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2 STATE OF ALASKA
3 DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT
4 DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
5

6 **BOARD OF CERTIFIED REAL ESTATE APPRAISERS**
7 **MEETING MINUTES**
8

9 **April 12, 2022**
10 **Board Meeting**
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 Board of Certified Real Estate Appraisers was held April 12, 2022, at
14 the State of Alaska Atwood Building, 550 W. 7th Avenue, Suite 1550, via Zoom, Anchorage,
15 Alaska.
16

17
18 **Tuesday, April 12, 2022**

19 **Agenda Item 1 - Call to Order**

20 Chairperson Ashlee Stetson called the meeting to order at 10:13 a.m., at which time a quorum
21 was established.
22

23 **Roll Call**

24 **Members Present via Zoom**

25 Ashlee Stetson, Public Member, Chairperson
26 Val Kudryn, Certified Residential Real Estate Appraiser
27 Leon McKean, Mortgage Industry Executive
28 Mae Hayes, Certified Residential Real Estate Appraiser
29

30 **Members Absent:**

31 None
32

33 **Staff Present:**

34 Sara Sather, CBPL APR Licensing Examiner
35 Erika Prieksat, CBPL Investigator
36 Anna Gabriel, CBPL Investigator, via Zoom
37 Melissa Dumas, CBPL Administrative Operations Manager, via Zoom
38 Marilyn Zimmerman, CBPL Paralegal
39 Brian Surprise, CBPL Paralegal
40

41 **Public in Attendance-via Zoom:**

42 Stuart Burns, via Zoom
43 Erin Ingle, via Zoom
44 Ben Hartlieb, via Zoom
45

46
47 **Review/Approve Agenda**

48 Board Members reviewed the meeting agenda and moved to approve.
49
50

51 **On a motion made duly by Mr. Kudryn, seconded by Ms. Hayes, it was**

52
53 **RESOLVED to approve the meeting agenda for April 12, 2022.**

54
55 **The motion passed unanimously.**

56
57
58 Ethics Report

59 There were no ethics reports to be made.

60
61 Continuing Education Statement

62 Stuart Burns requests to obtain continuing education for attendance of the meeting. Mr. Kudryn
63 and Ms. Hayes also request to obtain continuing education for attendance if they have not
64 reached their max hours. Ms. Sather will confirm how many hours may be obtained and email
65 the Continuing Education Statement to the appropriate individuals.

66
67
68 **Agenda Item 2 – Review/Approve Past Meeting Minutes**

69
70 January 11, 2022

71 The January Board Meeting meeting minutes were reviewed with no discrepancies. The Board
72 moved to approve the meeting minutes as written. Mae Hayes abstained from voting as she
73 was not present at the January 11, 2022 meeting.

74
75 **On a motion duly made by Mr. McKean, seconded by Mr. Kudryn, it was**

76
77 **RESOLVED to approve the meeting minutes for January 11, 2022.**

78
79 **The motion passed.**

80
81
82 March 9, 2022

83 The March Teleconference meeting minutes were reviewed with no discrepancies. The Board
84 moved to approve the meeting minutes as written. Ashlee Stetson abstained from voting as she
85 was not present at the March 9, 2022 meeting

86
87 **On a motion duly made by Ms. Hayes, seconded by Mr. Kudryn, it was**

88
89 **RESOLVED to approve the meeting minutes for March 9, 2022.**

90
91 **The motion passed.**

92
93
94 **Agenda Item 3 – Public Comment**

95
96 Stuart Burns, certified appraiser representing Stan Sayers Appraisal in Anchorage, spoke on
97 behalf of the company's Supervisor Appraiser Paul Christian Andrews who was unable to attend
98 today. Speaking on behalf of the company's two Trainees Mr. Burns expressed they are running
99 into difficulty with a less than desirable training experience with the Appraisal Institute. They are
100 reaching out to the Board to potentially assist in getting their training experience completed in a
101 timely manner. Due to Covid Appraisal Institute is not holding in person courses. In regards to
102 the Sales and Income Approach Course specifically, there is currently no approved online

103 course for qualifying education. Due to this the Trainees are facing a 6 month to 1 year delay in
104 applying as an appraiser just because they cannot obtain prerequisite courses required for the
105 application. The request to the Board is to consider approving the online Sales and Income
106 Approach Course as a qualifying education course.

107
108 Ms. Stetson asked if this specific course was discussed during the March Teleconference.
109 Ms. Hayes explained the March 9th meeting was focused on how to amend the regulations to
110 recognize that online platforms are an acceptable method of education. That specific course
111 was not discussed, however, the topic of online courses was being addressed. Mr. Kudryn
112 confirmed this and went into further explanation of the course approval process. Ms. Stetson
113 provided further explanation that with synchronous courses her priority is reviewing the
114 attendance policy. She explained that the Board, as a whole, has held consistent importance
115 with approval of online courses, especially with Covid.

116
117 Ben Hartlieb asked if there was a potential timeline of when an online course would be
118 approved.

119
120 Ms. Stetson explained that the Board does not reach out to education providers for them to
121 submit courses for approval. That burden is on the education provider to submit applications.
122 Ms. Sather explained the timeline for state processing application for Board review; for a
123 complete application roughly about a week to get in front of the Board. Once received the
124 application is received, mail sorted, payment processed, scanned and delivered to each
125 department, once in the examiner's inbox it is the time of the examiner reviewing. If it is not
126 complete it can take longer depending on how long it takes the education provider to
127 communicate back and provide the needed documentation.

128
129 Mr. Hartlieb asked for clarification if this specific course is up for discussion today.
130 Ms. Hayes clarified that this specific course has not been discussed nor is on the agenda. It is
131 the topic of online courses and updating regulation that will be discussed. There have previously
132 been emergency regulations in place to accept online education which have since expired,
133 however, this Board has operated as a policy to acknowledge online synchronous learning as
134 synchronous classroom learning. She explained if it was an application that was not approved
135 there must not have been sufficient supporting details in regards to attendance policy or class
136 content, however, she can't speak in detail without the application in front of her.
137 Mr. Hartlieb asked for clarification on asynchronous courses; what he is hearing that the safest
138 course of action would be to attend in person in September? Ms. Hayes explained it is
139 scheduled for later in this meeting to continue to address the regulation so there is no ambiguity
140 with online learning.

141
142 Ms. Hayes asked Ms. Sather when the online education regulation project should be effective.
143 Ms. Sather explained on the agenda is to review the edits that were approved during the March
144 teleconference, pending the Board's decision today more edits can be made or if the Board
145 moves to approve them we can proceed with moving towards the 30 day Public Comment
146 period.

147
148 Ms. Hayes expressed that the Board recognizes this is a concern for many people and it is the
149 Board's intent to address this as quickly as possible ensuring that appropriate steps and
150 timelines are followed.

151

152 Ms. Stetson asked if there have been any applications that have been denied due to current
153 regulation, as her understanding was this regulation project was to clean up the language so
154 there is no ambiguity.

155 Ms. Sather shared in the time that she has been with the department there has not been any
156 denied applications.

157 Ms. Hayes explained the way the regulations are currently written we will not accept online
158 education.

159 Ms. Stetson asked if there was a way that current licensees could encourage Appraisal Institute
160 to submit an application so the Board could have the opportunity to review it.

161 Ms. Hayes expressed that the concern they would most likely hold with submitting an
162 application is the great expense and effort in submitting an application with not knowing for sure
163 if it would be accepted or not, and therefore, are not submitting applications for online
164 education.

165
166 Erin Ingle asked for clarification on the three platforms for online courses as to what will be
167 accepted; in person, online live synchronous, and online asynchronous. Right now some
168 classes are approved for only certain platforms.

169 Mr. Kudryn clarified that the definition is being changed to include all platforms with the
170 regulation project.

171
172 Mr. Burns respectfully asked for clarification in regarding to the application form for Real Estate
173 Appraisers Residential Certification Instruction pg 3, section 4 Work Experience. He expressed
174 it appears the paragraph contradicts itself and is wondering if this might be a clerical error from
175 when the trainee experience was just two years. The second line references an applicant can
176 receive no more than 1,250 hours in no less than one year. Where the prior sentence says it is
177 1,500 hours in no less than 12 months.

178 Ms. Stetson requested the form be discussed during Board Business.

179
180 Erin Ingle asked for clarification in regards to the Competency Form within the application; what
181 is the Board's expectation of competency before the form can be signed?

182 Mr. Kudryn expressed his opinion, through experience, would be to consider a trainee
183 competent when they can complete an inspection and majority of the report with review.

184 Additionally, Ms. Stetson provided regulation regarding competency; 12 AAC 70.935
185 Supervision of Trainee Appraisers paragraph 3 references USPAP complying with competence
186 rules of uniform standards and geographical standards.

187

188

189 **Agenda Item 4 – Investigations**

190 Anna Gabriel provided a review of the investigative report; 6 open cases, 4 of which are still in
191 the investigative stage, 2 in the complaint stage, and 1 has been closed as an incomplete
192 complaint.

193
194 Erika Prieksat provided a consent agreement to discuss. The Board moved into executive
195 session at 10:50 am.

196

197 **On a motion duly made by Mr. McKean, seconded by Ms. Hayes, it was**

198
199 **RESOLVED to move into executive session at 10:50 am for review of the**

200

201 **consent agreement.**

202

203 **The motion passed unanimously.**

204

205

206 10:57 the Board moved back onto the Record with a quorum present.

207

208 **On a motion duly made by Ms. Hayes, seconded by Mr. McKean, it was**

209

210 **RESOLVED to approve the Consent Agreement for case number 2018-**

211

212 **001318.**

213

214 **The motion passed unanimously.**

215

216

217 **Agenda Item 5 – Division Update**

218 Mrs. Dumas provided the Division Update for the FY22 2nd quarter Board financials.

219 Through December the program brought in \$11,065 in revenue. Non investigative direct

220 expenditures directly related to the program in a total of \$46,038. No travel. \$59 in services

221 related to advertising/public notices. Total non investigative direct related expenditures for first

222 half of year were \$46,097. Investigative related direct expenditures were \$7,789 with only

223 personal services time. Total direct expenditures were \$53,886 for first half of the year, which is

224 in line with previous years. Indirect cost; internal cost, department indirect services, and state

225 wide indirect July – August is currently a place holder of ½ previous indirect, as it was explained

226 this is typically gone over in greater detail in fall meetings. Total expenditures for first half was

227 \$71,989. The program will carry forward previous surplus.

228

229 The program has seen a 7% increase of licensees from FY20 to FY21.

230

231 Mr. Kudryn asked for clarification, do they typically see more activity in 3rd and 4th quarter in
232 regards to revenue?

233 Ms. Dumas explained the program renews in 2023, this is a nonrenewal year, so revenue does

234 look a little low. She has noted this and will revisit after reviewing 3rd quarter. Nonrenewal years

235 it should trickle in all year, however, a renewal year the revenue is mostly collected in a single

236 quarter when you are renewing.

237

238 **Agenda Item 6 – Regulation Project**

239 **Online Education Update**

240 Ms. Stetson reviewed the edits from the March 9, 2022 Teleconference for regulations 12 AAC

241 70.125, 12 AAC 70.220, 12 AAC 70.140, 12 AAC 70.210, 12 AAC 70.990. The Board is in

242 agreement with the proposed edits from the March Teleconference and moved to proceed with

243 public comment.

244

245 **On a motion duly made by Ms. Hayes, seconded by Mr. Kudryn, it was**

246

247 **RESOLVED to approve the following amended regulations 12 AAC 70.215,**

248

249 **12 AAC 70.220, 12 AAC 70.140, 12 AAC 70.210, 12 AAC 70.990 and to**

250

251 **proceed with public comment.**

252

253 **The motion passed unanimously.**

254
255 Ms. Stetson will proceed with completing the FAQs, send to Ms. Sather, and the Board will
256 complete review through OnBoard vote.

257
258 The Board would like to proceed with oral and written comment. Additionally, they would like to
259 hold a special Teleconference when the 30 day public comment period ends to hear oral
260 comment. The Board expressed again the importance of processing these regulation updates in
261 a timely manner and recognize the importance of this topic to licensees, as there has been an
262 increase in public attendance and communication.

263
264 Notification should be sent to all licensees.

265
266 Ms. Sather asked for time to share some additional information that was shared at 9 am this
267 morning. The regulation specialist has reached out in regards to the previously discussed
268 Military regulations. The Department of Law has updated verbiage on the template the
269 department has been using; there was no change to content just changes to verbiage. The
270 Board reviewed the amended regulation and is in favor of accepting the proposed edits from the
271 Department of Law.

272
273 **On a motion duly made by Mr. Kudryn, seconded by Ms. Hayes, it was**

274
275 **RESOLVED to accept the proposed changes to 12 AAC 70.135 as**

276
277 **suggested by the Department of Law.**

278
279 **The motion passed unanimously.**

280
281 Ms. Sather shared that the regulation specialist has not received any public comment regarding
282 the Military Regulations.

283
284
285 **Agenda Item 8 – Board Business**

286 Agenda Item 8 was discussed prior to the lunch break due to available time in the schedule.

287
288 Ms. Sather asked if the Board would consider taking time to clarify their interpretation of 12 AAC
289 70.105 (B). Specifically, regarding the end of the sentence stating “(c) or (d)” and if this is
290 intended as or, or if it should read as and.

291
292 12 AAC 70.115 was reviewed in reference to 12 AAC 70.105. (d) is addressing the AQB
293 examination and (c) addresses academic requirements. The Board recognizes it is written (c) or
294 (d), however, they recognize that the Board and Professional Licensing have been operating
295 that both are required. Mr. Kudryn states the regulation does reference 70.140 requiring the 200
296 hours, but understands how it could potentially be written clearer. The Board is requesting
297 additional time to review these regulations and would like to have this topic on the next meeting
298 agenda for further review and discussion.

299
300 The Board discussed scheduling a Teleconference for public comment for the online regulation
301 project. Public comment is open for 30 days. Ms. Sather asked for the state staff to have time to
302 complete the required paperwork to be sent off to the regulation specialist and tentatively
303 starting the 30 days on Monday. The Board was in favor of this with tentatively scheduling a

304 Teleconference for May 17 at 10 am. The Board clarified this Teleconference is specifically
305 relating to the online regulation project and hearing public comment.
306

307 Ms. Hayes asked for Board permission to be excused from the afternoon session of the Board
308 meeting. There Board was in agreement with this.
309

310 Lunch Break 12:14 pm

311 Back on the record at 1:04 pm

312 Roll call was taken to reestablish a quorum. Ms. Stetson, Mr. Kudryn, and Mr. McKean present.
313 Mae Hayes absent.
314

315

316

Agenda Item 7 – Audit Training

317 Ms. Zimmerman provided review of regulations reference continuing education audits.
318

319

320 Boards who have continuing education are required under 12 AAC 02.960 to audit a certain
321 percentage of licensees to ensure they are in compliance with continuing
322 competency/continuing education. The licensee is required to meet AS 08, as a license is
323 subject to audit and shall complete and submit a statement of continuing education compliance.
324 In renewal applications, the applicant is required to do a statement of compliance stating they
325 have met the continuing education that is set in statute and regulation. If they are audited and
326 they are not able to comply then it is considered a falsification of the renewal of the application,
327 which is a violation of statute and regulation.

328

329 Additionally, Ms. Zimmerman explained it is not just the licensee/applicant that needs to comply
330 with statute and regulation, but the Board also needs to comply with statute and regulation.

331 12 AAC 02.960 speaks to the audit requirements set for the division.

332 02.965 provides an idea of what can happen if a license has not met the requirements.

333 Ms. Zimmerman spoke to centralized regulations being used as well if program regulations do
334 not specifically address an item in detail.

335

336 The continuing education disciplinary matrix was reviewed. If an audit is failed and the Board
337 approves forwarding it to investigation additional steps are taken. The licensee is approached
338 with a consent agreement including making up the continuing education they did not complete,
339 which are Board approved hours. After which the licensee has a license action, which requires
340 two mandatory audits (the next two times they renew their license they provide their continuing
341 education and the Board must approve before they can renew), there is no reprimand with this
342 Board but a letter of advisement is issued, and a fine of \$100 per hour deficient. Ms.

343 Zimmerman explains the licensee has the option to request a hearing if they feel the filed
344 acquisition is not fair.

345

346 Ms. Stetson asked for clarification if the mandatory two year audit would be clearly identified
347 separate from the random audits. Ms. Zimmerman clarified that, yes, they will be as it will be
348 coming from the paralegal. Additionally, they require the licensee to submit their continuing
349 education 60-90 days prior to their license expiring.

350

Additional statues and regulations were reviewed.

351 AS 08.87.020 the Board adopts rules of professional conduct to maintain integrity. The Board
352 has adopted and will continue to adopt regulations to comply with the USC code.
353

354 AS 08.87.120 statute for continue education requirement for renewal of certificate. On the
355 renewal application the licensee completes a statement of compliance, if they were or were not
356 able to complete continuing education as required by regulation. If they do mark it and are
357 audited and aren't in compliance with statue and regulation they have falsified their application.
358

359 Ms. Zimmerman stated she has reviewed some recently completed audit reviews and spoke to
360 some not meeting the requirement for the 7 hour USPAP course, a trainee who has not
361 completed required 14 hours of continuing education, and hours not all being completed in the
362 concluding licensing period. Ms. Zimmerman stated she is not questioning the Board but
363 sharing what she has found in her review and offered to discuss these in detail or answer
364 specific questions if the Board would like to go into executive session.
365

366 Mr. Kudryn asked if any of these situations have been resolved. Ms. Sather stated that these
367 audits have been resolved/approved with yes votes.
368

369 Ms. Zimmerman spoke to the importance of setting precedence. Paralegals are often asked to
370 look at license action history of the Board. It is very important that the Board provides very clear
371 specifics if it does not follow precedence. Ms. Zimmerman shared that with Covid she has seen
372 some Boards precedence being changed, not a lot but a little bit, however, the importance of
373 ensuing the Board is very specific with explaining why precedence wasn't followed. If new
374 precedence are wanting to be placed then the Board may want to readdress their disciplinary
375 matrix.
376

377 Ms. Stetson asked for clarification on one of her votes, which was a denial and she sent in her
378 statutory reasoning, she asked if this information goes to other Board members. Ms. Sather
379 stated that the state has received her vote and clarification, which has been placed in that
380 licensee's record. Voting on OnBoard is set up so that Board members cannot see how others
381 are voting so it does not influence other votes. Ms. Stetson suggested discussing in a future
382 meeting the potential of reviewing audits, or any in questions, where discussion can occur
383 between members.
384

385
386
387 Ms. Sather provided clarification that the regulation specialist may not be able to review and
388 process the proposed online education amendments in time for the 30 days to start next week.
389 There is still a high volume of military regulations being processed for the department. Ms.
390 Sather explained it is the regulation specialist that will be setting that timeline once he is able to
391 reach these proposed regulations within his que. Ms. Sather stated she can reach out to him
392 and express the importance this holds to the program and the Board's hope to work towards a
393 May 17th meeting date. The Board is in agreement to schedule a Teleconference for the
394 concluding of public comment as soon as that date is determined and following the Open
395 Meetings Act.
396

397

398 **Adjourn**

399 **On a motion duly made by Mr. McKean, seconded by Mr. Kudryn, it was**

400
401 **RESOLVED to adjourn.**

402
403 **The motion passed unanimously.**

404

405 Meeting adjourned at 1:33 pm.

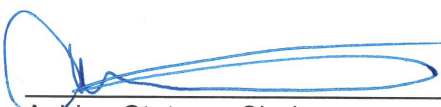
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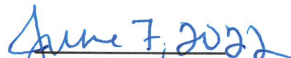
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410



Ashlee Stetson, Chair



Date