Call to Order & Roll Call

Review/Approve Agenda

Board of Real Estate Appraisers Meeting

Alaska Division of Corporations, Business and Professional Licensing
Tuesday, May 20, 2025 at 10:00 AM AKST

Join Zoom Meeting Registration Link:
https://us02web.zoom.us/j/83015427477?pwd=RklEaGEva1JNRXpLVHFEb2xOWGZPZz09
Meeting ID: 830 1542 7477
Passcode: 842231

Draft Agenda: All times are approximate

1. Call to Order/Roll Call — 10:00 AM
   A. Review/Approve Agenda
      Breaks to be taken as needed
   B. Disclosures of Potential Ethics Act Conflicts
   C. Continuing Education Statement

2. Public Comment

3. Division Update: Fiscal Report — 10:15 AM
   Presenter: Melissa Duman

4. Investigations Section Report — 10:25 AM
   Presenter: Chace Evans

5. Statutory Proposals — 10:35 AM
   Presenter: Mae Hayes, Leon McKean

6. Regulation Projects
   Presenter: Stefanie Davis — 11:05 AM

7. Pending Board Ballots — 11:20 AM

8. Board Business — 11:40 AM
   A. Annual Report - Chair Hayes — 11:55 AM
   B. Board Member Terms & Recruitment — 12:05 PM
   C. AARO Spring Conference Summary — 12:15 PM
   D. AARO Fall Conference - October 4-8, 2025 — 12:25 PM

9. Adjourn

DRAFT

Ethics Report

CONFIDENTIAL

ETHICS SUPERVISOR DETERMINATION FORM

(Board or Commission Member)

Board or Commission: _____

Member Disclosing Potential Ethics Violation: _____

I have determined that the situation described on the attached ethics disclosure form

- ☐ does or would violate AS 39.52.110 - .190. Identify applicable statute below.
- ☐ does not or would not violate AS 39.52.110 - .190.

_____

Signature of Designated Ethics Supervisor (Chair)

_____

Printed Name of Designated Ethics Supervisor

Date: _____

COMMENTS (Please attach a separate sheet for additional space):

Note: Disclosure Form must be attached. Under AS 39.52.220, if the chair or a majority of the board or commission, not including the disclosing member, determines that a violation of AS 39.52.110-39.52.190 will exist if the member participates, the member shall refrain from voting, deliberating, or participating in the matter. A member will not be liable under the Ethics Act for action in accordance with such a determination so long as the member has fully disclosed all facts reasonably necessary to the determination and the attorney general has not advised the member, chair, or board or commission that the action is a violation. Forward disclosures with determinations to the State Ethics Attorney as part of your quarterly report. Quarterly reports are submitted to Litigation Assistant, Opinions, Appeals & Ethics, Department of Law, 1031 W. 4th Avenue, Suite 200, Anchorage, AK 99501.

Continuing Education Statement

THE STATE of ALASKA

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

APR

FOR DIVISION USE ONLY

Real Estate Appraisers Program
PO Box 110806, Juneau, AK 99811-0806
Phone: (907) 465-2550
Email: *RealEstateAppraisers@Alaska.Gov*
Website: *ProfessionalLicense.Alaska.Gov/RealEstateAppraisers*

Continuing Education Credit for Participation

This form certifies attendance at a meeting of the Alaska Board of Certified Real Estate Appraisers for continuing education credit. 12 AAC 70.210(g)(1-5)

Full Legal Name:	First	Middle	Last
Alaska Certification #:			

Board Meeting Date:	mm/dd/yyyy	☐ **In Person**	☐ **Teleconference**
Attendance Hours:		**Hours Claimed:** *(7 Hours Max)*	

I certify the information reported above is true and correct and that I maintained attendance for the duration of the hours claimed.

Signature:		**Date:**	mm/dd/yyyy

BELOW IS FOR DEPARMENTENTAL AND BOARD USE ONLY

Verified Hours of Attendance
(From Board Meeting Minutes) _____

Via Electronic or Mail Ballot: ☐ **Approved** ☐ **Denied**

OR

Via in Person Board Meeting: ☐ **Approved** ☐ **Denied**

Board Member Signature:		**Date:**	mm/dd/yyyy

If denied, reason for denial:

Public Comment

Division Update

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

Summary of All Professional Licensing
Schedule of Revenues and Expenditures

Board of Certified Real Estate Appraisers	FY 18	FY 19	Biennium	FY 20	FY 21	Biennium	FY 22	FY 23	Biennium	FY 24	FY 25 1st -3rd QTR
Revenue											
Revenue from License Fees	$ 76,010	$ 190,565	$ 266,575	$ 80,550	$ 207,770	$ 288,320	$ 62,165	$ 224,750	$ 286,915	$ 75,640	$ 46,525
General Fund Received					$ -	$ -	$ 9,845	$ 1,594	11,439	$ 111	$ -
Allowable Third Party Reimbursements	1,534	4,314	5,848	$ 2,559	$ -	2,559	$ 3,600	$ -	3,600	$ -	$ -
TOTAL REVENUE	$ 77,544	$ 194,879	$ 272,423	$ 83,109	$ 207,770	$ 290,879	$ 75,610	$ 226,344	$ 301,954	$ 75,751	$ 46,525
Expenditures											
Non Investigation Expenditures											
1000 - Personal Services	45,123	91,165	136,288	98,414	54,866	153,280	97,525	68,101	165,626	59,614	56,679
2000 - Travel	16,384	11,267	27,651	1,933	-	1,933	4,067	11,445	15,512	5,255	4,008
3000 - Services	7,445	10,666	18,111	30,418	13,957	44,375	2,247	5,763	8,010	4,560	4,390
4000 - Commodities	716	161	877	602	-	602	-	10	10	-	-
5000 - Capital Outlay	-		-	-	-	-	-	-	-	-	-
Total Non-Investigation Expenditures	69,668	113,259	182,927	131,367	68,823	200,190	103,839	85,319	189,158	69,429	65,077
Investigation Expenditures											
1000-Personal Services	25,013	18,383	43,396	38,249	18,727	56,976	23,942	28,242	52,184	30,980	13,464
2000 - Travel		1,050	1,050	2,547	-	2,547	452	2,325	2,777	2,876	2,081
3023 - Expert Witness	3,485	1,050	4,535	4,050	2,850	6,900	-	-	-	-	-
3088 - Inter-Agency Legal	33	33	66	2,453	14,131	16,584	2,998	1,552	4,550	-	-
3094 - Inter-Agency Hearing/Mediation	217	-	217	-	65	65	-	-	-	-	-
3000 - Services other		633	633	111	22	133	880	725	1,605	850	225
4000 - Commodities		-	-	-	-	-	-	-	-	-	-
Total Investigation Expenditures	28,748	21,149	49,897	47,410	35,795	83,205	28,272	32,844	61,116	34,706	15,770
Total Direct Expenditures	98,416	134,408	232,824	178,777	104,618	283,395	132,111	118,163	250,274	104,135	80,847
Indirect Expenditures											
Internal Administrative Costs	15,708	20,705	36,413	21,754	15,657	37,411	18,655	20,712	39,367	16,948	12,711
Departmental Costs	13,293	21,286	34,579	17,090	10,445	27,535	16,760	12,571	29,331	13,589	10,192
Statewide Costs	7,826	11,964	19,790	18,005	10,101	28,106	15,268	10,477	25,745	8,766	6,575
Total Indirect Expenditures	36,827	53,955	90,782	56,849	36,203	93,052	50,683	43,760	94,443	39,303	29,478
			-			-					
TOTAL EXPENDITURES	**$ 135,243**	**$ 188,363**	**$ 323,606**	**$ 235,626**	**$ 140,821**	**$ 376,447**	**$ 182,794**	**$ 161,923**	**$ 344,717**	**$ 143,438**	**$ 110,325**
Cumulative Surplus (Deficit)											
Beginning Cumulative Surplus (Deficit)	$ 374,791	$ 317,092		$ 323,608	$ 171,091		$ 238,040	$ 130,856		$ 195,277	$ 127,590
Annual Increase/(Decrease)	(57,699)	6,516		(152,517)	66,949		(107,184)	64,421		(67,687)	(63,800)
Ending Cumulative Surplus (Deficit)	$ 317,092	323,608		$ 171,091	$ 238,040		$ 130,856	$ 195,277		$ 127,590	$ 63,790
Statistical Information											
Number of Licenses for Indirect calculation	342	298		345	370		390	468		409	

Additional information:

- *General fund dollars were received in FY21-FY24 to offset increases in personal services and help prevent programs from going into deficit or increase fees.*
- *Most recent fee change: Fee change 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 Name (Ex)	(Multiple Items)
Sub Unit	(All)
PL Task Code	APR1

Sum of Budgetary Expenditures	Object Type Name (Ex)			
Object Name (Ex)	1000 - Personal Services	2000 - Travel	3000 - Services	Grand Total
1011 - Regular Compensation	35,012.17			35,012.17
1021 - Allowances to Employees	11.22			11.22
1023 - Leave Taken	7,997.44			7,997.44
1028 - Alaska Supplemental Benefit	2,640.17			2,640.17
1029 - Public Employee's Retirement System Defined Benefits	3,658.43			3,658.43
1030 - Public Employee's Retirement System Defined Contribution	1,537.19			1,537.19
1034 - Public Employee's Retirement System Defined Cont Health Reim	1,099.76			1,099.76
1035 - Public Employee's Retiremnt Sys Defined Cont Retiree Medical	243.48			243.48
1037 - Public Employee's Retiremnt Sys Defined Benefit Unfnd Liab	4,989.24			4,989.24
1039 - Unemployment Insurance	41.65			41.65
1040 - Group Health Insurance	10,295.05			10,295.05
1041 - Basic Life and Travel	4.80			4.80
1042 - Worker's Compensation Insurance	239.98			239.98
1047 - Leave Cash In Employer Charge	993.95			993.95
1048 - Terminal Leave Employer Charge	635.49			635.49
1053 - Medicare Tax	607.08			607.08
1062 - GGU Business Leave Bank Contributions	70.90			70.90
1077 - ASEA Legal Trust	56.62			56.62
1079 - ASEA Injury Leave Usage	5.70			5.70
1080 - SU Legal Trst	3.29			3.29
1970 - Personal Services Transfer	-			-
2012 - Out-State Employee Airfare		1,286.58		1,286.58
2013 - Out-State Employee Surface Transportation		188.00		188.00
2014 - Out-State Employee Lodging		2,354.28		2,354.28
2015 - Out-State Employee Meals and Incidentals		390.98		390.98
2019 - Out-State Non-Employee Lodging		1,159.88		1,159.88
2020 - Out-State Non-Employee Meals and Incidentals		342.00		342.00
2022 - Out-State Non-Employee Non-Taxable Reimbursement		366.97		366.97
3000 - Training/Conferences			2,375.00	2,375.00
3088 - Inter-Agency Legal			2,236.03	2,236.03
3970 - Contractual Transfer			3.84	3.84
Grand Total	**70,143.61**	**6,088.69**	**4,614.87**	**80,847.17**

Investigations

THE STATE of ALASKA

Department of Commerce, Community, and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

550 West Seventh Avenue, Suite 1500
Anchorage, AK 99501-3567
Main: 907.269.8160
Fax: 907.269.8156

MEMORANDUM

DATE: May 06, 2025

TO: Board of Certified Real Estate Appraisers

THRU: Erika Prieksat, Chief Investigator BH

FROM: Chace Evans, Investigator CE

RE: Investigative Report for the May 20, 2025 Meeting

The following information was compiled as an investigative report to the Board for the period of February 05, 2025 thru May 06, 2025; this report includes cases, complaints, and intake matters handled since the last report.

Matters opened by the Paralegals in Anchorage and Juneau, regarding continuing education audits and license action resulting from those matters are covered in this report.

OPEN - 3

Case Number	Violation Type	Case Status	Status Date
REAL ESTATE APPRAISER			
2024-000953	Violation of Profession Statute or Regulation	Intake	10/08/2024
2024-000775	Violation of licensing regulation	Complaint	08/28/2024
2024-001064	Real estate - other	Complaint	02/26/2025

Closed - 11

Case #	Violation Type	Case Status	Closed	Closure
REAL ESTATE APPRAISER				
2024-000456	Violation of licensing regulation	Closed-Intake	02/25/2025	Incomplete Complaint
2024-000663	Violation of licensing regulation	Closed-Intake	02/05/2025	No Action - Lack of Jurisdiction

2024-001134	Violation of License Regulation	Closed-Intake	03/10/2025	Incomplete Complaint
2025-000035	License Application Review/Referral	Closed-Intake	03/25/2025	Review Complete
2023-000414	Violation of licensing regulation	Closed-Complaint	04/07/2025	No Action - No Violation
2023-000889	Violation of licensing regulation	Closed-Complaint	02/14/2025	No Action - No Violation
2023-001210	Violation of licensing regulation	Closed-Complaint	02/20/2025	No Action - No Violation
2023-001215	Violation of licensing regulation	Closed-Complaint	04/08/2025	No Action - No Violation
2023-001216	Violation of licensing regulation	Closed-Investigation	04/07/2025	Advisement Letter
2024-000227	License Application Review/Referral	Closed-Investigation	04/01/2025	Advisement Letter
2024-001117	Violation of License Regulation	Closed-Investigation	02/19/2025	Advisement Letter

END OF REPORT

Case #	Violation Type	Case Status	Closed	Closure
REAL ESTATE APPRAISER				
2023-000726	Violation of licensing regulation	Closed-Complaint	04/01/2024	No Action - No Violation

END OF REPORT

Statute Project(s)

-Update from Ms. Hayes & Mr. McKean

DISCUSSION ITEM
APPRAISAL SUBCOMMITTEE (ASC) STATUTE FINDINGS TO BRING TO LEGISLATURE
May 20, 2025 BOARD MEETING

AS 08.87.135 & AS 08.87.135.(7)

Requirement: AMC Rule § 34.214(2)(b): Good moral character of owners. An AMC shall not be registered by a State if any person that owns ***more than 10*** percent of the AMC— (1) Is determined by the State appraiser certifying and licensing agency not to have good moral character; or (2) Fails to submit to a background investigation carried out by the State appraiser certifying and licensing agency.

ASC Findings:

AS 08.87.135. Requirements for registration of real estate appraisal management companies. (c) A person who owns ***at least 10*** percent of a real estate appraisal management company required to be registered under this chapter must be of good moral character as determined by the board and shall submit to a background investigation conducted by the board.

Next Steps:

AS 08.87.135. legislative change to update ownership verbiage in statute and applications. The recommendation is to update verbiage to align with the AMC Rule, which uses "more than 10 percent" whereas Alaska uses "at least 10 percent."

ASC Findings:

AS 08.87.135.(7) Verbiage is not included for substantive cause, which is determined by Alaska. (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;

Next Steps:

AS 08.87.135.(7) legislative change to update verbiage to include "wasn't for substantive cause as determined by the state of Alaska." It is recommended that this be included after the list of sanctions or after reinstatement.

AS 08.87.155

Requirement: AMC Policy Statement 8.D.1.b The AMC Rule includes requirements for participating States to impose requirements on AMCs that are not Federally regulated AMCs to:

ASC Findings:
AS 08.87.155. Reporting requirements for federally regulated real estate appraisal management companies. (a)(2)disclosure of whether the company is directly or indirectly owned in whole or in part by any 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. *This cannot be required of a Federally Regulated AMC.* (b) If a person has had disciplinary action taken against the person under (a)(2) of this section, the board shall collect information related to whether the certificate to act as a real estate appraiser was denied, cancelled, suspended, revoked, put on probation, or surrendered in lieu of a pending revocation for a substantive cause and whether the person has later had the certificate to act as a real estate appraiser reinstated by the same state. *This cannot be required of a Federally Regulated AMC.*

Next Steps:
AS 08.87.155 (a)(2) and (b) legislative change to strike statute sections followed by amendment to applications. ASC states this cannot be required of a Federally Regulated AMC.

AS 08.87.160

Requirement: AMC Rule Federally regulated AMC means an AMC that is owned and controlled by an insured depository institution, as defined in 12 U.S.C. 1813 and regulated by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation.

ASC Findings:
AS 08.87.160. Exemptions. (B) regulated by the Consumer Financial Protection Bureau, the Federal Housing Finance Agency, the Board of Governors of the Federal Reserve system, the Federal Deposit Insurance Corporation, the United States Comptroller of the Currency, or the National Credit Union Administration;

Next Steps:
AS 08.87.160 legislative change to strike additional license controllers. The recommendation is for the Alaska Legislature to limit this to just the agencies ASC has noted and remove “Consumer Financial Protection Bureau,” “Federal Housing Finance Agency” and “National Credit Union Administration.”

AS 08.87.215 & AS 08.87.220

Requirement: AMC Rule: "put on probation" exceeds the AMC Rule.

ASC Findings:
AS 08.87.215. Prohibited practices; real estate appraisal management companies. (a) A real estate appraisal management company may not, while registered in the state, retain or enter into a business relationship with an employee, contractor, or agent whose certificate to act as a real estate appraiser is denied, cancelled, suspended, revoked, ~~put on probation~~,

Next Steps:
AS 08.87.215. Legislative changes to remove "put on probation."

ASC Findings:
AS 08.87.220. Disciplinary proceedings; real estate appraisal management companies. The board may take disciplinary action under AS 08.01.075 or suspend or revoke a registration of a real estate appraisal management company if it finds that the(1) company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company has violated a provision of this chapter or a regulation adopted by the board under this chapter;
(2) company or a controlling person of the company has had a certificate to act as a real estate appraiser or a registration as a real estate appraisal management company denied, cancelled suspended, revoked, ~~put on probation~~,

Next Steps
AS 08.87.220. Legislative changes to remove "put on probation."

AS 08.87.900 (5) and Definitions. (4) (4)(C)

Requirement: AMC Rule*:* Appraiser panel means a network, list or roster of licensed or certified appraisers approved by an AMC to perform appraisals as independent contractors in connection with covered transactions for the AMC.

ASC Findings:
AS 08.87.900. Definitions. (5) "appraiser panel" means a *group* of licensed or certified real estate appraisers who perform appraisals as independent contractors for a real estate appraisal management company;

Next Steps:
AS 08.87.900 legislative change to align definition with ASC's definition. The recommendation is for the Alaska Legislature to amend the definition of "appraiser panel" to align with the AMC Rule definition.

ASC Findings:

AS 08.87.900. Definitions. (4) "appraisal management services" includes the performance of any of the following functions on behalf of a lender, financial institution, or other person: (A) administration of an appraiser panel; (B) recruitment, retention, or selection of real estate appraisers for the performance of appraisal services; (C) contracting with real estate appraisers to perform appraisals; (D) review of a completed appraisal before the delivery of the appraisal or review assignment to the person that ordered the appraisal; ***Administration of an appraiser panel may be a way the State captured number 3 of managing the process of…***

Next Steps:

AS 08.87.900 legislative change to strike unnecessary section within the Definitions. It is recommended to remove "administration of an appraiser panel" as this is not a service but a requirement of AMCs. The Board discussed rephrasing this to meet AMC Rule or to strike that section. Mr. Kudryn spoke to meeting the AMC Rule by switching B to A, C to B, leave D as is, and switch A to C (which is their #3) "managing the process of having an appraisal performed." The Board spoke to the intent of the requirement is the same, it is the current wording that does not align. The Board is in agreement to these revisions.

ASC Findings:

AS 08.87.900. **Definitions. (4)(C)** contracting with real estate appraisers to perform appraisals;

Next Steps:

Sec 08.87.900 legislative change to add clarification to the definition by stating "certified real estate appraisers…" (8/20/24 board meeting, they do NOT want to include the certified verbiage as they are seeking changes for Licensed appraiser license type)

Old Business
Items initiated by the Board:

• 11/1/22 Board discussion of adding seats to the Board
During the 11/1/22 Board Meeting the Board expressed an interest in adding additional seats to the Board to allow the Board to best serve the profession and licensees as the Board's current configuration requires one person per role and is requiring an extensive workload from each Board member regarding applications and investigative reviews. This adds to the processing time applicants/licensees are having to wait.

During this meeting the Board spoke to concerns of the vacancy currently seen for General as well as the potential upcoming vacancy if Chair Stetson does not extend.
In addition to adding additional seats for Appraiser license types, the Board also spoke to the potential interest of adding other license type seats.

Additionally, Mr. Kudryn stated he is for adding more members to the Board, however he would urge the Board to consider how adding additional seat types might skew any votes if they do not have appraiser understanding. Maybe to consider appraiser licensees holding more seats.

• 12/19/23 Board discussion of adding an Executive Administrator (EA) to the program
Mr. Kudryn stated; I would like to make a motion to move forward with the suggested changes to AS 08.87.20 and new subsections required that we discussed under seeking legislation to create an executive administrator as well as having Chairwoman Mae Hayes and Board Member Leon McKean pursue legislative support in creating this executive administrator position for the Board of Certified Real Estat Appraisers. Second by Mr. McKean
It was stated on the record, after the motion was made, that the motion did not include the intent for this EA position to be at a range 23. The Board stated an amendment to the motion was not required as the Board is in agreement for this EA position to be placed at a range 23, which was discussed and agreed upon on the record.

Additionally, the Board moved to approve Leon McKean to be a second point person for the Board regarding statute projects. Mr. Kudryn stated, I would like to make a motion for Leon to be the additional Board Member providing assistance with finding legislation support for the ongoing regulation project with AQB verbiage, PAREA, and everything that includes what Mae was working on and presented to legislative sponsor. Second by Mr. McKean.

Regulation Project(s)

-Update from staff

Annual Report

New Business

Pending Board Ballots

Board Business

-AARO Spring Conference Summary

-AARO Fall Conference
Atlanta, Georgia October 4-8 2025

Fall 2025 AARO Conference - Atlanta (Buckhead), GA

The Westin Buckhead Atlanta Hotel

3391 Peachtree Road NE

Atlanta, GA 30326

404-365-0065

Reservation Link

Hotel Block from 10/4/2025 to 10/8/2025 $239 plus tax and fees with a cut-off date of September 18, 2025.

Fall 2025 AARO Conference - Atlanta (Buckhead), GA

The Westin Buckhead Atlanta Hotel

3391 Peachtree Road NE

Atlanta, GA 30326

404-365-0065

Reservation Link

Hotel Block from 10/4/2025 to 10/8/2025 $239 plus tax and fees with a cut-off date of September 18, 2025.

Adjourn