC National Registry  
273 if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an  
274 appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or  
275 revoked in any State for a substantive cause, as determined by the appropriate State appraiser  
276 certifying and licensing agency.

277 (2) An AMC subject to State registration pursuant to § 34.213 is not barred by § 34.214(a)(1)  
278 from being registered by a State or included on the AMC National Registry if the appraiser  
279 license of the appraiser with an ownership interest was not revoked for a substantive cause and  
280 has been reinstated by the State or States in which the appraiser was licensed or certified.

281 **There were no requirements that an AMC cannot remove an appraiser without prior written**  
282 **notice.** The AMC Rule states: § 225.192 Appraiser panel – annual size calculation... (b) An  
283 appraiser who is deemed part of the AMC’s appraiser panel pursuant to paragraph (a) of this  
284 section is deemed to remain on the panel until the date on which the AMC:

285 (1) Sends written notice to the appraiser removing the appraiser from the appraiser panel, with  
286 an explanation of its action; or

287 (2) Receives written notice from the appraiser asking to be removed from the appraiser panel or  
288 notice of the death or incapacity of the appraiser.

289 **ASC believes this is important to include.**

- 290 • **Change Statute to Allow Certified Appraisers to Perform Evaluations.**
- 291 ○ Isn’t this something that can already be completed if they do not hold out as an
- 292 appraiser or call it an appraisal? Doesn’t that conform to USPAP as well?
- 293

294 I believe your Statute say that appraisers in Alaska must follow USPAP always.

295 *Sec. 08.87.200. Prohibited practices. A certified real estate appraiser may not... (3) fail to*  
296 *comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal*  
297 *Standards Board of the Appraisal Foundation.*

298 I don’t know if the State would allow an appraiser to perform an evaluation that doesn’t comply  
299 with USPAP if they don’t sign as a certified appraiser and clearly identify that it is not an  
300 appraisal. **This would be something your attorneys would need to opine on.** Typically, it needs  
301 to be stated in the laws.

302 It was stated that the regulations specialist has these recommendations from the ASC for review  
303 and discussion during the regulations review. The board would want to get legal opinion and  
304 sample regulations can be obtained from the API.

## Non-Statutory Related Items

- **Change Documentation Required for Continuing Education Course Approvals.**

- Recently, I was informed that the Appraisal Institute is not allowed to edit any of the documentation for AQB accredited courses. They submit the entire student manual but if this is something the board would like me to edit for only pertinent documents I can.

Chair Derry stated this suggestion came from reviewing continuing education applications. He suggests that the applicants that are AQB and IDECC accredited for online courses that an application with the proof of AQB and IDECC accreditation could suffice. Chair Derry then stated that the change would only be for the AQB and IDECC accredited courses. OLE Wiard stated that the changes could be completed through a regulation change project.

- **Revise Definition of Work Allowed for Residential Certification.**

- More information is needed to determine what definition of work allowed is being referenced. I sent an e-mail to ASC asking what they consider to be the definition of Work Allowed and the following was the reply from Claire:
  - I'm not sure I understand if you are asking what type of properties a Certified Residential Appraiser can appraise or if you are asking what type of experience is allowed for experience to count toward certification so I'll offer both.
  - The AQB Criteria states the *Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.*
    1. *The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential unit's purposes or for which the highest and best use is for one-to-four residential units.*
    2. *The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary. (See page 19 in the attached Criteria)*
  - If you are asking what types of experience qualifies as experience to get a certification, the Criteria says this:
    - *The quantitative experience requirements must be satisfied by time spent in the appraisal process. The appraisal process consists of:*
      - analyzing factors that affect value;*
      - defining the problem;*
      - gathering and analyzing data;*
      - applying the appropriate analysis and methodology;*
      - and arriving at an opinion and correctly reporting the opinion in compliance with USPAP....*

343                   ○ *Acceptable real property appraisal practice for experience credit includes*  
344                   *appraisal, appraisal review, appraisal consulting, and mass appraisal. (See Page*  
345                   *10 and 11 in the attached Criteria.)*

346 OLE Wiard stated the answers in blue were from the ASC and that they answered 2 separate  
347 questions. Chair Derry stated that he is assumed the ASC was saying there is no definition.  
348 There is a type of work that could be used for residential. Chair Derry stated the definition  
349 would be something that would be the State of Alaska definition. It was being suggested due to  
350 the recent investigative cases the board has been seeing.

- 351           ● **Handling Complaints in Conformance with Policy Statement # 7 of ASC Title IX.**
  - 352                   ○ See Policy Statement # 7. As far as the appraisal panel for investigations we can  
353                   contact the ASC to get their opinion on the need of an appraiser panel consisting  
354                   of appraisers from each geographical area of the state. The reply as follows:  
355

356 *It is certainly allowed but not required. This would be a State's decision. Policy Statement 7*  
357 *does not define how a State reviews a complaint, only that persons analyzing complaints for*  
358 *USPAP compliance must be knowledgeable about appraisal practice and USPAP and States must*  
359 *be able to document how such persons are so qualified.*

360 *States must analyze each complaint to determine whether additional violations, especially those*  
361 *relating to USPAP, should be added to the complaint.*

362 Chair Derry suggested that the board review the bulleted items and discuss any items at the next  
363 board meeting that may require more action. Ashlee Stetson asked more questions about the  
364 annual report while Director Chambers was present. She listed the purposes of the annual  
365 reports completed by the programs overseen by the Division. There was unanimous agreement  
366 that the report could use improvement and it could be released to the board sooner.  
367

368 Per request of the board, OLE Wiard gave the board the statistics of licensed appraisers in  
369 Alaska. There are 120 certified residential appraisers, 96 certified general appraisers, 53 licensed  
370 AMC's and 18 courtesy licenses. Director Chambers also told the board that they will be posting  
371 annual statistics soon and OLE Wiard would let the board know when they are posted online.  
372

373 Chair Derry asked if anyone had more topics they would like to discuss. Chair Derry then  
374 announced he had a couple of topics he would like to discuss. He was wondering about voting  
375 on the ballots in Onboard. He wanted a consistent timeline for applications to be posted to  
376 achieve a quorum for voting. It was noted that 5 days may not be long enough time for everyone  
377 to vote. He stated applications were to get uploaded on the 15<sup>th</sup> and with AMC applications  
378 there may not be enough time to vote with only 5 days. Ashlee Stetson stated she agreed more  
379 time would be helpful for voting. Bill Barnes also requested a 10-day voting period. After

380 discussion with the board it was decided to keep applications uploaded on the 15<sup>th</sup> of each month  
381 and provide the board with a 10-day voting period.

382

383 The other area Chair Derry was concerned about was the high turnover rate with licensing  
384 examiners. Director Chambers has explained the Division requests a lot of their licensing  
385 examiners and some examiners move on and take promotions and some have difficulty meeting  
386 all of the requirements of the position. The APR board has unique federal oversight that no  
387 other board in the Division has. This adds a layer of complexity that other boards may not have.  
388 The board and Director Chambers discussed concerns and keeping communication open. The  
389 board decided to break for lunch.

390

391 Off Record: 11:43 AM

392 On Record: 12:59 PM

393

394 Those present, constituting a quorum of the Board:

395 David Derry, Certified General Real Estate Appraiser  
396 Wendy Lawrence, Certified Residential Real Estate Appraiser  
397 Renee Piszczek, Mortgage Lending Member  
398 William Barnes, Certified Residential or General Real Estate Appraiser  
399 Ashlee Stetson, Public Member

400

401 Division Staff present in the meeting:

402 Tracy Wiard, Occupational Licensing Examiner  
403 Joe Bonnell, Records and Licensing Supervisor  
404 Melissa Dumas, Administrative Officer II  
405 Shyla Consuelo, Investigator III  
406 Sara Chambers, Division Director

407

408 Public Members present in the meeting:

409 Mark Stevenson, Applicant  
410 Cody Halterman, Applicant  
411 Jeff Oliver, Regional Supervisory Appraiser

412

413 **Agenda Item #9**                      **Public Comment**

414

415 Cody Halterman addressed the board with questions he has. Mr. Halterman had reviewed the  
416 online board packet and quoted the unrevised draft minutes from the 10/25/2019 meeting. He  
417 quoted line 132 and 133 of the board packet noting Bill Barnes stated his opinion of a restricted  
418 report does not meet USPAP compliance without the accompanying work file and the restricted

419 report. Cody Halterman was hoping Mr. Barnes could explain what the purpose of a restricted  
420 report is if it needs to be transmitted with the work file for the restricted report to be compliant?  
421 Bill Barnes stated the administrative law judge had asked the board to review a few items as part  
422 of the Mr. Halterman's remand. Bill Barnes stated he would make his comments in the review  
423 and not during public comment. OLE Wiard stated that she believed Mr. Halterman was quoting  
424 the DRAFT meeting minutes from the 10/25/2019 board meeting that had not been reviewed or  
425 finalized now and may contain errors that have yet to be revised.

426  
427 Mr. Halterman then asked the board to meet USPAP compliance whenever a restricted appraisal  
428 report is transmitted is it necessary to include the work files. Chair Derry stated that you are not  
429 required to do so. Bill Barnes stated it is one thing to transmit the work file to your client and it  
430 is another when applying for a license in the State of Alaska. Mr. Halterman then stated his  
431 question was just about USPAP compliance. Chair Derry asked if Mr. Halterman had any other  
432 questions and Mr. Halterman stated he would address them when his application was discussed.  
433 It was noted that his application was not on the agenda today since it was addressed in a separate  
434 meeting on 10/25/2019.

435  
436 Chair Derry gave a summary stating the 10/25/19 meeting was regarding the remand order the  
437 board had received from the Judge Kennedy and the state Attorney General. The board wanted  
438 to make sure they considered all the information they had. The board then determined they were  
439 going to review more information regarding the remand order and no vote was made regarding  
440 approval or denial of Mr. Haltermans application. The board was going to ask for some missing  
441 information. Mr. Halterman wanted to know what was missing from his application. Chair  
442 Derry deferred to Bill Barnes who stated the board was requested to take a more thorough look at  
443 USPAP compliance in the remand order. Mr. Halterman referred to standard 2-2 and stated his  
444 office is not a small mom and pop business and they have compliance officers which check  
445 reports for USPAP compliance. Chair Derry stated that now is not the time to do that.

446  
447 Mr. Halterman discussed some of the items the board was going to request from the last  
448 10/25/20149 board meeting. Mr. Halterman stated he already marked the work log with the  
449 appraisals that were residential and non-residential and the board should refer to their  
450 administrative records for that. Mr. Halterman was concerned about the board's request for the  
451 work files in the restricted report as he feels the restricted report he submitted complies with  
452 USPAP already. After much discussion the board did consider making a revised motion to not  
453 ask for the work log as that had been previously submitted.

454  
455 Mr. Halterman then asked the board why he would need to submit the work files for the  
456 restricted appraisal reports wanting to know what USPAP standards are in violation or being  
457 corrected by their submission? Chair Derry stated the board was attempting to respond to the

458 remand. He stated the board needed to review the analysis that went into the report to see how  
459 the appraisal was determined. Ashlee Stetson stated the board wants to do a thorough review for  
460 the reconsideration of the application. Mr. Halterman then asked if verification of analysis was a  
461 standard in USPAP the board needed to review? Chair Derry then asked if USPAP required the  
462 appraiser to complete some analysis to report a value? Mr. Halterman stated that USPAP does  
463 require it but that it does not have to be part of the report for USPAP compliance as set out in  
464 standard 2-2. Chair Derry stated 2-2 is the report standard but the analysis and development of  
465 the value indication is an integral part of the report, right? Mr. Halterman stated that was correct.

466  
467 Mr. Halterman then asked about the boards statutes and regulations. He also stated the Division  
468 Director informed him yesterday that the boards duty is to make sure the minimum requirements  
469 necessary to be licensed are met. He asked the board if going through all the analysis and work  
470 products are what is minimally required for a license? Chair Derry stated the board reviewed the  
471 work already and that they are going to reconsider the information and give him a fresh start and  
472 the benefit of the doubt. Chair Derry asked if the Mr. Halterman did the minimum when  
473 completing an appraisal for a client and stated this may be more than a consideration of the bare  
474 minimum requirements.

475  
476 Director Chambers clarified her comment to Mr. Halterman for the board stating that her goal is  
477 to make sure everyone is communicating clearly about expectations and that the statutes and  
478 regulations for licensure are understood by Mr. Halterman and the board. She also stated that a  
479 licensing board goal or government goal is to set a minimum standard through statutes and  
480 regulations for applicants to enter the profession being governed. The board has set in statutes  
481 and regulations what can be required for determining eligibility for licensure. She said if work  
482 logs and work files are not in regulation it may be a place to be cautious. If the work files and  
483 work documents are going to be requested regularly then a regulation change may be necessary  
484 to mitigate any confusion.

485  
486 Chair Derry stated that he did not mean to infer that the board was requesting anything they  
487 would not normally request from an applicant for licensure. They are not asking Mr. Halterman  
488 to go above and beyond any other applicant. He also stated that the board was willing to review  
489 the application with all the requested information to make the determination. The board wants to  
490 review the analysis and the work that went into the appraisal decision. Mr. Halterman asked if  
491 the board could site in the regulations where it asks for work files to be submitted for  
492 consideration? Wendy Lawrence addressed the board stating she was looking at USPAP and she  
493 wanted to clarify that because of the nature of Mr. Haltermans report (a restricted report), she  
494 made the request for the work files. This is based on USPAP 2.2 (b)(i) which states that the  
495 conclusions set forth in the report may not be understood properly without additional information



496 set forth in the work file. Therefore, the board was requesting the work files for the restricted  
497 report and were requesting new work products.

498  
499 Chair Derry stated if Mr. Halterman did not want to submit the work files he could tell the board  
500 and the board could decide from there. The board cannot force Mr. Halterman to submit the  
501 work file. Mr. Halterman stated that he has submitted everything required in statutes and  
502 regulations and is waiting for the board to make the decision regarding his application. He also  
503 stated he does not feel the board is giving him the benefit of the doubt as stated previously.

504  
505 Chair Derry stated he did not want to argue the point and the board is attempting to take an  
506 objective view of his application. If he does not want to submit the work files he should state  
507 that. Mr. Halterman stated he would make a caveat and that he is open to submitting the work  
508 files but whatever letter he gets he wants the board to cite the statutes and regulations showing  
509 where he needs to submit the work files. He stated the regulations do not state that work files are  
510 required. He then asked if the board received the study. Jeff Oliver stated the restricted reports  
511 have an additional study that accompany the restricted reports that basically serve as a work file.  
512 It was stated by Wendy Lawrence that they were in the report.

513  
514 Mr. Halterman stated they were at a weird point. He stated he has supplied everything required  
515 in statute and regulations and the board is trying to go beyond that. He also questioned the  
516 statement that the request of work files is typical and he wanted to know how many general  
517 appraisers were certified recently and what percentage of them were required to submit the work  
518 files for a restricted report? Bill Barnes stated 99.9% of the applications are submitted by  
519 appraisers who write complete appraisals. Those reports have the data, the data analysis and  
520 final reconciliation included in them. Bill Barnes then stated Mr. Haltermans reports do not  
521 contain that information and they are being requested to meet the requirements of the legal  
522 professionals. Bill Barnes stated the legal professional have demanded the investigation of  
523 USPAP compliance in Mr. Haltermans work. He also stated they needed to be the original  
524 unaltered work file. He stated the restricted work file does not have that. Mr. Halterman then  
525 reiterated that Bill Barnes said he was demanded to request that information by the judge and  
526 asked if he was supervised by the judge and if the judge had oversight over the whole division.

527  
528 Chair Derry stated the judge didn't order anything. The board was basing their decisions off the  
529 remand order. Mr. Halterman then stated the judge wrote the remand order so the judge was  
530 ordering them to do something. Chair Derry asked if Mr. Halterman had seen the remand order  
531 and he stated he had but he did not have it in front of him. Chair Derry asked if Mr. Halterman  
532 was part of the appeal and he stated he was. Chair Derry stated the board was not part of the  
533 appeal and had no knowledge of the issue until they got the remand order.

534

535 Jeff Oliver wanted to address the board and inform them that the restricted appraisal reports are  
536 used as an internal documentation informationally with the BIA and the board happened to pick  
537 them. Jeff Oliver stated there are plenty of unrestricted reports the board can chose from that  
538 have the full analysis in the file and included in the file. Ashlee Stetson stated that was part of  
539 the purpose of the new motion to complete a more thorough review of the appraisals reports from  
540 three new work samples. Jeff Oliver states that if the board picks more restricted reports they  
541 will contain more of the work studies and not the full work report so please pick unrestricted  
542 reports.

543  
544 Chair Derry asked if the study that was included with the restricted appraisal was the work file to  
545 inform the board of that. If that is the work file then that is what the board will consider. He  
546 also stated if he was not willing to submit the work file then to tell the board that. The board will  
547 reconvene once they have the information they requested. Mr. Halterman stated the conversation  
548 needs to come down a level and he will wait until he gets the letter from the board and if what  
549 the board is asking for is required in statutes and standards than he can respond. He would also  
550 like the letter to state the rational for the request. Chair Derry stated the reason a letter has not  
551 been drafted yet was due to not having time to review the work log since the last meeting was a  
552 week ago.

553  
554 Bill Barnes asked Mr. Halterman if the study being referred to, was the 32-page document with 5  
555 pages of sales data? Mr. Halterman stated he believed that was the study file for the work file.  
556 Bill Barnes stated he had studied it at length and there was data there but no data analysis, no  
557 adjustments and one of the exhibits refences a \$1,000 per square foot along remote highways. He  
558 believed it was supposed to be acers. Mr. Halterman stated that was a simple typographical error  
559 and he could contact the client and provide copies.

560  
561 Bill Barnes wanted to summarize the burden of proof was on the applicant. The application was  
562 denied and then the applicant appealed. The courts came back to the board with a remand  
563 requesting USPAP compliance and asked the board to look at it. Bill Barnes forgot the 1st  
564 request. Mr. Barnes also stated Mr. Halterman was being given extra opportunity at the direction  
565 of the court. Mr. Halterman then stated whatever letter they get needs to meet the higher legal  
566 standard. He believes they will probably meet in court again and if everything stands up in court  
567 everything should be fine.

568  
569 **Agenda Item #10**                      **Ethic Report**

570  
571 Chair Derry asked the board if there were any ethics issues to be reported now. Chair Derry  
572 stated that he has not been made aware of any ethics violations. No ethics violations were  
573 reported at the meeting.

574 **Agenda Item #11** **Regulations Review**

575  
576 Chair Derry asked if there were any regulations to review? Regulations Specialist Sher  
577 addressed the board for the regulations review. She stated that she was told by OLE Supervisor  
578 Joe that the APR board was beginning to discuss regulation changes. Considering the audit in  
579 the Summer of 2019 there were some regulation items that needed to be addressed.

580  
581 Sher had begun a cursory draft and one of the changes was to allow for substantive cause under  
582 12 AAC 71.60 A(1)(e)(2) and 12 AAC 71.60 B. The ASC recommendation was to change the  
583 wording of federally related transaction to covered transactions. She also made a definition for  
584 covered transaction that was provided by the federal registry. She also stated the board wanted a  
585 definition of employee and for purposes of 12 AAC 71.65 where under number 3 that, “the AMC  
586 is required to report to the board on a form provided by the department and submit the free  
587 required not later than 30 days after a change of (c) (an employee, director, officer or agent)”.

588  
589 Sher wanted to know if the board wanted the employee to be an appraiser on the panel or anyone  
590 else included. Chair Derry stated if the word employee got through in the statute it wasn’t  
591 intended to. He believed it should be officer, director, or controlling person. Chair Derry then  
592 noted they didn’t have access to the agenda packet to look at the proposals. Sher stated she  
593 hadn’t provided them yet but they were some items that needed to be addressed when the board  
594 took up a regulations project.

595  
596 It was stated that there would need to be a discussion on the record and complete a regulation  
597 change questionnaire to get the process started. Chair Derry wanted to see if the application  
598 contained the word employee and if so it should be removed. OLE Wiard stated she would look.  
599 Chair Derry asked that the regulation changed be added to the next board meeting. Sher did note  
600 a deadline for regulations in place for submitting AMC’s to the registry. She believed it was  
601 June 2020. If it is a hard deadline the board would want to get them started by January.

602  
603 **Agenda Item #12** **Review Tabled Applications**

604  
605 Bill Barnes wanted to ask a question. He wanted to know if it was okay to discuss a case in a  
606 public meeting. Chair Derry stated if the applicant wanted to publicly discuss the case then it  
607 wasn’t against confidentiality laws. Wendy Lawrence stated that public comment is typically for  
608 anything not on the agenda and it was acceptable to discuss the items talked about on the record.

609  
610 OLE Wiard stated that there were 10 applications up for review. Many of them were AMC  
611 applications that a quorum had not been reached. OLE Wiard asked the board to consider an  
612 application for review. Chair Derry stated that to discuss the application requested the board

613 should go into Executive Session. OLE Wiard also noted public member Mark Stevenson was  
614 present and had an application he was hoping the board could vote on before he left. Chair  
615 Derry asked what his application was for and it is a Certified General Appraiser by reciprocity.  
616 His application was previously posted on OnBoard and a quorum was not achieved.

617  
618 Bill Barnes asked if it was the applicant who was working for DOT, had some prior legal issues  
619 and a license wasn't needed for employment? The applicant had marked yes on one of the  
620 professional fitness questions and Executive Session was mentioned by OLE Wiard. Mark  
621 Stevenson asked to address the board and stated he was in the final running for a review  
622 appraiser position within the DOT. He stated his license may be needed in a few weeks. He  
623 stated his legal issues had been expunged from his record. Bill Barnes asked what the legal  
624 issues were for and Mr. Stevenson stated he was advised not to talk about it but was having some  
625 family problems at the time.

626  
627 **On a motion made by Dave Derry, seconded by Renee Piszczek, and passed unanimously, it**  
628 **was: RESOLVED to enter into Executive Session in accordance with AS 44.62.310(c), and**  
629 **Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing appraisal**  
630 **applicants with, “subjects that tend to prejudice the reputation and character of any**  
631 **person, provided the person may request a public discussion.” Board staff were excused**  
632 **from executive session.**

633  
634 **Off the Record at 2:10 PM.**

635 **On the Record at 2:39 PM.**

636

637 Those present, constituting a quorum of the Board:

638 David Derry, Certified General Real Estate Appraiser  
639 Wendy Lawrence, Certified Residential Real Estate Appraiser  
640 Renee Piszczek, Mortgage Lending Member  
641 William Barnes, Certified Residential or General Real Estate Appraiser  
642 Ashlee Stetson, Public Member

643

644 Division Staff present in the meeting:

645 Tracy Wiard, Occupational Licensing Examiner  
646 Joe Bonnell, Records and Licensing Supervisor  
647 Melissa Dumas, Administrative Officer II  
648 Shyla Consuelo, Investigator III  
649 Sara Chambers, Division Director

650

651

652 Public Members present in the meeting:  
653 Mark Stevenson, Applicant  
654 Cody Halterman, Applicant  
655 Jeff Oliver, Regional Supervisory Appraiser  
656

657 The board had the application in Onboard to review the application of Mark Stevenson for a  
658 certified general appraiser license by reciprocity. Chair Derry noted the yes answer on the  
659 professional fitness questions. He noted the letter of explanation and the legal outcome  
660 documents and the report from the federal registry showing no actions had been taken against the  
661 license. Chair Derry asked for some clarification which Mr. Stevenson was happy to provide.  
662

663 **On a motion made by Bill Barnes, seconded by Renee Piszczek, it was: RESOLVED by roll**  
664 **call vote and passed unanimously to APPROVE Mark Stevenson’s application for a**  
665 **Certified General Appraisal License by reciprocity.**  
666

667 **Roll Call Vote:**  
668

669 Board Member	Approve	Deny	Recuse	Absent
670				
671 David Derry	X			
672 Wendy Lawrence	X			
673 William Barnes	X			
674 Renee Piszczek	X			
675 Ashlee Stetson	X			
676				

677 The board moved on to review the application for Certified Residential Real Estate Appraiser by  
678 Exam for Sara Benham. Chair Derry noted she had been a trainee appraiser and passed the exam  
679 and her work products were reviewed and approved. Chair Derry stated one of her work  
680 verification forms was completed by a nurse supervisor and one was completed by a co-worker.  
681 It was suggested that she provide the completed form by someone who can verify her work hours  
682 of appraisal experience.  
683

684 Renee Piszczek stated that the application form asks for a verification from a current or former  
685 employee so the applicant did do what was asked by the board. Wendy Lawrence noted that the  
686 person is being asked to clarify appraisal experience. It was stated the form needed to be  
687 changed and Dave Derry stated he requested a change to the form in August and it had not been  
688 completed. OLE Wiard stated the board would also need to change the regulation because the  
689 wording on the form comes from the regulation. It was noted by Chair Derry that the form also  
690 states the person completing the form needs to be able to verify completion of 1500 hours of  
691 appraisal work and that a nurse supervisor could not make that verification. Wendy Lawrence

692 stated there was not a court around that would allow someone applying for an appraisal license to  
693 have their work verified by a nurse. She stated it was the intent of the law to have the appraisal  
694 work verified by someone who had the knowledge to verify the appraisal hours and type of work  
695 experience. She stated the regulation may not say that and it could be a technicality. Wendy  
696 Lawrence went on to state that the regulation also states that 1500 hour of appraisal work needs  
697 to be verified and the nurse supervisor was not qualified to verify that experience.

698  
699 Ashlee Stetson stated that Sarah Benham did provide a letter of explanation stating Sarah  
700 Waldrup is her training supervisor that has overseen all her appraisal training. Casey Dunagan is  
701 another appraiser in the office for whom she has consulted with for some the appraisal  
702 assignments she had and Dorene Mulcahy was her current nurse supervisor. She stated that due  
703 to the regulation requiring 3 verifications with only 1 training supervisor and believes the  
704 applicant is doing everything she can to verify her hours. Wendy Lawrence asked if her nurse  
705 supervisor can attest that she completed 1500 hours of appraisal work? Ashlee Stetson stated as  
706 a supplement to the application. Wendy Lawrence disagreed.

707  
708 Chair David Derry stated that every type of application the board has seen has had the work  
709 verification forms completed by someone who has knowledge of the real estate appraising work  
710 completed by the applicant. They have been completed by someone in the field who understands  
711 the appraisal industry. Renee Piszczek stated that she understands the boards position but based  
712 on what Ashlee read in the regulations she may be eligible. Board member Wendy Lawrence  
713 stated the forms being completed by someone who can verify the experience is what has been  
714 required of all other applicants up until this point. Chair Derry asked if the applicant refused to  
715 provide the work verification? The applicant had not stated she refused to submit a new  
716 verification.

717  
718 **On a motion made by Renee Piszczek, seconded by Wendy Lawrence, it was: RESOLVED**  
719 **to APPROVE Sara Benham’s application for a Certified Residential Real Estate Appraisal**  
720 **License by Exam SUBJECT to the applicant submitting an additional Work Verification of**  
721 **her 1500 hours of appraisal work by someone in the real estate profession.**

722  
723 **Roll Call Vote:**

724 Board Member	Approve	Deny	Recuse	Absent
725 David Derry	X			
726 Wendy Lawrence	X			
727 William Barnes	X			
728 Renee Piszczek	X			
729 Ashlee Stetson	X			

732 Chair Derry then directed the board to review Samantha Riley’s application for a Registered  
733 Trainee. There was some discussion regarding the applicant’s supervisor being in Anchorage  
734 and her residing in Juneau. Board member Wendy Lawrence recused herself from the vote due  
735 to her work with the applicant’s supervisor. Chair Derry was minimally reluctant due to the  
736 distance and wondered how they inspected properties together.

737  
738 **On a motion made by Renee Piszczek, seconded by Ashlee Stetson, it was: RESOLVED by**  
739 **roll call vote and passed with 2 abstentions to APPROVE Samantha Riley’s application for**  
740 **a Registered Trainee Certification.**

741  
742 **Roll Call Vote:**

744 Board Member	Approve	Deny	Recuse	Absent
746 David Derry	X			
747 Wendy Lawrence			X	
748 William Barnes			X	
749 Renee Piszczek	X			
750 Ashlee Stetson	X			

751  
752 Chair Derry directed the board to review the Supervisory Application for Monika Walker. It was  
753 noted she met the required criteria to be a Supervisory Appraiser. It was stated she was certified  
754 in 2007.

755  
756 **On a motion made by Renee Piszczek, seconded by Wendy Lawrence, it was: RESOLVED**  
757 **by roll call vote and passed unanimously to APPROVE Monika Walker’s application as a**  
758 **Supervisory Appraiser.**

759  
760 **Roll Call Vote:**

762 Board Member	Approve	Deny	Recuse	Absent
764 David Derry	X			
765 Wendy Lawrence	X			
766 William Barnes	X			
767 Renee Piszczek	X			
768 Ashlee Stetson	X			

769  
770 It was requested that the additional AMC applications be uploaded back to Onboard for a vote.  
771 OLE Wiard also asked for a volunteer for the letter to be drafted to Mr. Halterman. It was stated

772 by Ashlee Stetson the board would need to make a motion to amend the previous motion from  
773 10/25/2019.

774  
775 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**  
776 **to amend the October 25, 2019 motion for Cody Halterman to APPROVE the board**  
777 **reconsideration of Mr. Haltermans application per the current remand order after a board**  
778 **member selects 3 new work samples, appraisal reports from the work log and the work**  
779 **files for the previously submitted appraisal reports.**

780

781 **Roll Call Vote:**

782

783 Board Member	Approve	Deny	Recuse	Absent
784				
785 David Derry	X			
786 Wendy Lawrence	X			
787 William Barnes	X			
788 Renee Piszczek	X			
789 Ashlee Stetson	X			

790

791 Chair Derry noted that this motion omits the submission of a new work log. Wendy Lawrence  
792 wanted to make sure the board was in consensus that they were within their legal rights to  
793 request the additional information they are asking for? Bill Barnes reminded the board that the  
794 burden of proof is on the applicant. He also stated many of the entries in the work log are  
795 restricted appraisals. The restricted appraisals give an opinion of value but do not include what  
796 data they used, any adjustments or the final reconciliation. He stated the applicant must be at the  
797 same skill level as everybody else and that needs to be demonstrated to the board. Bill Barnes  
798 went on to state that most applicants are doing financial institution type work, lengthy  
799 commercial appraisal reports with all that information in there. Even the URAR form reports  
800 that residential appraisers use has the data, adjustments, analysis and final reconciliation. It has  
801 always been to Bill Barnes knowledge that a restricted report may be generated for a client but  
802 the data and analysis, etc. need to be in the work file according to USPAP.

803

804 It was stated by Ashlee Stetson that the applicant stated he has completed several appraisals that  
805 are not restricted and the board may want to pick a non-restricted appraisal. It was stated since  
806 the board is not requesting a new work log then they must pick from the options previously  
807 submitted at the time of the application. Further discussion commenced and it was decided that  
808 Bill Barnes would request the 3 additional appraisal reports and draft the letter for Mr.  
809 Halterman.

810



811 Chair Derry asked OLE Wiard to check the status of Alexander Kleinke's application #148873.  
812 It was suggested the board take a quick 10-minute break so OLE Wiard could look the  
813 information up.

814

815 Off Record: 3:32 PM

816 On Record: 3:42 PM

817

818 Those present, constituting a quorum of the Board:

819 David Derry, Certified General Real Estate Appraiser

820 Wendy Lawrence, Certified Residential Real Estate Appraiser

821 Renee Piszczek, Mortgage Lending Member

822 William Barnes, Certified Residential or General Real Estate Appraiser

823 Ashlee Stetson, Public Member

824

825 Division Staff present in the meeting:

826 Tracy Wiard, Occupational Licensing Examiner

827 Joe Bonnell, Records and Licensing Supervisor

828 Melissa Dumas, Administrative Officer II

829 Shyla Consuelo, Investigator III

830 Sara Chambers, Division Director

831

832

833 Public Members present in the meeting:

834 Mark Stevenson, Applicant

835 Cody Halterman, Applicant

836 Jeff Oliver, Regional Supervisory Appraiser

837

838 Upon returning from break it was found that the application was still in progress because the  
839 review of the work product had not been completed. Chair Derry stated he would complete the  
840 review of the work products and get them sent off.

841

842

843 **Agenda Item #13 Board Business**

844

845 Chair Derry stated that the board has meeting dates on 12/09/2019 and 03/02/2020. He asked  
846 how far in advance the board would like to schedule their meetings? OLE Wiard stated as much  
847 notice as can be given is always great but not required. OLE Wiard also asked the board how  
848 many times they meet per year and it was stated 3-4 times per Chair Derry. OLE Wiard stated  
849 that a half day meeting may all that is necessary depending on the agenda.

850 Bill Barnes agreed to schedule meetings in addition to the March 2020 meeting. The board  
851 agreed to schedule another meeting. Ashlee Stetson agreed to schedule a meeting for June and  
852 would like to open the May 2020 AARO conference for discussion since the fall 2019 AARO  
853 conference travel was denied. Chair Derry suggested a meeting in May of 2020. It was  
854 suggested the meeting be scheduled the 3<sup>rd</sup> week in May of 2020 and the board could get a report  
855 back from someone who can attend the AARO meeting. Ashlee suggested Tuesday the 19<sup>th</sup> of  
856 May. OLE Wiard stated the board should pick a week and the Division would make sure there  
857 were no overlapping meetings on the day requested.

858 .  
859 The board discussed the purchase of the updated 2020-2021 USPAP. The board discussed  
860 ordering updated USPAP's for the board members, examiner and the investigator. Chair Derry  
861 noted the surplus and stated there was no financial burden with purchasing the books.

862  
863 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**  
864 **by roll call vote to unanimously APPROVE the purchase of the 2020-2021 USPAP's for all**  
865 **of the board members, the licensing examiner and the board investigator.**

866

867 **Roll Call Vote:**

868					
869	<b>Board Member</b>	<b>Approve</b>	<b>Deny</b>	<b>Recuse</b>	<b>Absent</b>
870					
871	<b>David Derry</b>	<b>X</b>			
872	<b>Wendy Lawrence</b>	<b>X</b>			
873	<b>William Barnes</b>	<b>X</b>			
874	<b>Renee Piszczek</b>	<b>X</b>			
875	<b>Ashlee Stetson</b>	<b>X</b>			

876  
877 The last item for discussion was for the AARO Conference. Chair Derry asked OLE Wiard if it  
878 was a waste of time to attempt to go to the conference. OLE Wiard stated the travel would likely  
879 be denied but it is always beneficial to make a motion and fill out the conference request form  
880 showing the boards interest and belief in the importance of attending the conference. It shows  
881 the administration that board feels the conferences are beneficial and worthwhile to keeping up  
882 with the most up to date trends and the federal oversight of AMC management and regulations.  
883 It is likely that since the AMC's are still a new license type for many states there will be  
884 regulation changes at the federal level that would be discussed at the AARO conferences.

885  
886 **On a motion made by Renee Piszczek, seconded by Ashlee Stetson, it was: RESOLVED by**  
887 **roll call vote to unanimously APPROVE to submit a travel request to send a CBPL staff**  
888 **member and a board member to the May 2020 AARO Conference.**

889



# Investigative Report

Break

# Division Report

Department of Commerce Community, and Economic Development  
Corporations, Business and Professional Licensing

Board of Certified Real Estate Appraisers  
Schedule of Revenues and Expenditures

Board of Certified Real Estate Appraisers	FY 14	FY 15	Biennium	FY 16	FY 17	Biennium	FY 18	FY 19	Biennium	FY 20 1st QTR
<b>Revenue</b>										
Revenue from License Fees	\$ 56,250	\$ 279,525	\$ 335,775	\$ 49,440	\$ 272,590	\$ 322,030	\$ 76,010	\$ 190,565	\$ 266,575	\$ 27,460
Allowable Third Party Reimbursements	1,499	-	1,499	-	5,827	5,827	1,534	4,314	5,848	1,564
<b>TOTAL REVENUE</b>	<b>\$ 57,749</b>	<b>\$ 279,525</b>	<b>\$ 337,274</b>	<b>\$ 49,440</b>	<b>\$ 278,417</b>	<b>\$ 327,857</b>	<b>\$ 77,544</b>	<b>\$ 194,879</b>	<b>\$ 272,423</b>	<b>\$ 29,024</b>
<b>Expenditures</b>										
Non Investigation Expenditures										
1000 - Personal Services	28,642	43,055	71,697	40,694	13,307	54,001	45,123	91,165	136,288	27,994
2000 - Travel	2,920	2,217	5,137	12,596	13,106	25,702	16,384	11,267	27,651	1,933
3000 - Services	1,275	33,177	34,452	3,008	5,288	8,296	7,445	10,666	18,111	63
4000 - Commodities	24	42	66	22	13	35	716	161	877	-
5000 - Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	32,862	78,491	111,352	56,320	31,714	88,034	69,668	113,259	182,927	29,990
Investigation Expenditures										
1000-Personal Services	6,273	10,239	16,512	3,464	19,945	23,409	25,013	18,383	43,396	9,231
2000 - Travel	-	-	-	-	-	-	-	1,050	1,050	1,842
3023 - Expert Witness	1,625	-	1,625	-	-	-	3,485	1,050	4,535	1,050
3088 - Inter-Agency Legal	12,055	439	12,494	-	-	-	33	33	66	-
3094 - Inter-Agency Hearing/Mediation	-	-	-	-	-	-	217	-	217	-
3000 - Services other	-	-	-	-	-	-	-	633	633	5
4000 - Commodities	-	-	-	-	-	-	-	-	-	-
Total Investigation Expenditures	19,952	10,678	30,631	3,464	19,945	23,409	28,748	21,149	49,897	12,128
<b>Total Direct Expenditures</b>	<b>52,814</b>	<b>89,169</b>	<b>141,983</b>	<b>59,784</b>	<b>51,659</b>	<b>111,443</b>	<b>98,416</b>	<b>134,408</b>	<b>232,824</b>	<b>42,118</b>
Indirect Expenditures										
Internal Administrative Costs	8,346	10,447	18,793	9,900	9,222	19,122	15,708	20,705	36,413	5,176
Departmental Costs	7,280	13,937	21,217	8,446	7,009	15,455	13,293	21,286	34,579	5,322
Statewide Costs	5,311	8,721	14,032	3,280	2,319	5,599	7,826	11,964	19,790	2,991
<b>Total Indirect Expenditures</b>	<b>20,937</b>	<b>33,105</b>	<b>54,042</b>	<b>21,626</b>	<b>18,550</b>	<b>40,176</b>	<b>36,827</b>	<b>53,955</b>	<b>90,782</b>	<b>13,489</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 73,751</b>	<b>\$ 122,274</b>	<b>\$ 196,025</b>	<b>\$ 81,410</b>	<b>\$ 70,209</b>	<b>\$ 151,619</b>	<b>\$ 135,243</b>	<b>\$ 188,363</b>	<b>\$ 323,606</b>	<b>\$ 55,607</b>
<b>Cumulative Surplus (Deficit)</b>										
Beginning Cumulative Surplus (Deficit)	\$ 57,304	\$ 41,302		\$ 198,553	\$ 166,583		\$ 374,791	\$ 317,092		\$ 323,608
Annual Increase/(Decrease)	(16,002)	157,251		(31,970)	208,208		(57,699)	6,516		(26,583)
Ending Cumulative Surplus (Deficit)	\$ 41,302	\$ 198,553		\$ 166,583	\$ 374,791		\$ 317,092	\$ 323,608		\$ 297,025
										*
<b>Statistical Information</b>										
Number of Licensees	290	319		287	346		342	298		-

**Additional information:**

- Fee analysis required if the cumulative is less than zero; fee analysis recommended when the cumulative is less than current year expenditures; no fee increases needed if cumulative is over the current year expenses \*
- Most recent fee change: Fee reduction FY19
- Annual license fee analysis will include consideration of other factors such as board and licensee input, potential investigation load, court cases, multiple license and fee types under one program, and program changes per AS 08.01.065.

Appropriation	(All)
AL Sub Unit	(All)
PL Task Code	APR1

Sum of Expenditures Object Name (Ex)	Object Type Name (Ex)			Grand Total
	1000 - Personal Services	2000 - Travel	3000 - Services	
1011 - Regular Compensation	20,250.12			20,250.12
1023 - Leave Taken	2,668.77			2,668.77
1028 - Alaska Supplemental Benefit	1,408.42			1,408.42
1029 - Public Employee's Retirement System Defined Benefits	2,264.52			2,264.52
1030 - Public Employee's Retirement System Defined Contribution	663.96			663.96
1034 - Public Employee's Retirement System Defined Cont Health Reim	439.52			439.52
1035 - Public Employee's Retirement Sys Defined Cont Retiree Medical	166.80			166.80
1037 - Public Employee's Retirement Sys Defined Benefit Unfnd Liab	1,507.71			1,507.71
1039 - Unemployment Insurance	75.05			75.05
1040 - Group Health Insurance	6,373.75			6,373.75
1041 - Basic Life and Travel	9.26			9.26
1042 - Worker's Compensation Insurance	197.69			197.69
1047 - Leave Cash In Employer Charge	529.36			529.36
1048 - Terminal Leave Employer Charge	288.85			288.85
1053 - Medicare Tax	318.13			318.13
1077 - ASEA Legal Trust	29.93			29.93
1079 - ASEA Injury Leave Usage	13.43			13.43
1080 - SU Legal Trst	19.43			19.43
2000 - In-State Employee Airfare			457.48	457.48
2001 - In-State Employee Surface Transportation			56.20	56.20
2002 - In-State Employee Lodging			458.00	458.00
2003 - In-State Employee Meals and Incidentals			182.00	182.00
2005 - In-State Non-Employee Airfare			366.35	366.35
2007 - In-State Non-Employee Lodging			265.00	265.00
2008 - In-State Non-Employee Meals and Incidentals			90.00	90.00
2009 - In-State Non-Employee Taxable Per Diem			45.00	45.00
2010 - In-State Non-Employee Non-Taxable Reimbursement			10.50	10.50
2012 - Out-State Employee Airfare			1,251.07	1,251.07
2013 - Out-State Employee Surface Transportation			184.32	184.32
2015 - Out-State Employee Meals and Incidentals			407.50	407.50
2036 - Cash Advance Fee			2.00	2.00
2970 - Travel Cost Transfer			-	-
3023 - Expert Witness			1,050.00	1,050.00
3069 - Commission Sales			67.50	67.50
<b>Grand Total</b>	<b>37,224.70</b>	<b>3,775.42</b>	<b>1,117.50</b>	<b>42,117.62</b>



# Board Training on Voting

# Lunch

# Review Regulations for Regulations Change Project

The Appraisal board needs to draft regulations for CE renewal requirements in 12 AAC 70.220(a)(1), (2) to include the term “completed during the concluding licensing period”.

In addition, they should consider reinstatement requirements for lapsed licenses.

Examples from other programs-

Medical Board regulations for CE's at renewal-

**12 AAC 40.200. GENERAL REQUIREMENTS.**

(b) If a licensee fails to meet continuing medical education requirements due to illness or other extenuating circumstances, the licensee may request an extension of time in order to comply with those requirements. The request for an extension must be made on the licensee's application for license renewal. The board, or its designee, will only consider a request for extension if the licensee also agrees to enter into a memorandum of agreement with the board that specifies the date within the licensing period by which the licensee will meet the continuing education requirements and the licensee's agreement to voluntarily surrender the license to the board if the licensee fails to comply with the memorandum of agreement. The board, or its designee, will evaluate the request and proposed memorandum of agreement on an individual basis. If approved, the board, or its designee, will grant the extension of time and issue the renewed license for the next licensing period, effective from the date of the approval of the agreement.

**12 AAC 40.240. EXEMPTION FROM CONTINUING MEDICAL EDUCATION REQUIREMENTS.** For the purposes of exempting a licensee from meeting the continuing medical education requirements in a licensing period, extenuating circumstances are those circumstances, beyond the licensee's control, that prevent the licensee from meeting the continuing medical education requirements. Extenuating circumstances include the licensee's debilitating or long-term personal illness or injury and the debilitating or long-term illness or injury of a member of the licensee's immediate family.

Psychology CE regulations-

**12 AAC 60.340. REINSTATEMENT.** (a) The license of any licensee which is not renewed by reason of failure to comply with the continuing education requirements of 12 AAC 60.250—12 AAC 60.350, may be reinstated after submission to the board of proof of the completion of all continuing education credit hours required.

(b) A licensee unable to obtain the required continuing education hours for license renewal, due to reasonable cause or excusable neglect, must request exemption status in writing to the board with a statement explaining the reasonable cause or excusable neglect. The board will, in its discretion, prescribe an alternative method of compliance with the continuing education requirements as the board considers appropriate to the individual situation.

Veterinary CE regulations -

**12 AAC 68.047. RENEWAL AND REINSTATEMENT OF LICENSE.** (a) An applicant for renewal of a veterinary license, or to reinstate a veterinary license that has been lapsed for 60 days or less, must submit

(1) an application for renewal or reinstatement on a form provided by the department;

(2) the license renewal fee established in 12 AAC 02.350; and

(3) documentation that the applicable continuing education requirements of 12 AAC 68.220 – 12 AAC 68.240 have been met.

(b) An applicant for reinstatement of a veterinary license that has been lapsed for more than 60 days but less than two years must submit, in addition to the items required in (a) of this section, the delayed renewal penalty fee established in 12 AAC 03.350.

(c) An applicant for reinstatement of a veterinary license that has been lapsed for two years or more, but less than five years must submit

(1) an application for reinstatement on a form provided by the department;

(2) the applicable license renewal and delayed renewal penalty fees established in 12 AAC 02.350; and

(3) documentation of completion of all continuing education requirements in 12 AAC 68.220 – 12 AAC 68.240 that the applicant would have been required to meet to maintain a current license for the entire period that the license has been lapsed.

(d) A veterinary license that has been lapsed for five years or more may not be reinstated. The former licensee may apply for a new license under AS 08.98 and this chapter.

(e) A licensee or former licensee who was unable to obtain the required continuing education hours for renewal or reinstatement of a veterinary license due to reasonable cause or excusable neglect, may request an exemption from those requirements. The applicant must submit to the board a written request for an exemption that explains the reasonable cause or excusable neglect. If

the board decides to grant the exemption, the board may require an alternative method of compliance with the continuing education requirements to ensure the applicant's continued competency. (this section is where you would add entering into a consent agreement)

(f) In this section, "reasonable cause or excusable neglect" includes

- (1) chronic illness;
- (2) retirement;
- (3) personal or family hardship; or
- (4) other similar circumstances as determined by the board.

#### **Marital and Family Therapy CE regulations-**

**12 AAC 19.340. FAILURE TO MEET CONTINUING EDUCATION REQUIREMENTS AND LICENSE REINSTATEMENT.** (a) The board will reinstate a license that was not renewed because of the licensee's failure to meet the continuing education requirements in 12 AAC 19.300 - 12 AAC 19.330 if the licensee submits to the board proof of completion of all required continuing education credit hours and meets all other requirements for license renewal.

(b) A licensee who is unable to obtain the continuing education hours required for license renewal due to reasonable cause or excusable neglect may submit a written request to the board for an exemption. The request for an exemption must include an explanation of the reasonable cause or excusable neglect that resulted in the licensee's failure to meet the continuing education requirements. If the board grants the exemption, the board will, in its discretion, prescribe an alternative method of compliance with the continuing education requirements as the board considers appropriate to the individual situation.

(c) In this section, "reasonable cause or excusable neglect" includes

- (1) chronic illness;
- (2) retirement;
- (3) military service;
- (4) leave of absence from active practice during the concluding licensing period; and
- (5) hardships recognized by the board.

**From:** [Brooks, Claire \(CED sponsored\)](#)  
**To:** [Zinn, Sher K \(CED\)](#)  
**Cc:** [Bonnell, Joseph K \(CED\)](#); [Fenochietti, Neal \(CED sponsored\)](#)  
**Subject:** RE: Covered Transactions  
**Date:** Wednesday, July 31, 2019 10:30:43 AM  
**Attachments:** [final rule for minimum requirements for amcs.pdf](#)

---

The AMC Rule provided that the minimum requirements in participating States would apply to all entities that meet the definition of AMC in providing appraisal management services related to consumer credit transactions secured by the consumer's principal dwelling for both Federally related transactions and non-Federally related transactions.

A federally related transaction (FRT) is, by statute, a real-estate related financial transaction that (1) "a federal financial institution regulatory agency engages in, contracts for, or regulates" and (2) "requires the services of an appraiser." 12 U.S.C. § 3350(4). However, the agencies adopted exemptions from the Title XI appraisal requirement (including but not limited to a de minimis exemption and transactions that qualify for sale to a GSA). In support of these exemptions, the agencies stated that appraisals were not necessary to protect safety and soundness for certain real estate-related financial transactions.

In the Supplementary information of the AMC Rule (in the attached on page 8), the agencies discuss covered transactions and why they chose this term over FRT: A covered transaction as any consumer credit transaction secured by the consumer's principal dwelling. The proposed definition did not limit the definition of "covered transaction" to Federally related transactions (generally, credit transactions involving a Federally regulated depository institution, see 12 U.S.C. 3350(4)), even though Title XI of FIRREA and its implementing regulations have applied historically only to appraisals for Federally related transactions.

As stated in the proposed rule, defining "covered transaction" to include all consumer credit transactions secured by the consumer's principal dwelling reflects the statutory text of section 1121(11), which defines the term "appraisal management company," as in pertinent part, "any external third party authorized either by a creditor of a consumer credit transaction secured by the consumer's principal dwelling or by an underwriter of or other principal in the secondary mortgage markets."

Although the AMC Rule requires the appraisal management company "engage only state certified or state licensed appraiser for Federally related transactions in conformity with any Federally related transaction regulations", the panel size and fee calculations are dependent on those appraisers who perform covered transactions which is much broader than FRTs.

Please let me know if you have any questions.

Regards,

*Claire*

---

Claire Brooks  
Policy Manager

Appraisal Subcommittee  
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---

**From:** Zinn, Sher K (CED) <sher.zinn@alaska.gov>  
**Sent:** Wednesday, July 31, 2019 12:52 PM  
**To:** Claire M. Brooks <claire@asc.gov>; neil@asc.gov  
**Cc:** Bonnell, Joseph K (CED) <joseph.bonnell@alaska.gov>  
**Subject:** Covered Transactions

Claire and Neil,

As we discussed on Monday, the regulations for AMC panels should refer to “covered transactions”, and not “federally related transactions”.

Would it be possible for you to give me a brief overview of the difference between the two? Since the Alaska statutes do not refer to “covered transactions” but federally related transactions, if asked, I would like to show our Department of Law what the difference is, and why we are changing to “covered transactions”.

On page 32683 of the attachment Neil sent to me, it states that the appraisal management company “engage only state certified or state licensed appraiser for Federally related transactions in conformity with any Federally related transaction regulations”. I need to know how this differs from “covered transactions”. I found the definition for covered transaction but not one for federally related transactions.

Thank you,  
*Sher Zinn*  
*Regulations Specialist*  
*Division of Corporations, Business*  
*And Professional Licensing*  
*907-465-1049*  
[Sher.zinn@alaska.gov](mailto:Sher.zinn@alaska.gov)

**From:** [Brooks, Claire \(CED sponsored\)](#)  
**To:** [Bonnell, Joseph K \(CED\)](#); [Alcancia, Allan A \(CED\)](#); [Zinn, Sher K \(CED\)](#)  
**Cc:** [Fenochietti, Neal \(CED sponsored\)](#)  
**Subject:** AMC Discussion  
**Date:** Monday, July 29, 2019 1:17:15 PM

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Below are the notes I have regarding the current laws for AMCs and compliance with the AMC Rule:

Courtesy review of AMC laws:

*12 AAC 70.175. ANNUAL REPORTING AND FEDERAL REGISTRY REQUIREMENTS FOR*

*APPRAISAL MANAGEMENT COMPANIES. (a) A registered appraisal management company shall report annually on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for **federally related transactions** in the state during the preceding calendar year.*

*(b) Federally regulated appraisal management companies shall report annually to the board information required by AS 08.87.155 on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for **federally related transactions** in the state during the preceding calendar year.*

*This should say "covered transactions."*

*Sec. 08.87.135.(7) is not directly or indirectly owned in whole or in part by a person that has had a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state unless the person has later had a certificate to act as a real estate appraiser granted or reinstated by the same state;*

*Does not include not revoked for a substantive cause.*

*Cannot find any requirement that an AMC not remove an appraiser without prior notice. We believes this is needed.*

*Claire*

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**From:** [Brooks, Claire \(CED sponsored\)](#)  
**To:** [Bonnell, Joseph K \(CED\)](#); [Alcancia, Allan A \(CED\)](#); [Zinn, Sher K \(CED\)](#); [Chambers, Sara C \(CED\)](#)  
**Subject:** Notes from Compliance Reviews  
**Date:** Monday, August 5, 2019 7:27:19 PM

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Good evening Alaska!

Obviously I'm still on Alaska time. As promised, below are some notes and/or suggestions from the our exit conference of last week. I also included some notes on where we believe Alaska's laws exceed the minimum Federal requirements.

### **Appraiser Laws:**

**We didn't find any areas that were out of compliance but there are several areas where AK exceeds the minimum AQB Criteria. This appears to conflict with Alaska's statute: STATUTE 08.87.020 (3) states that regulations adopted by the Board for 08.87.110 (General, residential, and institutional real estate appraiser certificates), 08.87.120 (Continuing education requirements for renewal of a certificate) and 08.87.310 (Trainee appraiser; supervisory appraiser), may not be more stringent than Federal law. While States are allowed to be more restrictive than the Federal requirements, I thought you may want to know the areas we noticed that exceeded:**

- *12 AAC 70.108. WORK EXPERIENCE REQUIREMENTS FOR REAL ESTATE APPRAISER CERTIFICATION. (c) An applicant may not receive credit for more than 1,250 hours of experience in real property appraisal in a 12-month period. **The AQB Criteria doesn't limit the number of hours someone can accumulate in 12-months. This provision also confuses your own regulation which was changed to reflect the 2018 AQB Criteria - 12 AAC 70.108. WORK EXPERIENCE REQUIREMENTS FOR REAL ESTATE APPRAISER CERTIFICATION. (a) An applicant for certification as a general real estate appraiser shall submit verification of 3,000 hours of appraisal work obtained continuously over a period of not less than 18 months... (b) An applicant for certification as a residential real estate appraiser shall submit verification of 1,500 hours of appraisal experience obtained continuously over a period of not less than 12 months. Under 12 AAC 70.108(c) it would take a general real estate appraiser over 2 years to reach 3,000 hours and more than 12 month for the certified residential to reach 1,500 hours. I believe this will confuse applicants (and in fact heard evidence of this when a trainee called into the Board meeting we attended) not to mention it may be easily be challenged.***
- *12 AAC 70.220. HOURS OF CONTINUING EDUCATION REQUIRED (d) Up to one-half of the hours required by this section may be obtained through distance education approved under 12 AAC 70.210 or online courses approved under 12 AAC 70.215. **AQB Criteria does not limit distance education.***
- *12 AAC 70.110. VERIFICATION OF WORK EXPERIENCE. (a) An applicant's qualifying work experience must be verified by a combination of at least three different individuals... **AQB Criteria only requires the Supervisor to verify work experience by signing the trainee's work log.***
- *12 AAC 70.935. SUPERVISION OF TRAINEE APPRAISERS. (3) personally inspecting each appraised property with the trainee appraiser until the supervisory appraiser*

*determines that the trainee appraiser is competent, in accordance with the Competency Rule of the Uniform Standards of Professional Appraisal Practice, for the property type; the supervisory appraiser shall make the determination of competency in writing on a form provided by the department and shall submit the determination to the department not later than 10 days after the date of the determination. Determination of competency form completed by supervisor for trainees. Supervisor must complete and turn in. If they find trainees went to properties on their own before the receipt of this form, experience does not count. **The AQB Criteria doesn't require Supervisors to notify the State when they feel the trainee is competent to inspect the property. Although this may or may not be considered "more stringent" than AQB Criteria, it could become a big problem for an applicant if the Supervisor forgets to complete the form as all experience gained without the Supervisor will be useless toward experience hours.***

### **Temporary Practice:**

State staff is not always logged into the National Registry when checking temporary practice applications. We found this mainly in older application files. Logging in will show all prior discipline.

The "Application Complete" date on log should be the date the State receives all the information from the applicant necessary to process. It is not the date the staff completed and issued the application. So if an applicant applies on 1/1/19 for a temporary permit, you log that date in under "Application Received" but then they failed to provide all the States they were licensed in and you send it back to them. On 1/10/19, you receive the list back from the applicant. This is the date of "Application Complete."

Some temporary application files didn't have a completed check-list. Although we were able to verify any delays, the check-list is very helpful.

### **National Registry:**

During this Review cycle, when processing renewals, effective dates in registry were entered as 0219 instead of 2019 several times which caused an issue with the National Registry data. Alaska was notified and the State came up with the following plan to avoid the errors in the future: We have been reviewing the processes, and our plan for ensuring accuracy will be to run the Appraiser Change Log from the Extranet and have a second person open up the individual records which were changed and verify the dates are correct. Please continue this process. At the next renewal, consider sending a data file with all your appraiser data instead of hand keying each entry. It may be easier and help reduce errors. Contact Brian and he can walk you through when you're the process.

### **Applications:**

ASC's Policy Statement 4 states "*States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education credit claimed fail to meet the minimum AQB Criteria.*" The 2017 audit had 24 individuals out of a licensing pool of 249 (roughly 10%). Of those 24 individuals, 2 failed to renew and so did not respond and 4 failed the audit. 4 out of 22 responding is 18% failure rate. However, we reviewed the files and 2 of those met the AQB requirements but failed because the State only allows ½ of the education to be taken on-line. For ASC's purposes the CE failure rate was acceptable at 9% (22/2). Alaska should consider adding notification to the renewal application and the website as a reminder that ½ of the education must be classroom.

ASC's Policy Statement 4 also states: "The State's validation procedures must be structured to permit acceptable projections of the sample results to the entire population of subject appraisers. Therefore, the sample must include an adequate number of affidavits selected from each federally recognized credential level..." The 2017 and 2019 audits did not include trainees.. I understand the lack of trainee licenses was a product of the random selection process and that the State added 3 trainees to the upcoming 2019 audit and will ensure each licensing category is included.

Reciprocal applicants are asked for a letter of good standing from one State. If you log in to the National Registry, you could do away with this process if the State wishes.

#### **AMC Laws:**

*12 AAC 70.175. ANNUAL REPORTING AND FEDERAL REGISTRY REQUIREMENTS FOR APPRAISAL MANAGEMENT COMPANIES. (a) A registered appraisal management company shall report annually on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for **federally related transactions** in the state during the preceding calendar year. (b) Federally regulated appraisal management companies shall report annually to the board information required by AS 08.87.155 on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for **federally related transactions** in the state during the preceding calendar year.*

In place of "federally related transactions it should say "covered transactions." I previously sent an explanatory email to Sher about this but please don't hesitate if you need further clarification.

*Sec. 08.87.135.(7) is not directly or indirectly owned in whole or in part by a person that has had a certificate to act as a real estate appraiser denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation in any state unless the person has later had a certificate to act as a real estate appraiser granted or reinstated by the same state; This needs section needs to include that the license was not revoked for a substantive cause.*

The AMC Rule says: § 34.214 Ownership limitations for State-registered AMCs.

*(a) Appraiser certification or licensing of owners. (1) An AMC subject to State registration pursuant to § 34.213 shall not be registered by a State or included on the AMC National Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause, as determined by the appropriate State appraiser certifying and licensing agency.*

*(2) An AMC subject to State registration pursuant to § 34.213 is not barred by § 34.214(a)(1) from being registered by a State or included on the AMC National Registry if the appraiser license of the appraiser with an ownership interest was not revoked for a substantive cause and has been reinstated by the State or States in which the appraiser was licensed or certified.*

There were no requirements that an AMC cannot remove an appraiser without prior written notice. The AMC Rule states: § 225.192 Appraiser panel – annual size calculation... (b) An appraiser who is deemed part of the AMC's appraiser panel pursuant to paragraph (a) of this section is deemed to remain on the panel until the date on which the AMC:

*(1) Sends written notice to the appraiser removing the appraiser from the appraiser panel, with an explanation of its action; or*

*(2) Receives written notice from the appraiser asking to be removed from the appraiser panel or notice of the death or incapacity of the appraiser.*

ASC believes this is important to include.

I'm not sure what will be in the Report but hopefully you will receive it in a few weeks. If you believe a letter of support for someone to attend the AARO would be helpful, please let me know who it should be addressed to and I will draft a letter from our Executive Director.

Thank you for all your assistance and please don't hesitate to contact me if you have any questions.

Regards,

*Claire*

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# Review Approve Tabled Applications