

Call to Order / Roll Call

**Alaska Board of Certified Real Estate Appraisers
Board Roster (As of 05/14/2019)**

Board Member	Appointed	Reappointed	Term Expires
David Derry, Chair <i>Certified General Real Estate Appraiser</i> Kenai, AK	03/01/2014	3/1/2018	03/01/2022
Wendy Lawrence <i>Certified General/Residential Real Estate Appraiser</i> Sitka, AK	03/01/2018		03/01/2022
Renee Piszczek <i>Mortgage Banking Executive</i> Fairbanks, AK	09/02/2014	03/01/2017	03/01/2021
Ashley Stetson <i>Public Member</i> Wasilla, AK	01/11/2019	03/01/2019	03/01/2020
<i>Vacant</i>			

Ethics Disclosure & Ethics Review

State of Alaska Department of Law

Ethics Act Procedures for Boards & Commissions

All board and commission members and staff should be familiar with the Executive Branch Ethics Act procedures outlined below.

Who Is My Designated Ethics Supervisor (DES)?

Every board or commission subject to the Ethics Act¹ has several ethics supervisors designated by statute.

- The chair serves as DES for board or commission members.
- The chair serves as DES for the executive director.
- The executive director serves as DES for the staff.
- The governor is the DES for a chair.²

What Do I Have To Disclose?

The Ethics Act requires members of boards and commissions to disclose:

- Any matter that is a potential conflict of interest with actions that the member may take when serving on the board or commission.
- Any circumstance that may result in a violation of the Ethics Act.
- Any personal or financial interest (or that of an immediate family member) in a state grant, contract, lease or loan that is awarded or administered by the member's board or commission.
- The receipt of certain gifts.

The executive director of the board or commission and its staff, as state employees, must also disclose:

- Compensated outside employment or services.
- Volunteer service, if any compensation, including travel and meals, is paid or there is a potential conflict with state duties.
- For more information regarding the types of matters that may result in violations of the Ethics Act, board or commission members should refer to the guide, *"Ethics Information for Members of Boards and Commissions."* The executive director and staff should refer to the guide, *"Ethics Information for Public Employees."* Both guides and disclosure forms may be found on the Department of Law's ethics website.

How Do I Avoid Violations of the Ethics Act?

- Make timely disclosures!

- Follow required procedures!
- Provide all information necessary to a correct evaluation of the matter!³
- When in doubt, disclose and seek advice!
- Follow the advice of your DES!

What Are The Disclosure Procedures for Board and Commission Members?

The procedural requirements for disclosures by members are set out in AS 39.52.220 and 9 AAC 52.120. One goal of these provisions is to help members avoid violations of the Ethics Act. The procedures provide the opportunity for members to seek review of matters in advance of taking action to ensure that actions taken will be consistent with the Act.

Procedure for declaring actual or potential conflicts.

Members must declare potential conflicts and other matters that may violate the Ethics Act **on the public record and in writing to the chair.**

Disclosure on the public record. Members must identify actual and potential conflicts orally at the board or commission's public meeting **in advance** of participating in deliberations or taking any official action on the matter.

- A member must always declare a conflict and may choose to refrain from voting, deliberations or other participation regarding a matter.⁴
- If a member is uncertain whether participation would result in a violation of the Act, the member should disclose the circumstances and seek a determination from the chair.

Disclosure in writing at a public meeting. In addition to an oral disclosure at a board or commission meeting, members' disclosures must be made in writing.

- If the meeting is recorded, a tape or transcript of the meeting is preserved **and** there is a method for identifying the declaration in the record, an oral disclosure may serve as the written disclosure.
- Alternatively, the member must note the disclosure on the Notice of Potential Violation disclosure form and the chair must record the determination.

Confidential disclosure in advance of public meeting. Potential conflicts may be partially addressed in advance of a board or commission's public meeting based on the published meeting agenda or other board or commission activity.

- A member identifying a conflict or potential conflict submits a Notice of Potential Violation to the chair, as DES, in advance of the public meeting.
- This written disclosure is considered confidential.
- The chair may seek advice from the Attorney General.
- The chair makes a written determination, also confidential, whether the disclosed matter represents a conflict that will result in a violation of the Ethics Act if the member participates in official action addressing the matter. ⁵

- If so, the chair directs the member to refrain from participating in the matter that is the subject of the disclosure.
- An oral report of the notice of potential violation and the determination that the member must refrain from participating is put on the record at a public meeting.⁶

Determinations at the public meeting. When a potential conflict is declared by a member for the public record, the following procedure must be followed:

- The chair states his or her determination regarding whether the member may participate.
- Any member may then object to the chair's determination.
- If an objection is made, the members present, excluding the member who made the disclosure, vote on the matter.
- *Exception:* A chair's determination that is made consistent with advice provided by the Attorney General may not be overruled.
- If the chair, or the members by majority vote, determines that a violation will exist if the disclosing member continues to participate, the member must refrain from voting, deliberating or participating in the matter.⁷

If the chair identifies a potential conflict, the same procedures are followed. If possible, the chair should forward a confidential written notice of potential violation to the Office of the Governor for a determination in advance of the board or commission meeting. If the declaration is first made at the public meeting during which the matter will be addressed, the members present, except for the chair, vote on the matter. If a majority determines that a violation of the Ethics Act will occur if the chair continues to participate, the chair shall refrain from voting, deliberating or participating in the matter. A written disclosure or copy of the public record regarding the oral disclosure should be forwarded to the Office of the Governor for review by the chair's DES.

Procedures for Other Member Disclosures

A member's interest in a state grant, contract, lease or loan and receipt of gifts are disclosed by filling out the appropriate disclosure form and submitting the form to the chair for approval. The disclosure forms are found on the Department of Law's ethics website.

What Are The Disclosure Procedures for Executive Directors and Staff?

Ethics disclosures of the executive director or staff are made in writing to the appropriate DES (chair for the executive director and the executive director for staff).

- Disclosure forms are found on the ethics website, noted above.

Notices of Potential Violations. Following receipt of a written notice of potential violation, the DES investigates, if necessary, and makes a written determination whether a violation of the Ethics Act could exist or will occur. A DES may seek advice from the Attorney General. If feasible, the DES shall reassign duties to cure a potential violation or direct divestiture or

removal by the employee of the personal or financial interests giving rise to the potential violation.

- These disclosures are not required to be made part of the public record.
- A copy of a determination is provided to the employee.
- Both the notice and determination are confidential.

Other Disclosures. The DES also reviews other ethics disclosures and either approves them or determines what action must be taken to avoid a violation of the Act. In addition to the disclosures of certain gifts and interests in the listed state matters, state employees must disclose all outside employment or services for compensation.

- The DES must provide a copy of an approved disclosure or other determination to the employee.

How Are Third Party Reports of Potential Violations or Complaints Handled?

Any person may report a potential violation of the Ethics Act by a board or commission member or its staff to the appropriate DES or file a complaint alleging actual violations with the Attorney General.

- Notices of potential violations and complaints must be submitted **in writing and under oath**.
- Notices of potential violations are investigated by the appropriate DES who makes a written determination whether a violation may exist.⁸
- Complaints are addressed by the Attorney General under separate procedures outlined in the Ethics Act.
- **These matters are confidential**, unless the subject waives confidentiality or the matter results in a public accusation.

What Are The Procedures for Quarterly Reports?

Designated ethics supervisors must submit copies of notices of potential violations received and the corresponding determinations to the Attorney General for review by the state ethics attorney as part of the quarterly report required by the Ethics Act.

- Reports are due in April, July, October and January for the preceding quarter.
- A sample report may be found on the Department of Law's ethics website.
- An executive director may file a quarterly report on behalf of the chair and combine it with his or her own report.
- If a board or commission does not meet during a quarter and there is no other reportable activity, the DES advises Angie White by e-mail at Angie.White@alaska.gov and no other report is required.

If the state ethics attorney disagrees with a reported determination, the attorney will advise the DES of that finding. If the ethics attorney finds that there was a violation, the member who committed the violation is not liable if he or she fully disclosed all relevant facts

reasonably necessary to the ethics supervisor's or commission's determination and acted consistent with the determination.

How Does A DES or Board or Commission Get Ethics Advice?

A DES or board or commission may make a **written request** to the Attorney General for an opinion regarding the application of the Ethics Act. In practice, the Attorney General, through the state ethics attorney, also provides **advice by phone or e-mail** to designated ethics supervisors, especially when time constraints prevent the preparation of timely written opinions.

- A request for advice and the advisory opinion are confidential.
- The ethics attorney endeavors to provide prompt assistance, although that may not always be possible.
- The DES must make his or her determination addressing the potential violation based on the opinion provided.

It is the obligation of each board or commission member, as well as the staff, to ensure that the public's business is conducted in a manner that is consistent with the standards set out in the Ethics Act. We hope this summary assists you in ensuring that your obligations are met.

- 1 The Act covers a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch of state government.
- 2 The governor has delegated the DES responsibility to Guy Bell, Administrative Director of the Office of the Governor.
- 3 You may supplement the disclosure form with other written explanation as necessary. Your signature on a disclosure certifies that, to the best of your knowledge, the statements made are true, correct and complete. False statements are punishable.
- 4 In most, but not all, situations, refraining from participation ensures that a violation of the Ethics Act does not occur. Abstention does not cure a conflict with respect to a significant direct personal or financial interest in a state grant, contract, lease or loan because the Ethics Act prohibition applies whether or not the public officer actually takes official action.
- 5 The chair must give a copy of the written determination to the disclosing member. There is a determination form available on the Department of Law's ethics web page. The ethics supervisor may also write a separate memorandum.
- 6 In this manner, a member's detailed personal and financial information may be protected from public disclosure.
- 7 When a matter of particular sensitivity is raised and the ramifications of continuing without an advisory opinion from the Attorney General may affect the validity of the board or commission's action, the members should consider tabling the matter so that an opinion may be obtained.

8 The DES provides a copy of the notice to the employee who is the subject of the notice and may seek input from the employee, his or her supervisor and others. The DES may seek advice from the Attorney General. A copy of the DES' written determination is provided to the subject employee and the complaining party. The DES submits a copy of both the notice and the determination to the Attorney General for review as part of the DES' quarterly report. If feasible, the DES shall reassign duties to cure a potential violation or direct divestiture or removal by the employee of the personal or financial interests giving rise to the potential violation.

2/12

Department of Law P.O. Box 110300, Juneau, AK 99811-0300
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161
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MEMORANDUM

State of Alaska
Department of Law

TO: _____ DATE: _____
FILE NO.: _____
TEL. NO.: _____
FROM: Angie White
Litigation Assistant
Department of Law
Opinions, Appeals, & Ethics Section
FAX: _____
SUBJECT: Executive Branch Ethics Act, AS
39.52 Quarterly Report


******SAMPLE LANGUAGE – PLEASE COPY ONLY THE PARTS THAT APPLY
ONTO YOUR BOARD OR COMMISSION’S LETTERHEAD ******

As designated ethics supervisor and chair [executive director] for the _____, I wish to advise you that I have received no notifications of potential violations or requests for ethics determinations under the Ethics Act (AS 39.52) and have made no written determinations for this quarter.

OR

As designated ethics supervisor and chair [executive director] for the _____, I have received ___ notification(s) of a potential violation and ___ requests for ethics determinations under the Ethics Act (AS 39.52) I have attached a copy of the notices and requests along with my written determination(s) for review by the attorney general. I did [did not] receive an advisory opinion from the Attorney General.

AND

Except as addressed above, no other [board member] [commissioner] disclosed a potential conflict of interest at a recorded public meeting during this quarter.

OR

In addition to the above, at the [date] meeting, [Board member] [Commissioner] _____ disclosed a potential conflict with respect to _____ [*insert brief description*]____. *Insert disposition:* [S/He refrained from participation.] *or* [I determined s/he could [could not] participate.] *or* [The Board [Commission] members voted to permit [not to permit] participation.]

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):

Large light blue rectangular area for comments.

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.

Revised 2012

State of Alaska Department of Law

Who Is My Designated Ethics Supervisor?

Every state public officer, employee or board or commission member, has a designated ethics supervisor.

Executive Agencies

The ethics supervisor for each agency is the Commissioner or a senior manager to whom the Commissioner has delegated the function. The current ethics supervisor for each agency is listed below. The ethics supervisor for a Commissioner is Guy Bell, Director of Administrative Services in the Office of Governor, by delegation from the Governor.

Boards and Commissions

The Chair of each board and commission serves as the ethics supervisor for the other members and any executive director. The ethics supervisor for the Chair is Guy Bell, Director of Administrative Services in the Office of Governor, by delegation from the Governor. If a board or commission employs staff, the executive director serves as the ethics supervisor for these employees.

Public Corporations

The Chair of the board serves as the ethics supervisor for the other members of the board and any executive director. The executive director is the ethics supervisor for employees of the corporation.

Office of the Governor

The ethics supervisor for the Governor and Lieutenant Governor is the Attorney General. By delegation from the Governor, the ethics supervisor for the staff of the offices of the Governor and Lieutenant Governor is Guy Bell, Director of Administrative Services.

University of Alaska

By delegation of the University President, the ethics supervisor for university employees is Associate General Counsel Andy Harrington.

EXECUTIVE BRANCH AGENCIES

Administration: Leslie Ridle, Deputy Commissioner

Commerce, Community & Economic Development: Jon Bittner, Deputy Commissioner

Corrections: April Wilkerson, Director of Administrative Services

Education & Early Development: Les Morse, Deputy Commissioner

Environmental Conservation: Tom Cherian, Director of Administrative Services

Fish & Game: Kevin Brooks, Deputy Commissioner

Health & Social Services: Dallas Hargrave, Human Resource Manager

Labor & Workforce Development: Michael Monagle, Director, Division of Workers Compensation

Law: Jonathan Woodman, Assistant Attorney General

Military & Veterans Affairs: Marty Meyer, Special Assistant to Commissioner

Natural Resources: John Crowther, Inter-Governmental Coordinator

Public Safety: Terry Vrabec, Deputy Commissioner

Revenue: Dan DeBartolo, Administrative Services Director

Transportation & Public Facilities:

- Highways & Public Facilities: Steve Hatter, Deputy Commissioner
- Aviation: John Binder, Deputy Commissioner
- Central Region: Rob Campbell, Regional Director
- Northern Region: Rob Campbell, Acting Regional Director
- Southcoast Region: Acting Regional Director
- Alaska Marine Highway System: Michael Neussl, Deputy Commissioner
- Headquarters: Mary Siroky, Administrative Services Director

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Department of Law attorney.general@alaska.gov P.O. Box 110300, Juneau, AK 99811-0300
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161
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State of Alaska

Department of Law

Ethics Information for Members of Boards & Commissions (AS 39.52)

Introduction

This is an introduction to AS 39.52, the Alaska Executive Branch Ethics Act. This guide is not a substitute for reading the law and its regulations. State board and commission members who have further questions should contact their board chair or staff.

The Ethics Act applies to all current and former executive branch public employees and members of statutorily created boards and commissions.

Scope of Ethics Act (AS 39.52.110)

Service on a state board or commission is a public trust. The Ethics Act prohibits substantial and material conflicts of interest. Further, board or commission members, and their immediate family, may not improperly benefit, financially or personally, from their actions as board or commission members. The Act does not, however, discourage independent pursuits, and it recognizes that minor and inconsequential conflicts of interest are unavoidable.

Misuse of Official Position (AS 39.52.120)

Members of boards or commissions may not use their positions for personal gain or to give an unwarranted benefit or treatment to any person. For example, board members may not:

- use their official positions to secure employment or contracts;
- accept compensation from anyone other than the State for performing official duties;
- use State time, equipment, property or facilities for their own personal or financial benefit or for partisan political purposes;
- take or withhold official action on a matter in which they have a personal or financial interest; or
- coerce subordinates for their personal or financial benefit.
- attempt to influence outcome of an administrative hearing by privately contacting the hearing officer.



Terry knew that a proposal that was before the board would harm Terry's business competitor. Instead of publicly disclosing the matter and requesting recusal, Terry voted on the proposal.



Board member Mick has board staff employee Bob type an article for him that Mick hopes to sell to an Alaskan magazine. Bob types the article on State time.

Improper Gifts (AS 39.52.130)

A board member may not solicit or accept gifts if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. "Gifts" include money, items of value, services, loans, travel, entertainment, hospitality, and employment. All gifts from registered lobbyists are presumed to be improper, unless the giver is immediate family of the person receiving the gift.

A gift worth more than \$150 to a board member or the board member's immediate family must be reported within 30 days if:

- the board member can take official action that can affect the giver, or
- the gift is given to the board member because he or she is on a state board.

The receipt of a gift worth less than \$150 may be prohibited if a person could reasonably infer from the circumstances that the gift is intended to influence the board member's action or judgment. Receipt of such a gift should be disclosed.

Any gift received from another government, regardless of value, must be reported; the board member will be advised as to the disposition of this gift.

A form for reporting gifts is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.

This restriction on gifts does not apply to lawful campaign contributions.



The commission is reviewing Roy's proposal for an expansion of his business. Roy invites all the board members out to dinner at an expensive restaurant. He says it will be okay, since he isn't excluding any of the members.



Jody receives a holiday gift every year from Sam. Jody was recently appointed to a state board, but Sam has no business that is before the board. Jody may accept the gift.

Improper Use or Disclosure of Information (AS 39.52.140)

No former or current member of a board may use or disclose any information acquired from participation on the board if that use or disclosure could result in a financial or personal benefit to the board member (or immediate family), unless that information has already been disseminated to the public. Board members are also prohibited from disclosing confidential information, unless authorized to do so.



Sheila has been on the board for several years. She feels she has learned a great deal of general information about how to have a successful business venture. So she sets up her own business and does well.



Delores has always advised and assisted the other doctors in her clinic on their continuing education requirements. After Delores is appointed to the medical board, she discloses this role to the board and continues to advise the doctors in her clinic.



Jim reviews a confidential investigation report in a licensing matter. He discusses the practitioner's violation with a colleague who is not a board member.

Improper Influence in State Grants, Contracts, Leases or Loans (AS 39.52.150)

A board member, or immediate family, may not apply for, or have an interest in a State grant, contract, lease, or loan, if the board awards or takes action to administer the State grant, contract, lease, or loan.

A board member (or immediate family) may apply for or be a party to a competitively solicited State grant, contract or lease, if the board as a body does not award or administer the grant, contract, or lease and so long as the board member does not take official action regarding the grant, contract, or lease.

A board member (or immediate family) may apply for and receive a State loan that is generally available to the public and has fixed eligibility standards, so long as the board member does not take (or withhold) official action affecting the loan's award or administration.

Board members must report to the board chair any personal or financial interest (or that of immediate family) in a State grant, contract, lease or loan that is awarded or administered by the agency the board member serves. A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff.



John sits on a board that awards state grants. John hasn't seen his daughter for nearly ten years so he figures that it doesn't matter when her grant application comes up before the board.



The board wants to contract out for an analysis of the board's decisions over the last ten years. Board member Kim would like the contract since she has been on the board for ten years and feels she could do a good job.

Improper Representation (AS 39.52.160)

A board or commission member may not represent, advise, or assist a person in matters pending before the board or commission for compensation. A nonsalaried board or commission member may represent, advise, or assist in matters in which the member has an interest that is regulated by the member's own board or commission, if the member acts in accordance with AS 39.52.220 by disclosing the involvement in writing and on the public record, and refraining from all participation and voting on the matter. This section does not allow a board member to engage in any conduct that would violate a different section of the Ethics Act.



Susan sits on the licensing board for her own profession. She will represent herself and her business partner in a licensing matter. She discloses this situation to the board and refrains from participation in the board's discussions and determinations regarding the matter.

Restriction on Employment After Leaving State Service (AS 39.52.180)

For two years after leaving a board, a former board member may not provide advice or work for compensation on any matter in which the former member personally and substantially participated while serving on the board. This prohibition applies to cases, proceedings, applications, contracts, legislative bills, regulations, and similar matters. This section does not prohibit a State agency from contracting directly with a former board member.

With the approval of the Attorney General, the board chair may waive the above prohibition if a determination is made that the public interest is not jeopardized.

Former members of the governing boards of public corporations and former members of boards and commissions that have regulation-adoption authority, except those covered by the centralized licensing provisions of AS 08.01, may not lobby for pay for one year.



The board has arranged for an extensive study of the effects of the Department's programs. Andy, a board member, did most of the liaison work with the contractor selected by the board, including some negotiations about the scope of the study. Andy quits the board and goes to work for the contractor, working on the study of the effects of the Department's programs.



Andy takes the job, but specifies that he will have to work on another project.

Aiding a Violation Prohibited (AS 39.52.190)

Aiding another public officer to violate the Ethics Act is prohibited.

Agency Policies (AS 39.52.920)

Subject to the Attorney General's review, a board may adopt additional written policies further limiting personal or financial interests of board members.

Disclosure Procedures

DECLARATION OF POTENTIAL VIOLATIONS BY MEMBERS OF BOARDS OR COMMISSIONS (AS 39.52.220)

A board member whose interests or activities could result in a violation of the Ethics Act if the member participates in board action must disclose the matter on the public record and in writing to the board chair who determines whether a violation exists. A form for this purpose is available at www.law.alaska.gov/doclibrary/ethics or from the board or commission staff. If another board member objects to the chair's ruling or if the chair discloses a potential conflict, the board members at the meeting (excluding the involved member) vote on the matter. If the chair or the board determines a violation will occur, the member must refrain from deliberating, voting, or participating in the matter. For more information, see Ethics Act Procedures for Boards and Commissions available at the above noted web site.

When determining whether a board member's involvement in a matter may violate the Ethics Act, either the chair or the board or commission itself may request guidance from the Attorney General.

ATTORNEY GENERAL'S ADVICE (AS 39.52.240-250)

A board chair or a board itself may request a written advisory opinion from the Attorney General interpreting the Ethics Act. A former board member may also request a written advice from the Attorney General. These opinions are confidential. Versions of opinions without identifying information may be made available to the public.

REPORTS BY THIRD PARTIES (AS 39.52.230)

A third party may report a suspected violation of the Ethics Act by a board member in writing and under oath to the chair of a board or commission. The chair will give a copy to the board member and to the Attorney General and review the report to determine whether a violation may or does exist. If the chair determines a violation exists, the board member will be asked to refrain from deliberating, voting, or participating in the matter.

Complaints, Hearings, and Enforcement

COMPLAINTS (AS 39.52.310-330)

Any person may file a complaint with the Attorney General about the conduct of a current or former board member. Complaints must be written and signed under oath. The Attorney General may also initiate complaints based on information provided by a board. A copy of the complaint will be sent to the board member who is the subject of the complaint and to the Personnel Board.

All complaints are reviewed by the Attorney General. If the Attorney General determines that the complaint does not warrant investigation, the complainant and the board member will be notified of the dismissal. The Attorney General may refer a complaint to the board member's chair for resolution.

After investigation, the Attorney General may dismiss a complaint for lack of probable cause to believe a violation occurred or recommend corrective action. The complainant and board member will be promptly notified of this decision.

Alternatively, if probable cause exists, the Attorney General may initiate a formal proceeding by serving the board or commission member with an accusation alleging a violation of the Ethics Act. Complaints or accusations may also be resolved by settlement with the subject.

CONFIDENTIALITY (AS 39.52.340)

Complaints and investigations prior to formal proceedings are confidential. If the Attorney General finds evidence of probable criminal activity, the appropriate law enforcement agency shall be notified.

HEARINGS (AS 39.52.350-360)

An accusation by the Attorney General of an alleged violation may result in a hearing. An administrative law judge from the state's Office of Administrative Hearings serves as hearing officer and determines the time, place and other matters. The parties to the proceeding are the Attorney General, acting as prosecutor, and the accused public officer, who may be represented by an attorney. Within 30 days after the hearing, the hearing officer files a report with the Personnel Board and provides a copy to the parties.

PERSONNEL BOARD ACTION (AS 39.52.370)

The Personnel Board reviews the hearing officer's report and is responsible for determining whether a violation occurred and for imposing penalties. An appeal may be filed by the board member in the Superior Court.

PENALTIES (AS 39.52.410-460)

When the Personnel Board determines a board member has violated the Ethics Act, it will order the member to refrain from voting, deliberating, or participating in the matter. The Personnel Board may also order restitution and may recommend that the board member be removed from the board or commission. If a recommendation of removal is made, the appointing authority will immediately remove the member.

If the Personnel Board finds that a former board member violated the Ethics Act, it will issue a public statement about the case and will ask the Attorney General to pursue appropriate additional legal remedies.

State grants, contracts, and leases awarded in violation of the Ethics Act are voidable. Loans given in violation of the Ethics Act may be made immediately payable.

Fees, gifts, or compensation received in violation of the Ethics Act may be recovered by the Attorney General.

The Personnel Board may impose a fine of up to \$5,000 for each violation of the Ethics Act. In addition, a board member may be required to pay up to twice the financial benefit received in violation of the Ethics Act.

Criminal penalties are in addition to the civil penalties listed above.

DEFINITIONS (AS 39.52.960)

Please keep the following definitions in mind:

Benefit - anything that is to a person's advantage regardless financial interest or from which a person hopes to gain in any way.

Board or Commission - a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch, including the Alaska Railroad Corporation.

Designated Ethics Supervisor - the chair or acting chair of the board or commission for all board or commission members and for executive directors; for staff members, the executive director is the designated ethics supervisor.

Financial Interest - any property, ownership, management, professional, or private interest from which a board or commission member or the board or commission member's immediate family receives or expects to receive a financial benefit. Holding a position in a business, such as officer, director, partner, or employee, also creates a financial interest in a business.

Immediate Family - spouse; another person cohabiting with the person in a conjugal relationship that is not a legal marriage; a child, including a stepchild and an adoptive child; a parent, sibling, grandparent, aunt, or uncle of the person; and a parent or sibling of the person's spouse.

Official Action - advice, participation, or assistance, including, for example, a recommendation, decision, approval, disapproval, vote, or other similar action, including inaction, by a public officer.

Personal Interest - the interest or involvement of a board or commission member (or immediate family) in any organization or political party from which a person or organization receives a benefit.

For further information and disclosure forms, visit our Executive Branch Ethics web site or please contact:

State Ethics Attorney
Alaska Department of Law
1031 West 4th Avenue, Suite 200
Anchorage, Alaska 99501-5903
(907) 269-5100
attorney.general@alaska.gov

Revised 9/2013

Department of Law attorney.general@alaska.gov P.O. Box 110300, Juneau, AK 99811-0300
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161
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Department of Law
Executive Branch Ethics Act

Responsibilities of Designated Ethics Supervisors for Boards and Commissions

Boards and commissions subject to the Ethics Act have designated ethics supervisors. The chair serves as the designated ethics supervisor for board or commission members and the executive director. The executive director is the designated ethics supervisor for staff. The designated ethics supervisor for a chair is the governor, who has delegated this responsibility to Guy Bell, Administrative Director of the Office of the Governor.

Designated ethics supervisors should refer to the Manual for Designated Ethics Supervisors (April 2008), available from the state ethics attorney, regarding their responsibilities under the Ethics Act. Briefly, as designated ethics supervisor, you must --

1. Ensure that members and employees are provided copies of the guides, Ethics Information for Members of Boards and Commissions and Ethics Act Procedures for Boards and Commissions -- and keep a supply of disclosure forms.
 1. These guides, other educational materials, disclosure forms, statutes and regulations are available for review and copying on the Department of Law ethics web site. If access to this page is not available, please contact the Attorney General's office at 269-7195.
2. Review all disclosures, investigate potential ethics violations, make determinations regarding conduct, and take action.
3. Keep member or employee disclosure statements (of potential violations, receipt of gifts, and interests in grants/contracts/leases/loans) on file in your office. Disclosure of a gift received from another government must be forwarded to the Office of the Governor.
4. Submit an ethics report to the Department of Law in April, July, October and January for the preceding quarter. You will receive a reminder. There is a sample report on the ethics web page.
 1. Mail, email or fax to Kim Halstead, Litigation Assistant, Department of Law, Opinions, Appeals & Ethics Section, 1031 W. 4th Avenue, Suite 200, Anchorage, AK, 99501, ethicsreporting@alaska.gov, fax no. 907-279-2834.

You may request ethics advice from your agency's Assistant Attorney General or from the State Ethics Attorney, Jon Woodman, at 269-5100 or jonathan.woodman@alaska.gov. Please direct questions about reporting procedures to Kim Halstead at 269-7195 or kimberly.halstead@alaska.gov.

6/14

Department of Law attorney.general@alaska.gov P.O. Box 110300, Juneau, AK 99811-0300
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161
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Review / Approve Current Meeting Agenda

STATE OF ALASKA
BOARD OF CERTIFIED REAL ESTATE APPRAISER

State Office Building
333 Willoughby Avenue, 9th Floor
Juneau, Alaska 99801

16 May 2019, Thursday, 9:00 a.m. AST
Video-Conference, Conference Room B
Zoom Meeting
<https://zoom.us/j/449150237>
Call: 1 408 638 0968
Meeting ID: 449 150 237

TENTATIVE AGENDA

<u>Item</u>	<u>Time</u>	<u>Subject</u>	<u>Lead</u>
1.	9:00 a.m.	Call to Order/Roll Call <i>Identify Credentialed Appraisers in Attendance</i>	Chair
2.	9:05 a.m.	Ethics Disclosure/Ethics Review	Chair
3.	9:10 a.m.	Review/Approve Current Agenda	Chair
4.	9:15 a.m.	New Board Member and Staff Status/Introduction	Chair
5.	9:30 a.m.	Review/Approve Past Meeting Minutes <i>January 17, 2019</i>	Chair
6.	9:45 a.m.	Investigations - Investigative Reviews and Probation Reports <i>(Executive Session may apply)</i> - Investigations Review Training	Shyla Consalo <i>Investigator</i>
7.	10:15 a.m.	Break	
8.	10:30 a.m.	Division Update & Financial Report <i>3rd Quarter Fiscal Report</i>	Melissa Dumas <i>Administrative Officer</i> Marylene Wales <i>Accountant</i>
9.	10:45 a.m.	AMC Registration Update	Joe Bonnell <i>Records & Licensing Supervisor</i>

10.	11:15 a.m.	Board Member Vacancy	Boards and Commissions <i>Office of the Governor</i>
11.	12:00 n.n.	Lunch	Chair
12.	1:00 p.m.	Public Comment	Chair
13.	1:30 p.m.	Board Review Applications	Chair
		<i>Cody Halterman Certification Allan Safer Continuing Education AMC Applications</i>	
14.	2:30 p.m.	New Business <i>Upcoming Federal Audit</i>	Chair
15.	3:00 p.m.	Break	
16.	3:15 p.m.	Administrative Business	Chair
		<i>Old Task List</i>	
		- Clarification of synchronous online education (from 1/17/2019 Meeting)	
		- Certificate for CE Credit for Appraisers Board Meeting Attendance	
		<i>New Task List</i>	
		- Revise appraiser experience work log form	
		- Approval of tuition fee for Investigator Shyla Consalo to ANC seminar on 'Hot Topics & Myths in Appraiser Liability'	
		- Schedule Next Board Meeting	
17.	4:30 p.m.	Adjourn	Chair

New Board Member and Staff Status/Introduction

Review / Approve Past Meeting Minutes

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 Thursday, January 17, 2018

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 Thursday, January 17, 2018. .

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

20
21 The meeting was called to order at 9:00 a.m. by Robert Tracy, Vice Chair.

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

24 Robert Tracy, Certified Residential Real Estate Appraiser
25 Wendy Lawrence, Certified Residential Real Estate Appraiser
26 Renee Piszczek, Mortgage Lending Member

27
28 Division Staff present in the meeting:

29 Dawn Dulebohn, Occupational Licensing Examiner
30 Joe Bonnell, Records and Licensing Supervisor
31 Shyla Consalo, Investigator III
32 Sher Zinn, Regulations Specialist II
33 Melissa Dumas, Administrative Officer
34 Marylene Wales, Accountant III
35 Sara Chambers, Deputy Director
36 Renee Hoffard, Records and Licensing Supervisor

37
38 **Agenda Item #2** **Ethics Disclosure/Review Ethics**

39
40 There were no ethics issues to disclose.

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Agenda Item #3 Review Agenda

Vice Chair Robert Tracy prompted the Board to review the meeting agenda. There were no changes made to the agenda.

On a motion made by Renee Piszczek, seconded by Wendy Lawrence, and passed unanimously, it was:

RESOLVED to APPROVE the agenda as written.

Agenda Item #4 Review/Approve Minutes

The Board reviewed the minutes from the November 19, 2018 meeting and board member Renee Piszczek noted the dates of the next meeting for January 19, 2019 are incorrect. It needs to be updated to the correct date of January 17, 2019. The board concurred with the date changes, no other changes were addressed in the meeting minutes from the November 19, 2018 board meeting.

On a motion made by Wendy Lawrence, seconded by Wendy Lawrence, and passed unanimously, it was: RESOLVED to APPROVE the November 19, 2018 meeting minutes with the discussed corrections.

TASK:

OLE Dulebohn will correct the November 19, 2018 minutes to reflect the correct date of this meeting: January 17, 2019.

Renee Hoffard, Records and Licensing Supervisor, joined at 9:04am.

Supervisor Hoffard addressed the board in regards to a potential new OLE for the Real Estate Appraisers Board. The staffing concerns are being addressed and hope to have it resolved very soon.

Renee Hoffard out at 9:06am.

Vice Chair Tracy directed the board to move up agenda item #13, Old Business, while waiting for Sher Zinn to arrive and present agenda item #5: AMC/AQB Regulations Update.

80 **Agenda Item #13** **Old Business**

81
82 **Course Delivery Definitions**

83 The board began discussing the definitions of Course Delivery, prompted by Chair Derry in the
84 previous board meeting. Vice Chair Tracy stated they’re trying to move toward conforming to
85 the rest of the nation in establishing what will be accepted for continuing education. They would
86 like to clarify if “synchronous” classes can fill the definitions of “in-class” hours. OLE
87 Dulebohn read regulation 12AAC 70.140, and this would be a regulation change and not just a
88 motion to adopt as a policy. Mr. Tracy states that he doesn’t want to take up a regulations
89 change without Mr. Derry present but they could review the definitions as requested.

90
91 *Sher Zinn joined at 9:10am.*

92
93 **Agenda Item #5** **AMC/AQB Regulations Update**

94
95 **AMC/AQB Draft Regulations**

96
97 Regulations Specialist Zinn addressed the board and asked if they’ve been able to review the
98 public comments that came in regarding the regulations project. After being directed where to
99 find the public comments by OLE Dulebohn and a brief reading review by board members, Vice
100 Chair Tracy directed the board to address the corrections made with public comment. Specialist
101 Zinn described the clarifications used with the amended public comments & ASC suggested
102 portion of the regulation. Zinn went on to state that one public comment was made in regards to
103 Bonding. The comment suggested the board define what kind of bond is needed and what it’s
104 used for, but it cannot be added to this regulation project. It can be addressed in another
105 regulations project but not the current one. The change is just too big to address in this current
106 project.

107
108 **On a motion duly made by Renee Piszczek, seconded by Wendy Lawrence, and approved**
109 **by a roll call vote, it was:**

110
111 **RESOLVED to ADOPT the final draft of AMC/AQB regulations as amended with public**
112 **comment.**

113
114 **Roll Call Vote:**

115 Board Member	Approve	Deny	Recuse	Absent
116 David Derry				X
117 Wendy Lawrence	X			

120 **Robert Tracy** X

121

122 **Renee Piszczek** X

123

124 **Ashlee Stetson** X

125

126 OLE Dulebohn reminded the Vice Chair Tracy to sign and return the adoption page form,
127 certifying the changes to the regulations of the Board of certified Real Estate Appraisers.

128

129 **TASK:**

130 **OLE Dulebohn will email Vice Chair Robert Tracy the adoption form for the**
131 **AMC/AQB regulations amendment and the signature page to approve the previous**
132 **meetings minutes.**

133

134 *Specialist Zinn out at 9:26am.*

135

136 In an order to make best use of their time, the Vice Chair Tracy moved up Old Business.

137

138 **Agenda Item #13 (Continued) Old Business**

139

140 Task List

141

142 The board reviewed the task list and Vice Chair Tracy asked what needed to be done with item 5
143 – sending a response letter to Mr. Safer’s previous correspondence. He said he did not give OLE
144 Wiard direction to send the email out so he will get back on to reviewing and completing the
145 letter.

146

147 *Accountant III Marylene Wales joined at 9:28am.*

148

149 Accountant Wales advised the board they would need to enter executive session to address the
150 next matter.

151

152 **Off record at 9:29am**

153 **On record at 9:33am**

154

155 **Agenda Item #6 Continuing Education Consent Agreements**

156

157 **On a motion made by Renee Piszczek, seconded by Wendy Lawrence, and passed**
158 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**

159 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**
160 **discussing active consent agreement cases, “subjects that tend to prejudice the reputation**
161 **and character of any person, provided the person may request a public discussion.” staff**
162 **were requested to remain in the room for executive session.**

163
164 **Off record at 9:34am.**

165 **On record at 9:44am.**

166
167 **On a motion duly made by Renee Piszczek, seconded by Wendy Lawrence, and approved**
168 **by a roll call vote, it was:**

169 **RESOLVED to APPROVE the continuing education consent agreement for John Emery**
170 **#2017-001175.**

171

172 **Roll Call Vote:**

173 Board Member	Approve	Deny	Recuse	Absent
174				
175 David Derry				X
176				
177 Wendy Lawrence	X			
178				
179 Robert Tracy	X			
180				
181 Renee Piszczek	X			
182				
183 Ashlee Stetson				X

184
185 Vice Chair Tracy stated the task list is acceptable as is.

186
187 Vice Chair Tracy called for board break at 9:46am.

188
189 **Off record at 9:46am.**

190 **On record at 10:03am.**

191
192 *Investigator Shyla Conselo joined at 10:03am.*

193
194 **Agenda Item #7 Investigations Case Review & Probation Reports**

195
196 The Board’s investigator, Shyla Conselo, presented to the board with 2 opened matters, 2 closed
197 matters, and currently 6 ongoing matters under active investigation or pending litigation.
198 Currently none of the investigations are pending litigation, which is a positive. The probations
199 report, at the time it was put together, had 1 person on it but the individual completed their

200 probation on January 12, 2019. Julie Dinneen was ordered to pay \$3500.00 in fines which were
201 paid in full June 1, 2018. Ms. Dinneen also completed her additional hours of continuing
202 education on April 25, 2018.

203

204 *Investigator Conselo out at 10:06am.*

205

206 **Agenda Item #10** **Review Tabled Application**

207

208 Vice Chair Tracy directed board to review the tabled application.

209

210 **Off record at 10:08am.**

211 **On record at 10:32am.**

212

213 *Director Sarah Chambers & Accountant Marylene Wales joined @ 10:32am.*

214

215 **Agenda Item #9** **Division Update & Financial Report**

216

217 Accountant Wales began by discussing the 1st Quarter of FY19. Accountant Wales began by
218 providing the Board with their financial status using her budget report. Ms. Wales broke down
219 total revenues and total expenditures, which ultimately came to a deficit for FY19's 1st Quarter.
220 But it will turn around once the next renewal period come into effect.

221

APR	2019
\$317,092	Beginning Surplus
\$16,324	Total Revenue
\$18,812	Direct Expense (i.e. personal services, travel, contractual, supplies, equipment)
\$9,207	Indirect Expense (Commissioner's office, human resources, technology, postage, maintenance)
\$28,019	Total Expenses
\$317,092	2019 1st Quarter Cumulative Surplus

222

223 *Melissa Dumas, Administrative Officer, joined at 10:42am.*

224 *Marylene Wales out at 10:49am.*

225 **Agenda Item #14** **Administrative Business**

226

227 Director Sara Chambers addressed the board in regards to the concerns between AMC
228 registration fees & renewal fees. The fees she proposed are slightly lower than what the board
229 recommended. Both the board recommended fees and those fees selected are dramatically lower
230 than what Mr. Derry recommended. If there was a will to change the fees, it would have to go
231 back out for public comment and go through the process again. We're already behind on getting
232 the program up and running so that would be 1 technical aspect that would have to be completed
233 before increasing the fee to \$2000.00. We are required to set fees where revenues and
234 expenditures approximately match. It's our duty to make sure those fees are equivalent to the
235 programs regulations. It is not based on what other states charge, it's is based on law and
236 rational methodology.

237

238 The AMC regulatory fee is just so new, we have used our best estimate when assigning fees. But
239 in a year, the review of programs needs can be addressed if they is an issue. If increased fees are
240 needed, then those can be addressed at that time.

241

242 A third issue addressed by Director Chamber that the regulations authority for setting fees no
243 longer rest at the Director level. It's handled by the Deputy Commissioner who is not
244 philosophically inclined to increase fees or charge new fees at all. We are working through those
245 processes but it is possible the fee may be even lower than proposed by Director Chambers. If
246 the fees do come in lower, all information will be sent to the board for review.

247

248 Vice Chair Tracy asked Director Chambers if she had inquired with any of the other states in
249 regards to their fees and why they have set their fees the way they have. Director Chambers said
250 she did not, as there are many different variables in other states, particularly the economy and
251 scale of Alaska. She would have to learn everything about the other states program to be able to
252 compare to ours and that was something that is just not time appropriate. The board briefly
253 discussed the fees and agreed that review in a year to make sure the fees chosen have been
254 sufficient in supporting the program. Director Chambers added if we see sooner than a year the
255 fee systems needs to be addressed, we can certainly do that. Vice Chair Tracy asked for
256 clarification on if they were to be at a deficit for the AMC regulatory fees, would it come out of
257 the boards' funds. The answer is yes it would. But again, fees can be readdressed should these
258 deficits happen and move forward from there.

259

260 *Sarah Chambers & Melissa Dumas out @ 11:08am.*

261

262

263

264 **Agenda Item #10(Continued) Review Tabled Application**

265
266 OLE Dulebohn asked the board if they had enough time to review the tabled application or did
267 they need to enter into executive session. Vice Chair Tracy stated he would need to discuss in
268 executive session.

269
270 *Cody Halterman joined @ 11:10am via telephone.*

271
272 Cody Halterman was asked by Vice Chair Tracy if he wanted to be heard on the record or the
273 board could enter executive session. Mr. Halterman stated he was fine with being on record. His
274 only question to the board was how the 3,000 hours were counted. Is it by calendar year, fiscal
275 year, or when he began took the position working with the company. Depending on how it's
276 counted, he could be over the hours or under the hours. Mr. Halterman is currently a furloughed
277 federal worker and does not have access to all his documents at the moment so he's going off
278 memory.

279
280 Vice Chair Tracy questioned Mr. Halterman about the license he's going for and the properties
281 he's currently been surveying. The question raised was does Mr. Halterman feel he's been
282 surveying residential as it seems he's been surveying large land tracts. The questions were to
283 determine what is considered residential surveying and what is not. Vice Chair Tracy also asked
284 how Mr. Halterman counts his hours. Mr. Halterman stated he does not count his commercial
285 flights but when he gets into the "bush planes" and begins to head to the property, he counts
286 those hours.

287
288 **Agenda Item #11 Lunch**

289
290 Vice Chair Tracy called for a lunch break at 11:18am to allow OLE Dulebohn to do research in
291 regards to Cody Halterman's questions of how the 3,000 hours were considered to
292 begin/accumulated.

293
294 **Off record at 11:18am**

295 **On record at 1:15pm**

296
297 **Agenda Item #12 Public Comment**

298
299 No one signed up for Public Comment or joined telephonically to address the Board.

300
301
302

303 **Agenda Item #10(Continued) Review Tabled Application**

304

305 Chair Tracy questioned Cody Halterman about which assignments were highest and best use of
306 “residential” parcels. Because Cody doesn’t have his documents in front of him, he’s unable to
307 specify at this time.

308

309 OLE Dulebohn asked Mr. Halterman about the 2 different work experience forms he turned in.
310 One form is provided by division and OLE Dulebohn verified the other form was also work
311 experience (form generated by Mr. Halterman personally). The question posed to Mr. Halterman
312 “Was the information transferred from the work sheets he created over to division worksheets, is
313 there a duplication in numbers?” The answer was yes.

314

315 Last question posed was did Mr. Halterman begin working September 16, 2016? He stated he
316 really began in May of 2016 and in June of 2016, he did his first inspection with his supervisor.
317 But that June date was NOT denoted on his work experience. He did not know if the June date
318 could be used so the date he and his supervisors came up was September 16, 2016.

319

320 **On a motion made by Wendy Lawrence, seconded by Renee Piszczek, and passed**
321 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**
322 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**
323 **discussing active consent agreement cases, “subjects that tend to prejudice the reputation**
324 **and character of any person, provided the person may request a public discussion.” staff**
325 **were requested to remain in the room for executive session.**

326

327 **Off the Record at 1:24pm.**

328 **On the Record at 1:44pm.**

329

330 **On a motion duly made by Renee Piszczek, seconded by Wendy Lawrence, and approved**
331 **by a roll call vote, it was:**

332

333 **RESOLVED to APPROVE the application for Cody Halterman pending a board review of**
334 **all work experience on required forms 12 AAC 70.110(a) provided by the department &**
335 **clarification of any assignment which had a highest and best use of “residential”.**

336

337 **Roll Call Vote:**

338 Board Member	Approve	Deny	Recuse	Absent
339 David Derry				X
340 Wendy Lawrence	X			

341

342

343 **Robert Tracy** X

344

345 **Renee Piszczek** X

346

347 **Ashlee Stetson** X

348

349 **TASK:**

350 **OLE Dulebohn will contact applicant Cody Halterman on the boards' decision and**
351 **needed items for board review.**

352

353 **Agenda Item #15** **New Business**

354

355 There were no New Business items to discuss per present board members.

356

357 Vice Chair Tracy called for board break at 1:51pm.

358

359 **Off Record at 1:51pm**

360 **On Record at 2:01pm**

361

362 *Renee Hoffard & Lacey Bartlett Join at 2:01pm*

363

364 **Agenda Item #14(Continued)** **Administrative Business**

365

366 **AMC Application Form**

367

368 Supervisor Renee Hoffard joined to discuss the Appraisal Management Company application.
369 The draft application is based on the statues but not the regulations the board had in draft. This
370 is due to not being able to use the regulations in draft until the board had approved them. Per the
371 statue, there is a reporting requirement for federally regulated appraisal management companies.
372 They must send a report of "Intend to Operate" in the state. Supervisor Hoffard stated that there
373 is nothing in the division currently that is similar to the intent to operate that is being requested.
374 The question posed to the board is can a written statement from the controlling agent on
375 company letter head, explaining their intent of how they intend to operate in the state be
376 sufficient?

377

378 Vice Chair Tracy asked why the application itself wasn't considered to be the intent to operate as
379 it has the information they intend to operate, the applicant had to complete the application, pay
380 fees, and that seems like a pretty good indication they intend to operate in the state. Supervisor
381 Hoffard agreed and with the notary page on page 4 of the application, it states "I have read the

382 Alaska Certified Real Estate Appraiser Practice Act. I solemnly declare upon my honor that if
383 granted a certificate to practice in Alaska, I will respectfully comply with any law governing the
384 practice of appraisers in this state and will do my best to uphold and maintain the ethics of the
385 profession.” It’s a relatively clear statement they intend to operate in the State of Alaska.
386

387 Supervisor Hoffard asked the board if they had any additional items or changes they see needed
388 to be made to the application. There is a separate form for the ownership certification if they
389 hold a 10% ownership stake or more. OLE Dulebohn added that Director Chambers also wanted
390 to make sure the board was alerted that in addition to the \$700.00 Certification Fee, there is a
391 \$500.00 Non-Refundable Application Fee. The form fees will be added on page one as they’re
392 finalized. Money cannot be received until March 1, 2019 but the hope is to have the application
393 available on the website by the middle of February, 2019. This is so the AMC’s can have it
394 printed and completed, ready to go by the March 1, 2019 registration opening.
395

396 **On a motion duly made by Wendy Lawrence, seconded by Renee Piszczek, and approved**
397 **by a roll call vote, it was:**
398

399 **RESOLVED to APPROVE the Appraisal Management Company application as drafted,**
400 **subject to inclusion of the appropriate fees.**
401

402 **Roll Call Vote:**

403 Board Member	Approve	Deny	Recuse	Absent
404 David Derry				X
406 Wendy Lawrence	X			
408 Robert Tracy	X			
410 Renee Piszczek	X			
412 Ashlee Stetson				X

413 *Renee Hoffard and Lacey Bartlett out at 2:11pm.*
414

415 **Agenda Item #14** **Adjourn**
416

417 Mr. Tracy commending the board on moving through the agenda items diligently and completing many
418 important tasks.
419
420
421

422 **In a motion made by Renee Piszczek, seconded by Wendy Lawrence, and passed**
423 **unanimously, it was RESOLVED to ADJOURN.**

424
425 Hearing nothing further, Vice Chair Robert Tracy adjourned the meeting at 2:13pm.

426
427 Respectfully Submitted,

428
429
430 _____
431 Lacey Bartlett, Licensing Examiner

Date

432
433
434 _____
435 Roberty Tracy, Vice Chair

Date

DRAFT

Investigations

Break

Division Update & Financial Report

AMC Registration Update

Appraisal Management Company (AMC) Registration Progress Report

May 15, 2018

This is a high-level overview of the recently rolled out AMC registration program.

The application was made available to the public March 28, 2019.

As of May 15, 2019, we have received 49 applications.

Standard division response time for initial applications is 10 business days. This does not mean that the applications are ready for board review within 10 days, rather the examiner will have reviewed the application and responded to the applicant requesting further or missing information.

Common areas where AMCs are missing information:

- Not providing a list of appraisers for the appraiser panel.
- Not providing the Controlling Person/Ownership Certification or Release of Records.
 - Many AMCs are owned by another company (owning entity), so do not complete this part of the application. However it has been verified with the Corporations section of CBPL that a natural or "live" person must complete this form. In these instances the owners of the owning entity of the AMC should complete this form. This does add levels of complication, however once it is explained to an AMC, they typically respond with the necessary forms (this requirement can be changed by the board if desired, please see below for further information).
 - Since the requirement to complete the Certification and Release form is being either 1) the Controlling Person or 2) having a minimum of 10% ownership; when there are AMCs who do not have an owner who owns 10% or more, the AMC is being asked to include a letter explaining why the ownership forms were not completed. In these instances this letter will be included with the application packet when provided to the board.
- Not providing a contact person for a Service of Process Address.

Areas identified where clarification or improvement may be added:

The division will take up these changes and revise the form.

- 1) Including a space on the form to include the AMC's Corporation Entity number. This will reduce the time for the examiner to search for the AMC's entity, which must be registered with the Division of Corporations in order to do business in Alaska.

Recommendations for the Board:

Please note that these are only recommendations for the board to consider. They may wish to take up these recommendations, consider others, or decide to not address these.

- 1) If the board feels that it is not necessary for the owner of an owning entity to complete the Certification and Authorization forms, then they may wish to further define "owner" to limit it's meaning to only those directly owning the AMC. Currently we are using the broader definition of the Corporations section. The board may wish to continue this practice if it is felt that it better serves the purposes of registration.

Appraisal Management Company (AMC) Registration Progress Report

- 2) Define employee as contained in 12 AAC 02.370(b)(4).
 - a. The board may wish to define employee in order to narrow the requirement as contained in 12 AAC 02.370(b)(4). This regulation lists the fee for an AMC to make a change in their controlling person, owner, employee, director, officer, or agent. The term employee is not defined so would have a general, broad interpretation of ALL employees in a company (including for example front desk staff, etc.). This is likely not what the intent was behind this regulation. In addition the division does not collect records on all employees of an AMC initially, so a change in any employee would not be possible to accurately track or record. The board may wish to define the term employee so as to narrow it to just the appraisers and others as listed in the regulation.
 - b. We have also received questions from AMCs regarding appraisers who are not officially on the company payroll and are instead contracted with the AMC. We are informing the AMC that they do need to be reported in regards to the appraiser panel. If the board wishes to define employee, it is recommended to add a second definition clarifying this area to include appraisers under contract to an AMC.

Board Member Vacancy

From: [David Derry](#)
To: [Boards and Commissions \(GOV sponsored\)](#); [Chambers, Sara C \(CED\)](#); [Alcancia, Allan A \(CED\)](#); [Bonnell, Joseph K \(CED\)](#); [Hoffard, Renee \(CED\)](#)
Subject: Certified Real Estate Appraiser Board vacancy
Date: Thursday, April 18, 2019 12:56:05 PM

Hi Boards & Commissions,

I'm sending this email as a third follow-up to my 2 phone calls and emails to the Governor's Office of Boards and Commissions and the vacant seat on the Board of Certified Real Estate Appraisers.

I noted reviewing the list of "current vacancies" that you have the vacant board seat for the appraisal board listed as a "Certified Residential Real Estate Appraiser". That is not correct, the seat can be filled by **either** an Alaska Certified **General or Residential** Real Estate Appraiser. We currently have a Residential and a General Certified Appraiser on the Board. This is per the appraisal board statute; 08.87.101. We do not have designated "seats" as inferred by the listing on the appraisal board website. The statute only specifies "1 General" and "1 Residential" certified, with the 3rd appraiser member either.

We do need a member asap, since we had to cancel a meeting in March due to the lack of a quorum and have a scheduled meeting coming up shortly.

Thanks, David Derry, MAI, AI-GRS
Chair, Alaska Board of Certified Real Estate Appraisers

Break

Public Comment

Board Review Applications

New Business

Break

Administrative Business

STATE OF ALASKA 2019

State Holidays

Date	Holiday
01/01	New Year's Day
01/21	MLK Jr.'s Birthday
02/18	Presidents' Day
03/25	Seward's Day
05/27	Memorial Day
07/04	Independence Day
09/02	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/28	Thanksgiving Day
12/25	Christmas Day

Biweekly employees please refer to appropriate collective bargaining unit agreement for more information regarding holidays.

 Holiday
 Payday



State calendar maintained by the
 Division of Finance,
 Department of Administration
<http://doa.alaska.gov/calendars.html>
 Revised 08/28/2018

STATE CALENDAR

JANUARY

S	M	T	W	R	F	S
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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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Old Task List

80 **Agenda Item #13** **Old Business**

81
82 **Course Delivery Definitions**

83 The board began discussing the definitions of Course Delivery, prompted by Chair Derry in the
84 previous board meeting. Vice Chair Tracy stated they’re trying to move toward conforming to
85 the rest of the nation in establishing what will be accepted for continuing education. They would
86 like to clarify if “synchronous” classes can fill the definitions of “in-class” hours. OLE
87 Dulebohn read regulation 12AAC 70.140, and this would be a regulation change and not just a
88 motion to adopt as a policy. Mr. Tracy states that he doesn’t want to take up a regulations
89 change without Mr. Derry present but they could review the definitions as requested.

90
91 *Sher Zinn joined at 9:10am.*

92
93 **Agenda Item #5** **AMC/AQB Regulations Update**

94
95 **AMC/AQB Draft Regulations**

96
97 Regulations Specialist Zinn addressed the board and asked if they’ve been able to review the
98 public comments that came in regarding the regulations project. After being directed where to
99 find the public comments by OLE Dulebohn and a brief reading review by board members, Vice
100 Chair Tracy directed the board to address the corrections made with public comment. Specialist
101 Zinn described the clarifications used with the amended public comments & ASC suggested
102 portion of the regulation. Zinn went on to state that one public comment was made in regards to
103 Bonding. The comment suggested the board define what kind of bond is needed and what it’s
104 used for, but it cannot be added to this regulation project. It can be addressed in another
105 regulations project but not the current one. The change is just too big to address in this current
106 project.

107
108 **On a motion duly made by Renee Piszczek, seconded by Wendy Lawrence, and approved**
109 **by a roll call vote, it was:**

110
111 **RESOLVED to ADOPT the final draft of AMC/AQB regulations as amended with public**
112 **comment.**

113
114 **Roll Call Vote:**

115 Board Member	Approve	Deny	Recuse	Absent
116 David Derry				X
117 Wendy Lawrence	X			



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	<input type="checkbox"/> In Person	<input type="checkbox"/> 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
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BELOW IS FOR DEPARTMENTAL 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:

New Task List

WORK VERIFICATION LOG

PART TWO:

Assignments for Month of: _____
 (Complete a Work Verification Log for each month)

Trainee Appraiser: For each criterion I through I, indicate to which portions of the assignment you contributed by writing "T" in the line designated for Trainee Appraisers.

Supervisory Appraiser: For criterion I through X, indicate to which portions of the assignment you contributed by writing "P" (Had Primary Responsibility), "C" (Co-appraised), or "R" (Reviewed and Approved) in the line designated for Supervisory Appraisers.

Name: _____ Certificate #: _____

Signature: _____ Date Signed: _____

Hours Requested on This Page _____ Total Hours: _____

PART ONE:

Report Type: Restricted Report = RR Appraisal Report = AR

Property Classification: Commercial Building = **CB** Commercial & Office Land = **CL** Farm/Forest Land = **FL**
 FL with Residential/Farm-Use Equipment = **FR** Industrial & Business Campus Land = **IL**
 Industrial Warehouse & Manufacturing Building = **IB** Multi-Family Small 2-4 Units = **MFS**
 Multi-Family Large 5+ Units = **MFL** Multi-Family Land = **ML** Office Buildings = **OB**
 Residential Single-Family Land including Subdivision Potential and Multiple Lot Sales = **RL**
 Single-Family Residential = **SFR** Other = **OT** – specify _____

Report Date	Subject Property Address	Report Type	Property Classification	Client Named in Report	Work Hours	T – Trainee	S – Supervisor	I. Inspected Property	II. Developed Building Description and Analysis	III. Neighborhood Description & Market Analysis	IV. Developed the Highest & Best Use	V. Collected, Verified and Analyzed Data	VI. Developed Income Approach	VII. Developed Cost Approach	VIII. Developed Sales Comparison	IX. Developed Final Reconciliation	X. Other (please attach explanation)	XI. Experience Category (1-10) on code page
						T	S											
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Supervisory Appraiser Name: _____ Certificate Number: _____

Supervisory Appraiser Signature: _____ Date: _____

Adjourn

Resources

EXECUTIVE SESSION MOTION

Sec. 44.62.310. Government meetings public.

(c) The following subject may be considered in an executive session:

- (1) matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity;
- (2) subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;
- (3) matters which by law, municipal charter, or ordinance are required to be confidential;
- (4) matters involving consideration of government records that by law are not subject to public disclosure.

MOTION WORDING:

“In accordance with the provisions of Alaska Statute 44.62.310 (c), I move to go into executive session for the purpose of discussing (select the appropriate statutory citation for the situation):

- (1) matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity; *OR***
- (2) subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion; *OR***
- (3) matters which by law, municipal charter, or ordinance are required to be confidential; *OR***
- (4) matters involving consideration of government records that by law are not subject to public disclosure.**

Board staff is requested to remain during the session *OR*

Board only to remain during session.”

Staff will then state **“The board is off the record at _____(time).”**

EXECUTIVE SESSION MOTION

I, _____, move that the Alaska State Board of Real Estate Appraisers enter into executive session in accordance with AS 44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing _____

Board staff to remain during the session.

Off record: _____

On record: _____

Authority: AS 44.62.310(c), Government meetings public

The following subjects may be considered in executive session:

- **matters, the immediate knowledge of which would clearly have an adverse effect upon the finances of the public entity;**
- **subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion;**
- **matters which by law, municipal charter, or ordinance are required to be confidential;**
- **matters involving consideration of government records that by law are not subject to public disclosure.**

Statutes and Regulations **Certified Real Estate** **Appraisers**

March 2019



DEPARTMENT OF COMMERCE, COMMUNITY,
AND ECONOMIC DEVELOPMENT

***DIVISION OF CORPORATIONS, BUSINESS
AND PROFESSIONAL LICENSING***

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2. Real Estate Appraiser Regulations (12 AAC 70)	8

**CHAPTER 87.
REAL ESTATE APPRAISERS.**

Article

- 1. Board of Certified Real Estate Appraisers (§§ 08.87.010, 08.87.020)**
- 2. Certification (§§ 08.87.100—08.87.120)**
- 3. Prohibited Practices and Disciplinary Proceedings (§§ 08.87.200, 08.87.210)**
- 4. General Provisions (§§ 08.87.300—08.87.900)**

**ARTICLE 1.
BOARD OF CERTIFIED REAL ESTATE APPRAISERS.**

Section

- 10. Board created**
- 20. Powers and duties of board**

Sec. 08.87.010. Board created. There is created in the Department of Commerce, Community, and Economic Development the Board of Certified Real Estate Appraisers. The board is composed of five members appointed by the governor. At least one member shall be a person certified under this chapter as a general real estate appraiser, at least one member shall be a person certified under this chapter as a residential real estate appraiser, at least one member shall be an executive in a mortgage banking entity, and at least one member shall represent the public. The board shall elect a chair from among its membership.

Sec. 08.87.020. Powers and duties of board. (a) In addition to the powers and duties conferred on the board by AS 08.01, the board shall

(1) establish the examination specifications for certification as a general real estate appraiser, as a residential real estate appraiser and as an institutional real estate appraiser;

(2) adopt rules of professional conduct to establish and maintain a high standard of integrity in the real estate appraisal profession;

(3) adopt regulations necessary to carry out the purposes of this chapter, including regulations

(A) necessary to comply with the requirements of

(i) 12 U.S.C. 3331 – 3355 (Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989), as amended by 12 U.S.C. 5301 – 5641 (Dodd-Frank Wall Street Reform and Consumer Protection Act); the regulations adopted by the board under AS 08.87.110, 08.87.120, 08.87.135, 08.87.220, and 08.87.310 may not be more stringent than the corresponding minimum requirements for receiving approval of the state's program of certification of real estate appraisers and registration of real estate appraisal management companies under 12 U.S.C. 3331 – 3355 or other federal law; and

(ii) 15 U.S.C. 1639e (Truth in Lending Act);

(B) establishing registration procedures and standards for a real estate appraisal management company; and

(C) establishing the standards for the real estate appraisal management company's appraiser panel, including panel size and member qualifications; and

(4) report relevant information regarding a real estate appraisal management company's operations, including a disciplinary action under this chapter or a violation of state or federal law, to the Appraisal Subcommittee established under 12 U.S.C. 3310.

(b) The board may

(1) examine the records of a real estate appraisal management company operating in the state;

(2) require a real estate appraisal management company to submit reports, information, and documents to the board;

(3) investigate alleged violations of this chapter;

(4) conduct background investigations as provided in AS 08.87.135(c).

**ARTICLE 2.
CERTIFICATION.**

Section

- 100. Certificate required**
- 110. General, residential, and institutional real estate appraiser certificates**
- 120. Continuing education requirements for renewal of certificate**

Sec. 08.87.100. Certificate required. A person is guilty of a class B misdemeanor who

- (1) does not hold a certificate issued by the board, whose certificate is suspended or revoked, or whose certificate has lapsed or terminated, and holds out as a certified real estate appraiser in any way, orally or in writing, directly or by implication;
- (2) is certified as a residential real estate appraiser and holds out as certified to appraise real estate other than
 - (A) residential real property of four or fewer units; or
 - (B) residential real property of 12 or fewer units when a net income capitalization analysis is not required by the terms of the appraisal assignment and a secondary mortgage market form is used; or
- (3) is certified as an institutional real estate appraiser and
 - (A) holds out as certified to appraise real estate other than
 - (i) residential real property of four or fewer units having a transaction value of less than \$1,000,000; or
 - (ii) commercial property having a transaction value of less than \$250,000;
 - (B) holds out as performing real estate appraisal services for a fee or for the public at large;
 - (C) accepts a fee for real estate appraisal services other than for services conducted as a full-time employee of a financial institution with offices in the state and other than a salary received as a full-time employee of the financial institution; or
 - (D) performs a real estate appraisal for other than the portfolio of the financial institution for which the person is employed.

Sec. 08.87.110. General, residential, and institutional real estate appraiser certificates. (a) The board shall issue a general real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person

- (1) has successfully completed classroom instruction in subjects related to real estate appraisal, as required by the board in regulation, from an appraisal organization or academic institution approved by the board;
- (2) has successfully completed classroom instruction related to standards of professional practice as a real estate appraiser, as required by the board in regulation;
- (3) successfully completes an examination prescribed by the board;
- (4) has not been convicted of a crime involving moral turpitude; and
- (5) has paid the required fees.

(b) The board shall issue a residential real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person

- (1) meets the requirements of (a)(2)(5) of this section; and
- (2) has successfully completed classroom instruction in subjects related to residential real estate appraisal, as required by the board in regulation, from an appraisal organization or academic institution approved by the board.

(c) Notwithstanding (a) and (b) of this section, the board shall issue a general real estate appraiser or residential real estate appraiser certificate to a person who does not reside in this state and who

- (1) applies on the form required by the department;
- (2) pays the required fee; and
- (3) holds a valid certificate or license from a state whose requirements for real estate appraiser certification or licensing
 - (A) meet or exceed the appraiser certification standards in this chapter; and
 - (B) comply with 12 U.S.C. 3331 – 3351 (Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989), as amended by 12 U.S.C. 5301 – 5641 (Dodd-Frank Wall Street Reform and Consumer Protection Act).

(d) A certificate may be issued to a natural person only. A certified real estate appraiser may sign an appraisal report on behalf of a corporation, partnership, firm, or group practice.

(e) The board shall issue an institutional real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person meets the educational and testing requirements of 12 U.S.C. 3331 – 3351 (Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989), as amended by 12 U.S.C. 5301 – 5641 (Dodd-Frank Wall Street Reform and Consumer Protection Act) and as implemented by the board, and that the person is a full-time employee of a financial institution with offices in the state. A person receiving certification under this subsection may perform an appraisal only

- (1) for and as an employee of a financial institution with offices in the state;
- (2) for the financial institution's own portfolio; and
- (3) of
 - (A) commercial property with a transaction value of less than \$250,000; or
 - (B) residential property of four or fewer units having a transaction value of less than \$1,000,000.

(f) A certificate issued under (e) of this section terminates when the person certified leaves the full-time employment of the financial institution with offices in the state for whom the person was employed when the certificate was issued.

(g) A person certified under (e) of this section as an institutional real estate appraiser may not perform real estate appraisal services for the general public or for a fee other than the salary the person receives as a full-time employee of a financial institution with offices in the state.

(h) Notwithstanding (a) – (c) of this section, the board may issue a general or residential real estate appraiser certificate to a person who does not meet the requirements of (a) – (c) of this section and who

- (1) applies on a form required by the department;

- (2) pays the required fee; and
- (3) successfully completes the National Uniform Licensing and Certification Examination issued or endorsed by the Appraiser Qualifications Board of the Appraisal Foundation, has previous real estate appraiser experience acceptable to the board, or successfully completes courses approved by the board.

Sec. 08.87.120. Continuing education requirements for renewal of certificate. (a) The board may not renew a certificate issued under this chapter unless the person applying for renewal presents evidence satisfactory to the board that the person has, within the two years preceding the application for renewal, attended classroom instruction, as required by the board in regulation, in courses or seminars that have received the approval of the board.

(b) The board may grant credit toward some or all of the requirements of (a) of this section to a person who has

- (1) successfully completed a program of study determined by the board to be equivalent for continuing education purposes to a course or seminar approved by the board for continuing education credit; or
- (2) participated, other than as a student, in educational programs that related to real estate analysis or real property appraisal theory, practice, or technique, including teaching, program development, and preparation of textbooks, monographs, articles, and other instructional materials.

(c) The board shall adopt regulations on continuing education to ensure that persons applying for renewal of certificates have thorough knowledge of current theories, practices, and technique of real estate analysis and appraisal. The regulations must provide for

(1) procedures for the sponsor of a course or seminar to apply for board approval for continuing education credit; the regulations must require the sponsor to show that claimed attendance at a course or seminar can be verified; and

(2) procedures for evaluating equivalency claims for applicants for certificate renewal under (b) of this section.

(d) In considering whether to approve courses and seminars under this section, the board shall give special consideration to courses, seminars, and other appraisal education programs developed by or under the auspices of organizations or associations of professional real estate appraisers that are utilized by those organizations or associations for the purposes of awarding real estate appraisal designations or of indicating compliance with the continuing education requirements of the organizations or associations.

(e) An amendment or repeal of a regulation adopted by the board under this section shall not operate to deprive a person holding a certificate under this chapter of credit toward renewal of the person's certificate for a course of instruction or seminar that had been completed by the person before the amendment or repeal of the regulation.

ARTICLE 3. REAL ESTATE APPRAISAL MANAGEMENT COMPANIES.

Section

- 130. Registration required**
- 135. Requirements for registration of real estate appraisal management companies**
- 140. Mandatory reporting**
- 145. Statement of fees**
- 150. Retention of records and inspection**
- 155. Reporting requirements for federally regulated real estate appraisal management companies**
- 160. Exemptions**

Sec. 08.87.130. Registration required. (a) A person shall register as a real estate appraisal management company with the board to perform appraisal management services if the person

- (1) provides an appraisal management service
 - (A) to a creditor or secondary mortgage market participant, including an affiliate; and
 - (B) in connection with valuing a borrower's principal dwelling as security for a consumer credit transaction or incorporating consumer credit transactions into a securitization; and
- (2) oversees an appraiser panel.

(b) A person is guilty of a class B misdemeanor if the person engages in business as or holds out as a real estate appraisal management company, or performs or attempts to perform appraisal management services, at a time when the

- (1) person does not hold a registration issued by the board; or
- (2) registration issued by the board to the person is suspended, revoked, lapsed, or surrendered.

Sec. 08.87.135. Requirements for registration of real estate appraisal management companies. (a) The board shall register a real estate appraisal management company operating in the state if the company applies on a form approved by the board, pays the fee required under AS 08.01.065, and presents evidence satisfactory to the board that the company

- (1) has designated a controlling person who will be the main point of contact between the board and the company and who meets the requirements under (b) of this section;

(2) has, if the company is not a corporation that is domiciled in this state, filed with the department a written consent to service of process on a resident of this state for any court action arising from an activity regulated under this chapter or 12 U.S.C. 3331 – 3355 and provided the name and contact information for the company’s agent for service of process in this state;

(3) requires a real estate appraiser to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation when completing appraisals at the company’s request;

(4) engages only appraisers who are certified under this chapter;

(5) has a process to verify that a person who is assigned to serve on an appraiser panel of the company

(A) is certified under this chapter and maintains a certification in good standing; and

(B) is qualified to conduct federally related transactions under federal law; in this subparagraph, “federally related transaction” means a real estate related transaction that involves an insured depository institution regulated by the United States Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the National Credit Union Administration and requires the services of a real estate appraiser under the interagency appraisal rules;

(6) conducts appraisals independently and free from inappropriate influence and coercion as required under 12 U.S.C. 3353;

(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;

(8) has posted a surety bond in an amount required by the board, not to exceed \$50,000; and

(9) is owned by persons who meet the requirements under (c) of this section.

(b) A controlling person designated under (a) of this section

(1) must be actively certified in a state as a real estate appraiser at all times that the person is designated as a controlling person;

(2) may not have 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 the certificate to act as a real estate appraiser granted or reinstated; and

(3) must be of good moral character.

(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.

(d) The board shall provide a copy of a registration under this section to the Appraisal Subcommittee established under 12 U.S.C. 3310 on a form approved by the subcommittee.

(e) A registration under this section is valid for two years and may be renewed upon proof of continued compliance with the requirements of (a) – (c) of this section.

Sec. 08.87.140. Mandatory reporting. A real estate appraisal management company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company that has reasonable cause to believe that a real estate appraiser has failed to comply with the Uniform Standards of Professional Appraisal Practice as adopted under 12 U.S.C. 3339 in a manner that materially affects a valuation appraisal shall report the noncompliance to the board and to the Appraisal Subcommittee established under 12 U.S.C. 3310.

Sec. 08.87.145. Statement of fees. (a) When reporting to a borrower, an appraisal management company shall separately state the fees

(1) paid to an appraiser for the completion of an appraisal; and

(2) charged to the borrower for appraisal management services by the appraisal management company.

(b) An appraisal management company may not include any fees for appraisal services listed in (a)(1) of this section as charges for an appraisal management service listed in (a)(2) of this section.

Sec. 08.87.150. Retention of records and inspection. A registered real estate appraisal management company or a real estate appraisal management company that has applied for registration shall allow the board to inspect and shall retain, for not less than the later of either five years after the date a file is submitted to the company or two years after final disposition of a related judicial proceeding,

(1) copies of all records related to requests for the company’s appraisal management services and the real estate appraisers who perform the appraisals;

(2) a written record of all substantive communications between a real estate appraisal management company registered under this chapter and a real estate appraiser relating to an appraisal or participation in an appraiser panel.

Sec. 08.87.155. Reporting requirements for federally regulated real estate appraisal management companies. (a) A real estate appraisal management company that is owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813 and regulated by the United States Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation, shall annually submit to the board

information that the board is required to submit to the Appraisal Subcommittee established under 12 U.S.C. 3310, including a

- (1) report of intent to operate in the state; and
- (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.

(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.

Sec. 08.87.160. Exemptions. AS 08.87.130 – 08.87.150, 08.87.215, and 08.87.220 do not apply to a

- (1) person who is employed by a department or division of an entity that provides appraisal management services only to that entity;
- (2) real estate appraisal management company that is
 - (A) owned and controlled by an insured depository institution; and
 - (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; or
- (3) real estate appraiser who enters into an agreement with another real estate appraiser for the performance of an appraisal that upon completion results in a report signed by both the real estate appraiser who completed the appraisal and the real estate appraiser who requested completion of the appraisal.

ARTICLE 4. PROHIBITED PRACTICES AND DISCIPLINARY PROCEEDINGS.

Section

200. Prohibited practices

210. Disciplinary proceedings

215. Prohibited practices; real estate appraisal management companies

220. Disciplinary proceedings; real estate appraisal management companies

Sec. 08.87.200. Prohibited practices. A certified real estate appraiser may not

- (1) act negligently or incompetently or fail without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal;
- (2) wilfully disregard or violate a provision of this chapter or of a regulation adopted by the board under this chapter;
- (3) fail to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation;
- (4) accept a fee for an appraisal assignment that is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or upon the opinion, conclusion, or valuation reached, or upon the consequences resulting from the appraisal assignment;
- (5) knowingly make a false statement, submit false information, or fail to provide complete information in response to a question in an application for certification or for renewal of a certificate; or
- (6) violate the confidential nature of government records to which the person gains access through retention as an appraiser by the government agency.

Sec. 08.87.210. Disciplinary proceedings. The board may exercise its disciplinary powers under AS 08.01.075 if, after hearing, the board finds a certified real estate appraiser has

- (1) violated a provision of this chapter or a regulation adopted by the board under this chapter;
- (2) been convicted of a crime that involves moral turpitude; or
- (3) committed, while acting as a real estate appraiser, an act or omission involving dishonesty, fraud, or misrepresentation with the intent to benefit the appraiser or another person or to injure another person.

Sec. 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, or surrendered in lieu of a pending revocation in any state unless the employee, contractor, or agent has later had a certificate to act as a real estate appraiser granted or reinstated by the same state.

(b) A real estate appraisal management company or a controlling person, employee, director, officer, or agent of a real estate appraisal management company may not

- (1) seek to influence a real estate appraiser through intimidation, coercion, extortion, or bribery;
- (2) condition payment of an appraisal fee on a real estate appraiser's opinion, conclusion, or valuation;

- (3) request that a real estate appraiser report a predetermined opinion, conclusion, or valuation;
- (4) alter, amend, or change an appraisal report submitted by a real estate appraiser without the real estate appraiser's written consent;
- (5) require a real estate appraiser to sign an indemnification agreement for a claim that does not arise from a service performed by the real estate appraiser;
- (6) prohibit an appraiser from recording in the body of the report submitted by the appraiser to the appraisal management company the fee that the appraiser was paid by the company for the performance of the appraisal;
- (7) prohibit lawful communication between a real estate appraiser and any other person who the real estate appraiser determines possesses information relevant to the appraisal;
- (8) engage in an act or practice with intent to impair a real estate appraiser's independence, objectivity, and impartiality;
- (9) knowingly make a false statement, submit false information, or fail to provide complete information in response to a question in an application for registration or renewal of a registration; or
- (10) violate this chapter or a regulation adopted under this chapter.

Sec. 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, or surrendered in lieu of a pending revocation in any state;
- (3) company fails to comply with the Uniform Standards of Professional Appraisal Practice under 12 U.S.C. 3339;
- (4) company performs appraisal management services in a manner that causes injury or loss to the public;
- (5) company has ceased to operate in the state as a real estate appraisal management company; or
- (6) company used fraud, deception, misrepresentation, or bribery in securing a registration under this chapter.

ARTICLE 5. GENERAL PROVISIONS.

Section

- 300. Retention of records**
- 310. Trainee appraiser; supervisory appraiser**
- 320. Actions by uncertified real estate appraisers prohibited**
- 330. Exemptions**
- 340. Appraisals by uncertified appraisers permitted**
- 900. Definitions**

Sec. 08.87.300. Retention of records. (a) A certified real estate appraiser shall retain copies of all written contracts engaging the appraiser's services for real property appraisal work, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports, for at least five years after the date of the contract engaging the appraiser's services, five years after the date of the submittal of the appraisal reports to the client, or at least two years after the final disposition of litigation in which the appraiser provided testimony related to the engagement, whichever is longer.

(b) *[Repealed, Sec. 9 ch 42 SLA 2014.]*

(c) All records that a certified appraiser must maintain under (a) of this section shall be made available to the board or department for inspection and copying upon reasonable notice to the appraiser.

Sec. 08.87.310. Trainee appraiser; supervisory appraiser. The board may establish requirements for trainee appraisers and supervisory appraisers. The board shall ensure that the requirements conform with 12 U.S.C. 3345.

Sec. 08.87.320. Actions by uncertified real estate appraisers prohibited. A person may not bring an action in a court of this state for compensation for an act done or service rendered as a certified real estate appraiser if the person did not hold a certificate under this chapter at the time that the person performed the act or service or offered to perform the act or service.

Sec. 08.87.330. Exemptions. This chapter does not apply to a person who appraises real estate as part of the tax assessment process of a municipality.

Sec. 08.87.340. Appraisals by uncertified appraisers permitted. Nothing in this chapter precludes a person who is not certified as a real estate appraiser from appraising real estate for compensation if the person does not hold out to be a certified appraiser and if appraisal by a certified appraiser is not required by federal law.

Sec. 08.87.900. Definitions. In this chapter

(1) “analysis assignment” means an analysis, opinion, or conclusion prepared by a real estate appraiser that relates to the nature, quality, or utility of certified real estate or real property;

(2) “appraisal” means an analysis, opinion, or conclusion prepared by a real estate appraiser relating to the nature, quality, value, energy efficiency, or utility of specified interests in, or aspects of, identified real estate, and includes a valuation appraisal, an analysis assignment, and a review assignment;

(3) “appraisal assignment” means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested person rendering an unbiased analysis, opinion, or conclusion relating to the nature, quality, value, or utility or specified interests in, or aspects of, identified real estate;

(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;

(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;

(6) “appraisal report” means any communication, written or oral, of an appraisal;

(7) “board” means the Board of Certified Real Estate Appraisers;

(8) “borrower” means a person who applies for a mortgage loan;

(9) “company” means a real estate appraisal management company required to register under AS 08.87.130 that performs appraisal management services;

(10) “controlling person” means a person who

(A) owns more than 10 percent of a real estate appraisal management company;

(B) is an officer or director of a real estate appraisal management company;

(C) is employed and authorized by a real estate appraisal management company to enter into a contractual relationship with another person for the performance of appraisal management services or with a real estate appraiser to perform an appraisal; or

(D) has the authority to direct the management or policies of a real estate appraisal management company;

(11) “department” means the Department of Commerce, Community, and Economic Development;

(12) “general real estate appraiser” means a real estate appraiser certified to appraise all types of real property;

(13) “institutional real estate appraiser” means a real estate appraiser employed full-time by a financial institution with offices in the state;

(14) “principal dwelling” means a residential structure or mobile home that contains one to four units but does not include a vacation or second home unless the borrower buys or builds a new dwelling that will become the primary location that the borrower inhabits within a year after the purchase or completion of construction;

(15) “real estate” means an identified parcel or tract of land, including improvements, but excluding subsurface natural resource values;

(16) “real property” means one or more defined interests, benefits, and rights inherent in the ownership of real estate;

(17) “residential real estate appraiser” means a real estate appraiser certified to appraise residential real property, subject to the limitations of AS 08.87.100(2);

(18) “review assignment” means an analysis, opinion, or conclusion prepared by a real estate appraiser that forms an opinion as to the adequacy and appropriateness of a valuation appraisal or an analysis assignment;

(19) “valuation appraisal” means an analysis, opinion, or conclusion prepared by a real estate appraiser that estimates the value of an identified parcel of real estate, or identified real property at a particular time.

**CHAPTER 70.
BOARD OF CERTIFIED REAL ESTATE APPRAISERS.**

Article

1. **Application and Examination Requirements**
(12 AAC 70.100—12 AAC 70.150)
2. **Continuing Education Requirements**
(12 AAC 70.200—12 AAC 70.220)
3. **(Repealed)**
4. **General Provisions** (12 AAC 70.900—12 AAC 70.990)

**ARTICLE 1.
APPLICATION AND EXAMINATION REQUIREMENTS.**

Section

100. **Application for general real estate appraiser certification by examination**
105. **Application for residential real estate appraiser certification by examination**
106. **Application for general real estate appraiser or residential real estate appraiser certification by reciprocity**
107. **Application for institutional real estate appraiser certification by examination**
108. **Work experience requirements for real estate appraiser certification**
110. **Verification of work experience**
111. **Application for trainee appraiser to residential real estate appraiser certification**
112. **Application for trainee appraiser to general real estate appraiser certification**
113. **Application for residential real estate appraiser to general real estate appraiser certification**
115. **Education requirements for real estate appraiser certification**
120. **Application for certification by endorsement**
125. **Application for approval as a trainee appraiser**
126. **Application for approval as a supervisory appraiser**
130. **Real estate appraiser examinations**
140. **Approved appraiser organizations and academic institutions**
145. **Approval of course or seminar for initial certification or trainee registration**
150. **Application deadline**
160. **Real estate appraisal management company registration**
165. **Real estate appraisal management company and panel standards**
170. **Renewal of an appraisal management company registration**
175. **Annual reporting and federal registry requirements for appraisal management companies**
180. **Retention of records and inspection by the board**

12 AAC 70.100. APPLICATION FOR GENERAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION. (a) The board will issue a certification by examination to practice as a general real estate appraiser to an applicant who meets the requirements of AS 08.87.110(a), 12 AAC 70.130(a)(1), and this section.

(b) An applicant for certification under this section must

(1) submit a completed application, on a form provided by the department; the completed application must include

(A) the personal identification information requested on the form;

(B) official transcripts, notarized copies of certificates of completion, or other evidence of course completion acceptable to the board, that verify the classroom hours of instruction required in 12 AAC 70.115(a) or (b), as applicable;

(C) work experience verification forms and a log of completed appraisals, on a form provided by the department, that meet the requirements of 12 AAC 70.110 and that verify the real estate appraisal experience required in 12 AAC 70.108(a); and

(D) subject to the penalties of unsworn falsification as defined in AS 11.56.210, a list of crimes described in AS 08.87.110 and AS 08.87.210 for which the applicant has been convicted; and

(2) pay any fees required in 12 AAC 02.370.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.105. APPLICATION FOR RESIDENTIAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION. (a) The board will issue a certification by examination to practice as a residential real estate appraiser to an applicant who meets the requirements of AS 08.87.110(b) and this section.

(b) An applicant for certification under this section must

- (1) submit a completed application, on a form provided by the department; the completed application must include
 - (A) the personal identification information requested on the form;
 - (B) official transcripts, notarized copies of certificates of completion, or other evidence of course completion acceptable to the board, that verify the classroom hours of instruction required in 12 AAC 70.115(c) or (d), as applicable;
 - (C) work experience verification forms and a log of completed appraisals that meet the requirements of 12 AAC 70.110 and that verify the real estate appraisal experience required in 12 AAC 70.108(b);
 - (D) subject to the penalties of unsworn falsification as defined in AS 11.56.210, a list of crimes described in AS 08.87.110 and AS 08.87.210 for which the applicant has been convicted; and
 - (E) a copy of the work product from a minimum of two appraisals performed by the applicant, selected by the board, and included in the log of appraisals submitted under 12 AAC 70.110(a); and
- (2) pay any fees required in 12 AAC 02.370.
- (c) A certificate to practice under this section will not be issued until
 - (1) the board has approved the applicant's work product submitted under (b)(1)(E) of this section; and
 - (2) the applicant has passed the examination required under AS 08.87.110(b)(3) and 12 AAC 70.130.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.106. APPLICATION FOR GENERAL REAL ESTATE APPRAISER OR RESIDENTIAL REAL ESTATE APPRAISER CERTIFICATION BY RECIPROCITY. (a) The board will issue a certification to practice as a general real estate appraiser or residential real estate appraiser by reciprocity to an applicant who meets the requirements of AS 08.87.110(c) and this section.

- (b) An applicant for certification under this section must
 - (1) submit a completed application, on a form provided by the department; the completed application must include the personal identification information requested on the form;
 - (2) pay any fees required in 12 AAC 02.370; and
 - (3) submit verification of current certification or licensure from another state on a form provided by the department.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.107. APPLICATION FOR INSTITUTIONAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION. (a) The board will issue a certification by examination to practice as an institutional real estate appraiser to an applicant who meets the requirements of AS 08.87.110(e) and this section.

- (b) An applicant for certification under this section must
 - (1) submit a completed application, on a form provided by the department; the completed application must include
 - (A) the personal identification information requested on the form;
 - (B) official transcripts, notarized copies of certificates of completion, or other evidence of course completion acceptable to the board, that verify the classroom hours of instruction required of general real estate appraisers in 12 AAC 70.115(a) or (b), as applicable; and
 - (C) proof of full-time employment with a financial institution with offices in this state; and
 - (2) pay any fees required in 12 AAC 02.370.

Authority: AS 08.87.020 AS 08.87.110

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. At least 1,500 hours of the appraisal work must be in nonresidential appraisal work. The board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time that the work experience was obtained.

- (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. The board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with the USPAP in effect at the time that the work experience was obtained.
- (c) An applicant may not receive credit for more than 1,250 hours of experience in real property appraisal in a 12-month period.
- (d) In this section, a residential property is one to four residential units.

Authority: AS 08.87.020

Editor's note: A copy of the Uniform Standards of Professional Appraisal Practice, developed by the Appraisal Foundation, is available for inspection at the Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811 or for purchase from the Appraisal Foundation, 1155 15th Street, N.W., Suite 1111, Washington, D.C. 20005.

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, on forms provided by the department, and, for an applicant for certification as a general real estate appraiser or a residential real estate appraiser, a log submitted by the applicant of appraisal work performed. If an applicant cannot, for good cause, provide work experience verification forms from at least three different individuals, the board may consider and approve other kinds of work experience verification.

- (b) The board will accept a work experience verification form only if it is notarized and has been completed by
- (1) a licensed construction contractor;
 - (2) a federal or state regulated lender;
 - (3) a present or former employer of the applicant;
 - (4) an officer of a state or federal agency; or
 - (5) an officer of a company that customarily uses the services of a real estate appraiser who has recent knowledge of the applicant's experience on that company's behalf.
- (c) Repealed 12/13/94.
(d) Repealed 12/13/94.
(e) At the request of the board, an applicant for certification as a general real estate appraiser or a residential real estate appraiser shall submit a copy of the work product from any appraisal performed by the applicant and included in the log of appraisals submitted under (a) of this section.

Authority: AS 08.87.020

12 AAC 70.111. APPLICATION FOR TRAINEE APPRAISER TO RESIDENTIAL REAL ESTATE APPRAISER CERTIFICATION. (a) A trainee appraiser who is applying to transition as a certified residential real estate appraiser must

- (1) submit a completed application, on a form provided by the department; the application must include
 - (A) the personal identification information requested on the form;
 - (B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);
 - (C) in addition to the core curriculum requirements in 12 AAC 70.115(f), documentation of completion of 125 additional core curriculum hours as specified in 12 AAC 70.115(d)(4) – (10);
 - (D) the determination of competency form described in 12 AAC 70.935(c)(3);
 - (E) the authorization for release of records form; and
 - (F) work experience verification forms and a log of completed appraisals that meet the requirements of 12 AAC 70.110 and 12 AAC 70.935(f) and that verify the real estate appraisal experience required in 12 AAC 70.108(b);
 - (2) submit a copy of the work product from a minimum of two appraisals performed by the applicant, selected by the board, and included in the log of appraisals submitted under 12 AAC 70.110(a); and
 - (3) pay any fees required in 12 AAC 02.370.
- (b) A certificate to practice under this section will not be issued until
- (1) the board has approved the applicant's work product submitted under (a)(2) of this section; and
 - (2) the applicant has passed the examination required under AS 08.87.110(h)(3) and 12 AAC 70.130.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70.112. APPLICATION FOR TRAINEE APPRAISER TO GENERAL REAL ESTATE APPRAISER CERTIFICATION. (a) A trainee appraiser who is applying to transition as a certified general real estate appraiser must

- (1) submit a completed application, on a form provided by the department; the application must include
 - (A) the personal identification information requested on the form;
 - (B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);
 - (C) in addition to the core curriculum requirements in 12 AAC 70.115(f), documentation of completion of 225 additional core curriculum hours as specified in 12 AAC 70.115(b)(4) – (10);
 - (D) the determination of competency form described in 12 AAC 70.935(c)(3);
 - (E) the authorization for release of records form; and
 - (F) work experience verification forms and a log of completed appraisals that meet the requirements of 12 AAC 70.110 and 12 AAC 70.935(f) and that verify the real estate appraisal experience required in 12 AAC 70.108(a);
 - (2) submit a copy of the work product from a minimum of two appraisals performed by the applicant, selected by the board, and included in the log of appraisals submitted under 12 AAC 70.110(a); and
 - (3) pay any fees required in 12 AAC 02.370.
- (b) A certificate to practice under this section will not be issued until
- (1) the board has approved the applicant's work product submitted under (a)(2) of this section; and

- (2) the applicant has passed the examination required under AS 08.87.110(h)(3) and 12 AAC 70.130.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70.113. APPLICATION FOR RESIDENTIAL REAL ESTATE APPRAISER TO GENERAL REAL ESTATE APPRAISER CERTIFICATION. A certified residential real estate appraiser who is applying to transition as a certified general real estate appraiser must

- (1) submit a completed application, on a form provided by the department; the application must include
 - (A) the personal identification information requested on the form;
 - (B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);
 - (C) in addition to the core curriculum requirements in 12 AAC 70.115(b)(1), (2), and (3), documentation of completion of 100 additional core curriculum hours as specified in 12 AAC 70.115(b)(4) – (10); and
 - (D) the authorization for release of records form;
- (2) submit a copy of a non-residential work product from a minimum of two appraisals performed by the applicant, selected by the board, and included in the log of appraisals submitted under 12 AAC 70.110(a);
- (3) submit work experience verification forms and a log of completed appraisals that meet the requirements of 12 AAC 70.110 and that verify the real estate appraisal experience required in 12 AAC 70.108(a);
- (4) submit proof that the applicant has successfully completed and passed the examination described in AS 08.87.110(h)(3) and 12 AAC 70.130(a)(1); and
- (5) pay the fees required in 12 AAC 02.370.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.115. EDUCATION REQUIREMENTS FOR REAL ESTATE APPRAISER CERTIFICATION.

(a) An applicant for certification as a general real estate appraiser must document satisfactory completion of 300 creditable classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of nonresidential properties, and a bachelor's degree or higher in any field from an accredited college or university.

(b) An applicant for the Appraiser Qualification Board approved examination for certification as a general real estate appraiser shall document satisfactory completion of 300 creditable classroom hours as specified in the following core curriculum:

- (1) basic appraisal principles, 30 hours;
- (2) basic appraisal procedures, 30 hours;
- (3) the 15-hour National USPAP course or its equivalent, 15 hours;
- (4) general appraiser market analysis and the principle of the highest and best use of the property, 30 hours;
- (5) statistics, modeling, and finance, 15 hours;
- (6) general appraiser sales comparison approach, 30 hours;
- (7) general appraiser site valuation and cost approach, 30 hours;
- (8) general appraiser income approach, 60 hours;
- (9) general appraiser report writing and case studies, 30 hours;
- (10) appraisal subject matter electives, 30 hours, and may include hours over the minimum of the course topics required under this subsection.

(c) An applicant for certification as a residential real estate appraiser must document satisfactory completion of 200 creditable classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of residential properties, and one of the following:

- (1) a bachelor's degree or higher in any field from an accredited college or university;
- (2) an associate's degree in a field of study related to business administration, accounting, finance, economics, or real estate;
- (3) successful completion of 30 semester hours of college level courses that cover each of the following specific topic areas and hours;
 - (A) English composition, three hours;
 - (B) microeconomics, three hours;
 - (C) macroeconomics, three hours;
 - (D) finance, three hours;
 - (E) algebra, geometry, or higher mathematics, three hours;
 - (F) statistics, three hours;
 - (G) computer science, three hours;
 - (H) business or real estate law, three hours; and
 - (I) two elective courses in any of the topics listed in (A) – (H) of this paragraph or in accounting, geography, agricultural economics, business management, or real estate, three hours each; or
- (4) successful completion of at least 30 semester hours of the College Level Examination Program (CLEP) examination in the following specific topic areas and hours;
 - (A) college algebra, three hours;
 - (B) college composition, six hours;
 - (C) college composition modular, three hours;

- (D) college mathematics, six hours;
- (E) principles of macroeconomics, three hours;
- (F) principles of microeconomics, three hours;
- (G) introductory business law, three hours; and
- (H) information systems, three hours.

(d) An applicant for the Appraiser Qualification Board examination for certification as a residential real estate appraiser shall document satisfactory completion of 200 creditable classroom hours as specified in the following core curriculum:

- (1) basic appraisal principles, 30 hours;
- (2) basic appraisal procedures, 30 hours;
- (3) the 15-hour national USPAP course or its equivalent, 15 hours;
- (4) residential market analysis and the principle of the highest and best use of the property, 15 hours;
- (5) residential appraiser site valuation and cost approach, 15 hours;
- (6) residential sales comparison and income approaches, 30 hours;
- (7) residential report writing and case studies, 15 hours;
- (8) statistics, modeling and finance, 15 hours;
- (9) advanced residential applications and case studies, 15 hours;
- (10) appraisal subject matter electives, 20 hours, and may include hours over the minimum of the course topics required under this subsection.

(e) In this section, “residential property” means property with one to four residential units.

(f) An applicant for approval as a trainee appraiser must document satisfactory completion of 75 creditable classroom hours as specified in the following core curriculum:

- (1) basic appraisal principles, 30 hours;
- (2) basic appraisal procedures, 30 hours;
- (3) the 15-hour national USPAP course or its equivalent, 15 hours.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.120. APPLICATION FOR CERTIFICATION BY ENDORSEMENT. (a) The board may issue a certification by endorsement to practice as a general real estate appraiser or residential real estate appraiser to an applicant who meets the requirements of AS 08.87.110(h) and this section.

(b) An applicant for certification under this section must

- (1) submit a completed application, on a form provided by the department; the completed application must include the personal identification information requested on the form; and
- (2) pay any fees required in 12 AAC 02.370.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.125. APPLICATION FOR APPROVAL AS A TRAINEE APPRAISER. (a) The board will issue a certification approving a person as a trainee appraiser to an applicant who meets the requirements of 12 AAC 70.935 and this section.

(b) An applicant for certification under this section must

- (1) submit a completed application, on a form provided by the department; the completed application must include

(A) the personal identification information requested on the form; and

(B) proof that the applicant has successfully completed and passed 75 classroom hours of instruction that meet the requirements in 12 AAC 70.115(f) and 12 AAC 70.140(a), and the required courses that are specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers, and that comply with the specifications for course content established by the Appraiser Qualifications Board of the Appraisal Foundation; the course must be completed by the trainee appraiser before obtaining a training appraiser credential; all qualifying education must be completed within the five year period before the date of submission of a trainee appraiser application; and

- (2) pay any fees required in 12 AAC 02.370.

(c) To renew a certification as a real estate appraiser trainee, the applicant must

- (1) submit an application for renewal on a form provided by the department; and
- (2) provide evidence of satisfactory completion of 14 hours of continuing education credit.

Authority: AS 08.87.020 AS 08.87.310

12 AAC 70.126. APPLICATION FOR APPROVAL AS A SUPERVISORY APPRAISER. (a) The board will issue a certification approving a person as a supervisory appraiser to an applicant who is certified to practice as a general real estate appraiser or residential real estate appraiser and who meets the requirements of 12 AAC 70.935 and this section.

(b) An applicant for certification under this section must

(1) submit a completed application, on a form provided by the department; the completed application must include

(A) the personal identification information requested on the form;

(B) proof that the applicant has successfully completed and passed the required courses that are specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers, and that comply with the specifications for course content established by the Appraiser Qualifications Board of the Appraisal Foundation; the course must be completed by the supervisory appraiser before obtaining a supervisory appraiser credential; and

(2) pay any fees required in 12 AAC 02.370.

Authority: AS 08.87.020 AS 08.87.310

12 AAC 70.130. REAL ESTATE APPRAISER EXAMINATIONS. (a) To be certified as a real estate appraiser by examination, an applicant must pass the following examination within the 24 months immediately preceding the date of certification:

(1) for general or institutional certification, the Uniform State General Certification Examination endorsed by the Appraiser Qualifications Board of The Appraisal Foundation; or

(2) for residential certification, the Uniform State Residential Certification Examination endorsed by the Appraiser Qualification Board of The Appraisal Foundation.

(b) Repealed 1/16/2005.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.140. STANDARDS FOR ACCEPTABLE EDUCATION. (a) To comply with the real estate appraisal education requirements of 12 AAC 70.115 for initial certification, or the registered trainee education requirements of 12 AAC 70.125, an applicant's classroom hours of instruction, as defined in 12 AAC 70.910, must relate directly to real estate appraisal theory or practices and must be obtained through

(1) a member organization of the Appraisal Foundation;

(2) a junior college, college, or university;

(3) a course approved by the Appraiser Qualifications Board Educational Course Review Program;

(4) a real estate appraisal or real estate related organization;

(5) a state or federal agency or commission;

(6) a proprietary school; or

(7) another organization or academic institution approved by the board.

(b) The board will credit only a course approved under 12 AAC 70.145 toward the classroom hours of instruction required for certification or registration.

(c) An applicant's classroom hours of education for certification as a general or residential real estate appraiser must include coverage of all topics listed in the applicable Appraiser Qualification Criteria developed by the Appraiser Qualifications Board of the Appraisal Foundation, *The Real Property Appraiser Qualification Criteria* effective May 1, 2018, and adopted by reference.

(d) Repealed 1/16/2005.

(e) Repealed 6/28/2015.

(f) The board will award credit toward the classroom hour requirement for initial certification or trainee registration for completion of a course by distance education if the course

(1) meets the requirements of this section and 12 AAC 70.145(d);

(2) requires successful completion of a written final examination that is proctored by an official approved by the presenting college or university, or by the sponsoring organization;

(3) is presented to an organized group in an institutional setting with

(A) a person qualified and available to answer questions, provide information, and monitor student attendance;

(B) a minimum of two classroom hours;

(4) meets the requirements for courses established by the Appraiser Qualifications Board;

(5) has been presented by a college or university accredited by the Commission on Colleges or a regional accreditation association that offers distance education programs in other disciplines; and

(6) has received approval

(A) repealed 1/16/2005; or

(B) of the International Distance Education Certification Center's (IDECC) for the course design and delivery mechanism and either the approval of the

(i) Appraiser Qualifications Board through the AQB Course Approval Program; or

(ii) licensing or certifying jurisdiction where the course is being offered, for the content of the course.

(g) The board will not award credit for noninstructional course time except for a maximum of 20 hours spent writing appraisal reports for a course on that subject. The number of hours credited under this subsection may not exceed 50 percent of the total classroom hours awarded for the course for which the appraisal reports were written. The board will award credit under this subsection for no more than one course during an applicant's total classroom hours of instruction.

(h) An applicant's classroom hours of instruction must include coverage of the full scope of the fundamentals of appraisal theory, principles, and practices. A course that is highly specialized or narrow in focus will not be credited toward an applicant's required classroom hours of instruction unless the applicant has also completed sufficient courses to cover the fundamental aspects of appraisal theory, principles, and practices.

(i) The board will not award credit for more than eight classroom hours of instruction per day. If no breakdown of instructional, assignment, and examination hours is given for a course or seminar, the board will award three and one half classroom hours of instruction for the last day of the course or seminar and seven classroom hours of instruction for all other days of the course or seminar.

(j) The board will require additional information if necessary to determine if an applicant's classroom hours of instruction meet the requirements in this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

Editor's note: Copies of the Appraiser Qualification Criteria adopted by reference in 12 AAC 70.140 are available from the Appraisal Qualifications Board of the Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005-3517; phone: (202) 347-7722; website at www.appraisalfoundation.org.

12 AAC 70.145. APPROVAL OF COURSE OR SEMINAR FOR INITIAL CERTIFICATION OR TRAINEE REGISTRATION. (a) The board will use the standards established in this section to determine if a course or seminar is in a subject related to real estate appraisal and will be credited toward an applicant's total classroom hours of instruction.

(b) The board will review each course or seminar submitted with an individual's application for certification or registration and approve a course or seminar that meets the requirements of this section. The board will require an applicant to submit additional information, including the information required in (e)(3) - (10) of this section, if necessary to determine if a course or seminar meets the requirements in this section.

(c) The board will review and preapprove a course or seminar that meets the requirements of this section if an individual or organization submits the course or seminar to the board for preapproval under (e) of this section.

(d) To be approved by the board, a course or seminar must meet the following requirements:

(1) the primary focus of the course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal;

(2) the course or seminar must be a minimum of 15 classroom hours in duration and include successful completion of a final examination; except as provided in 12 AAC 70.140(g), time spent on

(A) the final examination will be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(B) an assignment will not be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(3) the number of hours of instruction must be sufficient for quality instruction on the subject matter covered by the course or seminar.

(e) An individual or organization wishing to receive preapproval of a course or seminar shall submit to the board

(1) a completed application form for course approval;

(2) the course approval fee in 12 AAC 02.370;

(3) the name of the course or seminar provider;

(4) a complete course description, including the course title and a description of the learning objectives;

(5) a course syllabus;

(6) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;

(7) a list of texts and instructional materials used in the course or seminar;

(8) repealed 6/22/2005;

(9) the instructor's résumé that includes the instructor's

(A) name;

(B) recognition in the real estate appraisal industry; and

(C) professional designations and affiliations; and

(10) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance.

(f) An individual or organization that has received preapproval of a course or seminar shall notify the board of any change in the information submitted under (e) of this section for an approved course or seminar.

(g) Course and seminar approval under this section is valid for three years from the date of approval.

(h) The board will maintain a list of courses and seminars approved under this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70.150. APPLICATION DEADLINE. To be scheduled for board review, an application for certification or course approval must be complete and filed with the department, as defined in 12 AAC 02.920, at least 15 days before the scheduled date of the board's application review.

Authority: AS 08.87.020

12 AAC 70.160. REAL ESTATE APPRAISAL MANAGEMENT COMPANY REGISTRATION. (a) An applicant for registration as a real estate appraisal management company shall submit

(1) a complete notarized application on a form approved by the board and provided by the department that includes

- (A) the names and addresses of all owners of the company, including natural persons or entities;
- (B) the name and contact information of the company's agent if applicable under AS 08.87.135(a)(2);
- (C) a list of all certified real estate appraisers in the state who perform appraisals for the company;
- (D) a list of all states in which the appraisal management company performs appraisals;
- (E) the name of the controlling person and evidence satisfactory to the board that the controlling person

(i) has an active real estate appraiser certificate in good standing in a state;

(ii) has not had a real estate appraiser certificate denied, cancelled, suspended, revoked, put on probation, or surrendered in accordance with AS 08.87.135(b)(2); and

(iii) is of good moral character; and

(F) certification that the

(i) appraisers on the appraiser panel are in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) and are qualified to conduct federally related transactions under federal law;

(ii) owners are in compliance with (b) of this section; and

(iii) appraisals are conducted independently and free from inappropriate influence and coercion as required by AS 08.87.135(a)(6);

(2) the applicable fees required in 12 AAC 02.370; and

(3) a copy of a surety bond in the amount of \$50,000.

(b) Owners of the appraisal management company may not have had a real estate appraiser certificate denied, cancelled, suspended, revoked, put on probation, or surrendered in accordance with AS 08.87.135(a)(7). A person who owns at least 10 percent of a real estate management company must be of good moral character as defined in this section.

(c) "Good moral character" under this section is defined as a personal history of honesty, fairness, and respect for the rights of others and for state and federal law. A person applying for a registration is ineligible for registration due to failure to satisfy the requirement of good moral character if

(1) there is substantial connection between the lack of good moral character of the person and the professional responsibilities of an appraiser, a controlling person, or owner of an appraisal management company; and

(2) the finding by the board of lack of good moral character is supported by clear and convincing evidence.

Authority: AS 08.87.020 AS 08.87.130 AS 08.87.135

12 AAC 70.165. REAL ESTATE APPRAISAL MANAGEMENT COMPANY AND PANEL STANDARDS. A real estate appraisal management company operating in the state shall

(1) be registered in the state if the appraisal management company oversees a panel of more than 15 appraisers certified in the state, or 25 or more appraisers certified in two or more states within a 12-month period;

(2) have a process in place to verify that all appraisers are certified by the state and in good standing, and have geographic competency for the market area in which the appraisal is performed; and

(3) report to the board on a form provided by the department and submit the fee required in 12 AAC 02.370(b)(4) not later than 30 days after a change of

(A) the designated controlling person who meets the requirements of 12 AAC 70.160(a)(1)(E);

(B) an owner who owns more than 10 percent of the company who meets the requirements of 12 AAC 70.160(b); or

(C) an employee, director, officer, or agent.

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.87.020

12 AAC 70.170. RENEWAL OF AN APPRAISAL MANAGEMENT COMPANY REGISTRATION. A registered appraisal management company applying for renewal of a registration shall submit

(1) a completed renewal application, on a form provided by the department that meets the requirements of AS 08.87.135(e);

(2) the renewal fee required in 12 AAC 02.370; and

(3) proof of current bonding as described in 12 AAC 70.160(a)(3).

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.01.100

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.

Authority: AS 08.87.020 AS 08.87.135 AS 08.87.155
AS 08.87.130

12 AAC 70.180. RETENTION OF RECORDS AND INSPECTION BY THE BOARD. A registered appraisal management company must retain all records as described in AS 08.87.150 and make the records available to the board or its designee upon request.

Authority: AS 08.87.020 AS 08.87.150

ARTICLE 2. CONTINUING EDUCATION REQUIREMENTS.

Section

- 200. Application for continuing education course or seminar approval**
- 210. Approved continuing education courses and seminars**
- 215. Approved online courses**
- 220. Hours of continuing education required**

12 AAC 70.200. APPLICATION FOR CONTINUING EDUCATION COURSE OR SEMINAR APPROVAL. (a) A person or an organization wishing to sponsor a real estate appraisal continuing education course or seminar shall apply for board approval of that course or seminar by submitting

- (1) a completed application on forms provided by the department;
- (2) any fees required in 12 AAC 02.370;
- (3) the following information:
 - (A) a complete course description, including the course or seminar title and a description of the learning objectives;
 - (B) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;
 - (C) the name of the course or seminar provider;
 - (D) repealed 6/22/2005;
 - (E) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance;
 - (F) a course syllabus;
 - (G) a list of texts and instructional materials used in the course or seminar;
 - (H) the instructor's résumé that includes the instructor's
 - (i) name;
 - (ii) recognition in the real estate appraisal industry; and
 - (iii) professional designations and affiliations.

(b) An applicant for renewal may petition the board for approval of a course or seminar that the applicant believes will meet the requirements of 12 AAC 70.210.

(c) The board will award up to 10 hours of continuing education credit for nonstudent participation in an educational program as provided for in AS 08.87.120(b)(2). To receive credit under this subsection, an applicant for renewal shall provide the documentation necessary to substantiate the applicant's participation and experience, including

- (1) information on the topics covered and the hours spent in the program; and
- (2) documentation that the applicant's involvement in the program was in the technical and professional aspects of real estate appraisal and that the primary focus of the program was directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(d) Courses and seminars that are not approved by the Appraiser Qualifications Board (AQB) or the International Distance Education Certification Center (IDECC) are valid for three years from the date of initial approval.

(e) Courses and seminars approved by the Appraiser Qualifications Board (AQB) or the International Distance Education Certification Center (IDECC) are given an expiration date consistent with the organization's expiration date, as follows:

(1) the department will update the course or seminar expiration date if the course provider submits recertification documents, but will not update the course or seminar expiration date if the AQB or IDECC recertification exceeds three years from the date of initial approval;

(2) a course or seminar that expires after three years must be re-submitted if the provider requests reapproval.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.210. APPROVED CONTINUING EDUCATION COURSES AND SEMINARS. (a) To be approved by the board, the primary focus of a continuing education course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve a course or seminar on the following topics if the course or seminar meets the requirements of (a) of this section:

- (1) repealed 9/14/2012;
- (2) construction cost estimating;
- (3) ethics and standards of professional appraisal practice;
- (4) land use planning, zoning, and taxation;
- (5) property development;
- (6) real estate appraisal (including valuations and evaluations);
- (7) real estate financing and investment;
- (8) real estate law;
- (9) real estate litigation;
- (10) real estate appraisal related computer applications;
- (11) other topics related to real estate appraisal that are approved by the board.

(c) In addition to the courses approved by the board under 12 AAC 70.200, the following courses are approved for continuing education when they are consistent with (a) of this section and an application provided by the department for course approval is submitted with the appropriate application fee and is approved by the board:

- (1) courses offered by a member organization of The Appraisal Foundation;
- (2) courses offered by a regionally accredited junior college, college, or university;
- (3) courses approved by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation; or
- (4) distance education courses approved by the International Distance Education Certification Center (IDECC).

(d) To be approved by the board, a continuing education course or seminar must include a minimum of two classroom hours, that meet the requirements of (a) of this section.

(e) The board will award continuing education credit for completion of a course by distance education if the course meets the requirements of 12 AAC 70.140(f).

(f) Course and seminar approval under this section is valid for three years from the date of approval.

(g) Consistent with Appraiser Qualification Criteria in *The Real Property Appraiser Qualification Criteria*, adopted by reference in 12 AAC 70.140, the board will award continuing education credit for participation in one in-person or teleconference board meeting each biennial licensing period if participation meets the requirements of this section:

- (1) the participant is a certified real estate appraiser subject to the requirements of 12 AAC 70.220;
- (2) the board meeting is a minimum of two hours;
- (3) the hours claimed for participation do not exceed seven hours;
- (4) attendance is maintained throughout the duration of the scheduled meeting;
- (5) participation is documented on a form provided by the department and returned to the board.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.215. APPROVED ONLINE COURSES. (a) To be approved by the board to meet the continuing education requirements of 12 AAC 70.220, the primary purpose of an online course must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve an online course on the following topics if the online course meets the requirements of (a) of this section:

- (1) repealed 6/28/2015;
- (2) construction cost estimating;
- (3) ethics and standards of professional appraisal practice;
- (4) land use planning, zoning, and taxation;
- (5) property development;
- (6) real estate appraisal, including valuations and evaluations;

- (7) real estate financing and investment;
 - (8) real estate law;
 - (9) real estate litigation;
 - (10) real estate appraisal related computer applications;
 - (11) other topics related to real estate appraisal that are approved by the board.
- (c) In addition to the online courses approved by the board under (b) of this section, the following online courses are approved for continuing education if they are consistent with (a) of this section:
- (1) courses presented by a regionally accredited junior college, college, or university that offers distance education programs in other disciplines;
 - (2) repealed 1/16/2005;
 - (3) distance education courses approved by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation;
 - (4) repealed 6/28/2015.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.220. HOURS OF CONTINUING EDUCATION REQUIRED. (a) At the time of certificate renewal, an applicant for renewal who has been certified for

- (1) 24 months or more shall document satisfactory completion of at least 28 hours of continuing education;
- (2) at least 185 days, but less than 24 months, shall document satisfactory completion of at least 14 hours of continuing education;
- (3) less than 185 days is not required to meet continuing education requirements for that renewal.

(b) The board will not recognize continuing education hours claimed by an applicant for renewal for taking the same, or substantially identical, course more than once during a certification period.

(c) Except as provided in (d) of this section, credit is given for classroom and examination hours only and not for hours devoted to class preparation or completion of assignments. A classroom hour is defined in 12 AAC 70.910.

(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.

(e) As part of the requirements of (a)(1) of this section, an applicant for renewal of a certificate shall document satisfactory completion of a seven-hour National USPAP Update Course, taught by an Appraiser Qualifications Board certified instructor who is a certified appraiser. The board will accept courses determined as equivalent by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation. Completion of the 15-hour national USPAP course used for certification under 12 AAC 70.115 may not be used to satisfy the continuing education renewal requirements of the seven-hour USPAP Update Course required in this subsection.

Authority: AS 08.87.020 AS 08.87.120

Editor's note: A list of certified instructors by the Appraisal Foundation, Appraiser Qualification Board, may be obtained from the Appraisal Foundation, 1155 15th Street, N.W., Suite 1111, Washington, D.C. 20005.

ARTICLE 3. LIMITED CERTIFICATION.

Section

300. (Repealed)

310. (Repealed)

12 AAC 70.300. SCOPE OF LIMITED REAL ESTATE APPRAISER. (Repealed 4/15/94)

12 AAC 70.310. QUALIFICATIONS FOR LIMITED REAL ESTATE APPRAISER CERTIFICATION.
(Repealed 4/15/94)

ARTICLE 4. GENERAL PROVISIONS.

Section

900. Standards of practice

910. Definition of classroom hours

920. Courtesy License

930. Federal Registry

935. Supervision of trainee appraisers

940. Retention of records

990. Definitions

12 AAC 70.900. STANDARDS OF PRACTICE. The standards of practice for certified real estate appraisers practicing in the state are those specified in AS 08.87.200(3).

Authority: AS 08.87.020 AS 08.87.200

Editor's note: The standards of practice referred to in 12 AAC 70.900 (*Uniform Standards of Professional Appraisal Practice*) are available from the Appraisal Foundation, publications department, 1029 Vermont Avenue, N.W., Suite 900, Washington, DC 20005-3517. Phone no. (202) 347-7722.

12 AAC 70.910. DEFINITION OF CLASSROOM HOUR. For the purposes of this chapter,

(1) except as provided in 12 AAC 70.145(d)(2)(A) and 12 AAC 70.220(c), one classroom hour equals a minimum of 50 minutes of instruction;

(2) one academic semester credit hour equals 15 classroom hours; and

(3) one academic quarter credit hour equals 10 classroom hours.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.120

12 AAC 70.920. COURTESY LICENSE. (a) The board or the board's designee in the department will issue a courtesy license to a nonresident who is a certified or credentialed real estate appraiser in another state and who meets the requirements of this section.

(b) Repealed 12/13/94.

(c) A courtesy license is valid for one appraisal assignment, not to exceed 180 consecutive days. However, upon request the board will grant one 30-day extension. A person may be issued no more than two courtesy licenses in a 12-month period.

(d) An applicant for a courtesy license shall submit

(1) a completed application on the forms provided by the department;

(2) any fees required in 12 AAC 02.370;

(3) evidence of a certificate or an applicant's credentials as a real estate appraiser in good standing from another state; and

(4) an address for service of process.

(e) A courtesy license holder shall submit to the board a copy of the report prepared for the appraisal assignment for which the courtesy license was issued within 30 days of the completion of the assignment.

(f) The board's designee in the department shall issue a courtesy license within five days after receipt of the materials and fees required in (d) of this section unless those application materials indicate disciplinary action in another state.

(g) The board's designee in the department shall forward any courtesy license application and accompanying materials that indicate disciplinary action in another state to the board for its consideration to grant or deny the courtesy license.

(h) In compliance with 12 U.S.C. 331-3351 (Title XI, Financial Institutions Reform, Recovery and Enforcement Act of 1989), the board or the board's designee in the department will issue a courtesy license to a credentialed nonresident of this state for the purpose of providing appraisal services for federally-related transactions in this state.

(i) In this section, "credentialed" means a licensed or certified appraiser in good standing in another state.

Authority: AS 08.01.062 AS 08.87.020

12 AAC 70.930. FEDERAL REGISTRY. (a) In compliance with 12 U.S.C. 3338 (Financial Institutions Reform, Recovery, and Enforcement Act of 1989), the board will annually send to the Federal Financial Institutions Examination Council, Appraisal Subcommittee,

(1) a roster of all real estate appraisers certified in Alaska at that time; and

(2) an amount equal to the amount collected from each certified real estate appraiser listed on the roster identified in paragraph (1) of this section.

(b) At the time of initial certification and at the time of certificate renewal, a certified real estate appraiser shall submit to the department any annual federal registry fee established in 12 AAC 02.

Authority: AS 08.01.065 AS 08.87.100 AS 08.87.110

12 AAC 70.935. SUPERVISION OF TRAINEE APPRAISERS. (a) A supervisory appraiser shall

(1) be in good standing in this state and not subject to any disciplinary action within any jurisdiction within the last three years that affects the supervisory appraiser's legal eligibility to engage in appraisal practice; a supervisory appraiser subject to a disciplinary action is in good standing three years after the successful completion or termination of the sanction imposed against the appraiser;

(2) have been a state-certified appraiser for at least three years before being eligible to become a supervisory appraiser; and

(3) comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice for the property type and geographic location for which the trainee supervisor is being supervised.

(b) A supervisory appraiser may not supervise more than three trainee appraisers at one time.

(c) A supervisory appraiser shall be responsible for the training, guidance, and direct supervision of the trainee appraiser by

(1) accepting responsibility for a trainee appraiser's appraisal reports by signing each report and certifying that the report is in compliance with the Uniform Standards of Professional Appraisal Practice;

(2) reviewing the trainee appraisal reports; and

(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.

(d) A trainee appraiser shall report to the department, on a form provided by the department, the identity of any supervisory appraiser. A trainee appraiser may have more than one supervisory appraiser. If a trainee appraiser has more than one supervisory appraiser, the trainee appraiser shall report the identity of each supervisory appraiser as required under this subsection.

(e) A supervisor-trainee relationship becomes effective on the date of receipt by the department of the original required form with original signatures.

(f) The supervisory appraiser and the trainee appraiser shall jointly maintain an appraisal log that for each appraisal includes at least

(1) identification of the type of property;

(2) the date of the report;

(3) the address of the appraised property;

(4) a description of work performed by the trainee appraiser and the scope of the review and supervision of the supervisory appraiser;

(5) the number of actual work hours by the trainee appraiser on the assignment; and

(6) the signature and state certification number of the supervisory appraiser; separate appraisal logs shall be maintained for each supervisory appraiser, if applicable.

(g) Before supervising a trainee appraiser, a supervisory appraiser shall complete a course that

(1) complies with the specifications for course content established by the Appraiser Qualifications Board of the Appraisal Foundation; and

(2) is specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers.

(h) The course that an applicant for certification under 12 AAC 70.125 as a trainee appraiser must take

(1) must

(A) comply with the specifications for course content established by the Appraiser Qualifications Board of the Appraisal Foundation; and

(B) be specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers; and

(2) is not eligible towards the 75 hours of qualifying education required under 12 AAC 70.125.

Authority: AS 08.87.020 AS 08.87.310

12 AAC 70.940. RETENTION OF RECORDS. (a) An appraiser must prepare a work file for each appraisal, appraisal review, or appraisal consulting assignment. A work file must be in existence before the issuance of a written or oral report. A written summary of an oral report must be added to the work file within a reasonable time after the issuance of the oral report.

(b) The work file must include

(1) the name of the client and the identity, by name or type, of any other intended users;

(2) true copies of any written reports, documented on a type of media; a photocopy or an electronic copy of the entire signed report transmitted to the client satisfies the requirements of a true copy;

(3) summaries of any oral reports or testimony, or transcripts of testimony, including the appraiser's signed and dated certification; and

(4) all other data, information, and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or reference to the locations of the documentation.

(c) An appraiser must retain the work file for a period of at least five years after preparation or at least three years after final disposition of any judicial proceeding in which the appraiser provided testimony related to the assignment, whichever period expires later.

(d) An appraiser must have custody of the appraiser's work file, or make appropriate work file retention, access, and retrieval arrangements with the party having custody of the work file.

(e) An appraiser having custody of a work file must allow other appraisers with work file obligations related to an assignment appropriate access and retrieval for the purpose of

- (1) submission to state appraiser regulatory agencies;
- (2) compliance with due process of law;
- (3) submission to a duly authorized professional peer review committee; or
- (4) compliance with retrieval arrangements.

Authority: AS 08.87.020 AS 08.87.300

12 AAC 70.990. DEFINITIONS. In this chapter and in AS 08.87

(1) “appraisal experience” includes fee and staff appraisals, ad valorem tax appraisals, appraisal reviews, appraisal analysis, real estate counseling, and feasibility analysis and study, all of which must have been performed in accordance with the *Uniform Standards of Professional Appraisal Practices* described in 12 AAC 70.900;

(2) “board” means the Board of Certified Real Estate Appraisers;

(3) “certified real estate appraiser” means a real estate appraiser who is certified in Alaska under AS 08.87; it does not include persons certified by another licensing jurisdiction or organization;

(4) “department” means the Department of Commerce, Community, and Economic Development;

(5) “holds out as a certified real estate appraiser in any way” includes anyone who performs appraisal services on real estate located in Alaska;

(6) “transaction value” means the amount of the federally-related transaction and is not necessarily the value of the property being appraised;

(7) “institutional real estate appraiser” means a real estate appraiser employed full-time by a financial institution with an office in the state subject to the limitations set out in AS 08.87.110(e) - (g);

(8) “complete application” means an application that includes all documentation and fees required for certification in this chapter;

(9) “distance education” means an educational process where a geographical separation exists between the provider and student;

(10) “CLEP” means the College-Level Examination Program;

(11) “USPAP” means the Uniform Standards of Professional Appraisal Practice, developed by the Appraisal Foundation.

Authority: AS 08.87.020

