

Call To Order / Roll Call

**Alaska Board of Certified Real Estate Appraisers
Board Roster (As of 01.11.2019)**

Board Member	Appointed	Reappointed	Term Expires
David Derry, Chair <i>Certified General Real Estate Appraiser</i> Kenai, AK	03/01/2014	03/01/2018	03/01/2022
Wendy Lawrence, Vice-Chair <i>Certified Residential Real Estate Appraiser</i> Sitka, AK	08/20/2019		03/01/2020
William Barnes <i>Certified Residential or General Real Estate Appraiser</i> Palmer, AK	08/20/2019		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	3/01/2019	03/01/2023

Review / Approve Agenda



**The State of Alaska
Board of Certified Real Estate Appraisers
State Office Building
333 Willoughby Ave, 9th Floor Conference Room A
Juneau, AK 99801**

Zoom Webinar Number and ID:

Zoom Webinar: 1 408 638 0968

Webinar ID: 492 222 940

<https://zoom.us/j/490222940>

November 1, 2019

9:00 AM

DRAFT Meeting Agenda

<u>Item</u>	<u>Time</u>	<u>Subject</u>	<u>Lead</u>
1.	9:00	Call to Order / Roll Call	Chair
2.	9:05	Review / Approve Agenda	Chair
3.	9:10	Review / Approve Meeting Minutes <ul style="list-style-type: none">• August 2, 2019	Chair
4.	9:15	Introduction of New Board Members	Chair
5.	9:30	Investigative Report	Consuelo
6.	10:00	Break	Chair
7.	10:15	Division Report	TBD
8.	11:00	Strategic Plan <ul style="list-style-type: none">• APR Statistics	Chair/Chambers



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9. 12:00	Lunch	Chair
10. 1:00	Discuss Tabled Applications <ul style="list-style-type: none">• Executive Session if Need	Chair
11. 1:30	Regulations Review	Zinn
12. 2:15	Public Comment	Chair
13. 2:30	Board Business <ul style="list-style-type: none">• Review Board Meeting Dates• Order 2020-2021 USPA• AARO Travel	Chair
14. 2:45	Adjourn	Chair

Review / Approve 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 Friday, October 25, 2019

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 Friday, October 25, 2019.

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

20
21 The meeting was called to order at 10:01 a.m. by David Derry, Chair.

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

24 David Derry, Certified General Real Estate Appraiser
25 Wendy Lawrence, Certified Residential Real Estate Appraiser
26 Renee Piszczek, Mortgage Lending Member
27 William Barnes, Certified Residential or General Real Estate Appraiser
28 Ashlee Stetson, Public Member

29
30 Division Staff present in the meeting:

31 Tracy Wiard, Occupational Licensing Examiner
32 Joe Bonnell, Records and Licensing Supervisor
33 Chris Kennedy Administrative Law Judge
34 Jerry Juday Senior Assistant Attorney

35
36 **Agenda Item #2** **Review Agenda**

37
38 Chair David Derry prompted the Board to review the meeting agenda. There were no changes
39 made to the agenda.

41 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**
42 **unanimously, it was:**

43 **RESOLVED to APPROVE the agenda as written.**

44

45 **Agenda Item #3 Discuss Mediated Stipulation to Remand**

46

47 Board Chair Derry and Administrative Law Judge Kennedy gave the board a brief overview of
48 the events leading to the remand. The board decided this was to be discussed in Executive
49 Session.

50

51 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**
52 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**
53 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**
54 **discussing active consent agreement cases, “subjects that tend to prejudice the reputation**
55 **and character of any person, provided the person may request a public discussion.” Board**
56 **staff were excused from executive session and Senior Assistant Jerry Juday and**
57 **Administrative Law Judge Chris Kennedy to remain in the room for executive session.**

58

59 **Off the Record at 10:16 am.**

60 **On the Record at 11:48 am.**

61

62 Those present, constituting a quorum of the Board:

- 63 David Derry, Certified General Real Estate Appraiser
- 64 Wendy Lawrence, Certified Residential Real Estate Appraiser
- 65 Renee Piszczek, Mortgage Lending Member
- 66 William Barnes, Certified Residential or General Real Estate Appraiser
- 67 Ashlee Stetson, Public Member

68

69 Division Staff present in the meeting:

- 70 Tracy Wiard, Occupational Licensing Examiner
- 71 Joe Bonnell, Records and Licensing Supervisor
- 72 Chris Kennedy Administrative Law Judge
- 73 Jerry Juday Senior Assistant Attorney

74

75 There was a suggestion from Chair Derry that the board entertain a motion to request additional
76 work products and do a review of those work products that would include a complete appraisal
77 report.

78

79 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**
80 **to APPROVE the request of additional information and perform an additional review of**
81 **Mr. Halterman's application.**

82
83 Bill Barnes wanted clarification on the motion asking if the motion would specifically ask for 3
84 additional reports or 5 additional reports? Bill Barnes also requested to amend the motion to add
85 another statement? It was suggested by Chair Derry that they could amend the motion after there
86 was a 2nd and a vote to approve the motion.

87
88 Bill Barnes then asked the board if they could remember how many of the appraisal reports
89 submitted by Mr. Halterman were restricted reports? Chair Derry could not recall all of them off
90 hand. Chair Derry then stated his approval of the motion stating if he wanted the motion to
91 specify the number of work products for review the board typically asks for 2-3. Bill Barnes
92 stated he would like the board to request the work files for the original submitted restricted
93 reports. Chair Derry asked if that was what he wanted or just obtain 3 new reports. Bill Barnes
94 wants the previously submitted work products in their unrestricted form to make sure they are
95 USPAP compliant.

96
97 Chair Derry then asked for a 2nd to the motion before a discussion took place. Chair Derry asked
98 OLE Wiard if there was a 2nd to the motion. OLE Wiard suggested the board return to Executive
99 Session and return knowing the motion the board would like. It was also suggested that the
100 board specifically list the number work products being requested so staff would know what work
101 log information to obtain.

102
103 Chair Derry noted that Wendy Lawrence seconded the motion. It was then suggested the board
104 discuss the motion. Bill Barnes then asked board if they wanted to place a number on the
105 requested work products. Chair Derry stated the board could just make an amendment to the
106 motion as it was on the floor for discussion. Chair Derry also stated that if the previously
107 submitted work files were to be submitted in unrestricted form that could be added to the motion
108 as well.

109
110 Ashlee Stetson stated she would like to amend the motion to request 3 additional work items
111 from the work log as well as board reconsideration of Mr. Halterman's application. Chair Derry
112 asked that she specify that selection of the work product be chosen by a board member. Chair
113 Derry asked if there was a 2nd to the change. He asked if Wendy approved. Wendy did approve
114 of the revised motion. Bill Barnes seconded the motion. Chair Derry stated to include the
115 appraisers work file. Bill Barnes asked if he amended the motion on the table. Chair Derry
116 stated they had and Bill Barnes expressed confusion.

117 Chair Derry stated Ashlee amended her motion to include 3 new examples of work and that was
118 seconded by Wendy. Chair Derry asked for clarification if Wendy wanted the work files as well
119 as the work product itself? Wendy Lawrence replied yes to obtain the work product and the
120 work files. Chair Derry reiterated to the board for clarification that 3 new work products and the
121 original work files were being requested.

122

123 Bill Barnes suggested the board vote on Ashlee's original motion and then make a second
124 motion. Bill Barnes suggested that Wendy's amendment include the request for any restricted
125 reports to include the complete original work file in unrestricted form for past submitted reports
126 and any newly submitted work product for consideration. Wendy Lawrence agreed with the
127 suggested amendment. Chair Derry suggested that the board not select any restricted reports for
128 consideration. Bill Barnes noted that there were several restricted reports on the work log and
129 they may not be USPAP compliant. Chair Derry wanted to know if there were not a total of 3
130 unrestricted reports available on the work log. Bill Barnes stated he noticed the work log was
131 sent back for readjustment of hours with the travel hours removed. Then the reports were
132 submitted to the board with the travel hours subtracted. Bill Barnes stated that in his opinion
133 restricted reports do not meet USPAP compliance without the accompanying work file.

134

135 Chair Derry stated there was a motion of the floor to ask for three new work products. Chair
136 Derry was curious as to whether Bill wanted to see the previously submitted reports with the
137 work file or request 3 new work products? Bill Barnes stated the burden of proof is on the
138 applicant and without the work file to prove USPAP compliance or not then how many of the
139 hours submitted meet the burden of proof for USPAP compliance. It was suggested by a board
140 member to return to executive session. Chair Derry suggested the board vote on the motion and
141 asked OLE Wiard to restate the motion. OLE Wiard stated the motion was not clear but
142 suggested the motion should be clear and concise and would be heard on the recording. It was
143 suggested there only needs to be one motion stating everything the board wanted and then a vote.
144 Chair Derry thought going back into executive session would be beneficial.

145

146 **On a motion made by Ashlee Stetson, seconded by William Barnes, and passed**
147 **unanimously, it was: RESOLVED to enter into Executive Session in accordance with AS**
148 **44.62.310(a), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**
149 **discussing active consent agreement cases, "subjects that tend to prejudice the reputation**
150 **and character of any person, provided the person may request a public discussion." Board**
151 **staff were excused from executive session and Senior Assistant Jerry Juday and**
152 **Administrative Law Judge Chris Kennedy to remain in the room for executive session.**

153

154

155

156 **Roll Call Vote:**

157

158 **Board Member Approve Deny Recuse Absent**

159

160 **David Derry X**

161 **Wendy Lawrence X**

162 **William Barnes X**

163 **Renee Piszczek X**

164 **Ashlee Stetson X**

165

166 **Off the Record at 12:07 pm.**

167 **On the Record at 12:26 pm.**

168

169 **Those present, constituting a quorum of the Board:**

170 David Derry, Certified General Real Estate Appraiser

171 Wendy Lawrence, Certified Residential Real Estate Appraiser

172 Renee Piszczek, Mortgage Lending Member

173 William Barnes, Certified Residential or General Real Estate Appraiser

174 Ashlee Stetson, Public Member

175

176 **Division Staff present in the meeting:**

177 Tracy Wiard, Occupational Licensing Examiner

178 Joe Bonnell, Records and Licensing Supervisor

179 Chris Kennedy Administrative Law Judge

180 Jerry Juday Senior Assistant Attorney

181

182 Chair Derry asked the board if there were any new motions the board would like to present
183 regarding the application of Cody Halterman.

184

185 **On a motion made by Ashlee Stetson, seconded by Wendy Lawrence, it was: RESOLVED**
186 **to APPROVE by roll call vote, that the board to reconsider Mr. Halterman's application**
187 **after a board member selects 3 new work sample appraisal reports from the work**
188 **verification log, the work files for the appraisal reports originally submitted and the**
189 **revision of the work verification log to clarify commercial or residential work in the**
190 **appropriate column. Chair Derry stated for clarification there was no column for**
191 **residential or non-residential appraisals but he could clarify residential and non-residential**
192 **to item Roman Numeral XI.**

193

194 Chair Derry asked for any discussion? He stated for the record that he is going to vote against
195 the motion at this point as he does not think it is necessary to request the work files for the

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3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5
6 MINUTES OF THE BOARD MEETING

7 Friday, August 2, 2019

8
9 *These are DRAFT minutes prepared by the staff of the Division of Corporations, Business, and*
10 *Professional Licensing. It has not been reviewed or approved by the Board.*

11
12 By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a
13 scheduled meeting of the Alaska Board of Certified Real Estate Appraisers was held via teleconference
14 originating from the Robert B. Atwood Building, 550 West 7th Avenue, Suite 1550 in Anchorage Alaska
15 on Friday, August 2, 2019. Alaska Standard Time.

16
17 **Agenda Item #1** **Call to Order/Roll Call**

18
19 The meeting was called to order by Chairman Derry at 9:26 a.m.

20
21 **Board Members present constituting a quorum:**

22 David Derry, Chair, Certified General Real Estate Appraiser (in-person)
23 Wendy Lawrence, Vice-Chair, Certified Residential Real Estate Appraiser
24 (teleconference)
25 Renee Piszczek, Mortgage Banking Executive (in-person)
26 Ashlee Stetson, Public Member (videoconference)

27
28 **CBPL Division Staff present:**

29 Allan Alcancia, Occupational Licensing Examiner
30 Renee Hoffard, Records & Licensing Supervisor
31 Greg Francois, Senior Investigator
32 Shyla Consalo, Investigator
33 Amber Whaley, Senior Investigator (teleconference)

34
35 **Guests:**

36 Claire Brooks, Lead Policy Manager, Appraisal Subcommittee
37 Neal Fenochietti, Policy Manager, Appraisal Subcommittee

40 Members of the Public present:
41 Stuart Burns, License Trainee, for CE Credit
42 David Churner, AMC representative
43
44

45 **Agenda Item #2 Ethics Disclosure/Ethics Review**

46
47 There was no ethics issue to disclose.
48

49 **Agenda Item #3 Review/Approve Current Agenda**

50
51 Chairman Derry proposed the following additional items into the current agenda:
52 - #13.F Appraiser Renewal
53 - #17.B Old Task, Association of Appraisal Regulatory Official Conference (ARRO)
54 - #17.A New Task, Executive Session with Director Chambers
55

56 **A motion to approve the current agenda with additions that Chairman Derry presented,**
57 **was duly made by Renee Piszczek, and seconded by Wendy Lawrence. It was APPROVED**
58 **unanimously by a roll call vote.**
59

60
61 **Agenda Item #4 Review/Approve Past Meeting Minutes**

62
63 May 16, 2019 General Board Meeting
64

65 **Renee Piszczek made a motion to approve the general board meeting minutes on May 16,**
66 **2019, and seconded by Wendy Lawrence. It was APPROVED unanimously by a roll call**
67 **vote.**
68

69 June 18, 2019 Special Board Meeting
70

71 **A motion was made by Renee Piszczek to approve the June 18, 2019 special board meeting**
72 **minutes, and seconded by Wendy Lawrence. It was APPROVED unanimously by a roll call**
73 **vote.**
74

75
76
77 **Agenda Item #5 Introduction of Guest Auditors & Overview of Compliance Review**

78

79 Chairman Derry introduced the guests from the Appraisal Subcommittee (Financial Institution
80 Exam Council), Claire Brooks (Lead Policy Manager) and Neal Fenochietti (Policy Manager) at
81 the meeting.

82
83 Ms. Brooks explained the services ASC provides, and that in response to the financial crisis of
84 2010, Title XI was amended and expanded to include the oversight of AMCs. In August 18,
85 2015, the AMC rules were finalized setting forth the minimum requirements for AMCs. States
86 have thirty-six months to implement the minimum requirement if they choose to register AMCs.
87 Twenty-six states requested one-year extension including Alaska. The extension ends August 10,
88 2019. Due to this extension, Alaska AMC Program was not reviewed this time. Instead, it
89 provided a courtesy review of its statutory regulation. There was no full compliance review.

90
91 Ms. Brooks explained the compliance review process in detail and outlined the processes for
92 release of the preliminary report to the State Board. She informed the board of the time frame the
93 report should be issued and the time frame for responses to be submitted to ASC.

94
95 The preliminary report is anticipated to be available after 60-days due to several variables. The
96 State has 60-days to respond to preliminary findings and remediate identified deficiencies. When
97 the response is received or when the 60-days is passed, ASC will make final determination and
98 send its final decision to the State and post it on the website. The rating categories are excellent,
99 good, not satisfactory, and poor.

100

101 In response to questions, Ms. Brooks stated that:

- 102 - Preliminary report will be sent to the staff, and sometimes to the chair.
- 103 - On its courtesy review of the statutes and regulations, it identified a few areas that could use
104 a little tweaking with Sher Zinn (Regulations Specialist). For example, there was no mention
105 if AMCs are required to notify the State in writing when an appraiser is removed from the
106 panel.
- 107 - It also looked on the AMC application and it may need some changes before AMCs are
108 entered in the registry.
- 109 - State has authority to verify an appraiser in the panel, but States are not expected to do it on a
110 regular basis. The AMC would have to attest to the verification of its appraisers.
- 111 - The AMC registry fee is for each appraiser that has performed a covered transaction in a
112 reporting period (established by the State, always 12 months).
- 113 - By June 2020, States must be able add AMCs into the registry but that doesn't necessarily
114 mean that all their AMCs have to be in the registry on that time (depending State's renewal
115 cycle).

116

117 In response to additional questions, Neal Fenochietti stated that:

- 118 - States must do background checks on the owner/s. It's up to the States to decide how far
119 up the chain (of ownership) it wants to go to do background check. The law requires the
120 States to check the background of the owners of the AMC (that is not the parent
121 company, affiliated corporations, limited partners). At this time the first layer of owners
122 is being checked. Mr. Fenochietti further added that the form to use for the annual
123 eligibility into the registry is key.
- 124 - Ms. Brooks added that a tool (found in the website, "Helpful Documents for Regulators)
125 can be used to determine which AMCs will qualify to be in the registry.
- 126 - Ms. Brooks further stated that August 10, 2019 (for States who requested extension) is
127 the deadline for the States which are not registering AMCs – the AMCs will not be
128 allowed to practice in the State (on federally related transactions). AMCs are not required
129 to register.

130
131

132 **Agenda Item #6**

Morning Break

133
134

135 **Off the record for the morning break, 10:00 a.m.**

136 **Back on record, 10:15 a.m.**

137
138
139

140 **Agenda Item #7**

Investigations

141

142 *Investigative Reviews and Probation Reports*

143

144 Investigator Shyla Consalo presented her report (compiled between May 23, 2019 through July
145 23, 2019). Including cases, complaints, and intake matters, since the last report, the Division
146 opened three (3) matters and closed one (1) matters, a total of six (6) matters remain on-going
147 and under active investigation or are pending litigation.

148

149 Matters opened by the Paralegal in Juneau, regarding continuing education audits and license
150 action resulting from those matters are not covered in the report.

151

152 Chief Investigator Greg Francois was present at this presentation.

153

154 **A motion to move into executive session to discuss another subject matter by Investigator**
155 **Shyla Consalo in accordance with [AS 44.62.310(c)], and Alaska Constitutional Right to**
156 **Privacy Provisions, and for the purpose of discussing matters involving consideration of**

157 **government records that by law are not subject to public disclosure, was made by Wendy**
158 **Lawrence, and seconded by Renee Piszczek.**

159

160 **Off the record for the executive session, 10:19 a.m.**

161 **Back on record, 10:50 a.m.**

162

163

164 **Agenda Item #8** **Public Comment**

165

166 Senior Investigator Amber Whaley called in via teleconference.

167

168 Investigator Consalo asked the guests from ASC for clarification regarding competency reviews
169 and how it's being done in other states. Ms. Brooks stated that:

170

- 171 - ASC doesn't prescribe how a State will look at its enforcement cases. Ms. Brooks pointed
172 to the Policy Statement 7 (State Agency Enforcement) of the Appraisal Subcommittee
173 Annual Report 2018 (page 121) for guidance on timely and effective enforcement. She
174 added there are a number of ways states review complaints and it wouldn't necessarily
175 with a standard-three review. Ms. Brooks stated that it would be beneficial for board
176 members to attend Investigator training to find ideas on how other states do it. For
177 example, some states have staff initially review to see if it's a valid complaint before
178 going to the board. She further stated that Alaska do not necessarily need geographic
179 competence in all aspects to review. Ms. Brooks stated that Alaska has a clause in the
180 statute stating that board members are not liable for their decision.
- 181 - Neal Fenochietti, suggested that Alaska may consider adding to its statute that board
182 members can conduct their business without complying with USPAP. Mr. Fenochietti
183 stated that some states do not worry about the details of the complaint until they are into
184 the appraisal report at which point they determine whether or not they are competent to
185 complete it or to seek outside expert in a particular appraisal field. He added that in cases
186 where the complaint needs an expert or a geographic competence is needed, going with it
187 prevents the complaint from aging. Mr. Fenochietti reiterated there is no requirement for
188 standard three review in every complaint.

189

190 **Agenda Item #9** **Division Update**

191

192 Director Chambers began her presentation (videoconference) at 11:11 a.m.

193

194 In her introduction, Director Chambers highlighted Governor Michael Dunleavy's inaugural
195 initiative (AO 266) which mandates that all departments, divisions, all agencies, and

196 boards, to look into its statute and regulation, and assess if it's meeting its mandates or
197 exceeding it, if its setting artificial barriers to licensure, or if its processes are not meeting
198 customer service efficiency standards. Echoing the goals of the new administration,
199 Commissioner Julie Anderson and CBPL Director Sara Chambers have taken the task of
200 developing four (4) new year's resolution multi-layer tasks for its boards and staff, as
201 illustrated in the memorandum dated July 26, 2019. In summary, those tasks are:

- 202
- 203 1. At all times, our governance should demonstrate that we have internalized the
204 purpose of professional licensing: safeguarding the public interest.
205
- 206
- 207 2. Make decisions that reflect proficiency in the statutes, regulations, division policies,
208 and state/national issues that affect our licensing programs.
209
- 210
- 211 3. Add value to the bottom line by delivering excellent service to all internal and
212 external customers.
213
- 214
- 215 4. Prioritize changes to statutes and regulations that streamline, modernize, and
216 reduce barriers to employment of qualified individuals.
217

218

219 Director Chambers reminded that the Board needs to be active and constantly being aware
220 of changes in the federal level. She encouraged the Board to be fully engaged by maximizing
221 the talents and commitment of the board in different projects, such as analyzing feedbacks
222 from related stakeholders.

223

224 Director Chambers complimented the Board and Chairman Derry for his leadership on the
225 AMC legislative process and federal standard changes and working collaboratively with the
226 Division. She reminded that the Board have resources from the website and directly from
227 the Division through OLE Alcancia who is the first point of contact (new to the program),
228 and Joe Bonnell being the supervisor. Director Chambers also acknowledged Renee Hoffard
229 for her assistance to the meeting and for her previous work in the program.

230

231 In addressing the question of Chairman Derry regarding legislative assistance from the
232 Division, Director Chambers responded to say that when a Board decides to change a
233 statute, the Division gets involved administratively when the statute change is introduced.
234 Director Chambers stated that she would address with the Governor's Legislative Director
235 the scope of support the Division could offer when the Board has legislative proposals.
236 Director Chambers stated that she will report back to the board chairs with the specifics
237 after that meeting.
238

239 Director Chambers highlighted the importance of a timely Annual Report by the Board in
240 terms of setting up legislative priorities, and statute changes proposal. Director Chambers
241 stated that she is happy to advocate for changes that meets the Governor’s standards and
242 mandate.

243
244 Chairman Derry stated that he had made a list of strategic plans that will be addressed with
245 the greater Board in the future board meetings.

246
247 In closing, Director Chambers presented the highlight of a workbook (Powerpoint) titled “Is
248 it Government’s Responsibility?” that was designed by the Governor’s Regulatory Review
249 Team and developed by Commissioner Anderson and Director Chambers for statewide use.

250
251 Chairman Derry asked if its allowed to form a subcommittee of non-board members to
252 work on concepts/changes that the Board may consider. Director Chambers answered in
253 the affirmative and stated that its up to the Board to design its structure, scope and task – it
254 should be public noticed, coordinated with OLE Alcancia, and should have a certain form of
255 record of the meeting, but not necessarily with a staff present. Director Chambers stated that
256 subcommittees are not empowered to take any action, it is the Board.

257
258 The presentation of Director Chambers ended at 11:58 a.m.

259
260

261 **Agenda Item #10** **Lunch Break**

262 **Off the record for the recess, 12:00 p.m.**

263
264

265 **Agenda Item #11** **Call to Order/ Roll Call**

266

267 **Back on record, 1:03 p.m.**

268

269 **Board Members present constituting a quorum:**

- 270 David Derry, Chair, Certified General Real Estate Appraiser (in-person)
- 271 Wendy Lawrence, Vice-Chair, Certified Residential Real Estate Appraiser
- 272 (teleconference)
- 273 Renee Piszczek, Mortgage Banking Executive (in-person)
- 274 Ashlee Stetson, Public Member (videoconference)

275

276 **CBPL Division Staff present:**

- 277 Allan Alcancia, Occupational Licensing Examiner
- 278 Renee Hoffard, Records & Licensing Supervisor

279

280

281 Guests:
282 Claire Brooks, Lead Policy Manager, Appraisal Subcommittee
283 Neal Fenochietti, Policy Manager, Appraisal Subcommittee
284

285 Members of the Public present:
286 Stuart Burns, License Trainee, for CE Credit
287
288
289
290

291 **Agenda Item #12** **Board Member Vacancy Update**

292
293 No response was received to the email invitation sent to the Governor’s Boards & Commission
294 Office. Vice-Chair Wendy Lawrence stated having spoken with the Commission and that her
295 appointment will be changed to certified residential to make room for new appointees. Ms.
296 Lawrence re-appointment will take effect sometime in the Fall. Chairman also reported that he had
297 contacted the commission several times before via telephone calls and emails with no response.
298 Chairman Derry further added that he contacted State Representative Sara Rasmussen (certified
299 residential appraiser) who was successful in finding two applicants to the vacancy.
300

301
302 **Agenda Item #13** **Licensing Updates**

303
304 **13.A Courtesy License**

305
306 Joseph Bonnell, Records & Licensing Supervisor, joined via teleconference at 1:08 p.m.
307 Mr. Bonnell reported that courtesy applications will soon go online this month. Mr. Bonnell also
308 reported there are (20) active courtesy licensees and the processing response time remains within
309 the (5) days.
310

311 **13.B AMC Registration**

312
313 OLE Allan Alcancia reported there are (9) active licensees, (26) active ballots/applications
314 awaiting board review, and (7) more ballots/applications awaiting board review. There are (23)
315 new applications waiting review.
316

317 **TASK:** As proposed by the board to send a task list/worksheet to AMC applicants to serve as
318 guide to documents that examiner will be looking for in the application.
319

320 **13.C Biennial Renewal & Random Audit**

321
322 OLE Allan Alcancia reported that for the July 1, 2019 – June 30, 2021 renewal period and
323 random audit, there were (248) renewal letters mailed out on May 8, 2019 and (6) letters were
324 returned for incorrect mailing address. As of reporting time, there were a total of (213) renewed
325 licensees: (93) Certified General (72 via web); (115) Certified Residential (105 via web); and (5)
326 Trainees (4 via web).

327
328 (29) licensees have been randomly selected for this renewal period.

329 The audit notices will be mailed out the first week of August.

330

331 **13.D Continuing Education Course Approval Overview**

332

333 OLE Allan Alcancia reported that for the course registration period between July 1, 2016 – June
334 30, 2019 there were (244) board approved courses from approximately 13 course sponsors. OLE
335 Allan Alcancia also provided an overview of the steps involved in the course approval process
336 and also highlighted different variables in the delay for the submission of course approval
337 applications for board review.

338

339 TASK: As proposed by the board, that course sponsors application converted to online platform.

340

341 **13.E Review Appraiser, AMC Application and Continuing Education Form, & Processing**
342 **Miscellaneous Applications**

343

344 ***13.E.1 Determination of Competency (Form 08-4162a)***

345

346 The Board looked into this application and proposed the following changes to the form

- 347 - Insert a date line
348 - Correct the spelling ‘appraisers’ in the title
349 - On the second check box, to insert the text “solely inspect the property” between to and
350 complete
351 - Insert a text in the form that references statute 12 AAC 70.935(c)(3)

352

353

354 **A motion was made by Wendy Lawrence to update the Determination of Competency**
355 **(Form 08-4162a) with the changes proposed by the Board. Seconded by Renee Piszczek.**
356 **The motion was APPROVED unanimously by a roll call vote.**

357

358

359 ***13.E.2 Verification of Work Experience (For Examination & Transition Applicants Only)***
360 ***(Form 08-4164c)***

361

362 The Board looked into this application, proposed the following changes to the form

- 363 - On the first paragraph, correct the “24” to 12 months
- 364 - On item #3, correct the “24” to 12 months
- 365 - Insert a text box for the printed name of the verifier, its company/firm, position/title

366

367 ***13.E.3 Verification of Work Experience (For Examination & Transition Applicants Only)***
368 ***(Form 08-4163c)***

369

370 The Board looked into this application, proposed the following changes to the form

- 371 - On item #3, correct the “30” to 18 months
- 372 - Insert a text box for the printed name of the verifier, its company/firm, position/title

373

374 **A motion was made by Chairman Derry to update the Verification of Work Experience**
375 **(For Examination & Transition Applicants Only) (Form 08-4164c) and (Form 08-4163c).**
376 **Seconded by Renee Piszczek. The motion was APPROVED unanimously by a roll call vote.**

377

378

379 ***13.E.4 Continuing Education Course Application – 17402 Seattle Chapter of Appraisal***
380 ***Institute***

381

382 This ballot was presented to the Board via the OnBoard voting system but it did not receive
383 majority vote initially. It was presented again to the Board for voting purposes.

384

385 **A motion was made by Renee Piszczek to approve the application, and seconded by Wendy**
386 **Lawrence. The motion was APPROVED unanimously by a roll call vote.**

387

388

389 **A motion to enter into executive session in accordance with [AS 44.62.310(c)], and Alaska**
390 **Constitutional Right to Privacy Provisions, and for the purpose of discussing 132014**
391 **subjects that tend to prejudice the reputation and character of any person, provided the**
392 **person may request a public discussion. The motion was made by Renee Piszczek and**
393 **seconded by Wendy Lawrence. The motion was APPROVED unanimously by a roll call**
394 **vote.**

395

396 **Off the record for the executive session, 2:02 p.m.**

397 **Back on record, 2:16 p.m.**

398 ***13.E.5 Trainee Transition Application – 132014 Stuart Burns***

399

400 **A motion was made by Renee Piszczek to approve the 132014-application pending review**
401 **of work products, and seconded by Ashley Stetson. The motion was APPROVED**
402 **unanimously by a roll call vote.**

403

404

405 **Agenda Item #14** **Prospective Regulation Project**

406 Chairman Derry stated a prospective regulation project was the result of a licensee request to
407 obtain extension to complete the continuing education requirements during the current renewal
408 period due to extenuating circumstance. In the process, it was discovered that Alaska regulation
409 does not authorize the Board to grant extension to a licensee that due to hardship/personal issue
410 is unable to meet the requirement. In summary, an extension was granted in this case.

411

412 Ms. Brooks, commented there are extension for the military built into the criteria but cannot
413 renew others until CE requirement has been met. As hardship is not outlined in the criteria, a
414 licensee has to be inactive until the CE is met.

415

416 M. Fenochietti, suggested that the Board take up the proposal of granting extension under
417 medical extenuating circumstance to the AQB.

418

419 The board reviewed and briefly discussed current language used by other professional licensing
420 programs regarding extensions. The discussion was put aside to be considered at a later date
421 when the board is prepared for a regulations project.

422

423

424 **Agenda Item #15** **Processing AMC Applications**

425

426 ***15.A AMC 149655***

427

428 The Board did not vote on this ballot due to minimal ownership documentation provided by the
429 applicant. The Board tasked OLE Alcancia to contact the applicant for additional documentation.

430

431 ***15.B AMC 149660 Clarocity Valuation Services, LLC***

432

433 **The Board reviewed the application and a motion to approve it was made by Ashlee**
434 **Stetson. Renee Piszczek seconded. It was APPROVED unanimously by a roll call vote.**

435

436

437 **15.C AMC 146638 ACT Appraisal Inc**

438

439 **The Board reviewed the application and a motion to approve conditionally due to missing**
440 **page 2 was made by Ashlee Stetson, Renee Piszczek seconded. It was APPROVED**
441 **unanimously by a roll call vote.**

442

443

444 **Agenda Item #16 Afternoon Break**

445

446 **Off the record for afternoon recess, 3:09 p.m.**

447 **Back on record, 3:31 p.m.**

448

449

450 **Agenda Item #17 Administrative Business**

451

452 **17.A Old Tasks**

453 ***Chairman Derry will draft letter for the Office of Boards and Commission***

454 Chairman Derry stated he did not draft the letter to the commission for reasons he
455 mentioned when he updated the Board in the early part of the meeting under segment
456 #12.

457

458

459 **17.B Old Tasks**

460 ***Association of Appraisal Regulatory Official Conference (ARRO)***

461 This new segment was approved for addition in the agenda on the early part of the
462 meeting segment #12. Chairman Derry stated State of Alaska has joined this association
463 and its conferences (Spring and Fall schedule) are typically attended by a board member
464 and a staff. The next conference is October 18-22, 2019 in Washington DC.

465

466 Chairman Derry recommended Ashley Stetson to attend this conference, Ashley Stetson
467 agreed. Renee Hoffard, Records & Licensing Supervisor, stated that travel approval for
468 out-of-state travel for a none third-party reimburse has to go the governor's chief of staff
469 for approval. Ms. Hoffard stated that this request has to be filed early.

470

471 **17.C Old Tasks**

472 ***Amend Work Verification Log into pdf fillable form***

473 This is an update to the Board that this form has been updated and available online.

474 Chairman Derry suggested that OLE Alcancia sends this form to all registered active

475 licensees for their awareness and use. Chairman Derry suggested to task staff to add the
476 hours entered in the work log. Renee Hoffard, Records & Licensing Supervisor,
477 responded to say that the Board could assign that task, but the Board has to provide
478 guidelines for use in the assessment of a task. Chairman Derry further clarified that the
479 task is to double check the hours entered in the log. Ms. Hoffard responded there is no
480 need for a motion as it is an administrative task that's being done in some programs.

481
482 Chairman Derry also opened a conversation about the language of "conditional" approval
483 versus "preliminary approval" to use in notifying the applicant after their logs have been
484 approved.

485
486 TASK: To check the usage of the language with the Investigations Team and Paralegal.
487 Additionally, due to the upcoming changes with USPAP, this log will be revised again.
488

488

489 **17.D Old Tasks**

490 ***Update FAQ page regarding the definition of Synchronuous Education***

491 OLE Alcancia stated in the meeting that this topic was reintroduced into the meeting to
492 highlight the need for regulation to establish the definition of Synchronuous Education
493 before it is published in the FAQ website. Renee Hoffard, Records & Licensing
494 Supervisor, suggested to reference the definition as defined by AQB in the FAQ page.

495

496 TASK: For OLE Alcancia to circle back to Joseph Bonnell, Renee Hoffard, and Chairman Derry
497 to identify the definition of *Synchronuous Education*.

498

499

500 **17.E Old Tasks**

501 ***Joe Bonnell will seek legal opinion on the definition of licensed vs. certified***

502 Renee Hoffard, Records & Licensing Supervisor, stated for clarification that under the
503 CBPL Division Chapter Regulations, the terms licensed and certified are synonymous
504 only boards listed under ASOA. The synonymy of these terms only apply to Alaska
505 Board Certified Appraisers specifically.

506

507

508 **Agenda Item #17**

Administrative Business

509

510 **17.A New Tasks**

511 ***2020-2021 Board Goals Planning***

512

513 **A motion to enter into executive session in accordance with [AS 44.62.310(c)], and Alaska**
514 **Constitutional Right to Privacy Provisions, for the purpose of discussing matters which by**
515 **law, municipal charter, or ordinance are required to be confidential, and the only staff to**
516 **remain in the meeting is Director Chambers. The motion was made by Renee Piszczek and**
517 **seconded by Ashley Stetson. The motion was APPROVED unanimously by a roll call vote.**

518

519 **Director Chambers joined the executive session via teleconference.**

520

521

522 **Off the record for the executive session, 4:05 p.m.**

523 **Back on record at 5:11 p.m.**

524

525

526 **17.B New Tasks**

527 ***2019-2021 Board Meeting Scheduling***

528

529

530 The following dates were proposed for the next board meeting for the remainder of 2019 and the
531 start of 2020. These proposed dates have yet to be confirmed with the schedule of the Division.

532

533 First Week, October, 2019 – focusing on strategic planning

534 First Week, December, 2019

535 First Week, March, 2020

536

537 Chairman Derry did not entertain a vote for this date proposals, instead, it will be distributed to
538 the board for scheduling awareness.

539

540 **Agenda Item #18** **Adjournment**

541

542 Chairman Derry commended the board and staff for attendance and moving through the agenda.

543 **The meeting ADJOURNED at 5:16 p.m.**

544

545 Respectfully submitted,

546

547

548

549 _____
Allan Alcancia, Licensing Examiner

_____ Date

550

551

552

553 _____
David Derry, Chairman

_____ Date

Introduction of New Board Members

Investigative Report



DATE: October 8, 2019
TO: Alaska Board of Certified Real Estate Appraisers
THRU: Amber Whaley, Senior Investigator *AW*
FROM: Shyla Consalo, Investigator *SC*
SUBJECT: Certified Real Estate Appraisers Investigative Report for October 25, 2019 Board Meeting

The following information was compiled as an investigative report to the Board for the period from July 24, 2019 through October 8, 2019. Including cases, complaints, and intake matters, since the last report, the Division opened **three (3)** matters and closed **three (3)** matters, a total of **six (6)** matters remain on-going and under active investigation or are pending litigation (*as indicated by italics*).

Matters opened by the Paralegal in Juneau, regarding continuing education audits and license action resulting from those matters are not covered in this report.

<u>CASE#</u>	<u>OPENED</u>	<u>ALLEGED VIOLATION</u>	<u>PROFESSION</u>
2018-000048	01/11/2018	<i>Incompetence</i>	<i>Real Estate Appraiser</i>
2018-001318	11/19/2018	Violation of Licensing Regulation	Real Estate Appraiser
2018-001336	11/19/2018	Incompetence	Real Estate Appraiser
2019-000294	03/14/2019	Violation of Licensing Regulation	Real Estate Appraiser
2019-000655	07/09/2019	<i>License Application Problem</i>	<i>Applicant</i>
2019-000780	08/09/2019	License Application Problem	Applicant
2019-000781	08/12/2019	License Application Problem	Applicant
2019-001084	10/02/2019	Incompetence	Real Estate Appraiser

OPEN CASES: TOTAL = 6

** *Indicates a matter with license action before the Board for consideration at this meeting.*

INVESTIGATIVE ACTIONS CLOSED SINCE LAST MEETING:

<u>CASE#</u>	<u>CLOSED</u>	<u>VIOLATION</u>	<u>CLOSURE TYPE</u>
2019-000443	08/29/2019	Violation of Licensing Regulation	Advisement Letter
2019-000780	08/09/2019	License Application Problem	Review Complete
2019-000781	08/12/2019	License Application Problem	Review Complete

CLOSED CASES: TOTAL = 3

Break

Division Report

Strategic Plan

Certified Board of Real Estate Appraisers Items for Discussion by Request of the Chair

Items Requiring Statutory Change

- **Change Public Board Member Seat to related field.**
 - Making this change would require a change to AS 08.87.010. To change the statute, the board would need to find a legislator who would sponsor the bill. The bill would be required to pass the house and senate with majority approval. Some states recommend having a board with a majority of public members.

- **Allow board to have the authority to set fees.**
 - The authority to set fees for licenses resides with the Division of Corporations, Business and Professional Licensing. The authority was granted by statute and listed AS 08.01.050 (a)(1) as one of the administrative duties of the division. To make this change a statute change is required and the board would need to find a legislator who would sponsor a bill for this change. The bill would be required to pass the house and senate with majority approval.

- **Establish & Maintain a Tracking System for AMC Fees.**
 - The Division maintains the set fees for each program per AS 08.01.050 (a)(1). The AMC fees are calculated based on the amount of time and resources needed to process the applications not their profitability.

- **Discontinue the Annual Report.**
 - The annual performance report is required in centralized statutes. It is listed: **Sec. 08.01.070. Administrative duties of boards.** Each board shall perform the following duties in addition to those provided in its respective law:
 - (1) take minutes and records of all proceedings;
 - (2) hold a minimum of one meeting each year;
 - (3) hold at least one examination each year;
 - (4) request, through the department, investigation of violations of its laws and regulations;
 - (5) prepare and grade board examinations;
 - (6) set minimum qualifications for applicants for examination and license and may establish a waiver of continuing education requirements for renewal of a license for the period in which a licensee is engaged in active duty military service as described under AS 08.01.100(f);
 - (7) forward a draft of the minutes of proceedings to the department within 20 days after the proceedings;
 - (8) forward results of board examinations to the department within 20 days after the examination is given;
 - (9) notify the department of meeting dates and agenda items at least 15 days before meetings and other proceedings are held;

(10) submit before the end of the fiscal year an annual performance report to the department stating the board's accomplishments, activities, and needs.

If the board wanted to discontinue the annual report, they would be required to find a legislator to sponsor the bill and get it moved through the House and Senate. It would be more conducive to discuss the reasons why the board would like to discontinue the annual report and find solutions.

- **Adopt Changes on the Statute of Limitations on Appraisers to Shorten the Professional Liability Period to 5 years.**
 - **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.

- **Review AMC Statutes & Regulations. Any current recommendations?**
 - Solicit recommendations from ASC. The following was listed as the recommendations from the recent compliance review.

Yes – The following was identified during the Compliance Review as a courtesy since we were not reviewing the AMC Program yet:

*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.*

In place of “federally related transactions it should say “covered transactions.” I previously sent an explanatory email to Sher about this but please don't hesitate if you need further clarification.

Sec. 08.87.135.(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;

This section needs to include that the license was not revoked for a substantive cause. The AMC Rule says: § 34.214 *Ownership limitations for State-registered AMCs*.

(a) Appraiser certification or licensing of owners. (1) An AMC subject to State registration pursuant to § 34.213 shall not be registered by a State or included on the AMC National Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause, as determined by the appropriate State appraiser certifying and licensing agency.

(2) An AMC subject to State registration pursuant to § 34.213 is not barred by § 34.214(a)(1) from being registered by a State or included on the AMC National Registry if the appraiser license of the appraiser with an ownership interest was not revoked for a substantive cause and has been reinstated by the State or States in which the appraiser was licensed or certified.

There were no requirements that an AMC cannot remove an appraiser without prior written notice. The AMC Rule states: § 225.192 *Appraiser panel – annual size calculation...* (b) *An appraiser who is deemed part of the AMC's appraiser panel pursuant to paragraph (a) of this section is deemed to remain on the panel until the date on which the AMC:*

(1) Sends written notice to the appraiser removing the appraiser from the appraiser panel, with an explanation of its action; or

(2) Receives written notice from the appraiser asking to be removed from the appraiser panel or notice of the death or incapacity of the appraiser.

ASC believes this is important to include.

- **Change Statute to Allow Certified Appraisers to Perform Evaluations.**
 - Isn't this something that can already be completed if they do not hold out as an appraiser or call it an appraisal? Doesn't that conform to USPAP as well?

I believe your Statute say that appraisers in Alaska must follow USPAP always.

Sec. 08.87.200. Prohibited practices. A certified real estate appraiser may not... (3) fail to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation.

I don't know if the State would allow an appraiser to perform an evaluation that doesn't comply with USPAP if they don't sign as a certified appraiser and clearly identify that it is not an appraisal. **This would be something your attorneys would need to opine on.** Typically, it needs to be stated in the laws.

Non-Statutory Related Items

- **Change Documentation Required for Continuing Education Course Approvals.**
 - Recently, I was informed that the Appraisal Institute is not allowed to edit any of the documentation for AQB accredited courses. They submit the entire student manual but if this is something the board would like me to edit for only pertinent documents I can.

- **Revise Definition of Work Allowed for Residential Certification.**
 - More information is needed to determine what definition of work allowed is being referenced. I sent an e-mail to ASC asking what they consider to be the definition of Work Allowed and the following was the reply from Claire:
 - I'm not sure I understand if you are asking what type of properties a Certified Residential Appraiser can appraise or if you are asking what type of experience is allowed for experience to count toward certification so I'll offer both.
 - The AQB Criteria states the *Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.*
 - 1. *The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential unit's purposes or for which the highest and best use is for one-to-four residential units.*
 - 2. *The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary. (See page 19 in the attached Criteria)*
 - If you are asking what types of experience qualifies as experience to get a certification, the Criteria says this:
 - *The quantitative experience requirements must be satisfied by time spent in the appraisal process. The appraisal process consists of:*
 - analyzing factors that affect value;*
 - defining the problem;*
 - gathering and analyzing data;*
 - applying the appropriate analysis and methodology;*
 - and arriving at an opinion and correctly reporting the opinion in compliance with USPAP....*
 - *Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal. (See Page 10 and 11 in the attached Criteria.)*

- **Handling Complaints in Conformance with Policy Statement # 7 of ASC Title IX.**
 - See Policy Statement # 7. As far as the appraisal panel for investigations we can contact the ASC to get their opinion on the need of an appraiser panel consisting of appraisers from each geographical area of the state. The reply as follows:

It is certainly allowed but not required. This would be a State's decision. Policy Statement 7 does not define how a State reviews a complaint, only that persons analyzing complaints for USPAP compliance must be knowledgeable about appraisal practice and USPAP and States must be able to document how such persons are so qualified.

States must analyze each complaint to determine whether additional violations, especially those relating to USPAP, should be added to the complaint.

POLICY STATEMENT 7

State Agency Enforcement

A. State Agency Regulatory Program

Title XI requires the ASC to monitor the States for the purpose of determining whether the State processes complaints and completes investigations in a reasonable time period, appropriately disciplines sanctioned appraisers and maintains an effective regulatory program.⁸⁶

B. Enforcement Process

States must ensure that the system for processing and investigating complaints⁸⁷ and sanctioning appraisers is administered in a timely, effective, consistent, equitable, and well-documented manner.

1. Timely Enforcement

States must process complaints of appraiser misconduct or wrongdoing in a timely manner to ensure effective supervision of appraisers, and when appropriate, that incompetent or unethical appraisers are not allowed to continue their appraisal practice. Absent special documented circumstances, final administrative decisions regarding complaints must occur within one year (12 months) of the complaint filing date.⁸⁸ Special documented circumstances are those extenuating circumstances (fully documented) beyond the control of the State agency that delays normal processing of a complaint such as: complaints involving a criminal investigation by a law enforcement agency when the investigative agency requests that the State refrain from proceeding; final disposition that has been appealed to a higher court; documented medical condition of the respondent; ancillary civil litigation; and

⁸⁶ Title XI § 1118 (a), 12 U.S.C. § 3347.

⁸⁷ See Appendix B, *Glossary of Terms*, for the definition of “complaint.”

⁸⁸ The one-year period for resolution of complaints is not intended to have the impact of a statute of limitation or statute of repose.

complex cases that involve multiple individuals and reports. Such special documented circumstances also include those periods when State rules require referral of a complaint to another State entity for review and the State agency is precluded from further processing of the complaint until it is returned. In that circumstance, the State agency should document the required referral and the time period during which the complaint was not under its control or authority.

2. Effective Enforcement

Effective enforcement requires that States investigate allegations of appraiser misconduct or wrongdoing, and if allegations are proven, take appropriate disciplinary or remedial action. Dismissal of an alleged violation solely due to an “absence of harm to the public” is inconsistent with Title XI. Financial loss or the lack thereof is not an element in determining whether there is a violation. The extent of such loss, however, may be a factor in determining the appropriate level of discipline.

Persons analyzing complaints for USPAP compliance must be knowledgeable about appraisal practice and USPAP and States must be able to document how such persons are so qualified.

States must analyze each complaint to determine whether additional violations, especially those relating to USPAP, should be added to the complaint.

Closure of a complaint based solely on a State's statute of limitations that results in dismissal of a complaint without the investigation of the merits of the complaint is inconsistent with the Title XI requirement that States assure effective supervision of the activities of credentialed appraisers.⁸⁹

3. Consistent and Equitable Enforcement

Absent specific documented facts or considerations, substantially similar cases

⁸⁹ Title XI § 1117, 12 U.S.C. § 3346.

within a State should result in similar dispositions.

4. Well-Documented Enforcement

States must obtain and maintain sufficient relevant documentation pertaining to a matter so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

a. Complaint Files

Complaint files must:

- include documentation outlining the progress of the investigation;
- demonstrate that appraisal reports are analyzed and any USPAP violations are identified and considered, whether or not they were the subject of the complaint;
- include rationale for the final outcome of the case (*i.e.*, dismissal or imposition of discipline);
- include documentation explaining any delay in processing, investigation or adjudication;
- contain documentation that all ordered or agreed upon discipline, such as probation, fine, or completion of education is tracked and that completion of all terms is confirmed; and
- be organized in a manner that allows understanding of the steps taken throughout the complaint, investigation, and adjudicatory process.

b. Complaint Logs

States must track all complaints using a complaint log. The complaint log must record all complaints, regardless of their procedural status in the investigation and/or resolution process, including complaints pending before the State board, Office of the Attorney General, other law enforcement agencies, and/or offices of administrative hearings.

The complaint log must include the following information (States are strongly encouraged to maintain this information in an electronic, sortable format):

1. Case number
2. Name of respondent
3. Actual date the complaint was received by the State
4. Source of complaint (*e.g.*, consumer, lender, AMC, bank regulator, appraiser, hotline) or name of complainant
5. Current status of the complaint
6. Date the complaint was closed (*e.g.*, final disposition by the administrative hearing agency, Office of the Attorney General, State Appraiser Regulatory Agency or Court of Appeals)
7. Method of disposition (*e.g.*, dismissal, letter of warning, consent order, final order)

C. Summary of Requirements

1. States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.⁹⁰
2. States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date, except for special documented circumstances.⁹¹
3. States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.⁹²
4. States must track complaints of alleged appraiser misconduct or wrongdoing using a

⁹⁰ Title XI § 1118 (a), 12 U.S.C. § 3347.

⁹¹ *Id.*

⁹² *Id.*

complaint log.⁹³

5. States must appropriately document enforcement files and include rationale.⁹⁴
6. States must regulate, supervise and discipline their credentialed appraisers.⁹⁵
7. Persons analyzing complaints for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.⁹⁶

⁹³ *Id.*

⁹⁴ *Id.*

⁹⁵ *Id.*

⁹⁶ *Id.*

License Type	In Process	Active	Lapsed	Expired	Denied	Suspended	Surrendered	Revoked	Inactive
AMC	21	53	0	0	0	0	0	0	0
Certified General	3	96	35	105	1	0	0	0	0
Certified Institutional	1	0	1	0	0	0	0	0	0
Certified Residential	4	120	24	108	0	1	8	2	2
Courtesy	0	18	0	503	0	0	0	0	0
Registered Trainee	4	6	23	92	0	0	1	0	15
Temporary Residential	0	0	0	1	0	0	0	0	0
Total	33	306	83	796	1	1	9	2	17

Lunch

Tabled Applications & Applications With No Quorum

EXECUTIVE SESSION MOTION

I, _____, move that the Alaska State Board of Certified 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.**

Regulations Review

1. Does the ASC recommend any statute or regulation changes for the current AMC statutes and regulations for Alaska? This is in anticipation of the next audit.

Yes – The following was identified during the Compliance Review as a courtesy since we were not reviewing the AMC Program yet:

*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.*

In place of “federally related transactions it should say “covered transactions.” I previously sent an explanatory email to Sher about this but please don’t hesitate if you need further clarification.

Sec. 08.87.135.(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;

This needs section needs to include that the license was not revoked for a substantive cause. The AMC Rule says: § 34.214 *Ownership limitations for State-registered AMCs.*

(a) Appraiser certification or licensing of owners. (1) An AMC subject to State registration pursuant to § 34.213 shall not be registered by a State or included on the AMC National Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause, as determined by the appropriate State appraiser certifying and licensing agency.

(2) An AMC subject to State registration pursuant to § 34.213 is not barred by § 34.214(a)(1) from being registered by a State or included on the AMC National Registry if the appraiser license of the appraiser with an ownership interest was not revoked for a substantive cause and has been reinstated by the State or States in which the appraiser was licensed or certified.

There were no requirements that an AMC cannot remove an appraiser without prior written notice. The AMC Rule states: § 225.192 *Appraiser panel – annual size calculation... (b) An appraiser who is deemed part of the AMC’s appraiser panel pursuant to paragraph (a) of this section is deemed to remain on the panel until the date on which the AMC:*

- (1) Sends written notice to the appraiser removing the appraiser from the appraiser panel, with an explanation of its action; or*
- (2) Receives written notice from the appraiser asking to be removed from the appraiser panel or notice of the death or incapacity of the appraiser.*

ASC believes this is important to include.

Regulation Changes Questionnaire

Division/Board: _____ Meeting Date: _____

Regulation change being proposed: 12 AAC _____

General topic of the regulation: _____

This worksheet is designed to help the board think through an anticipated regulations project. Staff will provide this worksheet to the board at the time a regulations project is being approved for public notice. This information will be used to develop a FAQ to be posted on the board's web page to help the public understand the project. Staff will submit the completed worksheet with the draft board minutes to the Regulations Specialist within 10 days of the meeting and provide a copy to the supervisor. Appropriate staff will be assigned to complete this worksheet if a division regulation. **NOTE: Use a separate worksheet for each section being proposed.**

1. Is the new regulation needed to comply with new legislation or federal law? If yes, effective date of new statute/federal law: _____ <i>(If appropriate, ensure the new regulation is in line with federal requirements prior to initiating a regulation project.)</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Does the change add a new license type? If yes: Does it affect current licensees? Do current licensees/non-licensees already perform the service for which the new license type is required? Is there a grace period or date explicitly included in the regulation to allow for a transition period?	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Does it change the qualifications or requirements of an existing license? If yes, does it affect current licensees?	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Does it affect continuing education/competency requirements? If yes: Does it add additional requirements or hours? Does it clarify existing regulations? Is there an effective date in the future to give licensees time to comply?	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Is it a fee change or does it create a new fee? If yes: Does it move fees in the centralized regulations to a new number, therefore affecting other program regulations?	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Does it make changes to the requirements of licensees? If yes: All licensees Certain licensees (List: _____) Initial licensees	Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/>
7. In addition to interested parties, who should receive the public notice? (All licensees or certain license types?)	

8. In addition to the 30-day minimum written notice, does the board request a public hearing? If yes, when and where.
9. What will the regulation do?
10. What is the demonstrated public need or purpose of this regulation?
11. What is the known or estimated cost of the new regulation to a private person, another agency, or a municipality (see Step 3 of the <i>Steps in the Regulation Process...</i>)?
12. What <u>positive</u> consequences may this regulation have on public or private people, businesses, or organizations?
13. What <u>negative</u> consequences may this regulation have on public or private people, business, or organizations?
14. If any <u>negative</u> consequences, please address the reasons why the public need for this change outweighs the negative impact.
15. List any additional questions or comments that may arise from the public during the comment period. Include a response to the questions.
16. What type of notification outlining the changes will be required once the regulation is adopted? Check appropriate boxes. FAQ on website <input type="checkbox"/> Email to licensees <input type="checkbox"/> *Letter to licensees <input type="checkbox"/> <small>* Cost to board for mailing letter</small>

Staff submitting this worksheet: _____ Date submitted to Regulations Specialist: _____

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

March 2019



DEPARTMENT OF COMMERCE, COMMUNITY,
AND ECONOMIC DEVELOPMENT

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

NOTE: The official version of the statutes in this document is printed in the Alaska Statutes, copyrighted by the State of Alaska. The official version of the regulations in this document is published in the Alaska Administrative Code, copyrighted by the State of Alaska. If any discrepancies are found between this document and the official versions, the official versions will apply.

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**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**
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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

Public Comment

Board Business

STATE OF ALASKA

2020

State Holidays

Date	Holiday
01/01	New Year's Day
01/20	MLK Jr.'s Birthday
02/17	Presidents' Day
03/30	Seward's Day
05/25	Memorial Day
07/04	Independence Day (observed 7/3)
09/07	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/26	Thanksgiving Day
12/25	Christmas Day

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

 Holiday

APR MEETING: 03/02/20



State calendar maintained by the
Division of Finance,
Department of Administration
<http://doa.alaska.gov/calendars.html>
Revised 04/16/2018

HOLIDAY CALENDAR

JANUARY

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DECEMBER

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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		



THE STATE
of
ALASKA

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

Conference Justification Worksheet

Use this worksheet to justify why your travel should be approved.

Submit form to your supervisor no less than six weeks before your requested meeting date.

Conference Booking Deadline:	
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Was this on FY 2020 Travel Plan?	<input type="checkbox"/> YES <input type="checkbox"/> NO	If <u>YES</u>, TA Number:	
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Employee Information

Program Name:			
Requester Name:			
# of Employee Attendees:		# of Board Attendees:	

Conference Information

Title of Conference:				
Conference Start Date & Time:		Conference End Date & Time:		
Conference Location:	Address	City	State	Zip
Conference Host:				

Justification

Justification #1
Justification #2
Justification #3
Justification #4
Justification #5
Justification #6
Justification #7
Additional Information:

Supervisor Recommendations

Supervisors, please provide a strong and concise explanation of why you are supporting or opposing this travel.
Please bounce back to examiner until you either oppose or support.

Supervisor's Name:	
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Supervisor Comments (The travel desk will not accept any requests until this form has been completed by staff & supervisor.)

Travel Request Details (attach another page if necessary)

Staff & Board Member(s)	Origin	Deviation? (Y/N)	Staff & Board Member(s)	Origin	Deviation? (Y/N)

Travel Funding: <small>(check all that apply)</small>	<input type="checkbox"/> 3 rd Party Direct	<input type="checkbox"/> 3 rd Party Reimbursed	<input type="checkbox"/> Board	<input type="checkbox"/> RSA
What Will be 3rd Party Direct Booked?				
What Will be 3rd Party Reimbursed?				
What Will the Board Pay For?				

Fund: 1004	Unit: CBPL	Sub Unit:	PROF
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Task:	APR1	AR:	select one
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Attach the following: Quarterly Fiscal Report Conference Agenda 3rd Party Payment Info

Deviation Details

Traveler, deviation details, date/times, routing, etc. **ALL deviations must be listed here or they will not be considered.**

Special Requests (i.e. seat preference, hotel, driving to meeting, etc.) _____

Attach additional pages if necessary.

Adjourn