

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 REGULATIONS SUBCOMMITTEE  
5 MEETING

6  
7 MINUTES OF THE SUBCOMMITTEE MEETINGS  
8 Tuesday, February 18th, 2020

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

12  
13 *These minutes have been reviewed or approved by the Board.*

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15  
16 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
17 scheduled meeting of the Board of Certified Real Estate Appraisers Regulations Subcommittee was held  
18 via teleconference on Tuesday, February 18th, 2020.

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

21  
22 The meeting was called to order at 10:02 a.m. by OLE Wiard.

23  
24 Those present, constituting a quorum of the Subcommittee:

25 William Barnes, Certified Residential or General Real Estate Appraiser

26 Renee Piszczek, Mortgage Lending Member

27 Ashlee Stetson, Public Member (Alternate Subcommittee Member)

28  
29 Division Staff present in the meeting:

30 Tracy Wiard, Occupational Licensing Examiner

31  
32  
33 **Agenda Item #2** **Ethics Report**

34  
35 OLE Wiard asked the Subcommittee if there were any ethics disclosures the Subcommittee  
36 members would like to report? No one had any so they moved on to the next order of business.

41 **Agenda Item #3** **Review / Approve Agenda**

42

43 OLE Wiard asked if the members of the Subcommittee had any suggested revisions to the  
44 agenda. No one had any and a motion was made to accept the agenda as written.

45

46 **On a motion made by Renee Piszczek, seconded by Bill Barnes, and passed unanimously, it  
47 was RESOLVED to APPROVE the agenda.**

48

49 **Agenda Item #4** **Proposed Statute Changes**

50

51 OLE Wiard directed the Subcommittee to review the proposed statute changes the board voted to  
52 commence at the last APR board meeting on December 09, 2019. The first statute for the  
53 Subcommittee to discuss is capping the professional liability for real estate appraisers to 5 years.  
54 Once the statute is drafted it would go to LAW for an opinion and a sponsor of the bill would  
55 need to be found.

56

57 OLE Wiard stated the Subcommittee members could draft the proposed wording of the statute  
58 and then present it to the APR board for a vote at the March 2, 2020 meeting. This could also be  
59 completed for the additional statutes the board had voted to change and or create. Bill Barnes  
60 stated he did not know how to word the statute. OLE Wiard stated she was not allowed to write  
61 the statute for the board and it would just be the wording the Subcommittee comes up with. It  
62 was stated the draft could also be amended at the March 02, 2020 meeting as it would need  
63 board review and a vote of approval.

64

65 Bill suggested the statute state, “be it resolved that professional liability shall be no more than 5  
66 years from delivery of appraisal service.” Renee stated that she agreed and OLE Wiard asked if  
67 it could be considered a motion? Bill stated it could be considered a motion.

68

69 **On a motion made by Bill Barnes, seconded by Renee Piszczek, and passed unanimously, it  
70 was RESOLVED to APPROVE the statute wording as follows: “Be it resolved that  
71 professional liability shall be no more than 5 years from delivery of appraisal service.”**

72

73 OLE Wiard directed the Subcommittee to the next statute change the APR board had voted on at  
74 the December 2019 meeting. The board had voted to create a statute that would allow licensed  
75 appraisers to perform evaluations. Evaluations by appraisers are not USPAP compliant. OLE  
76 Wiard informed the Subcommittee that there were several places in the current APR statutes and  
77 regulations that state licensed appraisers in Alaska must comply with USPAP, Title XI and Frank  
78 Dodd. Creating a statute that allows evaluations or non-compliance with USPAP, Title XI and  
79 Frank Dodd would affect other statutes and regulations. Those statutes and regulations may need

80 amendments or complete changes to make sure the regulations remain cohesive and the  
81 expectations of regulatory compliance from licensees is clearly understood. It was also  
82 suggested the board make a clear statement on when appraisers can perform an evaluation and  
83 when they cannot.

84  
85 Renee stated that appraisers work very hard to obtain and maintain their licenses and allowing  
86 evaluations may be too far of a stretch for the Alaska statutes and regulations governing  
87 appraiser licensure. Bill stated he had participated in a USPAP class and evaluations were  
88 discussed in detail. He stated evaluations are being performed all over the country and he  
89 proposed the full board discuss the topic of evaluations at the March 02, 2020 meeting. He also  
90 stated that brokers already perform evaluations and at times the loan to value of a home may be  
91 so low that they just need something to place in a file. Renee believes the purpose of the statute  
92 is to prevent appraisers from losing out on the money they could earn from performing  
93 evaluations.

94  
95 OLE Wiard stated it would be advisable for the board to clearly state what situations would  
96 warrant an appraiser to perform an evaluation and when they could not. This would be good to  
97 add to the regulations and look over the regulations to see any potential affect this would have on  
98 multiple statutes and regulations already in place. Bill asked about the oversight from the  
99 Department of Law and it was stated they would review what the board creates as a new statute  
100 and regulation but would not write the statute or regulation for the board.

101  
102 It was the consensus of the Subcommittee to refer the topic of evaluations to the next board  
103 meeting in March. There are other board members who have more insight and knowledge  
104 regarding evaluations vs. appraisals. OLE Wiard agreed to add this topic to the March meeting  
105 agenda.

106  
107 OLE Wiard suggested the board look at the statute that does not allow the APR board to have  
108 regulations that are more stringent than 12 USC 3331-3355 otherwise known as the Dodd-Frank  
109 Act and the Truth in Lending Act. This statute may cause problems when the board wants to  
110 review applications for licensure and wants further proof of experience or other items for  
111 clarification of an applicant's education and experience. It also goes against the board regulation  
112 allowing only half of the continuing education courses for renewal to be completed distance or  
113 online as USPAP allows all courses to be completed online.

114  
115 The specific statute is AS 08.87.020 (a)(3)(A)(i) and (ii). The board could just remove the,  
116 "more stringent than," portion of the statute for the statutes which that verbiage applies. That  
117 verbiage references 5 different statutes that list the qualifications for licensure a real estate  
118 appraiser or AMC. Both Bill and Renee agreed to add this topic to the March 2 APR meeting.

119 **Agenda Item #5** **Proposed Regulation Changes**

120  
121 OLE Wiard brought the attention of the Subcommittee a regulation change that may improve  
122 speed and efficiency of application review and approval. This is regulation 12 AAC 70.150  
123 which requires all applications to be complete for 15 days prior to board review. The board  
124 currently likes to review new applications every month on the 15<sup>th</sup>. This regulation requires any  
125 applications completed at the 1<sup>st</sup> of the month to be reviewed by the board on the 15<sup>th</sup> of the  
126 following month instead of the 15<sup>th</sup> of the month it was considered complete. It could be  
127 removed and the efficiency of the application review improved.

128  
129 The Subcommittee members stated it may be preferred to take a dribble or one application at a  
130 time. Renee states the board used to do this but too many members were missing the  
131 applications and the deadlines. It was found that all applications going to the board on the 15<sup>th</sup>  
132 was a cleaner method. It was suggested this topic be added to the March 2 board meeting.

133  
134 **On a motion made by Bill Barnes, seconded by Renee Piszczek, and passed unanimously, it**  
135 **was RESOLVED to APPROVE the discussion of a change and/or removal of regulation 12**  
136 **AAC 70.126 at the March 02, 2020 meeting.**

137  
138 The next item on the agenda is re writing the regulations to allow applications submitted for  
139 continuing education that are approved by AQB and IDECC submit their proof of AQB and  
140 IDECC approval for acceptance by the board. This would limit the number of pages the board  
141 members would need to review prior to approving the course.

142  
143 It was pointed out that the regulations would still want to keep the listed requirements for  
144 approval of continuing education courses that are not AQB or IDECC approved. Bill Barnes  
145 asked if the board staff were responsible for writing up the motions and wording for the new  
146 regulations? OLE Wiard informed Mr. Barnes it was the boards job to draft the proposed  
147 changes to the statutes and regulations for submission to board staff. The board needs to clearly  
148 state their wants and intentions then submit to the staff and CBPL but the staff does not write it  
149 for them. OLE stated that the subcommittee could draft the regulations as they wanted, then  
150 present them to the board at the March 02 meeting. Mr. Barnes believed this would be a difficult  
151 task that is currently over his head. OLE Wiard advised the whole purpose of the Subcommittee  
152 meeting was to draft some changes in the regulations.

153  
154 Renee asked some clarifying questions about starting the wording for the regulations changes.  
155 She wanted to know if they were literally supposed to fill in the regulation adding a new section  
156 or amendment? OLE Wiard advised that a new section could be added to the regulation or they  
157 could be re written. It's generally advisable to do what is easier as long as it remains legally

158 compliant. It was also stated the board was required to complete the regulation change  
159 worksheet. Other boards sometimes nominate a person from the board to complete the form but  
160 it may be completed during a meeting.

161  
162 In reviewing the discussion of the proposed statute and regulations changes, alternate  
163 Subcommittee member Ashlee Stetson asked why the board originally stated in statute that they  
164 could not be any more stringent than the Frank Dodd or Truth in Lending Act? OLE Wiard was  
165 not sure why this was here as it was in place long before her arrival into CBPL. Bill stated it  
166 seemed like AK Legislature doesn't like new laws. He noted this trend with the creation as  
167 AMC's as no Legislators would sponsor an AMC bill until it was federally mandated. He noted  
168 other states like creating new statutes and regulations.

169  
170 The subcommittee discussed drafting the proposed changes but felt they were not cut out to draft  
171 new statutes and regulations. Bill wanted the issues to be reconsidered at the March 02 meeting  
172 with the full board present.

173  
174 **On a motion made by Renee Piszczek, seconded by Bill Barnes, and passed unanimously, it**  
175 **was RESOLVED to APPROVE the discussion of the proposed statute and regulations**  
176 **changes at the March 02 meeting to allow for full board participation.**

177  
178 Bill asked if the subcommittee made any progress. OLE Wiard stated any regulation change  
179 would be progressive. Bill went on the state he was in the USPAP course recently and the  
180 experience required is now allowed to be completed in 12 months for a residential license and 24  
181 months for a general license. This is another issue the board may want to discuss for a regulation  
182 change project. OLE Wiard was also not sure if the verification of work experience by 3 people  
183 is a USPAP compliant requirement.

184  
185 OLE Wiard brought one last issue to the board for discussion and this is the licensing reform  
186 legislation that the governor is currently pushing through the legislator. This would require all  
187 occupations overseen by the division to provide an avenue for temporary licensure while an  
188 applicant works and applies for a permanent license. The avenue would be licensure in another  
189 state and an application. This provision would require the board to define terms like moral  
190 turpitude, good moral character and exact crimes that would bar an applicant from licensure.  
191 OLE Wiard has referred to definitions from the Alaska Police Standards Council Definitions for  
192 ideas and will bring them to the March APR meeting.

193  
194 Renee offered to email some drafting for the statutory change to the, "no more stringent than,"  
195 Frank Dodd and the Truth in Lending Act as well as the allowance of approval of continuing  
196 education applications that are already AQB and IDECC approved.

197 **In a motion made by Bill Barnes, and seconded by Renee Piszczek, it was RESOLVED to**  
198 **ADJOURN.**

199  
200 Hearing nothing further, OLE Wiard adjourned the meeting at 11:00 am.

201 Respectfully Submitted,

204 *Tracy Wiard*  
205  
206 Tracy Wiard, Licensing Examiner

August 4th, 2020  
Date

207  
208 *Wendy Lawrence*  
209  
210 Wendy Lawrence

August 4th, 2020  
Date