

# **THE ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS**



Teleconference Meeting of January 15<sup>th</sup>, 2016  
Juneau, Alaska

**Board Packet**

**BOARDS & COMMISSIONS ROSTER****Board of Certified Real Estate Appraisers (154)**

Member	Date Appointed	Reappointed	Term Expires
Lance H Cook (Fairbanks) At-Large (Residential) Appraiser	3/1/2012		3/1/2016
David M. Derry (Kenai) Licensed General Real Estate Appraiser	3/1/2014		3/1/2018
Alfred J. Ferrara (Anchorage) Licensed Residential Real Estate Appraiser	3/1/2014		3/1/2018
Renee E. Piszczek (Fairbanks) Mortgage Banking Executive	9/2/2014	1/19/2015	3/1/2017
Brit Szymoniak (Anchorage) Public	3/3/2014		3/1/2015

# 2016 STATE HOLIDAY CALENDAR

## JANUARY

S	M	T	W	T	F	S
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3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
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31						

## FEBRUARY

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28	29					

## MARCH

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## APRIL

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## MAY

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## JULY

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## AUGUST

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## SEPTEMBER

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## OCTOBER

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30	31					

## NOVEMBER


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## DECEMBER

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## State Holidays

Date	Holiday
01/01	New Year's Day
01/18	MLK Jr.'s Birthday
02/15	Presidents' Day
03/28	Seward's Day
05/30	Memorial Day
07/04	Independence Day

 Holiday

State calendar maintained by the  
Division of Finance,  
Department of Administration  
<http://doa.alaska.gov/calendars.html>  
Rev. 06/22/2015

## State Holidays

Date	Holiday
09/05	Labor Day
10/18	Alaska Day
11/11	Veterans' Day
11/24	Thanksgiving Day
12/25	Christmas Day (observed 12/26)

## Agenda Item #2

### Review Agenda

STATE OF ALASKA  
DEPARTMENT OF COMMERCE, COMMUNITY & ECONOMIC DEVELOPMENT  
DIVISION OF CORPORATIONS, BUSINESS, AND PROFESSIONAL LICENSING  
BOARD OF CERTIFIED REAL ESTATE APPRAISERS

333 W. Willoughby Ave., 9<sup>th</sup> Floor, Conference Room D - Teleconference  
Juneau, Alaska

Friday, January 15<sup>th</sup>, 2016

**TENTATIVE MEETING AGENDA**

	<b><u>TIME</u></b>	<b><u>TOPIC</u></b>	<b><u>LEAD PERSON(S)</u></b>
1.	1:00 p.m.	Call to order/Roll call	David Derry, Chair
2.	1:05 p.m.	Review Agenda	Chair
3.	1:10 p.m.	Review/Approve Minutes (October 28 <sup>th</sup> , 2015)	Chair
4.	1:15 p.m.	Ethics Disclosure/Review Ethics	Chair
5.	1:16 p.m.	Investigations Report	Jay Paff
6.	1:25 p.m.	ASC Updates	Examiner
7.	1:30 p.m.	Board Business <ul style="list-style-type: none"><li>• Board Member Update</li><li>• Review applications</li><li>• Review Continuing Education Audits/Audit protocol<ul style="list-style-type: none"><li>○ Case #'s for three individuals</li></ul></li><li>• Application updates<ul style="list-style-type: none"><li>○ Work Log revisions</li><li>○ Determination of Competency</li></ul></li><li>• Work Product Review Sheets</li><li>• Trainee/Supervisor registration &amp; Work Experience</li></ul>	Examiner
8.	2:00 p.m.	New Business <ul style="list-style-type: none"><li>• Appraisal Management Companies (AMC)</li><li>• FAQ's Document</li><li>• Getting Started Document</li></ul>	
9.	2:15 p.m.	Public Comment	Examiner
10.	2:30 p.m.	Budget Report	Chair
11.	3:00 p.m.	Administrative Business <ul style="list-style-type: none"><li>• Task list</li><li>• Set next meeting date(s)</li></ul>	Martha Hewlett
12.	3:15 p.m.	Adjourn	

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session *OR*  
Board only to remain during session.”**

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

## **Agenda Item #3**

**Review/Approve Minutes (October  
28<sup>th</sup>, 2015)**



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

**BOARD OF CERTIFIED REAL ESTATE APPRAISERS**

**MINUTES OF THE TELEPHONIC MEETING**

Wednesday, October 28<sup>th</sup>, 2015

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

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled teleconference of the Board of Certified Real Estate Appraisers was held at the State Office Building, 333 Willoughby Avenue, Wednesday, October 28<sup>th</sup>, 2015, beginning at 1:00 p.m. The meeting was held in Conference Room C, Juneau, Alaska.

**Agenda Item #1      Call to Order/Roll Call      Time: 1:02 p.m.**

The meeting was called to order by Chair, David Derry at 1:02 p.m.

Board Members Present, constituting a quorum:

Alfred Ferrara, Certified General Real Estate Appraiser  
David Derry, Certified General Real Estate Appraiser (Chair)  
Renee Pisczcek, Mortgage Banking Executive

Attending from the Division of Corporations, Business and Professional Licensing were:

Laura Carrillo, Licensing Examiner

**Agenda Item #2      Review Agenda      Time: 1:03 p.m.**

The Board reviewed the agenda, and Mr. Derry proposed adding Board member comments to the agenda.

**On a motion duly made by Dave Derry, seconded by Fred Ferrara, and approved unanimously, it was:**

**RESOLVED to approve the agenda as amended.**

**Agenda Item #3      Review/Approve Minutes**

**Time: 1:03 p.m.**

The Board reviewed the minutes from the July 31<sup>st</sup>, 2015 meeting in Anchorage. Mr. Ferrara informed Ms. Carrillo that on the first page of the previous minutes, both he and Mr. Derry were listed as Certified *Residential* Real Estate Appraisers—this is incorrect as both are Certified *General*. Ms. Carrillo stated she would change it and contact Boards and Commissions to correct this on their page as well. Mr. Derry also noted that in the introduction paragraph on page 1, the July 31<sup>st</sup> in-person meeting was erroneously referred to as a teleconference meeting. Mr. Derry also noted a correction needed from “hand” to “had” on page 3 of the July minutes. A minor change on page 12 was needed as well.

**On a motion duly made by Renee Piszcek, seconded by Fred Ferrara, and approved unanimously, it was:**

**RESOLVED to approve the July 31, 2015 meeting minutes as amended.**

**Agenda Item #4      Ethics**

**Time: 1:08 p.m.**

There were no ethics disclosures to address.

**Agenda Item #5      Investigations Report**

**Time: 1:09 p.m.**

Investigator, Jay Paff joined the Board telephonically to present the investigative report, which included activity from July 13, 2015 through October 13, 2015. Mr. Paff stated that one matter had opened, one had closed due to a non-response within the 30 days of an open investigative packet. Two matters were still under investigation.

Mr. Paff then addressed two consent agreements, which were previously e-mailed to the Board members for their review. Mr. Paff noted to the Board that he was unable to reach Lance Cook to discuss the consent agreements, and subsequently asked advice from the Department of Law as to whether the initial reviewer, Fred Ferrara could vote in Mr. Cook's Absence to establish a quorum. The AG advised that this was within the Board's discretion.

**On a motion duly made by David Derry, seconded by Fred Ferrara, and approved unanimously, it was:**

**RESOLVED to adopt Consent Agreement #'s 2015-000-527 and 2015-000-528.**

**TASK:**

Dave Derry will sign the consent agreement and forward it onto Investigator, Jay Paff.

**Agenda Item #6      ASC Updates****Time: 1:15 p.m.**

Included in the Board packet was the ASC's most recent compliance review, which gave the Board a rating of "Good", which confers a 2-year review cycle instead of a 1-year cycle in which the Board was accustomed to. Chairman Derry acknowledged that this was a major goal, and that it had not been achieved since being a sitting member on the Board. Mr. Derry thanked Ms. Carrillo, Dawn Hannasch, Karen Hudson and Sara Chambers for their hard work and diligence in making Board improvements come to fruition.

**Agenda Item #7      Regulations****Time: 1: 17 p.m.**

Mr. Derry addressed regulation changes and the regulation draft, which was included in the packets. Ms. Carrillo drafted amendments to 12 AAC 70.100, 12 AAC 70.105, 12 AAC 70.115, 12 AAC 70.125, 12 AAC 70.140, and 12 AAC 70.105, and reiterated to the Board that regulation 12 AAC 70.140 was in most need of attention, as it needs to be updated to reflect current AQB criteria.

The Board also addressed continuing education credit for attending regular Board meetings, which the Board favored to include in the clump of regulation projects. The Board reviewed the regulation draft and made suggestions to make the verbiage more clear:

- **12 AAC 70.100** – May be amended to add a new section:
  - Passes the examination described in 12 AAC 070.130(a)(1)
- **12 AAC 70.100** – May be amended to add a new section:
  - (d) 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) 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 addition core curriculum hours as specified in 12 AAC 70.115(b)(4)-(10)
      - (D) Determination of Competency form per 12 AAC 70.935(c)(3)
      - (E) Authorization for Release of Records form
      - (F) the work experience verification forms and log described in (1)(C) of this section and 12 AAC 70.108(a)

- (2) Pay any fees required in 12 AAC 02.370
  - (3) Submit a copy of the work product from any appraisal performed by the applicant and included in the log of appraisals submitted under 12 AAC 70.110(a)
- **12 AAC 70.100** – May be amended to add a new section:
  - A certified residential 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) 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)(3), documentation of completion of 100 additional core curriculum hours as specified in 12 AAC 70.115(d)(4)-(10)
      - (D) Authorization for Release of Records form
      - (E) a copy of a non-residential work product from any appraisal performed by the applicant and included in the log of appraisals submitted under 12 AAC 70.110(a)
      - (F) the work experience verification forms and log described in 12 AAC 70.108(a)
    - (2) Pay any fees required in 12 AAC 02.370
    - (3) Pass the examination described in 12 AAC 070.130(a)(1) and 12 AAC 70.100(3)
- **12 AAC 70.105(c)** – May be amended to add a new section:
  - (E) Submit a copy of the work product from any appraisal performed by the applicant and included in the log of appraisals submitted under 12 AAC 70.110(a)
- **12 AAC 70.105** – May be amended to add a new section:
  - (3) Passes the examination described in 12 AAC 070.130(a)(2)
- **12 AAC 70.115** – May be amended to add a new section:
  - (f) An applicant for approval as a trainee appraiser shall 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.
- **12 AAC 70.125(B)** – This regulation may be amended to read: “proof that the applicant has successfully completed and passed 75 classroom hours of instruction that meet the requirements in 12 AAC 70.115(f).”

- **12 AAC 70.125** – May be amended to add a new section:
  - (e) 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) 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) Determination of Competency form per 12 AAC 70.935(c)(3)
      - (E) Authorization for Release of Records form
    - (2) Pay any fees required in 12 AAC 02.370
    - (3) Submit a copy of the work product from any appraisal performed by the applicant and included in the log of appraisals submitted under 12 AAC 70.110(a)
  
- **12 AAC 70.140(c)** – This regulation should be amended to read: “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 January 1, 2015, located in the Appendix of the *Real Property Appraiser Qualification Criteria and Interpretations of the Criteria, adopted on December 9<sup>th</sup>, 2011*.”
  
- **12 AAC 70.210**– May be amended to add a new section:
  - Consistent with Appraisal Qualification Criteria, the Board will award continuing education credit for participation in one (1) in-person or teleconference board meeting per biannual cycle 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 does not exceed 7 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

**On a motion duly made by Renee Piszcek, seconded by Fred Ferrara, and approved unanimously, it was:**

**RESOLVED to approve the draft of regulation changes.**

**TASK:**

Ms. Carrillo will draft language for continuing education for attending Board meetings, and will send the draft to the Board for review.

**TASK:**

Ms. Carrillo will send the completed draft to the Board before sending it to the Regulations Specialist.

**Agenda Item #8****Board Business****Time: 1:39 p.m.***Board Member Update*

From the previous meeting, Mr. Ferrara was tasked to contact Clay Porter; Renee Piszczek was to contain an employee at Doyon; Mr. Derry was to contact Charles Horan for filling Board member positions. Mr. Ferrara informed the Board that Mr. Porter was unable to apply due to conflicting schedules. Ms. Piszczek communicated the public member vacancy position to a few Doyon employees, but none expressed a firm intent to apply. Mr. Derry stated that an appraiser and colleague of Charles Horan, Bill Ferguson was considering applying for a position. Mr. Derry expressed optimism in Mr. Ferguson's abilities, and favored the geographical diversity of which Mr. Ferguson would represent as a southeast Board member.

**TASK:**

Mr. Derry will provide an update as to whether Bill Ferguson will be applying to serve on the Board.

**TASK:**

All Board members will continue to seek individuals to fill the public member position and the at-large residential appraiser position.

*Review Continuing education Audits*

The Board moved to discussion on continuing education audits. Mr. Ferrara had only completed a portion of the ballots. Mr. Derry inquired whether the audits could be approved administratively without requiring Board review of each individual appraiser's certificates, to which Ms. Carrillo stated that the Board would need to review audits on an individual basis. Mr. Derry inquired whether it was necessary to review *all* continuing education certificates as opposed to just those that appeared to be non-compliant. The Board acknowledged that this process can be time consuming, and Ms. Carrillo stated she would clarify with Dawn Hannasch as to what the correct procedure is.

**TASK:**

Ms. Carrillo will clarify with Dawn Hannasch whether it's necessary for the Board to review all continuing education certificates for renewal audits.

**TASK:**

Mr. Ferrara will review the rest of the continuing education certificates on the Board's secure site, and will submit the completed ballots to Ms. Carrillo.

**In accordance with the provisions of Alaska Statute 44.62.310(c), and on a motion duly made by Fred Ferrara moved, seconded by Renee Piszczek , it was:**

**RESOLVED to go into executive session for the purpose of discussing subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion.**

The Board stated that staff, Laura Carrillo could remain in the room.

*The Board entered Executive Session at 1:55 p.m.*

*The Board left Executive Session at 2:28 p.m.*

**On a motion duly made by Fred Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:**

**RESOLVED to approve the renewal audit of Jason Graves.**

**On a motion duly made by Fred Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:**

**RESOLVED to refer the three individuals discussed in Executive Session who did not comply with continuing education requirements to the Division's Paralegal.**

*Trainee/Supervisor*

Mr. Derry addressed the approved supervisor list, and Ms. Carrillo clarified with the Board that there were three individuals now on the Board-approved list. Ms. Carrillo also reminded the Board that an application and ballot for Kay Keller was previously sent to the Board for review. Two supervisory appraisers, Stanley Sayers and Paul Andrews would be supervising Ms. Keller and had submitted the appropriate supervisor forms for approval. Their effective dates are 10/28/15. Mr. Derry inquired to Ms. Carrillo if supervisors are attached to a trainee, to which Mrs. Carrillo confirmed and added that forms are available for adding additional supervisors. Mr. Ferrara asked Ms. Carrillo to clarify any limitations on

trainee/supervisory appraiser relationships. Ms. Carrillo stated that trainee/supervisory relationships that have been established prior to January 1<sup>st</sup>, 2015 are not subject to the required trainee appraiser/supervisory appraiser course, however, any new relationship after January 1<sup>st</sup>, 2015 requires both the trainee and supervisory appraiser to participate in a said course, and would require a supervisor to submit a request for approval.

#### *Application Revisions*

The Board briefly reviewed revised applications that were posted to the Board's website. Mr. Derry noted to the Board and Ms. Carrillo that there were a few grammatical and technical errors on some applications, for example, the courtesy license application states that it is a 2-year license term, however, it is really a 180-day term. Another mistake was that "competency" was misspelled on both the general and residential applications. Mr. Derry also noted that he would still like to revise the work log.

#### **TASK:**

Ms. Carrillo will work with the publications specialist to correct errors on the forms pointed out by Mr. Derry

#### **TASK:**

Mr. Derry will send a revised work log to Ms. Carrillo

#### **Agenda Item #9**

#### **New Business**

**Time: 2:36 p.m.**

In inquiring whether updates from the Alaska Chapter of the Appraisal Institute would be beneficial to Board meetings, Ms. Carrillo asked the Board for their opinion on allocating time for this at each Board meeting. Ms. Carrillo commented that the Chiropractic Board regularly receives updates from the Alaska Chiropractic Society at each meeting. Mr. Derry commented that while a good suggestion, the Board has more of an obligation to update the Alaska Chapter than vice versa. Mr. Ferrara also commented that there may be a dissonance in what the Board's views are and what the Chapter's views are because of opposing opinions between the Appraisal Foundation and the Alaska Chapter—the former being the influential governing body for the Alaska Board. Mr. Derry clarified that any opposing views would be clearly communicated.

#### *Appraisal Management Companies (AMC)*

Mr. Derry reiterated that Fred Ferrara, Renee Piszczek, and Paige Hodson were working on drafting AMC regulations. The draft prepared by Ms. Hodson was previously given to the ASC during the Board's July meeting. Mr. Ferrara and Ms. Piszczek stated that they had not met for further discussion. Mr. Derry inquired about an update in including AMC regulation



changes using existing authority from Title XI, to which Ms. Carrillo stated she had not received a response.

#### *AARO Updates*

Mr. Derry moved to discussion on the AARO Conference in Washington, DC. Ms. Piszczek informed the Board that Ms. Carrillo and Records & Licensing Supervisor, Dawn Hannasch also attended. Ms. Piszczek gave positive feedback on her experience at AARO and stated that she learned a wealth of information about Fannie and Freddie, licensing requirements across states, and how the Uniform Collateral Data Portal—an electronic appraisal report service used by lenders—might affect appraiser trends. Ms. Carrillo agreed in that there was a breadth of topics covered at the conference, and that there were several “breakout sessions” to choose from. Ms. Carrillo commented that some states require trainees to submit appraisal reports half-way through the required experience of the permanent license/certificate. The report is reviewed for USPAP compliance and may be used as a disciplinary opportunity for supervisors in the event the trainee’s report is not compliant. Ms. Carrillo also mentioned that the topic of recruiting trainees from a younger population and providing incentives for supervisory appraisers, i.e.: continuing education credit, were widely discussed at the conference.

Ms. Piszczek added that she attended sessions on ethics and investigations, which were eye-opening and a valuable experience for a Board member. Mr. Ferrara inquired whether there was a consensus on whether the any states voiced an opposition for the college degree requirement, to which Ms. Piszczek stated that there seemed to be a general acceptance of this. Ms. Piszczek commented that part of the discussion involved strategies to make salient the career opportunity in appraising, whether it is in colleges or employment services. Mr. Ferrara and Mr. Derry are both in agreement that the college degree requirement can be limiting. Ms. Carrillo commented that states did acknowledge the value of having historical knowledge and appraisal experience, but that the general consensus on the degree seemed to be in favor of it.

Mr. Derry then inquired whether there was in fact a decrease in appraisers. Ms. Carrillo commented that the certified general, licensed residential and general types have been decreasing nation-wide, and that the certified residential type has been slightly increasing. State-wide, Ms. Carrillo stated that there appears to be a shortage of appraisers in Alaska at 301 total appraisers, 57 of which are temporary; 97 general; 126 residential. Ms. Carrillo commented that Dawn calculated 1 appraiser per 2,477 people. Mr. Derry commented that these numbers reflects a national issue, especially in regards to the difficulty in recruiting a younger population and the issue of the degree requirement being a possible impediment to the profession.

Ms. Carrillo also talked about the unique identification number that will imminently be used by state regulators in lieu of a social security number. Ms. Carrillo explained that it was being done in order to both to control for confidential security issues, and to minimize errors in assigning appraiser information to multiple people with the same name. The unique identification number will link an individual appraiser's credential history so that each state is receiving the same information for that appraiser. Ms. Piszczek also commented that this will allow state regulators to view accurate and uniform disciplinary actions regardless of what state the action occurred in.

Mr. Derry asked about revising USPAP—it is his current understanding the USPAP revisions are made every two years, but that the Appraisal Institute is lobbying for the revision to be made every five years. Ms. Piszczek stated that there was discussion but that there didn't seem to be a determination for any changes.

**Agenda Item #10      Public Comment**

**Time: 3:00 p.m.**

Linda Cogburn from REVAA/ServiceLink joined the room telephonically for public comment. Ms. Cogburn commented that she provided Ms. Carrillo with an AMC module regulation draft for distribution to the Board. Ms. Cogburn clarified that REVAA, the Real Estate Valuation Advocacy Association works as liaison for Boards in developing AMC regulations. Ms. Cogburn further added that Mark Schiffman, CEO of REVAA, had sent Ms. Carrillo the final AMC model, but that there was a more updated version since then.

Carrillo commented to Ms. Cogburn that there have been many inquiries as to the Board's intent on adopting AMC regulations, and Mr. Derry expounded that the Board had developed a study group consisting of two Board members (Fred Ferrara and Renee Piszczek) and the Alaska Chapter of the Appraisal Institute (Page Hodson) to work on AMC drafts. Mr. Derry further stated that the work was in progress, so updates were limited until further progress was made. Mr. Derry suggested to Ms. Cogburn that she send the AMC model legislation to Ms. Carrillo, who would then forward it to the study group. Ms. Cogburn agreed and stated that Mr. Schiffman would be in contact with Ms. Carrillo.

**TASK:**

Ms. Carrillo will forward Linda Cogburn's model AMC legislation to the Board for review.

**Agenda Item #9      New Business**

**Time: 3:11 p.m.**

The Board resumed discussion on New Business.

Ms. Carrillo commented on AMC updates: Dodd Frank will be adding a new section to Title XI regarding minimum requirements for AMC's in April; currently 38 states have begun the

process of regulating AMC's, where one of those states have yet to implement the regulations. It was also mentioned that restrictions on FRT's were discussed, but that a precise definition of what constitutes an FRT was yet to be released. Ms. Carrillo added that AMC's that are subsidiaries of federally related depository institutions are not required to register as an AMC, but must meet specific state requirements when conducting in a particular state. If an AMC does not meet the federal definition of an AMC, the AMC cannot provide services in the state, but can do so if they do meet the federal definition.

Chair, Dave Derry called for break at 3:15 p.m.

*Off record at 3:15 p.m.*

*On record at 3:22 p.m.*

**Agenda Item #11      Budget Report**

**Time: 3:23 p.m.**

*Martha Hewlett joined the room at 3:17 p.m.*

Martha Hewlett joined the room telephonically to present the Board's FY15 4<sup>th</sup> quarter report. Ms. Hewlett informed the Board that their total direct expenditures ended at \$89,150, and that the Board's ending cumulative surplus was at \$198,551.

Ms. Hewlett then directed the Board's attention to the collocation code breakdown print-outs, and explained that a significant portion of the Board's contractual expenditures of 26,981 was expended on legal costs, which included investigative and regulation overheads. This figure is included in the total direct expenditures, which ended at \$59,451. Ms. Hewlett stated that a fee analysis from Director, Janey Hovenden and Sara Chambers would be ready some time in 2016.

*Martha Hewlett left the room at 3:35 p.m.*

**Agenda Item #12      Administrative Business**

**Time: 3:35 p.m.**

Mr. Derry commented that he had completed the Board's annual report. The Board then reviewed Board member task lists, and Ms. Carrillo commented that she still needed July work product review sheets for Northway Mall 907, Office Warehouse 990, Westmark 995, Fireweed 996, and Goldbelt 100319. Ms. Carrillo stated that the August reports were quickly accumulating, so receipt of the review sheets would help initiate posting of the August work products to the Board's secure site.

Mr. Derry prompted Mr. Ferrara for an update on the AQB's requirements for licensure and any "grandfathering" provision in regards to the degree requirement. Mr. Ferrara stated that

the AQB advised that there is no grandfathering, but Mr. Ferrara will continue looking into this issue. Mr. Ferrara also addressed another task, in which he was to ask any previous Board members about the logic behind reviewing work products. Apparently this process came to be because it was thought to be necessary. Mr. Ferrara added that the review process was actually questioned numerous times by previous Board members, however, the continued to review work products based on this being an established, historical procedure.

Ms. Carrillo commented that she would also contact Brandy Eber to submit a work product for review, since the Board approved her to take the general examination during its July meeting. Ms. Carrillo also informed the Board that she had contacted the Appraisal Institute to let them know there was a background check error, but that a response had not yet been received.

Mr. Derry thanked Ms. Carrillo for her work on the Frequently Asked Questions document as well as a “Getting Started” worksheet, and provided optimism that these documents would be of great help to prospective applicants. Ms. Carrillo requested that Mr. Derry send feedback or any revisions for these documents. The Board continued to review the Board Task list.

**TASK:**

Mr. Ferrara will complete the review sheet for Northway Mall

**TASK:**

Mr. Derry will complete the review sheet for Office Warehouse, Westmark, Fireweed, and Goldbelt

**TASK:**

Mr. Derry will send revisions of the FAQ and Getting Started document to Ms. Carrillo

The Board decided to set their next teleconference meeting date for Friday, January 15, 2016

**Agenda Item #13      Adjourn**

**Time: 3:53 p.m.**

**On a motion duly made by Fred Ferrara, seconded by Renee Piszczek, and approved unanimously, it was:**

**RESOLVED to adjourn the meeting at 3:53 p.m.**

Respectfully Submitted by:

---

Laura Carrillo    Licensing Examiners

Approved by:

---

David Derry, Chair

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session OR  
Board only to remain during session.”**

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

## **Agenda Item #4**

### **Ethics**

**CONFIDENTIAL**

**ETHICS SUPERVISOR DETERMINATION FORM**

(Board or Commission Member)

Board or Commission: \_\_\_\_\_

Member Disclosing Potential Ethics Violation: \_\_\_\_\_

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

☐ does or would violate AS 39.52.110 - .190. Identify applicable statute below.

☐ does not or would not violate AS 39.52.110 - .190.

\_\_\_\_\_  
Signature of Designated Ethics Supervisor (Chair)

\_\_\_\_\_  
Printed Name of Designated Ethics Supervisor

Date: \_\_\_\_\_

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

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

Revised 2012



# MEMORANDUM

State of Alaska

Department of Law

TO:

DATE:

FILE NO.:

TEL. NO.:

FROM: Angie White  
Litigation Assistant  
Department of Law

FAX:

Opinions, Appeals, & Ethics Section

SUBJECT: Executive Branch Ethics Act, AS  
39.52 Quarterly Report

[INSERT QUARTERLY DATE  
RANGE]

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

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

**OR**

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

**AND**

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

**OR**

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

## State of Alaska Department of Law

### Who Is My Designated Ethics Supervisor?

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

#### Executive Agencies

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

#### Boards and Commissions

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

#### Public Corporations

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

#### Office of the Governor

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

#### University of Alaska

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

### EXECUTIVE BRANCH AGENCIES

Administration: Leslie Ridle, Deputy Commissioner

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

Corrections: April Wilkerson, Director of Administrative Services

Education & Early Development: Les Morse, Deputy Commissioner

Environmental Conservation: Tom Cherian, Director of Administrative Services

Fish & Game: Kevin Brooks, Deputy Commissioner

Health & Social Services: Dallas Hargrave, Human Resource Manager

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

Law: Jonathan Woodman, Assistant Attorney General

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

Natural Resources: John Crowther, Inter-Governmental Coordinator

Public Safety: Terry Vrabec, Deputy Commissioner

Revenue: Dan DeBartolo, Administrative Services Director

Transportation & Public Facilities:

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

Updated April 2015

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

## Department of Law

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

#### Introduction

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

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

#### Scope of Ethics Act (AS 39.52.110)

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

#### Misuse of Official Position (AS 39.52.120)

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

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



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



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

## Improper Gifts (AS 39.52.130)

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

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

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

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

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

A form for reporting gifts is available at [www.law.alaska.gov/doclibrary/ethics](http://www.law.alaska.gov/doclibrary/ethics) or from the board or commission staff.

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



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



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

## Improper Use or Disclosure of Information (AS 39.52.140)

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



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



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



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

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

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

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

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

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



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



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

## Improper Representation (AS 39.52.160)

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



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

## Restriction on Employment After Leaving State Service (AS 39.52.180)

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

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

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



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



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

## Aiding a Violation Prohibited (AS 39.52.190)

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

## Agency Policies (AS 39.52.920)

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

## Disclosure Procedures

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

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

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

### **ATTORNEY GENERAL'S ADVICE (AS 39.52.240-250)**

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

### **REPORTS BY THIRD PARTIES (AS 39.52.230)**

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

## Complaints, Hearings, and Enforcement

### **COMPLAINTS (AS 39.52.310-330)**



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

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

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

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

## **CONFIDENTIALITY (AS 39.52.340)**

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

## **HEARINGS (AS 39.52.350-360)**

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

## **PERSONNEL BOARD ACTION (AS 39.52.370)**

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

## **PENALTIES (AS 39.52.410-460)**

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

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

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

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

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

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

## **DEFINITIONS (AS 39.52.960)**

Please keep the following definitions in mind:

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

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

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

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

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

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

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

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

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

Revised 9/2013

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

## Department of Law

### Executive Branch Ethics Act

## Responsibilities of Designated Ethics Supervisors for Boards and Commissions

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

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

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

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

6/14

Department of Law [attorney.general@alaska.gov](mailto:attorney.general@alaska.gov) P.O. Box 110300, Juneau, AK 99811-0300  
Phone: 907-465-3600 Fax: 907-465-2075 TTY: 907-258-9161  
State of Alaska © 2015 Webmaster

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session OR  
Board only to remain during session.”**

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

## **Agenda Item #5**

### **Investigations Report**



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

Department of Commerce, Community,  
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND  
PROFESSIONAL LICENSING

550 West Seventh Avenue, Suite 1500  
Anchorage, Alaska 99501-3567  
Main: 907.269.8160  
Text phone: 907.465.5437  
Programs fax: 907.269.8156

DATE: January 4, 2016

TO: Alaska Board of Certified Real Estate Appraisers

THRU: Alvin M. Kennedy, Senior Investigator *AK*  
Angela G. Birt, Chief Investigator *AB*

FROM: Jay H. Paff, Investigator

SUBJECT: Certified Real Estate Appraisers Report for January 15, 2016 Board Meeting.

The following information was compiled as an investigative report to the Board for the period from October 13, 2015 through January 4, 2016. Including cases, complaints, and intake matters, since the last report, the Division opened **four (4)** matters and closed **five (5)** matters. There is currently **one (1)** on-going matter under active investigation or pending litigation.

<u>CASE#</u>	<u>OPENED</u>	<u>VIOLATION</u>	<u>PROFESSION</u>
2015-002008	11/23/2015	Violation of License Regulation	Appraiser

**OPEN CASES AND COMPLAINTS: TOTAL = 1**

**INVESTIGATIVE ACTIONS CLOSED SINCE LAST MEETING:**

2015-000527	04/06/2015	License Action	Appraiser
2015-000528	04/06/2015	License Action	Appraiser
2015-001845	10/14/2015	Application Issue	Appraiser
2015-001936	11/02/2015	Incomplete Complaint	Appraiser
2015-002081	12/01/2015	Application Issue	Appraiser

**CLOSED CASES AND COMPLAINTS: TOTAL = 5**



Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session OR  
Board only to remain during session.”**

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

## **Agenda Item #6**

### **ASC Updates**

## Invoice Summary for: AK 11/26/2015 to 12/25/2015

# Appraisal Subcommittee

Federal Financial Institutions Examination Council  
National Registry Invoice

Invoice No. **AK-15-169**Invoice Date: **12/25/2015****Laura Carrillo**

Board of Certified Real Estate Appraisers  
PO Box 110806  
Juneau, AK, 99811-0806

The National Registry fees stated below are due for AK appraisers who have been added to the National Registry or renewed existing licenses or certifications for the period of 11/26/2015 - 12/25/2015. Please review this invoice immediately for accuracy and contact the ASC if you have any questions.

Period	Amount	Licenses	Fees
0	\$ 0	0	\$ 0
2	\$ 80	5	\$ 400
<b>Total:</b>		5	\$ 400

Number of licenses / certifications added: 3  
renewed: 2  
reactivated: 0  
expired: 80

**Registry statistics - Appraisers**

License Type	Total Prior to New Data	Total with new Data
Certified General	93	98
Certified Residential	120	120
<b>Total:</b>	213	218

If you would like to receive your invoices electronically, please contact the Appraisal Subcommittee at [ASCRegistry@asc.gov](mailto:ASCRegistry@asc.gov).

\* Payment of this invoice is due within 45 calendar days of the invoice date. Nonpayment results in appraisers becoming "inactive," meaning they are not authorized to perform appraisals in federally related transactions. Interest may accrue on any unpaid balance as specified by Federal law. Checks or electronic funds transfers should be made payable to the "Appraisal Subcommittee."

1401 H St NW • Suite 760 • Washington, DC 20005 • (202) 289-2735 • Fax (202) 289-4101

Detail Invoice view for: AK 11/26/2015 to 12/25/2015

# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*  
**National Registry Invoice Detail Report**

Invoice No. **AK-15-169**

12/25/2015

**\$ 80**

Last Name	First Name	Nat'l Registry No.	License No.	Lic. Type	Effective	Expires	Prev Exp.
Griswold	Gary C.	XXX-XX--2421	104938	2	11/20/2015	06/30/2017	
JUTTE	ALAN M	XXX-XX--9003	824	2	09/07/2010	06/30/2017	06/30/2015
LIPSMAYER	JOY D	XXX-XX--7490	887	2	05/09/2012	06/30/2017	06/30/2015
Mankis	Allan Elija Walter	XXX-XX--1238	104932	2	12/01/2015	06/30/2017	
Rapela	Brian K.	XXX-XX--1692	103028	2	08/10/2015	06/30/2017	

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

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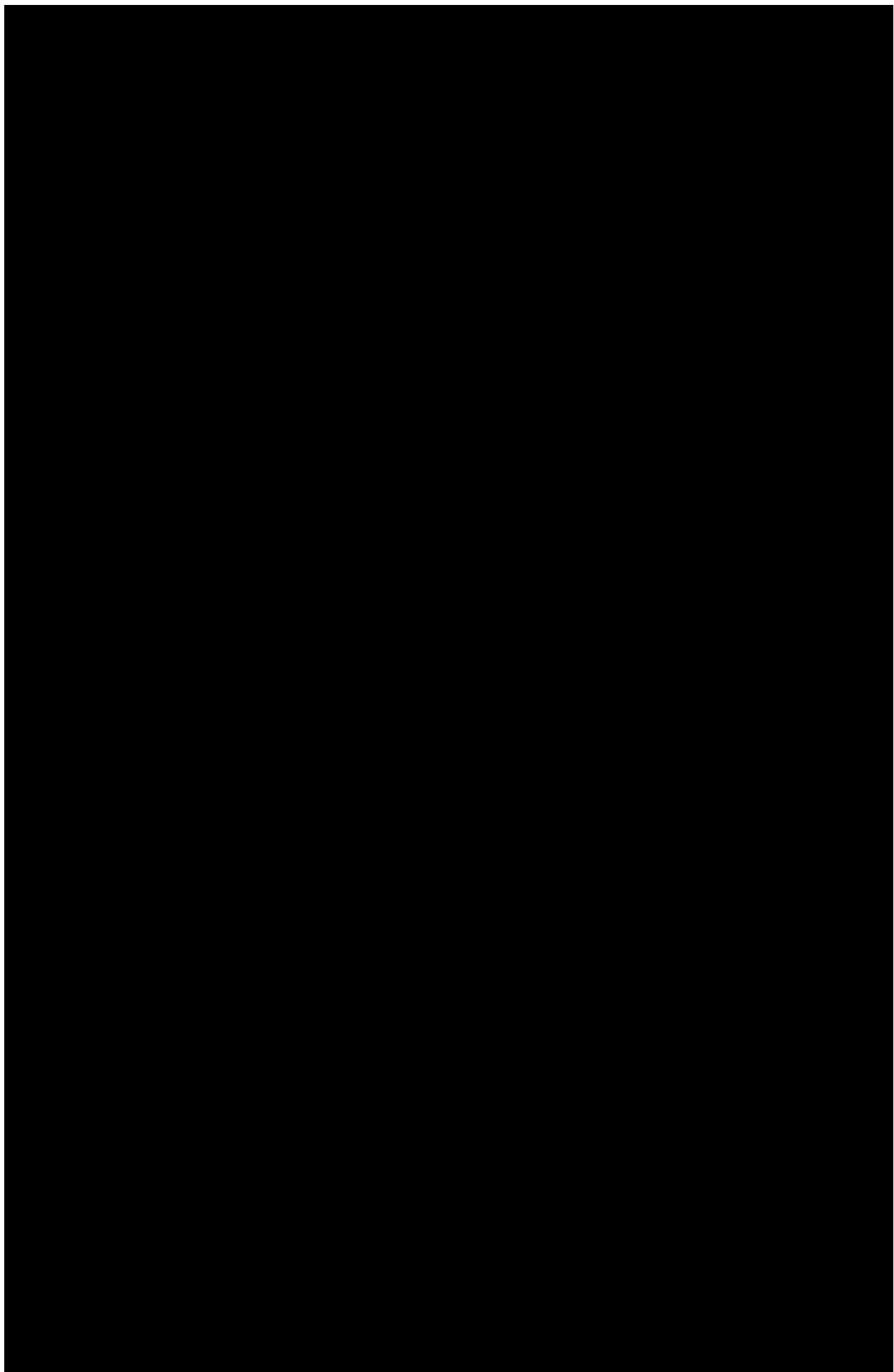
## **Agenda Item #7**

### **Board Business**



**ALASKA STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS**  
**FY 2015 ANNUAL REPORT**  
**IDENTIFICATION OF BOARD**

<b><u>Board Member (CURRENT)</u></b>	<b><u>Date Appointed</u></b>	<b><u>Term Expires</u></b>
<b>Alfred J. Ferrara</b> , MAI, SRA – Vice Chair Certified General Real Estate Appraiser	3/1/2014	3/1/2018
<b>David M. Derry</b> , MAI -- Chair Certified General Real Estate Appraiser	3/1/2014	3/1/2018
<b>Lance Cook</b> Certified Residential Real Estate Appraiser	3/1/2012	3/1/2016
<b>Renee Piszczek</b> Mortgage Banking Executive	9/2/2014	3/1/2018
<b>Vacant</b> Public Member	3/3/2014	3/1/2015



## WORK LOG VERIFICATION GUIDELINES

Please use the following guide when completing the work verification log. The purpose of this log is for the board to determine the diversity and complexity of work experience and to verify the appropriate number of work hours. **Please note that for EXAMINATION applications, the Board will randomly select a work product to determine USPAP compliance, which must be submitted to the Board before a certificate is issued. The work product will be selected based on these forms.**

### Part One Guidelines

**Report Date:** The month and year the appraisal report was completed.

**Subject Property Address:** This is the common name/location of the property, i.e., George's Office Tower, Anchorage, Alaska. Please be very clear so the board can understand the property being appraised.

**Report Type:** Please check appropriate format for report, i.e., Restricted Report, Summary, or Appraisal Report.

**Property Classification:** Indicate the type of property classification (Key included on next page).

**Client Named in Report:** Name of client or entity for which the report was prepared.

**Work Hours:** Indicate total number of hours spent on research, analysis, and preparation of report. Do not include hours which someone else spent.

### Part Two Guidelines

**Trainee Appraiser:** For each criterion (I – X), the trainee appraiser shall indicate whether they contributed to the specific appraisal criteria by writing, "T" in the appropriate line for each property documented.

**Supervisory Appraiser:** For each criterion (I – X), the supervisory appraiser shall indicated on the appropriate line for each property documented whether they had the following responsibilities:

- Primary Responsibility → Write "P"
- Co-Appraiser → Write "C"
- Reviewed and Approved → Write "R"

**For criterion XI indicate the approximate number as described below under experience category.**

#### **Criterion Includes:**

- I. Inspected property
- II. Developed Building Description and Analysis
- III. Neighborhood Description and Market Analysis
- IV. Developed the Highest and Best Use
- V. Collected, Verified and Analyzed Data
- VI. Developed Income Approach
- VII. Developed Cost Approach
- VIII. Developed Sales Comparison
- IX. Developed Final Reconciliation
- X. Other (attach an explanation on a separate piece of paper)
- XI. Experience Category: Indicate on the line the numeric value associated with each experience type (described below):

- 1.) Fee and Staff Appraisal
- 2.) Ad Valorem Tax Appraisal
- 3.) Review Appraisal
- 4.) Appraisal Analysis
- 5.) Real Estate Counseling
- 6.) Highest and Best Use Analysis
- 7.) Feasibility Analysis
- 8.) Setting forth opinions of value of real property for tax purposes as an employee of a county assessor or Board of Equalization
- 9.) Assistance in preparation of appraisals
- 10.) Real estate valuation experience as a real estate lending officer or real estate broker, but only to the extent that the experience is directly related to the actual performance or professional review of real estate appraisals.

## WORK VERIFICATION LOG

### PART TWO:

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

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

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

Name: \_\_\_\_\_ Certificate #: \_\_\_\_\_

Signature: \_\_\_\_\_ Date Signed: \_\_\_\_\_

Hours Requested on This Page \_\_\_\_\_ Total Hours: \_\_\_\_\_

### PART ONE:

**Report Type:** Restricted Report = **RR** Summary = **SU** Appraisal Report = **AR**

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

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

Supervisory Appraiser Name: \_\_\_\_\_ Certificate Number: \_\_\_\_\_

Supervisory Appraiser Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Work Product Reviews Still needed:

[REDACTED]

[REDACTED]

## Board of Certified Real Estate Appraisers

## Approved Supervisors

**Note:** In order to become an approved supervisor, a certified real estate appraiser must submit form 08-4663 (Supervisor Approval Request), as well as a certificate showing completion of a supervisory appraiser/trainee appraiser course.

[illegible]

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

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## **Agenda Item #8**

### **New Business**

## **REVAA Model State AMC Language**

The following model state AMC language was created by REVAA to serve as a resource for states considering AMC registration. This model language is consistent with the recently released final federal AMC rules.

### **Definitions.**

1. "Affiliate" means any company that controls, is controlled by, or is under common control of another company.
2. "AMC National Registry" means the registry of State-registered Appraisal Management Companies and Federally regulated Appraisal Management Companies maintained by the Appraisal Subcommittee.
3. "Appraisal Foundation" means the Appraisal Foundation established on November 30, 1987, as a not-for-profit corporation under the laws of Illinois.
4. "Appraisal management company ("AMC")" means a person that:
  - a. Provides appraisal management services to creditors or to secondary mortgage market participants, including affiliates;
  - b. Provides such services in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating such transactions into securitizations; and
  - c. Within a 12-month calendar year, beginning January 1<sup>st</sup> of each year and ending on December 31 of each year, oversees an appraiser panel of more than 15 State-certified or State-licensed appraisers in a State or 25 or more State-certified or State-licensed appraisers in two or more States, as described in Section six (6) below.
  - d. An AMC does not include a department or division of an entity that provides appraisal management services only to that entity.
5. "Appraisal management services" means one or more of the following:
  - a. Recruiting, selecting, and retaining appraisers;
  - b. Contracting with State-certified or State-licensed appraisers to perform appraisal assignments;
  - c. Managing the process of having an appraisal performed, including providing administrative services such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and secondary market participants, collecting fees from creditors and secondary market participants for services provided, and paying appraisers for services performed; and
  - d. Reviewing and verifying the work of appraisers.
6. "Appraiser panel" means a network, list or roster of licensed or certified appraisers approved by an AMC to perform appraisals as independent contractors for the AMC. Appraisers on an AMC's "appraiser panel" under this part include both appraisers accepted by the AMC for consideration for future appraisal assignments in covered transactions or for secondary mortgage market participants in connection with covered transactions and appraisers engaged by the AMC to perform one or more appraisals in covered transactions or for secondary mortgage market participants in connection with covered transactions. An appraiser is an independent contractor if the appraiser is treated as an independent contractor by the AMC for purposes of Federal income taxation.
7. "Appraisal review" means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment related to the appraiser's data collection, analysis, opinions, conclusions, estimate of value, or compliance with the uniform standards of professional appraisal practice. This term does not include:
  - a. A general examination for grammatical, typographical, or other similar errors.
  - b. A general examination for completeness, including regulatory and/or client requirements as specified in the agreement process that does not communicate an opinion of value.

8. "Board" means the (state) real estate appraiser board.
9. "Consumer credit" means credit offered or extended to a consumer primarily for personal, family, or household purposes.
10. "Controlling person" means:
  - a. An officer, director, or owner of greater than a ten percent interest of a corporation, partnership, or other business entity seeking to act as an appraisal management company in this state.
  - b. An individual employed, appointed or authorized by an appraisal management company that has the authority to enter a contractual relationship with other persons for performance of services requiring registration as an appraisal management company and has the authority to enter agreements with appraisers for the performance of appraisals.
  - c. An individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.
11. "Covered transaction" means any consumer credit transaction secured by the consumer's principal dwelling.
12. "Creditor" means:
  - a. A person who regularly extends consumer credit that is subject to a finance charge or is payable by written agreement in more than four installments (not including a down payment), and to whom the obligation is initially payable, either on the face of the note or contract, or by agreement when there is no note or contract.
  - b. A person regularly extends consumer credit if the person extended credit (other than credit subject to the requirements of 12 CFR 1026.32) more than 5 times for transactions secured by a dwelling in the preceding calendar year. If a person did not meet these numerical standards in the preceding calendar year, the numerical standards shall be applied to the current calendar year. A person regularly extends consumer credit if, in any 12-month period, the person originates more than one credit extension that is subject to the requirements of 12 CFR 1026.32 or one or more such credit extensions through a mortgage broker.
13. "Dwelling" means:
  - a. A residential structure that contains one to four units, whether or not that structure is attached to real property. The term includes an individual condominium unit, cooperative unit, mobile home, and trailer, if it is used as a residence.
  - b. A consumer can have only one "principal" dwelling at a time. Thus, a vacation or other second home would not be a principal dwelling. However, if a consumer buys or builds a new dwelling that will become the consumer's principal dwelling within a year or upon the completion of construction, the new dwelling is considered the principal dwelling for purposes of this section.
14. "Federally regulated AMC" means an AMC that is owned and controlled by an insured depository institution, as defined in 12 U.S.C. 1813 and regulated by the office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation.
15. "Federally related transaction regulations" means regulations established by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, or the National Credit Union Administration, pursuant to sections 1112, 1113, and 1114 of FIRREA Title XI, 12 U.S.C. 3341-3343.
16. "Federal financial institutions regulatory agencies" includes 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 Office of the Comptroller of the Currency, and the National Credit Union Administration.

17. "Federally related transaction" means any real estate-related financial transaction that involves an insured depository institution regulated by the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, or National Credit Union Administration and that requires the services of an appraiser under the interagency appraisal rules.
18. "Person" means a natural person or an organization, including a corporation, partnership, proprietorship, association, cooperative, estate, trust, or government unit.
19. "Real estate-related financial transaction" means any transaction involving the sale, lease, purchase, investment in, or exchange of real property, including interests in property or the financing thereof:
  - a. The refinancing of real property or interests in real property.
  - b. The use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.
20. "Secondary mortgage market participant" means a guarantor or insurer of mortgage-backed securities, or an underwriter or issuer of mortgage-backed securities. Secondary mortgage market participant only includes an individual investor in a mortgage-backed security if that investor also serves in the capacity of a guarantor, insurer, underwriter, or issuer for the mortgage-backed security.
21. "Uniform Standards of Professional Appraisal Practice (USPAP)" means the appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation.

**Administration.**

The board shall have the authority to adopt rules that are reasonably necessary to implement, administer, and enforce provisions set forth under this Chapter. The board shall establish an AMC licensing program that is subject to the limitations set forth in the section entitled "Requirements for Federally regulated appraisal management companies." The board shall have the legal authority and mechanisms to:

1. Review and approve or deny an AMC's application for initial registration;
2. Review and renew or review and deny an AMC's registration periodically;
3. Examine the books and records of an AMC operating in the State and require the AMC to submit reports, information, and documents;
4. Verify that the appraisers on the AMC's appraiser panel hold valid State certifications or licenses, as applicable;
5. Conduct investigations of AMCs to assess potential violations of applicable appraisal-related laws, regulations, or orders;
6. Discipline, suspend, terminate, or deny renewal of the registration of an AMC that violates applicable appraisal-related laws, regulations, or orders; and
7. Report an AMC's violation of applicable appraisal-related laws, regulations, or orders, as well as disciplinary and enforcement actions and other relevant information about an AMC's operations, to the Appraisal Subcommittee.
8. Impose requirements on AMCs that are not owned and controlled by an insured depository institution and not regulated by a Federal financial institutions regulatory agency to:
9. Register with and be subject to supervision by the State appraiser certifying and licensing agency;
10. Engage only State-certified or State-licensed appraisers for Federally related transactions in conformity with any Federally related transaction regulations;
11. Establish and comply with processes and controls reasonably designed to ensure that the AMC, in engaging an appraiser, selects an appraiser who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the appraisal assignment for the particular market and property type;
12. Direct the appraiser to perform the assignment in accordance with USPAP; and
13. Establish and comply with processes and controls reasonably designed to ensure that the AMC conducts its appraisal management services in accordance with the requirements of section 129E(a)-(i) of the Truth in Lending Act, 15 U.S.C. 1639e(a)-(i), and regulations thereunder.

**Appraiser Panel – annual size calculation**

For purposes of determining whether, within a 12-month period running from January 1<sup>st</sup> to December 31<sup>st</sup>, an AMC oversees an appraiser panel of more than 15 State-certified or State-licensed appraisers in a State or 25 or more State-certified or State-licensed appraisers in two or more States pursuant to Definition (4)(c) above:

1. An appraiser is deemed part of the AMC's appraiser panel as of the earliest date on which the AMC:
  - a. Accepts the appraiser for the AMC's consideration for future appraisal assignments in covered transactions or for secondary mortgage market participants in connection with covered transactions; or
  - b. Engages the appraiser to perform one or more appraisals on behalf of a creditor for a covered transaction or secondary mortgage market participant in connection with a covered transaction.
2. 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:
  - a. Sends written notice to the appraiser removing the appraiser from the appraiser panel, with an explanation of its action; or
  - b. Receives written notice from the appraiser asking to be removed from the appraiser panel or notice of the death or incapacity of the appraiser.
3. If an appraiser is removed from an AMC's appraiser panel pursuant to paragraph (2) of this section, but the AMC subsequently accepts the appraiser for consideration for future assignments or engages the appraiser at any time during the 12 months after the AMC's removal, the removal will be deemed not to have occurred, and the appraiser will be deemed to have been part of the AMC's appraiser panel without interruption.

**Registration required.**

It is unlawful for a person to directly or indirectly engage or to attempt to engage in business as an appraisal management company, to directly or indirectly perform or to attempt to perform appraisal management services, or to advertise or hold itself out as engaging in or conducting business as an appraisal management company without first obtaining a registration issued by the board.

**Registration process.**

An applicant for registration as an appraisal management company shall submit to the board an application on forms prescribed by the board and pay a fee established by the board. The forms shall require information necessary to determine eligibility for registration.

**Consent to service of process.**

An applicant for registration as an appraisal management company that is not domiciled in this state shall complete an irrevocable consent to service of process, as prescribed by the Secretary of State.

**Expiration of registration.**

Registrations will expire on December thirtieth of every other year. The expiration date of the registration must appear on the AMC registration certificate issued to the registrant, and no other notice of its expiration need be given to the registrant.

**Reporting Requirements for non-federally regulated appraisal management companies.**

The Board will collect from each AMC registered or seeking to be registered in the State the information that the Appraisal Subcommittee requires to be submitted to it by the State pursuant to regulations or guidance promulgated by the Appraisal Subcommittee.

**Reporting Requirements for federally regulated appraisal management companies.**

Reporting information for the AMC National Registry: A Federally regulated AMC operating in the State must report to the Board the information required to be submitted by the State to the Appraisal Subcommittee, pursuant to the Appraisal Subcommittee's policies regarding the determination of the AMC National Registry fee. These reporting requirements will be set forth by the Board, and will include:

1. A report to the Board on a form prescribed by the Board of intent to operate in this state;

2. Information related to whether the AMC is owned in whole or in part, directly or indirectly, 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 ASC; and
3. If such a person has had such action taken on his/her appraisal license, the Board shall collect information related to whether the license was revoked for a substantive cause and if it has been reinstated by the State or States in which the appraiser was licensed or certified.

**Exemption.**

The provisions of this chapter shall not apply to a person who enters an agreement with an appraiser for the performance of an appraisal that upon completion results in a report signed by both the appraiser who completed the appraisal and the appraiser who requested completion of the appraisal.

**Owner requirements.**

1. An appraisal management company applying for, holding, or renewing a registration under this chapter shall not be owned, in whole or in part, directly or indirectly, 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. However, this does not prevent an AMC from being registered 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.
2. Each person that owns more than ten percent of an appraisal management company applying for, holding, or renewing a registration under this chapter shall:
  - a. Be of good moral character.
  - b. Submit to a criminal background investigation for an initial application.

**Controlling person.**

An appraisal management company applying for a registration or for renewal of a registration in this state shall designate one controlling person that shall serve as the main contact for all communication between the board and the company. The controlling person shall:

1. Remain in good standing in this state or in any other state from which the controlling person holds an appraiser license or certification: however, nothing in this chapter shall require that a designated controlling person hold an appraiser license or certification in any jurisdiction.
2. Have never had an appraiser license or certification in this state or any other state refused, denied, canceled, revoked or surrendered in lieu of a pending disciplinary proceeding in any jurisdiction and not subsequently reinstated or granted.
3. Be of good moral character, and
3. Submit to a criminal background investigation for an initial application or as required by the board.

**Appraiser engagement.**

Before or at the time of placing an assignment with an appraiser on the appraiser panel of an appraisal management company, the appraisal management company shall verify that the appraiser receiving the assignment holds a permit in good standing in this state.

**Appraisal review.**

Any employee of, or independent contractor to, the appraisal management company that performs an appraisal review for a property located in this state must be a certified or licensed appraiser in good standing in this state or any other jurisdiction.

**Verification of licensure or certification.**

1. An appraisal management company registered in this state may not enter any contract or agreement with an appraiser for the performance of appraisals unless the company verifies that the appraiser is licensed or certified in good standing in this state.
2. An appraisal management company seeking to be registered in this state or to renew a registration in this state shall certify to the board on a form prescribed by the board that the company has a system and process in place to verify that an individual being added to the appraiser panel of the company for appraisal services holds a permit in good standing in this state.

**Compliance with USPAP**

Each appraisal management company seeking to be registered or to renew a registration in this state shall certify to the board on a form prescribed by the board that the company requires appraisers completing appraisals at its request to comply with the USPAP.

**Retention of records.**

1. Each appraisal management company seeking to be registered or to renew an existing registration in this state shall certify to the board on a form prescribed by the board that the company maintains a detailed record of each service request that the company receives for appraisals of real property located in this state.
2. An appraisal management company registered in this state shall retain all records required to be maintained under this chapter for at least five (5) years after the file is submitted to the AMC or at least two (2) years after final disposition of any related judicial proceeding of which the AMC is provided notice, whichever period expires last.
3. All records required to be maintained by the registered appraisal management company shall be made available for inspection by the board on reasonable notice to the appraisal management company.

**Fee disclosure.**

An appraisal management company registered in this state shall not prohibit an independent appraiser that is part of an appraiser panel from recording the fee that the appraiser was paid by the appraisal management company for the performance of the appraisal within the communication of the appraisal.

**Payments to Appraisers**

1. An appraisal management company shall, except in bona fide cases of breach of contract or substandard performance of services, make payment to an independent appraiser for the completion of an appraisal or valuation assignment within forty-five days of the date on which the appraiser transmits or otherwise provides the completed appraisal or valuation assignment to the company or its assignee unless a mutually agreed-upon alternate arrangement has been previously established.
2. An appraisal management company seeking to be registered or to renew an existing registration in this state shall certify that the company will require appraisals to be conducted independently as required by the appraisal independence standards under section 129E of the Truth in Lending Act, including the requirements of payment of a reasonable and customary fee to independent appraisers when the appraisal management company is providing services for a consumer credit transaction secured by the principal dwelling of a consumer.

**Appraisal management company registration numbers.**

1. The board shall issue a registration number to each appraisal management company that is registered in this state.
2. The board shall maintain a list of the appraisal management companies that are registered with the board.
3. An appraisal management company registered in this state shall place its registration number on engagement documents utilized by the appraisal management company for procurement of appraisal services in this state.

**Fees - Bonds.**

1. The board may charge the appraisal management company reasonable fees to help offset costs of operating the board. The board shall establish fees by rule.
2. The board may require by rule a surety bond of not more than twenty-five thousand dollars (\$25,000).



**Mandatory reporting.**

An appraisal management company that has a reasonable basis to believe an appraiser has failed to comply with applicable laws or rules or has substantially violated the USPAP shall refer the matter to the board.

**Prohibited conduct.**

A violation of this section may constitute grounds for discipline against an appraisal management company registered in this state. However, nothing in this Chapter shall prevent an appraisal management company from requesting an appraiser provide additional information about the basis for a valuation, correct objective factual errors in an appraisal report, or consider additional appropriate property information. No employee, director, officer, agent, independent contractor, or other third party acting on behalf of an appraisal management company may do any of the following:

1. Procure or attempt to procure a registration or renewal by knowingly making a false statement, submitting false information, or refusing to provide complete information in response to a question in an application for registration or renewal.
2. Willfully violate this chapter or rules of the board pertaining to this chapter.
3. Improperly influence or attempt to improperly influence the development, reporting, result or a review of an appraisal through intimidation, coercion, extortion, bribery, or any other manner, including:
  - a. Withholding payment for appraisal services.
  - b. Threatening to exclude an appraiser from future work or threatening to demote or terminate in order to improperly obtain a desired result.
  - c. Conditioning payment of an appraisal fee upon the opinion, conclusion, or valuation to be reached.
  - d. Requesting an appraiser to report a predetermined opinion, conclusion, or valuation or the desired valuation of any person or entity.
4. Alter, amend, or change an appraisal report submitted by an appraiser without the appraiser's knowledge and written consent.
5. Except within the first ninety (90) days after an independent appraiser is added to an appraiser panel, remove an independent appraiser from an appraiser panel without prior written notice to the appraiser, with the prior written notice including evidence of the following, if applicable:
  - a. The appraiser's illegal conduct.
  - b. A violation of the uniform standards of professional appraisal practice, this chapter, or the rules adopted by the board.
  - c. Improper or unprofessional conduct.
  - d. Substandard performance or other substantive deficiencies.
6. Require an appraiser to sign any indemnification agreement that would require the appraiser to defend and hold harmless the appraisal management company or any of its agents or employees for any liability, damage, losses, or claims arising out of the services performed by the appraisal management company or its agents, employees, or independent contractors and not the services performed by the appraiser.
7. Prohibit lawful communications between the appraiser and any other person who the appraiser, in the appraiser's professional judgment, believes possesses information that would be relevant.
8. Engage in any other act or practice that impairs or attempts to impair a real estate appraiser's independence, objectivity, and impartiality.
9. Fail to timely respond to any subpoena or any other request for information.
10. Fail to timely obey an administrative order of the board.
11. Fail to fully cooperate in any investigation.



**Disciplinary proceedings.**

The board may deny, suspend, or revoke the license of an AMC; impose a monetary penalty of an amount not to exceed \$5,000 per violation; issue a letter of reprimand; refuse to issue or renew the registration of an AMC; or take other disciplinary action against an AMC when:

1. The applicant is not of good moral character.
2. The applicant has been the holder of a registration revoked or suspended for cause, or surrendered in lieu of disciplinary proceedings.
3. The applicant, in the case of an application for renewal of any registration, would not be eligible for such registration on a first application.
4. The issuance of the registration applied for would result in a violation of any provision of this chapter or the rules adopted by the board.
5. In the conduct of affairs under the registration, the registrant demonstrated incompetency, or untrustworthiness, or conduct or practices rendering the registrant unfit to carry on appraisal management services or making continuance in the business detrimental to the public interest, or that the licensee is no longer in good faith carrying on appraisal management services, and for this conduct is found by the board to be a source of detriment, injury, or loss to the public.
6. The AMC committed any act in violation of this chapter.
7. The AMC violated any rule or regulation adopted by the board in the interest of the public and consistent with the provisions of this chapter.
8. The AMC procured a registration or a renewal of a registration for the appraisal management company or intentionally committed any other act by fraud, misrepresentation, or deceit.

**Criminal history background checks.**

The board shall require an applicant for registration under this section, an owner, or a controlling person to submit to a criminal history record check. All costs associated with obtaining a background check are the responsibility of the applicant or the regulated individual.

### Frequently Asked Questions:

➤ **What does the Board mean by “Core Curriculum”?**

The Appraisal Subcommittee (ASC) establishes the minimum requirements for certification via the Appraisal Qualifications Board (AQB). They have determined that in order to become a **Certified General Real Estate Appraiser**, a total of 300 hours in core curriculum courses must be completed:

CERTIFIED GENERAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
GENERAL APPRAISER MARKET ANALYSIS AND HIGHEST AND BEST USE	30 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
GENERAL APPRAISER SALES COMPARISON APPROACH	30 HOURS
GENERAL APPRAISER SITE VALUATION AND COST APPROACH	30 HOURS
GENERAL APPRAISER INCOME APPROACH	60 HOURS
GENERAL APPRAISER REPORT WRITING AND CASE STUDIES	30 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	30 HOURS
CERTIFIED GENERAL EDUCATION REQUIREMENTS	300 HOURS

To become a **Certified Residential Real Estate Appraiser**, the following 200 hours of core curriculum courses are required:

CERTIFIED RESIDENTIAL	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
RESIDENTIAL MARKET ANALYSIS AND HIGHEST AND BEST USE	15 HOURS
RESIDENTIAL APPRAISER SITE VALUATION AND COST APPROACH	15 HOURS
RESIDENTIAL SALES COMPARISON AND INCOME APPROACHES	30 HOURS
RESIDENTIAL REPORT WRITING AND CASE STUDIES	15 HOURS
STATISTICS, MODELING AND FINANCE	15 HOURS
ADVANCED RESIDENTIAL APPLICATIONS AND CASE STUDIES	15 HOURS
APPRAISAL SUBJECT MATTER ELECTIVES (May include hours over minimum shown above in other modules)	20 HOURS
CERTIFIED RESIDENTIAL EDUCATION REQUIREMENTS	200 HOURS

To become a **Registered Trainee**, the following 75 hours of core curriculum courses are required:

TRAINEE APPRAISER	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE OR ITS EQUIVALENT	15 HOURS
TRAINEE APPRAISER EDUCATION REQUIREMENTS	75 HOURS

➤ **What is the timeframe in which the core curriculum hours must be completed?**

150 hours out of the total hours required must have been completed within 5 years preceding the date of application.

➤ **How do I find/participate in core curriculum courses?**

Core curriculum and continuing education courses must first be approved by the Board of Certified Real Estate Appraisers and issued a unique course approval number. Providers of continuing education submit course approval applications for various courses to be reviewed/approved by the Board. Once approved, courses are updated to the Board's continuing education website at

<https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateAppraisers/ContinuingEducation.aspx>

➤ **What does the Board mean by "Experience"?**

The Appraisal Subcommittee (ASC) establishes the minimum requirements for certification via the Appraisal Qualifications Board (AQB). They have determined that in order to become a **Certified General Real Estate Appraiser**, a total of 3,000 hours of experience in property appraisal be completed in no fewer than 30 months. A minimum of 1,500 hours of experience must be related to non-residential appraising.

To become a **Certified Residential Real Estate Appraiser**, a total of 2,500 hours of experience in property appraisal be completed in no fewer than 24 months.

If applying by **Examination**, a copy of an appraisal review must be submitted along with the initial application to verify USPAP compliance. When filling out the "Work Log Verification" form (included at the end of the application), choose one work product from your work log to submit to the Board for review. The Board will need to review this work product before an applicant is approved to take the national examination.

➤ **Where can I find additional information on certification requirements?**

Statutes and regulations pertaining to certification requirements can be found at:

<https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateAppraisers/LicensingStatutesRegulations.aspx> as well as on the applications.

➤ **If I am an out-of-state certified appraiser employed by a financial institution, do I have to obtain a certificate or courtesy license in order to conduct an appraisal in Alaska?**

No, if an individual is employed by a financial institution or is otherwise only *reviewing* an appraisal without determining an opinion of value, a courtesy license is not required.

➤ **What is required for continuing education requirements?**

Licenses lapse on June 30<sup>th</sup> of odd-numbered years, at which time those who are certified must submit an application for renewal. Certified Real Estate Appraisers who have been licensed **for at least two years** must complete 28 hours of continuing education, including the required 7-hour USPAP course. Those who have been licensed for **less than 2 years** must complete 14 hours of continuing education, including the required 7-hour USPAP course.

Only half of the required courses can be taken via **online or distance methods**. In other words, if you are licensed for at least 2 years, a maximum 14 hours of continuing education can be taken online.

**Trainees** are not required to complete continuing education, but are required to submit a renewal if intending on maintain trainee registration status.

Core curriculum and continuing education courses must first be approved by the Board of Certified Real Estate Appraisers and issued a unique course approval number. Providers of continuing education submit course approval applications for various courses to be reviewed/approved by the Board. Once approved, courses are updated to the Board's continuing education website at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateAppraisers/ContinuingEducation.aspx>

➤ **What is the required course for Trainees and Supervisors?**

Trainee and Supervisory appraisers must participate in and submit a certificate showing completion of a Supervisory Appraiser/Trainee Appraiser course. There is no specific requirement for the length of the course.

➤ **How do I become a Board-approved supervisor?**

Certificate holders who have been licensed in Alaska for at least 3 years (and are in good standing) qualify to become a Board-approved supervisor. To submit an application, fill out form # 08-4663, and include a copy of a certificate demonstrating completion of a Supervisory Appraiser/Trainee Appraiser course. Supervisory Appraisers are limited to no more than 3 trainees.

➤ **Registered trainees must be supervised by a certified real estate appraiser—how do I find an approved supervisor?**

The licensing examiner keeps an internal list of Board-approved supervisors. Refer to the contact information for the examiner assigned to this program on the Board Home Page. A trainee can have unlimited supervisory appraisers.

➤ **I would like to add a supervisory appraiser and keep my current supervisory appraiser—how do I do this?**

The new supervisor must complete the required supervisory appraiser course and submit an application (form #08-4663), if not already a Board-approved supervisor. The trainee must then submit a Change of Supervisor form (08-4597).

➤ **I am currently a Trainee Appraiser—what additional qualifications do I need in order to transition to a certified general or residential real estate appraiser?**

➤ Depending on whether you wish to transition to a Certified Residential Real Estate Appraiser, or Certified General Real Estate Appraiser, you will need to complete 225 or 125 additional core curriculum hours, respectively. Please see the respective applications (08-4163 and 08-4164) for a breakdown on core curriculum requirements.

➤ **Do I have to become registered as a Trainee before I become a certified real estate appraiser?**

It is not required to become registered as a Trainee, however, if the trainee wants *experience* hours to count towards the experience required as a certified appraiser, s/he should become certified.

➤ **I am currently a Certified Residential Real Estate Appraiser—what additional qualifications do I need in order to transition to a Certified General Real Estate Appraiser?**

An additional 100 hours related to general real estate appraising is required. The application for this transition is #08-4163.

➤ **What do I need to know about applying for a courtesy license?**

Applicants should note that no more than 2 courtesy licenses can be issued within a 12-month period. A license verification from one state is required to be submitted directly from the state

licensing agency/board to our office. These must be mailed, not e-mailed. The courtesy license is valid for a maximum of 180 days, after which time a copy of the appraisal report must be submitted to this office.

The Board of Certified Real Estate Appraisers is required by the ASC to issue courtesy licenses within 5 days of the complete application.

At the time of initial application, the properties listed will fall into one “assignment”, however, if the courtesy license applicant wishes to add a new property *after* the license has already been issued, the applicant will need to re-apply.

➤ **I have a concern about a certified appraiser, how do I file a complaint?**

Complaints are addressed via the Investigations Section. To file a complaint, fill out a “Request for Contact” form. The investigator assigned to the Board of Certified Real Estate Appraisal will conduct the investigation based on the information provided on the form. Please visit

<https://www.commerce.alaska.gov/web/cbpl/ComplaintFAQs.aspx>

## Getting Started: A Brief Summary

The Alaska Board of Certified Real Estate Appraisers is excited to welcome new appraisers into the last frontier. If you are wondering whether you qualify to become a certified real estate appraiser, trainee, or supervisory appraiser, the following information may help guide you in your decision to apply:

	<b>General</b> (Form 08-4163)	<b>Residential</b> (Form 08-4164)	<b>Courtesy</b> (Form 08-4223)	<b>Trainee</b> (Form 08-4162)	<b>Supervisor</b> (Form 08-4663)
<b>Required Education*</b>	Bachelor's Degree (any field)	Bachelor's Degree (any field)	-	Bachelor's Degree (any field)	(see general or residential)
<b>Core Curriculum**</b>	300	200	-	75	(see general or residential)
<b>Required Experience</b>	3,000	2,500	-	-	(see general or residential)
<b>Required Training Certificate</b>	-	-	-	Any supervisory Appraiser/Trainee Appraiser Course	Any supervisory Appraiser/Trainee Appraiser Course
<b>Required Exam if applying via examination***</b>	AQB-Approved Certified General Real Property Examination	AQB-Approved Certified Residential Real Property Examination <b>or</b> AQB-Approved Certified General Real Property Examination	-	-	(see general or residential)
<b>USPAP Requirement for initial certification</b>	15-Hour USPAP	15-Hour USPAP	-	15-Hour USPAP	(see general or residential)
<b>USPAP Requirement for continuing education</b>	7-Hour USPAP	7-Hour USPAP	-	7-Hour USPAP	(see general or residential)
<b>Required License Verification</b>	Verification of license needed from only <u>one</u> state, sent directly from the agency to this office.  You must document on the application all the states where you have ever held a license.	Verification of license needed from only <u>one</u> state, sent directly from the agency to this office.  You must document on the application all the states where you have ever held a license.	Verification of license needed from only <u>one</u> state, sent directly from the agency to this office.  You must document on the application all the states where you have ever held a license.	-	(see general or residential)
<b>Certificate/License Status</b>	Must be in good standing if licensed in other state(s)	Must be in good standing if licensed in other state(s)	Must be in good standing if licensed in other state(s)	-	Must be certified and in good standing in Alaska for at least 3 years

\*If certified or registered *before* January 1<sup>st</sup>, 2015, those without a Bachelor's degree are "grandfathered" in. A list of approved education courses can be found at <https://www.commerce.alaska.gov/cbp/ContinuingEducation/Sponsor>

\*\*Core curriculum hours are courses that are required by the Appraisal subcommittee and are specific to *General* and *Residential* application types. The list of core curriculum courses can be found on the "General Information" (instruction pages) of forms #'s 08-4163 (Certified General Real Estate Appraiser application) and 08-4164 (Certified Residential Real Estate Appraiser) located at <https://www.commerce.alaska.gov/web/cbpl/ProfessionalLicensing/RealEstateAppraisers/Applications.aspx>

\*\*\*Verification of work experience via an appraisal report listed on the Work Log Verification is needed to be reviewed by the Board in order to be approved to take the national examination. The Work Log Verification form is at the end of the application. The Board will choose one (1) appraisal report from the work log for you to submit for USPAP compliance.

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session *OR*  
Board only to remain during session.”**

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



## **Agenda Item #10**

### **Budget Report**

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

Board of Certified Real Estate Appraisers  
Schedule of Revenues and Expenditures

	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>FY 14</u>	<u>FY 15</u>
Licensing Revenue	22,875	203,055	42,190	269,948	56,250	279,525
Allowable Third Party Reimbursement	-	-	-	-	1,499	-
Total Revenue	<u>22,875</u>	<u>203,055</u>	<u>42,190</u>	<u>269,948</u>	<u>57,749</u>	<u>279,525</u>
Direct Expenditures						
Personal Services	50,733	65,321	78,181	46,148	34,915	53,294
Travel	10,479	10,138	8,534	3,759	2,920	2,217
Contractual	59,383	87,668	56,720	44,699	14,955	33,616
Supplies	425	150	233	61	24	42
Equipment	-	-	-	-	-	-
Total Direct Expenditures	<u>121,020</u>	<u>163,276</u>	<u>143,668</u>	<u>94,667</u>	<u>52,815</u>	<u>89,170</u>
Indirect Expenditures	<u>14,166</u>	<u>11,311</u>	<u>15,739</u>	<u>18,583</u>	<u>20,937</u>	<u>33,105</u>
Total Expenses	135,186	174,587	159,407	113,250	73,752	122,274
Annual Surplus (Deficit)	<u>(112,311)</u>	<u>28,468</u>	<u>(117,217)</u>	<u>156,697</u>	<u>(16,002)</u>	<u>157,251</u>
Beginning Cumulative Surplus (Deficit)	101,666	(10,645)	17,823	(99,395)	57,302	41,300
Ending Cumulative Surplus (Deficit)	<u>(10,645)</u>	<u>17,823</u>	<u>(99,395)</u>	<u>57,302</u>	<u>41,300</u>	<u>198,551</u>

Collocation Code Name	REAL ESTATE APPRAISE
Acct Type	EX

Account Number	Account Name	Sum of Actual	Sum of Encumbrance
71172	REGULAR PAY	26,697	-
71324	OT - TIME & ONE-HALF	111	-
71670	HOLIDAY PAY	1,146	-
71680	ANNUAL LEAVE	5	-
71685	PERSONAL LEAVE	3,759	-
71690	SICK LEAVE	4	-
71790	AK SUPPLEMNTL BENEFIT	1,949	-
71795	MEDICARE TAX	445	-
71800	PERS DB	1,806	-
71801	PERS DCR	1,135	-
71815	PERS DCR HRA	913	-
71816	PERS DCR RMP	361	-
71818	PERS DB UNF'D LIAB	2,374	-
71820	UNEMPLYMNT INSURANCE	85	-
71830	GROUP HLTH INSURANCE	10,645	-
71835	BASIC LIFE & TRAVEL	27	-
71840	WORKERS' COMP INS	291	-
71870	LEAVE CASHIN EMPR CH	696	-
71871	TERMINAL LV EMPR CHG	351	-
71925	ASEA LEGAL TRUST	53	-
71936	ASEA INJURY LV USAGE	8	-
71950	SUPERVSRS LEGAL TRST	18	-
71970	PERSONAL SVCE TRANS	414	-
72111	AIRFARE	562	-
72112	SURFACE TRANSPORT	96	-
72113	LODGING	248	-
72114	MEALS & INCIDENTALS	101	-
72124	MEALS & INCIDENTALS	92	100
72125	TAXABLE PER DIEM	76	-
72126	NONTAX REIMBURSEMENT	441	500
72930	CASH ADVANCE FEE	2	-
73026	TRAINING/CONFERENCES	235	-
73029	MEMBERSHIPS	350	-
73051	ACCOUNTING/AUDITING	3,571	-
73228	POSTAGE	107	-
73451	ADVERTISING	1,238	-
73668	ROOM/SPACE	1	-
73809	I/A MAIL	664	-
73812	I/A LEGAL	27,420	-
73819	I/A COMMISSION SALES	31	-
74229	BUSINESS SUPPLIES	42	-
<b>Grand Total</b>		<b>88,570</b>	<b>600</b>

<b>Grand Total - Actuals + Encumbrances</b>	<b>89,170</b>
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Grand Total - Actuals + Encumbrances Equals Direct Expenditures on Board Report

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

Board of Certified Real Estate Appraisers  
Schedule of Revenues and Expenditures

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY16 1st Qtr
Licensing Revenue	22,875	203,055	42,190	269,948	56,250	279,525	7,625
Allowable Third Party Reimbursement*	-	-	-	-	1,499	-	-
Total Revenue	22,875	203,055	42,190	269,948	57,749	279,525	7,625
Direct Expenditures							
Personal Services	50,733	65,321	78,181	46,148	34,915	53,294	13,320
Travel	10,479	10,138	8,534	3,759	2,920	2,217	1,668
Contractual	59,383	87,668	56,720	44,699	14,955	33,616	224
Supplies	425	150	233	61	24	42	-
Equipment	-	-	-	-	-	-	-
Total Direct Expenditures	121,020	163,276	143,668	94,667	52,815	89,170	15,212
Indirect Expenditures**	14,166	11,311	15,739	18,583	20,937	33,105	8,276
Total Expenses	135,186	174,587	159,407	113,250	73,752	122,274	23,488
Annual Surplus (Deficit)	(112,311)	28,468	(117,217)	156,697	(16,002)	157,251	(15,863)
Beginning Cumulative Surplus (Deficit)	101,666	(10,645)	17,823	(99,395)	57,302	41,300	198,551
Ending Cumulative Surplus (Deficit)	(10,645)	17,823	(99,395)	57,302	41,300	198,551	182,688

\*The allocation of the \$20,000 in allowable third party reimbursements will be completed at year-end

\*\*Current year indirect costs are based on the prior fiscal year's total budgeted amount. These costs are averaged over the current fiscal year, then adjusted after the close of the year.

Activity Name	Board of Certified Real Estate Appraisers
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Object Code	Object Name	Sum of Expenditures
0102	Regular Pay	7,322
0147	Holiday Pay	197
0150	Annual Leave	9
0151	Personal Leave	268
1028	AK Supplemntl Beneft	479
1029	Pers DB	98
1030	Pers DCR	384
1034	Pers DCR HRA	322
1035	Pers DCR RMP	124
1037	Pers DB Unf'D Liab	788
1039	Unemplmnt Insurance	25
1040	Group Hlth Insurance	2,795
1041	Basic Life & Travel	7
1042	Workers' Comp Ins	104
1047	Leave Cashin Empr Ch	176
1048	Terminal Lv Empr Chg	90
1053	Medicare Tax	108
1077	ASEA Legal Trust	15
1079	ASEA Injury Lv Usage	9
1080	Supervsrs Legal Trst	0
2000	In-State Employee Airfare	682
2001	In-State Employee Surface Transportation	83
2002	In-State Employee Lodging	371
2003	In-State Employee Meals and Incidentals	246
2009	In-State Non-EmployeeTaxable Per Diem	60
2010	In-State Non-Employee Non-Taxable Reimbursement	222
2036	Cash Advance Fee	4
3044	Courier	4
3046	Advertising	179
3057	Structure, Infrastructure and Land - Rentals/Leases	23
3069	Commission Sales	18
<b>Grand Total</b>		<b>15,212</b>

Grand Total Equals Direct Expenditures on Board Report

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session OR  
Board only to remain during session.”**

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

## **Agenda Item #11**

### **Administrative Business**



# **Task List**

## **Derry**

- Sign consent agreement and forward to Investigator, Jay Paff
- Update on Bill Ferguson as prospective member
- Will send a revised work log to Ms. Carrillo
- Will complete the review sheet for Office Warehouse, Westmark, Fireweed, and Goldbelt
- Will send revisions of the FAQ and Getting Started document to Ms. Carrillo

## **Ferrara**

- Will review the rest of the continuing education certificates on the Board's secure site, and will submit the completed ballots to Ms. Carrillo
- Will complete the review sheet for Northway Mall

## **Examiner**

- Will draft language for continuing education for Board meeting attendance
- Will clarify with Dawn Hannasch whether it's necessary for the Board to review all continuing education certificates for renewal audits
- Will work with the publications specialist to correct errors on the forms pointed out by Mr. Derry
- Will forward Linda Cogburn's model AMC legislation to the Board for review.

## **All**

- All Board members will continue to seek individuals to fill the public member position and the at-large residential appraiser position

Board or Commission: \_\_\_\_\_

Meeting Date: \_\_\_\_\_

Agenda Item # \_\_\_\_\_ Tab # \_\_\_\_\_ Topic: \_\_\_\_\_

## Primary Motion

**Motion:**

[illegible]

### Subsidiary Motion or Amendment

**Motion:**

[illegible]

## EXECUTIVE SESSION MOTION

### **Sec. 44.62.310. Government meetings public.**

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

### **MOTION WORDING:**

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

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

**Board staff is requested to remain during the session OR  
Board only to remain during session.”**

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

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

***July 2015***

*(Centralized Statutes and Regulations not included)*



DEPARTMENT OF COMMERCE, COMMUNITY,  
AND ECONOMIC DEVELOPMENT

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

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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.** 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; and
- (3) adopt regulations necessary to carry out the purposes of this chapter, including regulations necessary to comply with the 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); the regulations adopted by the board under AS 08.87.110, 08.87.120, 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 under 12 U.S.C. 3331 – 3351 or other federal law.

**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. PROHIBITED PRACTICES AND DISCIPLINARY PROCEEDINGS.**

#### **Section**

##### **200. Prohibited practices**

##### **210. Disciplinary proceedings**

**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.

### **ARTICLE 4. 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 report" means any communication, written or oral, of an appraisal;

(5) "board" means the Board of Certified Real Estate Appraisers;

(6) "department" means the Department of Commerce, Community, and Economic Development;

(7) "general real estate appraiser" means a real estate appraiser certified to appraise all types of real property;

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

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

(10) "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);

(11) "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;

(12) "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;

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

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

**Article**

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

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

**Section**

- 100. Application for general real estate appraiser certification by examination**
- 105. Application for residential real estate appraiser certification by examination**
- 106. Application for general real estate appraiser or residential real estate appraiser certification by reciprocity**
- 107. Application for institutional real estate appraiser certification by examination**
- 108. Work experience requirements for real estate appraiser certification**
- 110. Verification of work experience**
- 115. Education requirements for real estate appraiser certification**
- 120. Application for certification by endorsement**
- 125. Application for approval as a trainee appraiser**
- 126. Application for approval as a supervisory appraiser**
- 130. Real estate appraiser examinations**
- 140. Approved appraiser organizations and academic institutions**
- 145. Approval of course or seminar for initial certification or trainee registration**
- 150. Application deadline**

**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) 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); 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 70.106. 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 30 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 Standard 1 and Standard 2 of 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 2,500 hours of appraisal experience obtained continuously over a period of not less than 24 months. The board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with Standard 1 and Standard 2 of 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 70.115. 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, of which at least 150 hours must be completed not later than the five years immediately preceding the date of a complete application:

- (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.

(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 a bachelor's degree or higher in any field from an accredited college or university.

(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, of which at least 100 hours must be completed not later than five years immediately preceding the date of a complete application:

- (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.

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

**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 70.140(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 trainee 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 January 1, 2008, located in the Appendix of *The Real Property Appraiser Qualification Criteria and Interpretations of the Criteria*, dated January 2012, 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](http://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

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

**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; or
- (3) courses approved by the Appraiser Qualifications Board Course Approval Program of the Appraisal Foundation.

(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.

**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. Scope of limited real estate appraiser (*Repealed*)**

**310. Qualifications for limited real estate appraiser certification (*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 Standard 1 and Standard 2 of 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