

Alaska Board of Certified Real Estate Appraisers FY 2021 Annual Report

Narrative Statement

Board Overview

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

Towards the goal of accomplishing these mandates, as well as establishing emergency orders due to the COVID-19 Pandemic of 2020/2021, the board met three times in FY 2021 via videoconference. All board meetings were public-noticed and a copy of the agenda was made available to the public on the board's website. Meeting minutes were approved at subsequent meetings and were also posted on the board website. The major focus of FY2021 was to assist licensees in navigating business through the global pandemic and provide relief in expediting emergency regulations updates. The board continued to conduct regular business including the review and approval of new licenses, as well as implementation of the laws for the registration and regulation of the Appraisal Management Companies (AMC's).

Education Review – Qualifying and Continuing Education

The board continued its review and approval of education classes for qualifying education for General and Residential Appraiser Certification, as well as continuing education courses. Special consideration for distance learning has continued to be a topic of discussion both due to the pandemic and the overall economic shift to online platforms seen in all industries.

Appraiser Certifications

Applications for appraisal certifications were approved, denied, or pended on a case-by-case basis, following board consideration. Review and determination encompassed applicants for general and residential certification, taking into consideration education, experience, work product review, and successful completion of the applicable approved examination. One licensure application was previously denied in FY2020, and the board accepted a proposed Mediated Settlement Agreement in the matter in FY2021. The board also processed applications for Registered Appraisal Trainees, Trainee Supervisors, applications for Certification by Reciprocity and Courtesy Licenses.

Appraiser Disciplinary Review

Complaints and/or conduct concerns have been continued to be reported by the assigned departmental investigator to the board. When needed, the investigator engaged the board to advise and/or assist on technical appraisal issues. The majority of those complaints have been closed to date, but several remain open due to Investigative Unit regulatory processes and timelines.

Appraisal Management Company Regulations

The board continued business of registration and regulation of real estate Appraisal Management Companies (AMC's). The board previously committed to AMC oversight regulation in 2015 and reaffirmed that in 2017. Under the Federal Dodd-Frank Act, AMC's are now allowed to operate in states that do not enact AMC oversight by August of 2018. Also, under Dodd-Frank, oversight responsibility is conferred on state appraisal boards. An effort was made by the Alaska Chapter of the Appraisal Institute to get AMC legislation considered in the 2015 legislative session, but they were unable to secure a sponsor legislator. With a push from Wells Fargo bank and the AMC lobby organization REVAA (Real Estate Valuation Advocacy Association) Representative Andy Josephson and Senator Kevin Meyer both sponsored legislation to allow AMC oversight regulation. With testimony and support from the Alaska Board, that legislation was successfully passed in 2018, and signed by the governor in July 2018. In FY2021, the board approved 5 Appraisal Management Company applications.

Appraisal Subcommittee Compliance Review of the Alaska Appraiser Regulatory Program

All state appraiser boards are subject to federal oversight and conformance with uniform national standards. No Appraisal Subcommittee (ASC) audit was required in FY2021. The last ASC audit of the board conducted in FY2020 resulted in a "good" rating. The board is scheduled to complete its next audit and review with the ASC in FY2023.

Association of Appraiser Regulatory Officials

The board has been a member of the Association of Appraiser Regulatory Officials (AARO) since 2014 and typically appoints one board member and one associated staff member to attend the annual meetings. The board previously approved Ashlee Stetson to attend the May 2020 conference, but travel restrictions and pandemic emergency closures resulted in the cancellation of the conference. The board plans to consider the approval of a board member and staff member to attend a future conference when that information becomes available.

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Budget Recommendations for FY 2022

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

Board Meeting Date	Location	# Board	# Staff
October 2021	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

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Budget Recommendations for FY 2022 (continued)

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

Board Meeting Date	Location	# Board	# Staff
TBD	Videoconference		
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input checked="" type="checkbox"/> Other:			\$350.00
Total Estimated Cost:			\$350.00

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input type="checkbox"/> Other:			\$0.00
Total Estimated Cost:			\$0.00

Board Meeting Date	Location	# Board	# Staff
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input type="checkbox"/> Other:			\$0.00
Total Estimated Cost:			\$0.00

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Budget Recommendations for FY 2022 (continued)

Travel Required to Perform Examinations

Not applicable

Date	Location	# Board	# Staff

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

<input type="checkbox"/> Airfare:	\$0.00
<input type="checkbox"/> Hotel:	\$0.00
<input type="checkbox"/> Ground:	\$0.00
<input type="checkbox"/> Conference:	\$0.00
<input type="checkbox"/> Other:	\$0.00

Describe "Other" (break out all sections):

Total Estimated Cost: \$0.00

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

#1 Rank in Importance or Not Applicable

Date	Location	# Board	# Staff
TBD	TBD	0	2

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

Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Hotel:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Ground:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Conference:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				

Net Total: \$0.00 \$0.00 \$0.00 \$0.00

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

#2 Rank in Importance

Date	Location	# Board	# Staff	
TBD	TBD	0	2	
Description of meeting and its role in supporting the mission of the Board:				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Hotel:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Ground:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Conference:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$0.00	\$0.00	\$0.00	\$0.00

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

#3 Rank in Importance

Date	Location	# Board	# Staff	
TBD	TBD	1	1	
Description of meeting and its role in supporting the mission of the Board:				
AARO Fall Conference.				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input checked="" type="checkbox"/> Airfare:	\$0.00	\$0.00	\$2,000.00	\$2,000.00
<input checked="" type="checkbox"/> Hotel:	\$0.00	\$0.00	\$3,000.00	\$3,000.00
<input checked="" type="checkbox"/> Ground:	\$0.00	\$0.00	\$800.00	\$800.00
<input checked="" type="checkbox"/> Conference:	\$0.00	\$0.00	\$1,400.00	\$1,400.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
Net Total:	\$0.00	\$0.00	\$7,200.00	\$7,200.00

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Budget Recommendations for FY 2022 (continued)

Non-Travel Budget Requests

- Not Applicable Resources Examinations
 Membership Training Other

Product or Service	Provider	Cost Per Event
		\$0.00

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

Other Items with a Fiscal Impact

Cost Per Event: \$0.00

- Not Applicable

Number of Events: 0

Product or Service	Provider	Total Cost
		\$0.00

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

Summary of FY 2022 Fiscal Requests

Board Meetings and Teleconferences:	\$1,400.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$7,200.00
Dues, Memberships, Resources, Training:	\$0.00
Total Potential Third-Party Offsets:	-\$7,200.00
Other:	\$0.00
Total Requested:	\$1,400.00

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Legislation Recommendations Proposed Legislation for FY 2022

No Recommendations

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

Recommendations

The Board has the following recommendations for proposed legislation:

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Regulation Recommendations Proposed Legislation for FY 2022

No Recommendations

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

Recommendations

The Board has the following recommendations for proposed regulations:

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Goals and Objectives

Part I

FY 2021's goals and objectives, and how they were met:

The board will continue to strive to foster harmonious relations between local, state, and national regulatory bodies for the betterment of the appraising profession and its peers. In addition, the board will strive to act with professionalism in advancing regulations and procedures through cooperation among legislative and end-user groups.

The board thanks the State of Alaska Department of Commerce, Community & Economic Development, the Division of Corporations, Business & Professional Licensing for their continued dedication to the empowerment of the board in providing the tools and regulatory framework necessary for the board to complete its mandate. The board had faced vacancy challenges for the past several years and some staffing turnover, but now appears to be stabilized with a fully appointed board with geographic diversity. We thank the department for their part in those efforts.”

Although the board had no way of anticipating the onset of a global pandemic, we continued to work diligently to address the emergency concerns facing our licensees, staff and board. The board was able to continue to conduct regular business, approve applications and provide regulatory oversight throughout FY2021.

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Goals and Objectives

Part II

FY 2022's goals and objectives, and proposed methods to achieve them.

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

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

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Sunset Audit Recommendations

Date of Last Legislative Audit: 2017
Board Sunset Date: 6/30/2026

Audit Recommendation: Do a fee analysis for appraiser registration fees, considering the surplus in the account.

Action Taken: Fee analysis conducted Fall 2018. All fees reduced.

Next Steps:

Date Completed: New fee schedule effective 2019.