

State of Alaska

Board of

Certified

Real Estate

Appraisers

May 11, 2019

Board Packet

Teleconference

333 Willoughby Ave.

Juneau, AK 99801

# Call To Order/Roll Call


**Alaska Board of Certified Real Estate Appraisers  
Board Roster (As of 02/22/2018)**

<b>Board Member</b>	<b>Appointed</b>	<b>Reappointed</b>	<b>Term Expires</b>
<b>David Derry, Chair</b> <i>Certified General Real Estate Appraiser</i> Kenai, AK 99611	03/01/2014	3/1/2018	03/01/2022
<b>Wendy Lawrence</b> <i>Certified General Real Estate Appraiser</i> Sitka, AK 99835-1373	03/01/2018		03/01/2022
<b>Robert Tracy</b> <i>Certified Residential Real Estate Appraiser</i> Wasilla, AK 99654	03/14/2016		03/01/2020
<b>Renee Piszczek</b> <i>Mortgage Banking Executive</i> Fairbanks, AK 99701	09/02/2014	03/01/2017	03/01/2021
<b>Donald Faulkenburry</b> <i>Public Member</i> Anchorage, AK 99515	05/30/2017		03/01/2021

# Ethics

# MEMORANDUM

## State of Alaska Department of Law

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


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

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

**OR**

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

**AND**

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

**OR**

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

**CONFIDENTIAL**

**ETHICS SUPERVISOR DETERMINATION FORM**

(Board or Commission Member)

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

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

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

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

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

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

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

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

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

**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

## 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  
State of Alaska © 2015 Webmaster



# 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  
State of Alaska © 2015 Webmaster



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

# Review of Agenda



**The State of Alaska**  
**Board of Certified Real Estate Appraisers**  
333 Willoughby Ave  
Juneau, AK 99801  
**Teleconference**  
Conference Line Call In: 1-800-315-6338  
Access Code: 52588

**Friday, May 11, 2018**  
**9:00 a.m.**  
**Meeting Agenda (Draft)**

<b><u>Item</u></b>	<b><u>Time</u></b>	<b><u>Subject</u></b>	<b><u>Lead</u></b>
1	9:00 a.m.	Call to Order/Roll Call	Chair
2	9:05	Ethics Report	Chair
3	9:15	Review/Approve Agenda	Chair
4	9:25	Review/Approve Past Meeting Minutes	Chair
5	9:30	Old Business <ul style="list-style-type: none"><li>• Fee Analysis Report</li><li>• Current Regulations Project Update</li></ul>	Laura Carrillo
6	10:30	Investigative Report <ul style="list-style-type: none"><li>• Board Review/Complaint Process Forms- Derry</li></ul>	Doug Fell
7	11:00	Board Business <ul style="list-style-type: none"><li>• Review Continuing Education from Audit</li><li>• Review/Revise Goals and Objectives</li><li>• Review/Update FAQ's</li><li>• Election of Chair Alternate- Derry</li><li>• Supervisor/Trainee- Determination of Competency and Property Inspection</li></ul>	Chair
8	12:00 p.m.	Lunch	
9	1:15	Budget Report/Division Update <ul style="list-style-type: none"><li>• Legislative Liaison in relation to AMC bill- Derry</li></ul>	Sara Chambers Michaela Fowler
10	1:45	Public Comment	Chair
11	2:00	New Business <ul style="list-style-type: none"><li>• AMC Legislation Update</li></ul>	Chair



**The State of Alaska  
Board of Certified Real Estate Appraisers**

333 Willoughby Ave  
Juneau, AK 99801

**Teleconference**

Conference Line Call In: 1-800-315-6338  
Access Code: 52588

**Friday, May 11, 2018**

**9:00 a.m.**

**Meeting Agenda (Draft)**

<b><u>Item</u></b>	<b><u>Time</u></b>	<b><u>Subject</u></b>	<b><u>Lead</u></b>
11	cont.	New Business (continued) <ul style="list-style-type: none"><li>• ASC Criteria Changes -AS 08.87.020(3) "may not be more stringent..."</li><li>• ASC Revised Policy Statement (March 2018)</li><li>• AQB Update (effective May 1, 2018)</li><li>• Potential New Regulations Projects<ul style="list-style-type: none"><li>- 12 AAC 70.990 as pertains to USPAP- Derry</li><li>- 12 AAC 70.210 in regards to CE credit for board meeting attendance</li></ul></li></ul>	
12	2:45	Correspondence <ul style="list-style-type: none"><li>• Jackie Vincent- State Changes regarding AQB Update</li><li>• Michael Curtis- Classroom Hours vs. Distance Education</li><li>• Michael Curtis- Reviewer Specific States</li><li>• Gretchen Druhot- State Changes regarding AQB Update</li><li>• Allen Safer- Barriers to Licensure</li></ul>	Chair
13	3:15	Administrative Business <ul style="list-style-type: none"><li>• Set next meeting date(s)</li><li>• Sign previous meeting minutes</li><li>• AARO Conference Report- Tracy/Dulebohn<ul style="list-style-type: none"><li>-AARO Membership Dues</li></ul></li><li>• Code of Conduct Documents- Faulkenburry</li><li>• 2018 Annual Report</li><li>• Clarification on Board Decisions/Policies Going Forward<ul style="list-style-type: none"><li>-Includes designated reviewing member for work projects</li></ul></li><li>• Application Form Updates</li><li>• Task List</li></ul>	Chair
14	4:30 p.m.	Adjourn	Chair

Review/Approve  
Past Meeting Minutes

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, & ECONOMIC DEVELOPMENT  
3 DIVISION OF CORPORATIONS, BUSINESS, & PROFESSIONAL LICENSING

4 BOARD OF CERTIFIED REAL ESTATE APPRAISERS

5  
6 MINUTES OF THE BOARD MEETINGS

7 Friday, January 12, 2018  
8  
9

10 By the authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a  
11 scheduled meeting of the Board of Certified Real Estate Appraisers was held at the Robert Atwood  
12 Building, 550 W. 70<sup>th</sup> Ave., Suite 1560, Anchorage, AK.  
13

14 **Agenda Item #1** **Call to Order/Roll Call**  
15

16 The meeting was called to order at 9:07 a.m. by David Derry, Chair.  
17

18 Those present, constituting a quorum of the Board:

19 David Derry, Chair, Certified General Real Estate Appraiser

20 Alfred Ferrara, Certified General Real Estate Appraiser

21 Donald Faulkenbury, Public Member

22 Renee Piszczek, Mortgage Lending Member

23 Robert Tracy, Certified Residential Real Estate Appraiser (joined at 10:36 a.m.)  
24

25 Division Staff present in the meeting:

26 Renee Hoffard, Records and Licensing Supervisor

27 Dawn Dulebohn, Occupational Licensing Examiner

28 Melissa Dumas, Administrative Officer II

29 Beth Parsons, Paralegal I

30 Doug Fell, Investigator III  
31

32 Present from the Public:

33 Tom Atkinson, Representative Josephson's Office

34 Christine Marasigian, Senator Meyer's Office  
35

36 **Agenda Item #2** **Review Agenda**  
37

38 Chair, David Derry, prompted the Board to review the meeting agenda. Mr. Derry added items  
39 to the agenda. Under Item #11, New Business, Mr. Derry added Statute of Limitations

40 discussion. Under Item #8, Old Business, Mr. Derry added Board Sunset Provision discussion  
41 and Appraisal Management Company Legislation discussion with someone from Representative  
42 Josephson's team.

43

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

45

46 **On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and passed**  
47 **unanimously, it was:**

48                **RESOLVED to APPROVE the meeting minutes from June, July, and September**  
49 **2017 as written.**

50

51 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
52 **unanimously, it was:**

53                **RESOLVED to APPROVE the meeting minutes from October 5, 2017 as written.**

54

55 **Agenda Item #4**                      **Ethics Disclosure/Review Ethics**

56

57 There were no ethics issues to disclose.

58

59 **Agenda Item #5**                      **Board Business**

60

61 **Review/Approve Applications**

62

63 David Derry instructed OLD Dulebohn that, going forward, any application for continuing  
64 education that is approved by the Appraisal Qualifications Board (AQB) or the International  
65 Distance Education Certification Center (IDECC) do not need to be submitted to the entire Board  
66 for approval. They should be submitted to only Mr. Derry who will review and decide on  
67 approval. Mr. Derry also informed OLE Dulebohn that applications should be sent to the Board  
68 for review electronically on the 15<sup>th</sup> of every month to avoid build-up and delay. Mr.  
69 Faulkenburry advised that he has issues editing ballots in PDF format and that he will submit his  
70 "ballot" via e-mail. Mr. Ferrara poses the question that if an applicant takes a course that has yet  
71 to be approved by the Board (but eventually gets approval), does the applicant get credit for the  
72 course. Mr. Derry clarifies that in a previous Board meeting it was determined that the applicant  
73 would not automatically get credit but that it would be reviewed on a case by case basis.

74

75 The AQB/IDECC approved continuing education courses reviewed and **APPROVED** by David  
76 Derry, Chair, by ballot were as follows:

77                Course #16272- The Dirty Dozen

78                Course #16273- The Cost Approach

- 79 Course #16374- 7 Hour National USPAP Course (A114)  
80 Course #16375- 15 Hour National USPAP Course (A113)  
81 Course #16376- Integrated Approaches to Value (A304)  
82 Course #16377- Basic Appraisal Procedures  
83 Course #16379- Residential & Commercial Valuation of Solar  
84 Course #16429- Online Business Practice and Ethics  
85 Course #16430- Online Comparative Analysis  
86 Course #16434- Online Residential Site Valuation & Cost Approach  
87 Course #16447- Real Estate Finance, Statistics, and Valuation Modeling  
88 Course #16449- Supervisory Appraiser/Trainee Appraiser Course  
89 Course #16451- Fundamental Concepts of Analysis  
90 Course #16453- A Review of Disciplinary Cases- Live Webinar  
91 Course #16455- Appraisal of Industrial Incubators  
92 Course #16456- 15 hour National USPAP Course  
93 Course #16457- 7 hour National USPAP Update Course  
94 Course #16460- 2018-19 7-Hour USPAP National Update Course  
95

96 Non AQB/IDECC approved continuing education courses reviewed and approved by the Board  
97 were as follows:  
98

99 **On a motion duly made by Alfred Ferrera, seconded by Donald Faulkenburry, and passed**  
100 **unanimously, it was:**

101 **RESOLVED to APPROVE Course #16448- Two Day Advanced Income**  
102 **Capitalization/B as submitted.**  
103

104 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
105 **unanimously, it was:**

106 **RESOLVED to APPROVE Course #16412- Introduction to Green Buildings:**  
107 **Principles and Concepts as submitted.**  
108

109 **On a motion duly made by Alfred Ferrara, seconded by Renee Piszczek, and passed**  
110 **unanimously, it was:**

111 **RESOLVED to APPROVE Course #16431- Two Day Advanced Income**  
112 **Capitalization/A as submitted.**  
113

114 **On a motion duly made by Alfred Ferrara, seconded by Donald Faulkenburry, and passed**  
115 **unanimously, it was:**

116 **RESOLVED to APPROVE Course #16459- 2018 Valuation Expo- Charleston as**  
117 **submitted.**



118 The Board reviewed the Certified Residential Real Estate Appraiser Reinstatement application  
119 for Teresa M. Denton.

120  
121 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
122 **unanimously, it was:**

123 **RESOLVED to APPROVE the application for a Certified Residential Real Estate**  
124 **Appraiser for license for Teresa M. Denton.**

125  
126 Review/Update FAQ's

127  
128 No one has any questions or updates to post.

129  
130 Review Goals and Objectives

131  
132 No one has any changes in regards to the Board's Goals and Objectives.

133  
134 *David Derry, Chair, called for a break at 9:54a.m.*

135  
136 **Agenda Item #6                      Division Update/Fiscal Report**

137  
138 At 10:00 a.m., Mr. Derry reconvened the meeting.

139  
140 Administrative Officer II Melissa Dumas joined the meeting telephonically to present the  
141 Division Update/Fiscal Report.

142

<b>APR</b>	<b>2017</b>
166,583	Beginning Surplus
<b>278,417</b>	<b>Total Revenue</b>
-51,659	Direct Expense (i.e. personal services, travel, contractual, supplies, equipment)
-18,550	Indirect Expense (Commissioner's office, human resources, technology, postage, maintenance)
<b>-70,209</b>	<b>Total Expenses</b>
<b>\$374,791</b>	<b>2017 ANNUAL SURPLUS</b>

143 Mr. Derry made some inquiries regarding the 2017 Sum of Total Direct Expenses, numbers  
144 2012- Out-State Employee Airfare for \$4,423 and 2014- Out-State Employee Lodging for \$1,941.  
145 Supervisor Renee Hoffard advises the Board that it may have been for AARO training.

146

147 **TASK:**

148 **Melissa Dumas will look into the expenses for the Out-State Employee Airfare and**  
149 **Lodging and whether the Board was charged for the investigative training that was**  
150 **supposed to be reimbursed by a 3<sup>rd</sup> party.**

151

152 Ms. Hoffard brings to the Board's attention that there was a Third Party Reimbursement to the  
153 Board in the amount of \$5,827. Ms. Dumas points out that if the Board was reimbursed, the  
154 charges will initially show up as an expense. Only things that are directly paid do not show up as  
155 an expense. Ms. Dumas reviews FY18 looks like it is on track with spending for a non-renewal  
156 year.

157

158 Mr. Derry makes a statement that the Board has already addressed the issue of the surplus and  
159 have made provisions for reducing certification fees for 2019 certification.

160

161 Mr. Derry asks about their sunset bill. Ms. Hoffard explains that the Board will be presented  
162 with the bill from the sponsoring Representative but the Division hasn't been given the number  
163 yet. Once the Division has that information, it will be distributed to the Board. The Board has  
164 been recommended to continue until 2026.

165

166 Beth Parsons joins the meeting at 10:11 a.m.

167

168 Since the meeting is ahead of schedule and Mr. Fell from Investigations is in attendance, Mr.  
169 Derry suggests the Board hear the Investigative Report early.

170

171 **Agenda Item #7                      Investigative Report**

172

173 Doug Fell from Investigations presents the Investigative Report. From September 26- December  
174 20, 2017, the Division had 5 cases: 4 matters were opened and 1 matter was closed.  
175 Investigations still has 5 ongoing cases and no one is on Probation.

176

177 Mr. Fell presents the Board with one consent agreement Case # 2017-000173.

178

179 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
180 **unanimously, it was RESOLVED to enter into Executive Session in accordance with AS**  
181 **44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of**

182 **discussing Investigations on Certified Real Estate Appraisers “matters which by law,**  
183 **municipal charter, or ordinance are required to be confidential.”**

184 Board entered Executive Session at 10:16 a.m.

185 Board left Executive Session at 10:26 a.m.

186

187 **On a motion duly made by Donald Faulkenburry, seconded by Renee Piszczek, and passed**  
188 **unanimously with a roll call vote, it was:**

189 **RESOLVED to APPROVE the Consent Agreement as written for Julie Dinneen-**  
190 **Case #2017-000173.**

191

192 Ms. Hoffard addresses the Board to ask if they want to register Doug Fell for investigative  
193 training this year. Mr. Derry responds that the Board does want Mr. Fell to attend.

194

195 **TASK:**

196 **Ms. Hoffard will find out the dates for Investigative Training in 2018**

197

198 Mr. Ferrera asks if the Board has already voted to approve staff go to the Investigative Training  
199 and Mr. Derry affirms that they have at a previous meeting.

200

201 Mr. Derry brings to the Board’s attention that there is a one day USPAP course in Anchorage in  
202 March and the Board would like Doug Fell and Dawn Dulebohn to attend. Mr. Fell expresses  
203 interest in attending both the Investigative Training and the USPAP course in 2018.

204

205 **TASK:**

206 **OLE Dulebohn will put in travel requests for herself and Investigator Fell to attend**  
207 **the USPAP Course in Anchorage in the Spring of 2018.**

208

209 *Mr. Fell leaves the meeting at 10:30 a.m.*

210

211 **Agenda Item #11                      New Business**

212

213 **Statutes of Limitations**

214

215 Alfred Ferrera presents a case for implementing a statute of limitations for liability for  
216 Appraisers in Alaska. There have been many instances that frivolous lawsuits have been pursued  
217 against appraisers after five years (file retention period). Mr. Ferrera presents an outline showing  
218 the reasoning behind the proposal and the Board discusses the idea in detail. Donald

219 Faulkenburry suggests asking if Representative Josephson would be interested in sponsoring this  
220 bill in addition to the AMC bill.

221

222 *Robert Tracy arrives at 10:36 a.m.*

223

224 **On a motion duly made by Alfred Ferrara, seconded by Robert Tracy, and passed**  
225 **unanimously with a roll call vote, it was:**

226 **RESOLVED to proceed with the concept that there will be a five year statute of**  
227 **limitations for liability of Appraisers in Alaska.**

228

229 Delegation of Authority

230

231 Mr. Derry asks Supervisor Hoffard to explain this item on the agenda. Ms. Hoffard explains that  
232 the Board has previously voted that the Records and Licensing Supervisor can approve licenses  
233 if they are applying by reciprocity and the applicant has no “yes” answers. This would let  
234 applicants to be licensed quicker and avoid the wait time. The Department of Law has  
235 determined that the Board does not have the authority to allow for such a change unless there is a  
236 statute or regulation modification. LAW also cautions against making a regulations change in  
237 this regard because it would show the Board as “giving up their authority”. The allowance of the  
238 Division to make decision on Courtesy Licenses is fine considering the strict turnaround time of  
239 five days.

240 The Board decided to not pursue allowing the Division to be able to approve any applications  
241 other than Courtesy Licenses. It is reiterated that applications will be sent electronically on the  
242 15<sup>th</sup> of every month allowing the Board 10 days to respond by ballot. They will be sent in  
243 segregated e-mails by category of application.

244

245 **Agenda Item #9 Appraisal Subcommittee (ASC) Updates**

246

247 David Derry summarizes the findings of the subcommittee meeting that was formed to address  
248 the Appraisal Management Company (AMC) topic formed as a result of an inquiry from  
249 Representative Josephson’s legislative aide, Tom Atkinson, as to whether the Board was going to  
250 vote to participate in AMC regulations. The committee communicated with the Attorney  
251 General and was informed that they needed statutory authority on the matter. Knowing there  
252 was an upcoming meeting, Mr. Derry contacted Mr. Atkinson and inquired whether Rep.  
253 Josephson would like to sponsor the AMC bill. Mr. Atkinson (after conferring with Rep.  
254 Josephson) replied that they were interested in carrying the bill and that there is a lobbyist on  
255 behalf of Wells Fargo is (for some reason) pushing for the Board to adapt AMC legislation. Mr.  
256 Atkinson sent the Mr. Derry a copy of the draft of the House Bill. Mr. Derry also presents the

257 Board with the draft of the bill created by the Appraisal Institute many years ago. The Board  
258 discusses the pros, cons, and changes that they would suggest for the house bill in detail.

259

260 **Agenda Item #8** **Old Business**

261

262 At 11:30 a.m., Tom Atkinson from Representative Andy Josephson's office and Christine  
263 Marasigian from Senator Meyer's office joined the meeting telephonically. The Board and Mr.  
264 Atkinson discuss how the house bill was drafted (Legislative Legal), that Representative Ledoux  
265 is no longer interested in carrying this bill, and how quite a bit of the bill should be regulatory in  
266 nature. Mr. Atkinson advises the Board that just because they believe part of the bill should be  
267 changed does not mean that it will change and that he would have to consult legal on the matter.

268

269 **TASK:**

270 **Mr. Derry would draft a letter explaining the Board's response to the drafted**  
271 **legislation, the Board's position on adding an AMC representative as a Board member,**  
272 **why the Board wants this legislation. Mr. Derry will send a draft to OLE Dulebohn to**  
273 **distribute to the Board for review before sending it on to Representative Josephson's office.**  
274 **Mr. Derry will also send text on the proposed bill concerning the statute of limitations for**  
275 **liability of appraisers so that the Representative can consider adding it to the AMC bill.**

276

277 The Board asks Mr. Atkinson whether he thinks Rep. Josephson would be willing to carry the  
278 earlier proposed bill concerning changing the statute of limitations for liability of appraisers. Mr.  
279 Atkinson advises he does not believe that Rep. Josephson will be able to carry a second bill but  
280 feels like it may be able to be combined with the AMC bill. Mr. Atkinson also advises that the  
281 Board send him as much supporting information on the subject of the bills since most legislators  
282 will not be familiar with the appraiser industry.

283

284 The Board agreed that:

- 285 • There are many pages of the drafted house bill that would be better served as regulations
- 286 • They have no objection eventually adding an AMC industry representative as a member  
287 of the Board if and when there is a company based in Alaska. Until then they would not  
288 vote to add an AMC member because, should the position remain vacant, the Board  
289 would be held accountable. The Board would like to state that AMC members are always  
290 welcome at meetings and can speak during public comment.
- 291 • David Derry would be the legislative contact person for the Board concerning AMC  
292 legislation during 2018 session.

293

294

295 **Agenda Item #10** **Lunch**

296

297 David Derry, Chair, called for lunch break at 11:53 a.m.

298

299 *Off the record at 11:53 a.m.*

300 *Back on the record at 1:15 p.m.*

301

302 **Agenda Item #13** **Administrative Business**

303

304 David Derry reconvened the meeting after lunch.

305

306 **Fingerprint Regulations Project**

307

308 After reviewing correspondence between Deputy Director Sara Chambers and ASC Policy  
309 Manager Claire Brooks regarding the proposed fingerprinting legislation for Certified Real  
310 Estate Appraisers. In an e-mail to Ms. Chambers, Ms. Brooks states “the Professional Fitness  
311 Questions on Alaska’s application is enough to satisfy the AQB criteria background check  
312 requirement.” Upon hearing this the Board decided to that further action is no longer needed to  
313 meet AQB, Dodd-Frank, and AMC requirements.

314

315 **Sunset Audit Legislation**

316

317 Mr. Derry inquires as to the status of the Board’s sunset audit and whether any activity on behalf  
318 of the Board is required. Supervisor Hoffard explains that the Division has yet to receive any  
319 specifics regarding the bill’s status.

320

321 **TASK:**

322 **OLE Dulebohn will find out about sunset audit legislation, bill number, ect and**  
323 **distribute information to the Board.**

324

325 **Correspondence**

326

327 Ms. Hoffard presents the Board an email stating that Claire Brooks has been appointed as the  
328 representative for Appraisal Foundation’s Appraisal Subcommittee.

329

330 Ms. Hoffard presents the Board with a letter received from Allterra. The Board discusses the  
331 correspondence and asks the Division to reply to the letter stating that the Board does not accept  
332 any applications via reciprocity.

333

334 **TASK:**  
335 **Supervisor Hoffard will respond to Allterra letter.**

336  
337 Future Board Meetings

338  
339 The Board discusses proposed dates for the next Board meeting. The Board decides to meet via  
340 teleconference on May 11, 2018 at 9:00 a.m.

341  
342 Association of Appraiser Regulatory Officials Conference

343  
344 The Board would like to send Board members David Derry, Robert Tracy, and OLE Dawn  
345 Dulebohn to the AARO conference May 4-6, 2018 in Seattle, WA.

346  
347 David Derry, Chair, called for a short break before Public Comment.

348  
349 Off the record at 1:42 p.m.  
350 Back on the record at 2:00 p.m.

351  
352 Agenda Item #12 Public Comment

353  
354 No one signed up for Public Comment or joined telephonically to address the Board.

355  
356 Agenda Item #14 Adjourn

357  
358 **In a motion made by Donald Faulkenburry, seconded by Alfred Ferrara, and passed**  
359 **unanimously with a roll call vote, it was RESOLVED to adjourn.**

360  
361 Upon hearing that Alfred Ferrera’s term ends March 1, 2018 and the Governor has appointed  
362 Wendy Lawrence to replace him, David Derry took a moment to thank Alfred Ferrara for his  
363 excellent service over the years. Mr. Derry stated that Mr. Ferrara was an asset to the Board and that  
364 he would be missed.

365  
366 Hearing nothing further, Chair David Derry adjourned the meeting at 2:08 p.m.

367  
368  
369  
370  
371  
372  
373  
374

375 Respectfully Submitted,  
376  
377  
378 \_\_\_\_\_  
379 Dawn Dulebohn, Licensing Examiner                      Date  
380  
381  
382 \_\_\_\_\_  
383 David Derry, Chair    Date



# Old Business

# Fee Analysis

**Board of Certified Real Estate Appraisers (APR)**

Analysis last updated: Updated Version 07/21/2017

Effective dates:

Presented to board: 07/20/2017

Fees as Proposed by Board was Selected for Increase

Fee Type	Current fee schedule			Proposed by board				Proposed by division				Adjustments			FY15 License Statistics	
	Current Fee	Projected Units	Projected Revenue	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment	Fee with Recommended Adjustment	Projected Revenue after Adjustment	% Change	Fee Adjustment for Estimated Prorated Renewals	Projected Units *	Projected Revenue Loss		
Application Initial License	450	22	\$ 9,900	(300)	\$ 150	\$ 3,300	-67%	(250)	\$ 200	\$ 4,400	-56%				Application Initial License	11
Application Courtesy License License	450	58	26,100	(300)	150	8,700	-67%	(250)	200	11,600	-56%				Application Courtesy License License	29
New Certified General Real Estate Appraiser **	1,050	10	10,500	(700)	350	3,500	-67%	(400)	650	6,500	-38%	350.00	4	1,400.00	New Certified General Real Estate Appraiser **	5
Renewed Certified General Real Estate Appraiser	1,050	115	120,750	(700)	350	40,250	-67%	(400)	650	74,750	-38%				Renewed Certified General Real Estate Appraiser	110
New Certified Residential Real Estate Appraiser **	1,050	20	21,000	(700)	350	7,000	-67%	(400)	650	13,000	-38%	350.00	6	2,100.00	New Certified Residential Real Estate Appraiser **	10
Renewed Certified Residential Real Estate Appraiser	1,050	134	140,700	(700)	350	46,900	-67%	(400)	650	87,100	-38%				Renewed Certified Residential Real Estate Appraiser	124
New Certified Institutional Real Estate Appraiser	1,050	0	-	(700)	350	-	-67%	(400)	650	-	-38%	350.00	0	-	New Certified Institutional Real Estate Appraiser	0
Renewed Certified Institutional Real Estate Appraiser	1,050	1	1,050	(700)	350	350	-67%	(400)	650	650	-38%				Renewed Certified Institutional Real Estate Appraiser	1
New Real Estate Appraiser Trainee **	450	10	4,500	(300)	150	1,500	-67%	(200)	250	2,500	-44%	150.00	1	150.00	New Real Estate Appraiser Trainee **	5
Renewed Real Estate Appraiser Trainee **	450	17	7,650	(300)	150	2,550	-67%	(200)	250	4,250	-44%				Renewed Real Estate Appraiser Trainee **	12
Courtesy License	150	58	8,700	-	150	8,700	0%		150	8,700	0%				Courtesy License	29
Course approval Fee **	400	120	48,000	-	400	48,000	0%		400	48,000	0%				Course approval Fee **	60
Annual Federal Registry Fee	40	0	-	-	40	-	0%		40	-	0%				Annual Federal Registry Fee	0
Centralized Fees	3,373	1	3,373		3,373	3,373			3,373	3,373						
			\$ 402,223			\$ 174,123				\$ 264,823				\$ 3,650		

\* Units based on 2015 renewal, per 12 AAC 02.030

\*\* Adjustments by the Board to more accurately reflect upcoming licensing trends- On 04/2018 app fee hasn't charged to Crts Lic so removed proposed brd. incrs of \$100

\*\*\* Based on FY16 actuals and FY15 Actuals for similar renewal year Revenue/Expense

A Fee analysis was done, but not in sufficient time to make any changes before the June renewal. Fee analysis for your program is scheduled during legislative session and with the busy season we didn't have enough time to devote to the analysis; we are looking at revising the schedule to account for this so it doesn't occur in the future. After review, a fee reduction should be considered even after session, however, with the servicing agencies losing UGF that normally reduces our share of the costs we anticipate some indirect costs increasing in coming years. With that in mind it may be beneficial to see how end of year costs true-up before we determine how much your fees should be reduced.

Initial: PY new applications x 2  
 New: PY new applications x 2  
 Renewal: PY renewed + PY new  
 Temporary: PY temporary x2  
 Courtesy: PY courtesy x 2  
 Centralized: PY revenue x .01  
 Inactive: Equals PY inactive

Revenues and Expenditures	CALCULATIONS BASED ON CURRENT FEES				
	FY2012/2013 Actuals	FY2014/FY2015 Actuals	Projected FY2016/2017 ***	Projected FY2018/2019	Projected FY2020/2021
Revenue	312,138	337,274	328,965	402,223	402,223
Expenses	(272,657)	(196,026)	(203,684)		
Adjustments				(207,758)	(211,913)
Expenses adjusted for 2% biennial increase					
Fee adjustment for pro-rated renewal			3,650	3,650	3,650
Projected Net		141,248	128,931	198,115	193,960
Beginning Cumulative Surplus (Deficit)		57,302	198,550	327,481	525,596
Ending Cumulative Surplus (Deficit)		198,550	327,481	525,596	719,556

CALCULATIONS BASED ON BOARD'S PROPOSAL				
FY2014/FY2015 Actuals	Projected FY2016/2017 ***	Projected FY2018/2019	Projected FY2020/2021	
337,274	328,965	174,123	174,123	
(196,026)	(203,684)			
		(207,758)	(211,913)	
	3,650	3,650	3,650	
141,248	128,931	(29,985)	(34,140)	
57,302	198,550	327,481	297,496	
198,550	327,481	297,496	263,356	

CALCULATIONS BASED ON DIVISION'S PROPOSAL				
FY2014/FY2015 Actuals	Projected FY2016/2017 ***	Projected FY2018/2019	Projected FY2020/2021	
337,274	328,965	264,823	264,823	
(196,026)	(203,684)			
		(207,758)	(211,913)	
	3,650	3,650	3,650	
141,248	128,931	60,715	56,560	
57,302	198,550	327,481	388,196	
198,550	327,481	388,196	444,756	

**12 AAC 02.370. BOARD OF CERTIFIED REAL ESTATE APPRAISERS.** The following fees are established for general real estate appraisers, residential real estate appraisers, institutional real estate appraisers, and registered real estate appraiser trainees:

- (1) nonrefundable application fee for initial certification, license, or registration, \$450;
- (2) certification fee for all or part of the initial biennial certification period, \$1,050;
- (3) biennial certification renewal fee, \$1,050;
- (4) real estate appraiser trainee registration fee, \$450;
- (5) real estate appraiser trainee renewal fee, \$450;
- (6) courtesy license fee, \$150;
- (7) course approval fee, \$400;
- (8) annual federal registry fee, \$40.

# Proposed Regulations Changes

**From:** [Maiquis, Jun C \(CED\)](#)  
**To:** [Hoffard, Renee \(CED\)](#); [Dulebohn, Dawn L \(CED\)](#)  
**Subject:** RE: APR Proposed Regs & APR Proposed Fees  
**Date:** Tuesday, April 10, 2018 11:04:15 AM  
**Attachments:** [APR-0418.doc](#)  
[APR-Fees-0418.doc](#)  
**Importance:** High

---

Morning Renee & Dawn,

As discussed yesterday, attached is the updated/rekeyed version of the APR proposed regs project. I've removed the highlighted/strikethrough words and also removed sections 12 AAC 70.116 and 12 AAC 70.117 because they were duplicates of sections 12 AAC 70.111 and 12 AAC 70.112, respectively.

I do have a question under 12 AAC 70.113(1)(C), where it mentions the 100 addition core curriculum hours specified in 12 AAC 70.115(d)(4) - (10). Does the board mean to say 125 hours instead of 100?

Please review the attached rekeyed version. Let me know if you have any questions or see any discrepancies. I've also attached the proposed fee regs.

Thanks!  
Jun

---

**From:** Hoffard, Renee (CED)  
**Sent:** Monday, April 09, 2018 1:50 PM  
**To:** Maiquis, Jun C (CED) <jun.maiquis@alaska.gov>; Dulebohn, Dawn L (CED) <dawn.dulebohn@alaska.gov>  
**Subject:** RE: APR Proposed Regs & APR Proposed Fees

3:20 works for me; I leave at 4.

Respectfully,

*Fannie Renee Hoffard*

Records & Licensing Supervisor  
907-465-2525  
907-465-2974 (fax)

Any guidance provided by this electronic communication is not a binding legal opinion, ruling, or interpretation that may be relied upon, but merely guidance concerning existing statutes and regulations. There may be other unique or undisclosed facts, circumstances, and information that may have changed any guidance provided in this communication.

CONFIDENTIALITY NOTICE: This communication is intended for the sole use of the individual or entity to whom it is addressed to and is covered by the Electronic Communications Privacy Act (18 USC § 2510-2521), and may contain Confidential Official Use Only Information that may be exempt from public release under the Freedom of Information Act (5 USC § 552). If you are not the intended recipient, you are prohibited from disseminating, distributing or copying any information contained in this communication.

The State of Alaska cannot guarantee the security of e-mails sent to or from a state employee outside the state e-mail

**Chapter 02. General Occupational Licensing Functions.**

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.)

12 AAC 02.370 is amended to read:

**12 AAC 02.370. Board of Certified Real Estate Appraisers.** The following fees are established for general real estate appraisers, residential real estate appraisers, institutional real estate appraisers, and registered real estate appraiser trainees:

- (1) nonrefundable application fee for initial certification, license, or registration, **\$150** [\$450];
- (2) certification fee for all or part of the initial biennial certification period, **\$350** [\$1,050];
- (3) biennial certification renewal fee, **\$350** [\$1,050];
- (4) real estate appraiser trainee registration fee, **\$150** [\$450];
- (5) real estate appraiser trainee renewal fee, **\$150** [\$450];
- (6) courtesy license fee, **\$250** [\$150];
- (7) course approval fee, \$400;
- (8) annual federal registry fee, \$40. (Eff. 5/20/92, Register 122; am 5/28/93, Register 126; am 4/15/94, Register 130; am 5/17/95, Register 134; am 6/6/99, Register 150; am 6/17/2001, Register 158; am 6/13/2002, Register 162; am 6/20/2003, Register 166; am 6/17/2005, Register 174; am 6/9/2007, Register 182; am 6/28/2009, Register 190; am 6/10/2011, Register 198; am 4/20/2012, Register 202; am 5/15/2013, Register 206; am \_\_\_/\_\_\_/\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.01.062 AS 08.87.110 AS 08.87.310  
AS 08.01.065 AS 08.87.120

**Chapter 70. Board of Certified Real Estate Appraisers.**

(Words in **boldface and underlined** indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted. Complete new sections are not in boldface or underlined.)

12 AAC 70.100(a) is amended to read:

(a) The board will issue a certification by examination to practice as a general real estate appraiser to an applicant who meets the requirements of AS 08.87.110(a), **12 AAC 70.130(a)(1)**, and this section.

(Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/28/2015, Register 214; am \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.110

12 AAC 70.105(b)(1) is amended by adding a new subparagraph to read:

(E) 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 is amended by adding a new subsection to read:

(c) A certificate to practice under this section will not be issued until

(1) the board has approved the applicant's work product submitted under 12 AAC 70.105(b)(1)(E); and  
(2) the applicant has passed the examination required under AS 08.87.110(b)(3) and 12 AAC 70.130. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/28/2015, Register 214; am \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.110

12 AAC 70 is amended by adding a new section to read:

**12 AAC 70.111. Application for trainee appraiser to residential real estate appraiser certification.** (a) A trainee appraiser who is applying to transition as a certified residential real estate appraiser shall

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

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

(B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);

(C) in addition to the core curriculum requirements in 12 AAC 70.115(f), documentation of completion of 125 additional core curriculum hours as specified in 12 AAC 70.115(d)(4) – (10);

(D) the determination of competency form described in 12 AAC 70.935(c)(3);

(E) the authorization for release of records form;

(2) 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); and

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

(b) A certificate to practice under this section will not be issued until

(1) the board has approved the applicant's work product submitted under 12 AAC 70.105(b)(1)(E); and

(2) the applicant has passed the examination required under AS 08.87.110(h)(3) and 12 AAC 70.130. (Eff. \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_\_)



**Authority:** AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70 is amended by adding a new section to read:

**12 AAC 70.112. Application for trainee appraiser to general real estate appraiser certification.** (a) A trainee appraiser who is applying to transition as a certified general real estate appraiser shall

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

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

(B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);

(C) in addition to the core curriculum requirements in 12 AAC 70.115(f), documentation of completion of 225 addition core curriculum hours as specified in 12 AAC 70.115(b)(4) – (10);

(D) the determination of competency form described in 12 AAC 70.935(c)(3);

(E) the authorization for release of records form;

(F) the work experience verification forms and log described in 12 AAC 70.108(a);

(2) 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); and

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

(b) A certificate to practice under this section will not be issued until

(1) the board has approved the applicant's work product submitted under 12 AAC 70.105(b)(1)(E); and

(2) the applicant has passed the examination required under AS 08.87.110(h)(3) and 12 AAC 70.130. (Eff. \_\_\_/\_\_\_/\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70 is amended by adding a new section to read:

**12 AAC 70.113. Application for residential real estate appraiser to general real estate appraiser certification.** A certified residential appraiser who is applying to transition as a certified general real estate appraiser shall

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

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

(B) the official transcripts showing the applicant has met the degree requirements of 12 AAC 70.115(a);

(C) in addition to the core curriculum requirements in 12 AAC 70.115(b)(1), (2), and (3), documentation of completion of 100 additional core curriculum hours as specified in 12 AAC 70.115(d)(4) – (10);

(D) the authorization for release of records form;

(2) submit 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);

(3) submit the work experience verification forms and log described in 12 AAC 70.108(a);

(4) submit proof that the applicant has successfully completed and passed the examination described in AS 08.87.110(h)(3) and 12 AAC 70.130(a)(1); and

(5) pay the fees required in 12 AAC 02.370. (Eff. \_\_\_/\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.110

12 AAC 70.115 is amended by adding a new subsection to read:

(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. (Eff. 12/13/94,

Register 133; am 4/16/2004, Register 170; am 1/16/2005, Register 173; am 5/24/2007, Register 182; am 9/14/2012, Register 203; am 6/28/2015, Register 214; am \_\_\_/\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.110

12 AAC 70.125(b)(1)(B) is amended to read:

(B) proof that the applicant has successfully completed and passed 75 classroom hours of instruction that meet the requirements in **12 AAC 70.115(f)**, 12 AAC 70.140(a), and the required courses that are specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers, and that comply with the specifications for course content established by the Appraiser Qualifications Board of the Appraisal Foundation; the course must be completed by the

trainee appraiser before obtaining a training appraiser credential; all qualifying education must be completed within the five year period before the date of submission of a trainee appraiser application; and

(Eff. 4/15/94, Register 130; am 12/13/94, Register 133; am 6/28/2015, Register 214; am \_\_\_/\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.310

12 AAC 70.200(d) is amended to read:

(d) **Courses** [COURSE] and **seminars that are not approved by the Appraisal Qualifications Board (AQB) or the International Distance Education Certification Center (IDECC) are** [SEMINAR APPROVAL UNDER THIS SECTION IS] valid for three years from the date of **initial** approval.

12 AAC 70.200 is amended by adding a new subsection to read:

(e) Courses and seminars approved by the Appraisal Qualifications Board (AQB) or the International Distance Education Certification Center (IDECC) are given an expiration date consistent with the organizations' expiration date:

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

(2) a course or seminar that expires after three years will need to be re-submitted if the provider requests reapproval. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/13/97, Register 142; am 9/16/2000, Register 155; am 6/22/2005, Register 174; am

\_\_\_\_/\_\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.120

12 AAC 70.210(c) is amended by adding a new paragraph to read:

(4) distance education courses approved by the International Distance Education Certification Center's (IDECC).

12 AAC 70.210 is amended by adding a new subsection to read:

(g) Consistent with Appraisal Qualification Criteria, the board will award continuing education credit for participation in one 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 seven hours;

(4) attendance is maintained throughout the duration of the scheduled meeting;

(5) participation is documented on a form provided by the department and returned to the board. (Eff. 7/16/92, Register 123; am 4/15/94, Register 130; am 12/13/94, Register 133; am 6/13/97, Register 142; am 6/5/98, Register 146; am 12/30/99, Register 152; am 9/14/2012, Register 203; am 6/28/2015, Register 214; am \_\_\_\_/\_\_\_\_/\_\_\_\_\_, Register \_\_\_\_\_)

**Authority:** AS 08.87.020 AS 08.87.120

# Investigative 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: 907.269.8195

DATE: April 18, 2018  
TO: Alaska Board of Certified Real Estate Appraisers  
THRU: Greg Francois, Chief Investigator *GIF*  
FROM: Doug Fell, Investigator

SUBJECT: Certified Real Estate Appraisers Report for May 11, 2018 Board Meeting.

The following information was compiled as an investigative report to the Board for the period from December 21, 2017 through April 18, 2018. Including cases, complaints, and intake matters, since the last report, the Division opened **two (2)** matters and closed **four (4)** matters. There are currently **three (3)** on-going matters under active investigation or pending litigation (as indicated by italics).

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

<u>CASE#</u>	<u>OPENED</u>	<u>COMPLAINT/INVESTIGATION</u>	<u>PROFESSION</u>
2017-001151	11/06/2017	Negligence	Appraiser
2018-000048	01/11/2018	Incompetence	Appraiser
2018-000052	01/11/2018	Fraud or misrepresentation	Appraiser

**OPEN CASES AND COMPLAINTS: TOTAL = 3**

**INVESTIGATIVE ACTIONS CLOSED SINCE LAST MEETING:**

2017-000173	02/22/2017	Violation of License Regulation	Closed – License Action
2017-000668	06/21/2017	Fraud or Misrepresentation	Closed – No Violation
2017-001022	10/02/2017	Incompetence	Closed – No Violation
2017-001185	11/16/2017	Falsified Application	Closed – Application Withdrawn

**CLOSED CASES AND COMPLAINTS: TOTAL = 4**

**END OF 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: 907.269.8195

**PROBATION REPORT**

**DATE:** April 20, 2018  
**TO:** Alaska Board of Certified Real Estate Appraisers  
**THRU:** Greg Francois, Chief Investigator *GF*  
**FROM:** Karina Medina, Probation Monitor *KM*  
**SUBJECT:** Probation Report for the May 11, 2018 board meeting

The following is a complete list of individuals on probation for this Board. Individuals **non-compliant** with their agreements are noted next to “\*\*” with explanations listed below.

<u>NAME</u>	<u>Case Number</u>	<u>Probation Start</u>	<u>Probation End</u>
Julie Dinneen	2018-000083	01/12/2018	01/12/2019

END OF REPORT



# Board Review/Complaint Process Forms

# Board Business

Audit

Continuing Education Review

# Douglas DeLaGrange

Mr. DeLaGrange was short in his continuing education hours for the 2015-2017 licensing period. His file was sent to our paralegal who has been in contact with Mr. DeLaGrange.

During the 2015-2017 licensing period, Mr. DeLaGrange completed 26 of 28 required hours. He was directed by the paralegal to submit remedial continuing education which he did in the amount of 4 hours.

#11690-Unraveling the Mystery of Fannie Mae- 5/4/2016- 4 hours

#15039-2016-2017 7-Hour National USPAP-1/19/2017-7 hours

#10072-Business Practices and Ethics-1/19/2017-4 hours

#11738- Supervisory Appraiser/Trainee Appraiser Course- 4/20/2017- 4 hours

#11964- FHA Appraising for Valuation Professionals-5/02/2016- 7 hours

#11910- Online Thinking Outside the Form-12/05/2017-4 hours

The paralegal **ONLY** needs you to **review content** and either approve or deny based on that alone.

The paralegal cannot draft the accompanying consent agreement without the board's review and approval or denial of the hours (and the statutory authority if denied).

**Board of Certified Real Estate Appraisers  
Renewal Audit Checksheet**

Name: Douglas DeLaGrange Certificate No. APRR569 Date: 09/08/2017

Renewal Period: 2015-2017

For:  Random Audit (Fill-out dates below)  Mandatory Audit

08/08/2017 30-Day Audit Letter Sent

                     15-Day Audit Letter Sent

08/21/2017 Date Certificates Received

**Total number of hours reported:** 26 **Classroom:** 26 **Online:**           

08/21/2017 USPAP Update Course Certificate Submitted

                     Courses Approved?  YES  NO

**If Approved: List all course approval nos.:** 11690, 15039-USPAP, 10072, 11738, 11964,

                    ,                     ,                     ,                     ,                     ,                     ,                     ,                     ,                     ,

Sent status letter?  YES  NO Date sent: 09/08/2017

-                      Requested for additional 30-day extension New Deadline:                     

-                      If more than 30-days, submitted a letter to the Board.

09/27/2017 Sent to the Board for Review

                     Board Decision Date

Approved  Denied  Tabled

Comments:  
Missing 2 hours of CEs. See email from certificate-holder.  
\_\_\_\_\_  
\_\_\_\_\_

Date Audit closed:

# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

AK Appraiser License Number: 589  
DeLaGrange & Associates  
12528 Crested Butte Drive  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**Unraveling the Mystery of Fannie Mae Appraisal Guidelines**

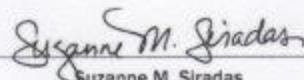
*(AK Program License Number: 11690, expires 10/15/2016)  
at Best Western Golden Lion Hotel in Anchorage, AK*

*04/20/2016.*

Attendance Hours: 4.0

Attendance was 100%.

Verified by



on 05/04/2016

**Suzanne M. Siradas**  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*

# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

AK Appraiser License Number: 569

DeLaGrange & Associates  
12528 Crested Butte Dr 12528 Crested Butte Dr  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**2016-2017 7-Hour National USPAP Update Course**

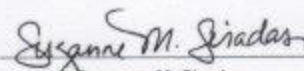
*(AK Program License Number: 15039, expires 12/31/2017)  
at One Union Square Boardroom in Seattle, WA*

*01/12/2017.*

Attendance Hours: 7.0

Attendance was 100%.

Verified by



on 01/19/2017

**Suzanne M. Siradas**  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*

# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

AK Appraiser License Number: 989

DeLaGrange & Associates  
12528 Crested Butte Dr 12528 Crested Butte Dr  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**Business Practices and Ethics**

*(AK Program License Number: 10072, expires 06/09/2017)  
at One Union Square Boardroom in Seattle, WA*

*01/13/2017.*

Attendance Hours: 4.0

Attendance was 100%.

Verified by

*Suzanne M. Siradas*

on 01/19/2017

Suzanne M. Siradas  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*



# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

AK Appraiser License Number: 569  
DeLaGrange & Associates  
12528 Crested Butte Drive  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**Supervisory Appraiser/Trainee Appraiser Course**

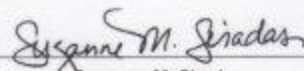
*(AK Program License Number: 11738, expires 01/19/2018)  
at Best Western Golden Lion Hotel in Anchorage, AK*

*04/04/2017.*

Attendance Hours: 4.0

Attendance was 100%.

Verified by



on 04/20/2017

**Suzanne M. Siradas**  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*

# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

AK Appraiser License Number: 569  
DeLaGrange & Associates  
12528 Crested Butte Drive  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**IA Appraising for Valuation Professionals: FHA Single Family Housing Appraisal Requirements**

*(AK Program License Number: 11964, expires 09/15/2018)*

*at Best Western Golden Lion Hotel in Anchorage, AK*

*04/19/2016.*

Attendance Hours: 7.0

Attendance was 100%.

Verified by

*Suzanne M. Siradas*

on 05/02/2016

Suzanne M. Siradas  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*

# OFFICIAL ACADEMIC RECORD for APPRAISERS – ALASKA

*This document certifies that*

**Douglas DeLaGrange**

**AK Appraiser License Number: 569**  
DeLaGrange & Associates  
12528 Crested Butte Drive  
Eagle River, AK 99577

*has attended this Appraisal Institute program*

**Online Thinking Outside the Form**

*(AK Program License Number: 11910, expires 06/11/2018)  
online on 12/05/2017.*

IDECC Expiration Date: 04/24/2018

Attendance Hours: 4.0

Attendance was 100%.

Verified by



on 12/05/2017

**Suzanne M. Siradas**  
Director, Education Resources  
State Certification/Licensing



**Appraisal  
Institute®**

*Professionals Providing  
Real Estate Solutions*

# John Emery

Mr. Emery was short in his continuing education hours for the 2015-2017 licensing period. His file was sent to our paralegal who has been in contact with Mr.Emery.

During the 2015-2017 licensing period, Mr. Emery completed of 37 out of 28 required hours.

#15019- 2016-2017 7 Hour National USPAP- 7/5/2016- 7 hours

#15020- 2016-2017 National USPAP- 5/20/2017- 7 hours

#11869- The FHA Handbook 4000.1- 9/13/2016- 7 hours

#15327- Residential Appraisal Review and USPAP Compliance- 9/9/2016- 7 hours

#10718- The Dirty Dozen- 7/5/2016- 3 hours

#15325- Relocation Appraisal and the ERC Form- 9/12/2016- 6 hours

#16CP167303068- Support Your Adjustments...-6/30/2017-4 hours

#17CP167303083- That's a Violation...- 6/30/2017

The paralegal **ONLY** needs you to **review content** and either approve or deny based on that alone.

The paralegal cannot draft the accompanying consent agreement without the board's review and approval or denial of the hours (and the statutory authority if denied).

**Board of Certified Real Estate Appraisers  
Renewal Audit Checksheet**

Name: \_\_\_\_\_ Certificate No. \_\_\_\_\_ Date: \_\_\_\_\_

Renewal Period: \_\_\_\_\_

For:  Random Audit (Fill-out dates below)  Mandatory Audit

\_\_\_\_\_ 30-Day Audit Letter Sent

\_\_\_\_\_ 15-Day Audit Letter Sent

\_\_\_\_\_ Date Certificates Received

**Total number of hours reported:** \_\_\_\_\_ **Classroom:** \_\_\_\_\_ **Online:** \_\_\_\_\_

\_\_\_\_\_ USPAP Update Course Certificate Submitted

\_\_\_\_\_ Courses Approved?  YES  NO

**If Approved: List all course approval nos.:** \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

Sent status letter?  YES  NO Date sent: \_\_\_\_\_

\_\_\_\_\_ Requested for additional 30-day extension New Deadline: \_\_\_\_\_

\_\_\_\_\_ If more than 30-days, submitted a letter to the Board.

\_\_\_\_\_ Sent to the Board for Review

\_\_\_\_\_ Board Decision Date

Approved  Denied  Tabled

Comments:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

Date Audit closed: \_\_\_\_\_

# Certificate of Completion

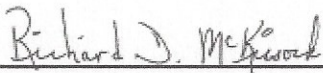
This is to certify that

**John K Emery - License # 858**

has successfully completed the course **2016-2017 7-hour National USPAP Update Course (Approval Number # 15019)** for 7 hour(s) of continuing education credit for recertification in the state of Alaska. The course was completed on Tuesday , July 05, 2016 given via distance education at:

<http://www.mckissock.com>

**AQB Certified USPAP Instructor: Dan Bradley, #44725**



---

Richard D. McKissock  
Education Director, McKissock

The logo for McKissock, featuring the name in a bold, sans-serif font. The letter 'i' in 'Kissock' has a small house icon integrated into its dot.

# Certificate of Completion

This is to certify that

**John K Emery - Alaska License # 858**

has successfully completed the course titled, **National USPAP Update (2016-2017) (Approval Number # 15020)** for 7 hour(s) of continuing education credit for appraiser recertification in the state of Alaska. The course was completed on Saturday , May 20, 2017, and was taught by AQB Certified USPAP Instructor, Alex Gilbert, AQB# 44776 at the following location:

Courtyard San Francisco Airport  
1050 Bayhill Dr  
San Bruno, 94066



---

Richard D. McKissock  
Education Director, McKissock



# Certificate of Completion

This is to certify that

**John K Emery - License # 858**

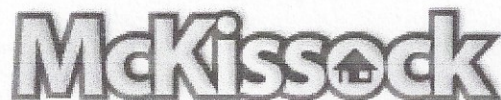
has successfully completed the course **The FHA Handbook 4000.1 (Approval Number # 11869)** for 7 hour(s) of continuing education credit for recertification in the state of Alaska. The course was completed on Tuesday , September 13, 2016 given via distance education at:

<http://www.mckissock.com>



---

Richard D. McKissock  
Education Director, McKissock

The logo for McKissock, featuring the name in a bold, sans-serif font. The letter 'i' in 'Kissock' has a small house icon integrated into its dot.



# Certificate of Completion

This is to certify that

**John K Emery - License # 858**

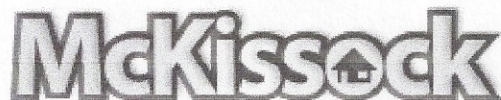
has successfully completed the course **Residential Appraisal Review and USPAP Compliance (Approval Number # 15327)** for 7 hour(s) of continuing education credit for recertification in the state of Alaska. The course was completed on Friday , September 09, 2016 given via distance education at:

<http://www.mckissock.com>



---

Richard D. McKissock  
Education Director, McKissock



# Certificate of Completion

This is to certify that

**John K Emery - License # 858**

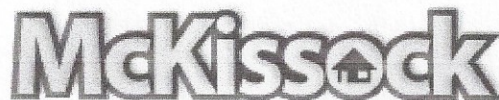
has successfully completed the course **The Dirty Dozen (Approval Number # 10718)** for 3 hour(s) of continuing education credit for recertification in the state of Alaska. The course was completed on Tuesday , July 05, 2016 given via distance education at:

<http://www.mckissock.com>



---

Richard D. McKissock  
Education Director, McKissock

The logo for McKissock, featuring the name in a bold, sans-serif font. The letter 'i' in 'Kissock' has a small house icon integrated into its dot.

# Certificate of Completion

This is to certify that

**John K Emery - License # 858**

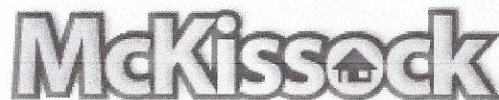
has successfully completed the course **Relocation Appraisal and the ERC Form (Approval Number # 15325)** for 6 hour(s) of continuing education credit for recertification in the state of Alaska. The course was completed on Monday , September 12, 2016 given via distance education at:

<http://www.mckissock.com>



---

Richard D. McKissock  
Education Director, McKissock



# Certificate of Completion

This is to certify that the following student:

John K Emery

350 Victoria Street San Francisco, CA 94132

California Appraisal License # AR009075

has successfully attended at least 90% of the course titled **Support Your Adjustments: Techniques for Residential Appraisers (Approval Number # 16CP167303068)** for 4 hour(s) of continuing education credit for appraiser recertification in the state of California. The course was taught by AQB Certified USPAP Instructor Bob Abelson, AQB# 44597 and given on Friday , June 30, 2017 at the following location in classroom-style format:

Hyatt Westlake Plaza in Thousand Oaks  
880 S Westlake Blvd  
Westlake Village, 91361

I certify under penalty of perjury that the information contained herein is true and correct to the best of our knowledge at McKissock.



---

Richard D. McKissock  
Education Director, McKissock



# Certificate of Completion

This is to certify that the following student:

John K Emery

350 Victoria Street San Francisco, CA 94132

California Appraisal License # AR009075

has successfully attended at least 90% of the course titled **Thats a Violation: Appraisal Standards in the Real World (Approval Number # 17CP167303083)** for 3 hour(s) of continuing education credit for appraiser recertification in the state of California. The course was taught by AQB Certified USPAP Instructor Bob Abelson, AQB# 44597 and given on Friday , June 30, 2017 at the following location in classroom-style format:

Hyatt Westlake Plaza in Thousand Oaks  
880 S Westlake Blvd  
Westlake Village, 91361

I certify under penalty of perjury that the information contained herein is true and correct to the best of our knowledge at McKissock.



---

Richard D. McKissock  
Education Director, McKissock

The logo for McKissock features the company name in a bold, blue, sans-serif font. A small white house icon is integrated into the letter 'i' of 'Kissock'.

# Scott Lanto

Mr. Lanto was short in his continuing education hours for the 2015-2017 licensing period. His file was sent to our paralegal who has been in contact with Mr. Lanto.

During the 2015-2017 licensing period, Mr. Lanto completed 26 of 28 required hours.

#15700-Exploring Appraiser Liability- 6/6/2017-7 hours

#15020- National USPAP Update 2016-2017- 6/5/2017- 7 hours

#11960- Avoiding Mortgage Fraud for Appraisers- 6/24/2017- 7 hours

#9632- Essential Elements of Disclosures and Disclaimers- 6/27/2015- 5 hours

The paralegal **ONLY** needs you to **review content** and either approve or deny based on that alone.

The paralegal cannot draft the accompanying consent agreement without the board's review and approval or denial of the hours (and the statutory authority if denied).

**Board of Certified Real Estate Appraisers  
Renewal Audit Checksheet**

Name: Scott Lanto Certificate No. APRR324 Date: 09/11/2017

Renewal Period: 2015-2017

For:  Random Audit (Fill-out dates below)  Mandatory Audit

08/08/2017 30-Day Audit Letter Sent

                     15-Day Audit Letter Sent

09/06/2017 Date Certificates Received

**Total number of hours reported:** 28 **Classroom:** 14 **Online:** 12

09/06/2017 USPAP Update Course Certificate Submitted

09/06/2017 Courses Approved?  YES  NO

**If Approved: List all course approval nos.:** 15700, <sup>15020-USPAP</sup> 11960, 9632,           ,

          ,           ,           ,           ,           ,           ,           ,           ,           ,

Sent status letter?  YES  NO Date sent: 09/06/17

-                      Requested for additional 30-day extension New Deadline:                     

-                      If more than 30-days, submitted a letter to the Board.

09/27/2017 Sent to the Board for Review

                     Board Decision Date

Approved  Denied  Tabled

**Comments:**

Incomplete - missing 2 hours; see email from certificate holder.

Date Audit closed:

Done

Certificate.pdf

# Certificate of Completion

This is to certify that

**Scott Robert Lantto - Alaska License # 324**

has successfully completed the course titled, **Exploring Appraiser Liability (Approval Number # 15700)** for 7 hour(s) of continuing education credit for appraiser recertification in the state of Alaska. The course was completed on Tuesday, June 06, 2017, and was taught by AQB Certified USPAP Instructor, Rob McClelland, AQB# 44966 at the following location:

Clarion Suites Downtown  
1110 West 8th Ave  
Anchorage, 99501



Richard D. McKissock  
Education Director, McKissock



McKissock - P.O. Box 1673 - Warren - Pennsylvania - 16365 - 814.723.6979





Done

Certificate.pdf

# Certificate of Completion

This is to certify that

**Scott Robert Lantto - Alaska License # 324**

has successfully completed the course titled, **National USPAP Update (2016-2017) (Approval Number # 15020)** for 7 hour(s) of continuing education credit for appraiser recertification in the state of Alaska. The course was completed on Monday , June 05, 2017, and was taught by AQB Certified USPAP Instructor, Rob McClelland, AQB# 44966 at the following location:

Clarion Suites Downtown  
1110 West 8th Ave  
Anchorage, 99501



Richard D. McKissock  
Education Director, McKissock



McKissock - P.O. Box 1673 - Warren - Pennsylvania - 16365 - 814.723.6979





# Certificate of Completion

This is to certify that  
scott r lantto - 324

---

has successfully completed the course

Avoiding Mortgage Fraud for Appraisers

for 7.00 hours of continuing education for recertification in the state of  
Alaska.

Approval Number: 11960

Given at: <http://www.mckissock.com>

Date: 6/24/2017



---

Richard D. McKissock  
Education Director  
100% Education by McKissock





# Certificate of Completion

This is to certify that

scott r lantto - 324

---

has successfully completed the course

Essential Elements of Disclosures and Disclaimers

for 5.00 hours of continuing education for recertification in the state of  
Alaska.

Approval Number: 9632

Given at: <http://www.mckissock.com>

Date: 6/27/2015

---

Richard D. McKissock  
Education Director  
100% Education by McKissock



# Review/Revise

## Goals and Objectives

**ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS**  
**Fiscal Year 2017 Annual Report**

**Goals and Objectives**

**Part I**

**FY 2017's goals and objectives, and how they were met:**

1. Circulate the Board meeting dates to appraisal organizations, interested individuals, and users of appraisal services. Review/approve meeting minutes. The Board meeting dates & minutes are posted on their website.
2. Provide public notice of all meetings in appropriate public media. The Board's meetings were public noticed in FY 2017.
3. Promptly review, approve/deny initial certification and continuing education courses/seminars available to certified individuals. Courses are adjudicated monthly & the approved courses are available on the website.
4. Look into the set up and notice-giving possibilities of dissemination Appraiser Board activities through email database addresses of licensed appraisers. The Board has implemented using email addresses on renewal.
5. At the time of initial certification, the Board is to review the appraiser's application along with one appraisal report completed by the applicant, in accordance with 12 AAC 70.110 (e). The Board has adopted a procedure in the application stage to accomplish this.
6. To have at least one face-to-face meetings per year. The Board met this goal in FY 2017.
7. To encourage and develop dialog promotional education in the State of Alaska for the State Certified Appraisers. The Board has continued to encourage discussions regarding the appraisal process with other's in the real estate industry, such as Real Estate agents, in an effort to better understand the industry as a whole.
8. Recrute a person to fill the Pubic Member seat on the Board. With the help of a board member, Don Faulkenburry was appointed 5/30 and all board seats are now filled.
9. Reduce the 2017 bi-annual fee for recertification of credentialed Alaska appraisers, recognizing the actual expenses incurred by the Appraisal Board. The Board did not achieve this goal, and unsupported, high fees were again charged for recertification.

**ALASKA BOARD OF CERTIFIED REAL ESTATE APPRAISERS**  
**Fiscal Year 2017 Annual Report**

**Goals and Objectives**

**Part II**

**FY 2018's goals and objectives, and proposed methods to achieve them.**

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

1. Seek comments/input from other organizations that are involved in our use of appraisal services in Alaska. The Board will continue to offer public comment at every meeting and will continue to receive input from the ASC.
2. Circulate the Board meeting dates to appraisal organizations, interested individuals, and users of appraisal services. The Board meeting dates will be posted to their website.
3. Disseminate information about Board actions to the appraisal members. The Board will consider preparing a newsletter in electronic format for distribution to all appraisal members. The Board will encourage a Board member to attend Appraisal Institute meetings and provide reports as appropriate to the Institute members. The Chair was the program at the April 2017 Appraisal Institute meeting.
4. Post the minutes of each Board meeting on the Certified Appraisers website. The minutes are being posted promptly.
5. Continue to review initial certification and continuing education courses/seminars available to certified individuals promptly. The Board Chair promptly adjudicates those education courses/seminars that have received AQB/IDECC approval. The board members adjudicate other education courses/seminars needing full board approval monthly on the 15th.
6. Look into the set up and notice-giving possibilities of dissemination Appraiser Board activities through email database addresses of licensed appraisers. The Board has begun this process and will look at utilizing their website as well to distribute information to licensees.
7. At the time of initial certification, the Board is to review the appraiser's application along with one appraisal report completed by the applicant, in accordance with 12 AAC 70.110 (e). The Board has established and is following this procedure.
8. To have at least one face-to-face meeting per year. The Board continues to meet this goal.
9. To encourage and develop dialog promotional education in the State of Alaska for the State Certified Appraisers. The Board has continued to encourage discussions regarding the appraisal process with other's in the real estate industry, such as Real Estate agents, in an effort to better understand the industry as a whole.

# Review/Update FAQ's

# BOARD OF CERTIFIED REAL ESTATE APPRAISERS

## Frequently Asked Questions

### ▼ 1. 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**

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
<b>CERTIFIED GENERAL EDUCATION REQUIREMENTS</b>	<b>300 HOURS</b>

- **Certified Residential Real Estate Appraiser**

200 hours in core curriculum courses must be completed:

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
<b>CERTIFIED RESIDENTIAL EDUCATION REQUIREMENTS</b>	<b>200 HOURS</b>



- **Registered Trainee**

75 hours in core curriculum courses must be completed:

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

▼ **2. 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.

▼ **3. 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](#).

▼ **4. 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.

▼ **5. Where can I find additional information on certification requirements?**

- Statutes and regulations pertaining to certification requirements can be found at our [website](#) as well as on the applications.

▼ **6. 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, Alaska does not require an appraiser be credentialed in Alaska to perform an appraisal or appraisal review, provided the appraiser does not represent her/himself as a certified appraiser, and the appraisal is not required by law. Per AS 08.87.100, it is considered a class B misdemeanor if an individual states that s/he is certified in Alaska when in fact they are not.

▼ **7. What is required for continuing education requirements?**

- Licenses lapse on June 30th 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 maintaining 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](#).

▼ **8. Is it required to become registered as a trainee in Alaska?**

- At its meeting on January 15th, 2016, the Board of Certified Real Estate Appraisers resolved to not require registration as a trainee in order for experience to count for certification as a general or residential appraiser. Documentation of work experience would still need to be completed on the work verification log provided by the Division.

▼ **9. 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. The course must be previously approved by the Board of Certified Real Estate Appraisers. Note that this course is acceptable for qualifying education only, not continuing education.

▼ 10. 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.

▼ 11. What is a supervisor responsible for?

- A Board-approved supervisor should become familiar with 12 AAC 70.935 (located in the statutes/regulations booklet). Supervisors are responsible for signing/certifying that appraisal reports are USPAP compliant, reviewing/signing the trainee's appraisal report(s), inspecting appraised property until it is determined that the individual is competent to independently do so, and submitting a Determination of Competency form on behalf of the trainee. The Determination of Competency form is located within the Certified General Real Estate Appraiser application and Certified Residential Real Estate Appraiser Application.

▼ 12. 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.

▼ 13. 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/Trainee 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](#)).

▼ 14. 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. A trainee transitioning to a residential real estate appraiser will need 2,500 total hours of experience; a trainee transitioning to a general real estate appraiser will need 3,000 total hours of experience in which no less than 1,500 hours is in non-residential work. Please see the respective applications [08-4663](#) and [08-4164](#) for a breakdown on core curriculum

▼ **15. 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, it is recommended that the trainee register with a supervisory appraiser and follow the criteria under that relationship. This is particularly helpful for the trainee to receive full experience credit when applying for certification.

▼ **16. 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, 1,500 hours of general appraisal experience, passing score on the Certified General Real Property Exam, and transcripts showing completion of a college degree are required. The application for this transition is form [08-4163](#).

▼ **17. 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 sufficient and must 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.

▼ **18. Are Appraisal Management Companies (AMCs) subject to regulations?**

- No, regulations are being drafted now by the board's task group; however, no "draft" regulations are available for dissemination. Regulations will be reviewed/approved by the board, then published for public comment, with enactment prior to the federally mandated implementation date.

▼ **19. Are background checks and/or fingerprints required as part of the application process for certification?**

- Alaska Statute AS 12.62.400(a)(8) requires that applicants submit fingerprints for a background check, however, this has not yet been implemented in the Board's specific program statutes and regulations yet. A change to this requirement is expected on or around January 1st, 2017. Currently, as part of the application process you will be asked for specific background details including criminal and disciplinary incidents which require explanations and may initiate investigations.

▼ 20. 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.

▼ 21. What type of land appraisals is a Certified Residential Appraiser allowed to do?

- A Residential credentialed appraiser is allowed to appraise vacant or unimproved land that is utilized for one-to-four family purposes or for which the highest and best use is for one-to-four family purposes. The appraisal of subdivisions is not allowed where a development analysis/appraisal is necessary.

▼ 22. Am I allowed to take my core curriculum (qualifying education) and/or continuing education online?

- The Appraisal Qualifications Board allows an applicant for certification as a general, residential, or trainee appraiser to complete qualifying education online, so long as the course provides verbal or written communication from the instructor and if it is specifically approved by the AQB and the Alaska Board of Certified Real Estate appraisers. The Board will allow applicants to complete up to half of the hours required online, for both qualifying and continuing education. The AQB further requires that for qualifying education, online courses must include a closed-book proctored examination. An online continuing education course must be at least 2 hours in length and approved by the AQB, IDECC and the Board.

▼ 23. Is board approval required prior to scheduling an examination?

- If you are applying via examination, your application must be complete and a sample work product must be reviewed and approved by the board prior to scheduling an examination (see FAQ #4). Examinations are scheduled with our contracted testing service provider, Pearson Vue. You may be asked by a Pearson Vue representative to bring a copy of your board approval letter before taking the examination.

# Election of Chair Alternate

Supervisor/Trainee  
Determination of Competency  
And Property Inspections

Lunch



# Division Update

Board of Certified Real Estate Appraisers  
Schedule of Revenues and Expenditures

	FY 12		FY 13		FY 14		FY 15		FY16		FY17		FY18 1st - 3rd Qtr	
Licensing Revenue	\$	42,190	\$	269,948	\$	56,250	\$	279,525	\$	49,440	\$	272,590	\$	50,030
Allowable Third Party Reimbursement		-		-		1,499		-		-		5,827	\$	-
Total Revenue		42,190		269,948		57,749		279,525		49,440		278,417		50,030
Direct Expenditures														
Personal Services		78,181		46,148		34,915		53,294		44,158		33,252		48,504
Travel		8,534		3,759		2,920		2,217		12,596		13,106		9,943
Contractual		56,720		44,699		14,955		33,616		3,008		5,288		8,726
Supplies		233		61		24		42		22		13		637
Equipment		-		-		-		-		-		-		-
Total Direct Expenditures		143,668		94,667		52,814		89,169		59,784		51,659		67,810
Indirect Expenditures*		15,739		18,583		20,937		33,105		21,626		18,550		13,913
Total Expenses		159,407		113,250		73,751		122,274		81,410		70,209		81,723
Annual Surplus (Deficit)		(117,217)		156,698		(16,002)		157,251		(31,970)		208,208		(31,693)
Beginning Cumulative Surplus (Deficit)		17,823		(99,394)		57,304		41,302		198,553		166,583		374,791
Ending Cumulative Surplus (Deficit)	\$	(99,394)	\$	57,304	\$	41,302	\$	198,553	\$	166,583	\$	374,791	\$	343,098

\*\* For the first three quarters, indirect costs are based on the prior fiscal year's total indirect amount on a percent of year completed basis.

Appropriation (All)  
 Sub Unit (All)  
 Activity Code APR1

Sum of Expenditures		Object Type Code				Grand Total
Object Code	Object Name	1000 - Personal				Grand Total
		Services	2000 - Travel	3000 - Services	4000 - Commodities	
1011	Regular Compensation	16,615.12				16,615.12
1023	Leave Taken	2,063.43				2,063.43
1028	Alaska Supplemental Benefit	1,108.96				1,108.96
1029	Public Employee's Retirement System Defined Benefits	28.41				28.41
1030	Public Employee's Retirement System Defined Contribution	924.49				924.49
1034	Public Employee's Retirement System Defined Cont Health Reim	684.00				684.00
1035	Public Employee's Retirement Sys Defined Cont Retiree Medical	184.33				184.33
1037	Public Employee's Retirement Sys Defined Benefit Unfnd Liab	2,148.64				2,148.64
1039	Unemployment Insurance	58.23				58.23
1040	Group Health Insurance	6,087.31				6,087.31
1041	Basic Life and Travel	9.73				9.73
1042	Worker's Compensation Insurance	175.83				175.83
1047	Leave Cash In Employer Charge	416.72				416.72
1048	Terminal Leave Employer Charge	216.61				216.61
1053	Medicare Tax	247.95				247.95
1069	SU Business Leave Bank Contributions	10.91				10.91
1077	ASEA Legal Trust	26.96				26.96
1079	ASEA Injury Leave Usage	1.77				1.77
1080	SU Legal Trst	8.09				8.09
1970	Personal Services Transfer	17,486.03				17,486.03
2000	In-State Employee Airfare		1,372.29			1,372.29
2001	In-State Employee Surface Transportation		67.09			67.09
2002	In-State Employee Lodging		556.00			556.00
2003	In-State Employee Meals and Incidentals		364.00			364.00
2005	In-State Non-Employee Airfare		535.86			535.86
2007	In-State Non-Employee Lodging		298.00			298.00
2008	In-State Non-Employee Meals and Incidentals		270.00			270.00
2009	In-State Non-Employee Taxable Per Diem		154.00			154.00
2010	In-State Non-Employee Non-Taxable Reimbursement		658.37			658.37
2012	Out-State Employee Airfare		1,784.42			1,784.42
2013	Out-State Employee Surface Transportation		121.61			121.61
2014	Out-State Employee Lodging		3,056.70			3,056.70
2015	Out-State Employee Meals and Incidentals		696.00			696.00
2036	Cash Advance Fee		8.46			8.46
3000	Training/Conferences			1,300.00		1,300.00
3002	Memberships			450.00		450.00
3023	Expert Witness			3,484.50		3,484.50
3044	Courier			10.63		10.63
3045	Postage			52.15		52.15
3046	Advertising			592.73		592.73
3057	Structure, Infrastructure and Land - Rentals/Leases			62.40		62.40
3067	Honorariums/Stipend			16.00		16.00
3069	Commission Sales			56.00		56.00
3088	Inter-Agency Legal			2,701.09		2,701.09
4000	Books and Educational Supplies				585.00	585.00
4002	Business Supplies				52.00	52.00
<b>Grand Total</b>		<b>48,503.52</b>	<b>9,942.80</b>	<b>8,725.50</b>	<b>637.00</b>	<b>67,808.82</b>

# Legislative Liaison in Relation to AMC Bill

# Public Comment

## Public Comment:

The board chair shall open public comment. The time allotted for comment will be divided between all individuals signed in to give comment. The group will be told how much time each person will have to speak; the licensing examiner will keep track of the time and notify the individual when they have 1 minute left.

This is not the time for the board to respond to the comments. The board can choose to respond to any comments at the end of the comment period; they can choose to send a letter with their responses to the individual; or they can choose to not respond.

# New Business

# AMC Legislation



■ ■ ■ ■ ■ ■ ■

**Appraisal Subcommittee**  
*Federal Financial Institutions Examination Council*

April 17, 2018

**To:** State Appraiser Regulatory Officials

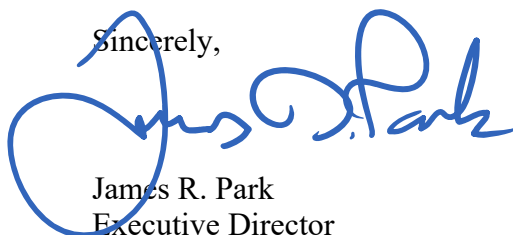
**Subject:** Revised open date for AMC Registry

The ASC has revised the date for opening the National Registry of AMCs (AMC Registry). The ASC now plans to open the AMC Registry to States on July 16, 2018.

The previous target date was June 4, 2018. The ASC is issuing the attached revised Bulletin No. 2017-01. The only change to the Bulletin is the open date for the AMC Registry. The revised Bulletin is also available on the ASC website ([asc.gov](http://asc.gov)) in the What's New section.

For further information, please contact James R. Park, Executive Director, at (202) 595-7575 or [Jim@ASC.gov](mailto:Jim@ASC.gov); or Alice M. Ritter, General Counsel, at (202) 595-7577 or [Alice@ASC.gov](mailto:Alice@ASC.gov).

Sincerely,



James R. Park  
Executive Director



# Appraisal Subcommittee

Federal Financial Institutions Examination Council

**Revised Bulletin No. 2017-01**  
**Issue Date: April 16, 2018**

**To:** State Appraiser Regulatory Officials

**Subject:** National Registry of Appraisal Management Companies (AMCs)

---

## **Purpose**

The final rule to implement collection and transmission of annual AMC registry fees (Final Rule) was published by the Appraisal Subcommittee (ASC) in the September 25, 2017 issue of the *Federal Register*. The Final Rule's effective date is November 24, 2017.

In the preamble of the Final Rule, the ASC stated it would issue this Bulletin to provide States information regarding:

- When the National Registry of AMCs (AMC Registry)<sup>1</sup> will be open
- Reporting requirements for States to enter AMCs on the AMC Registry

## **Open Date for AMC Registry (Revised Date)**

The ASC will open the AMC Registry to States no later than **July 16, 2018**. At that time, States that elect to register and supervise AMCs (participating States) will be able to enter AMCs on the AMC Registry if they have collected AMC registry fees in accordance with the Final Rule.

The ASC recognizes that participating States may need to amend their rules and/or regulations, or revise their operating procedures, to implement AMC registry fees. After June 4, 2020, any participating State's Compliance Review will include review of requirements for entering AMCs on the AMC Registry. Up and until June 4, 2020, a State may have a compliant AMC Program regardless of whether it is ready to enter AMCs on the AMC Registry.<sup>2</sup>

---

<sup>1</sup> Section 1473 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) included amendments to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI). Section 1103 of Title XI, *Functions of Appraisal Subcommittee*, was amended by the Dodd-Frank Act to require the ASC to maintain the AMC Registry of those AMCs that are either: (1) registered with and subject to supervision by a State that has elected to register and supervise AMCs; or (2) are operating subsidiaries of a Federally regulated financial institution (Federally regulated AMCs). Section 1117 of Title XI, *Establishment of State appraiser certifying and licensing agencies*, was amended by the Dodd-Frank Act to include additional duties for States, if they so choose, to: (1) register and supervise AMCs; and (2) add information about AMCs in their State to the AMC Registry.

<sup>2</sup> While the ASC encourages participating States to begin collecting fees from registered AMCs as soon as possible in accordance with the requirements of Section 1109 of Title XI so that those AMCs may be entered on the AMC Registry, the restriction on performance of services by the State's AMCs for federally related transactions will not impact an AMC so long as the AMC is registered with a participating State or is subject to oversight by a Federal financial institutions regulatory agency.

### **Reporting Requirements**

For a participating State to enter an AMC on the AMC Registry, the following items are proposed<sup>3</sup> to be required entries (reporting requirements<sup>4</sup>) by the State on the AMC Registry:

State Abbreviation  
 State Registration Number for AMC  
 Employer Identification Number (EIN)  
 AMC Name  
   Street Address  
   City  
   State  
   Zip  
 License or Registration Status  
   Effective Date  
   Expiration Date  
 AMC Type (State or multi-State)  
 Disciplinary Action  
   Effective Date  
   Expiration Date  
 Number of Appraisers (for invoicing registry fee)

For further information, contact James R. Park, Executive Director, at (202) 595-7575 or [Jim@ASC.gov](mailto:Jim@ASC.gov), or Alice M. Ritter, General Counsel, at (202) 595-7577 or [Alice@ASC.gov](mailto:Alice@ASC.gov).

Sincerely,



Arthur Lindo  
 ASC Chairman

---

<sup>3</sup> These required entries are subject to approval by the Office of Management and Budget, and will be published in the *Federal Register* in accordance with the Paperwork Reduction Act of 1995.

<sup>4</sup> Section 1124 (e) of Title XI, *Reporting*, was implemented as part of the interagency AMC Rule. (See 12 CFR 34. 34.216; 12 CFR 225.196; 12 CFR 323.14; 12 CFR 1222.26).

**From:** [Chambers, Sara C. \(CED\)](#)  
**To:** [covedave5@gmail.com](mailto:covedave5@gmail.com)  
**Cc:** [Dulebohn, Dawn L. \(CED\)](#); [Hoffard, Renee \(CED\)](#); [McCullough, Janey L. \(CED\)](#); [Fowler, Micaela R. \(CED\)](#)  
**Subject:** FW: AMC Legislation  
**Date:** Wednesday, February 07, 2018 11:51:47 AM  
**Attachments:** [2017.11.21 - Bulletin 2017-02 Extension of Implementation Period.pdf](#)

---

Greetings, Chairman Derry:

I wanted to be sure to close the loop with you regarding our effective date recommendation for Appraisal Management Companies.

We are recommending a July 1, 2019, effective date for both AMC bills. The attached memo from the ASC allows a board to apply for an extension by June 1, 2018, giving a fledgling AMC program until August 2019 to go into effect. We feel strongly that if the statute is effective prior to adoption of board and division regulations, the board will be caught in an implementation nightmare.

I've attached the memo and apologize if you have not seen it before. Please let me know if you have any questions or concerns.

Sincerely,

Sara Chambers  
*Deputy Director*

**Alaska Division of Corporations, Business and Professional Licensing**  
P.O. Box 110806, Juneau, AK 99811-0806  
[commerce.alaska.gov/web/cbpl](http://commerce.alaska.gov/web/cbpl)  
Phone: (907) 465-2144  
FAX: (907) 465-2974

*Any guidance provided by this electronic communication is not a binding legal opinion, ruling, or interpretation that may be relied upon, but merely guidance concerning existing statutes and regulations. There may be other unique or undisclosed facts, circumstances, and information that may have changed any guidance provided in this communication.*

**CONFIDENTIALITY NOTICE:** *This communication is intended for the sole use of the individual or entity to whom it is addressed to and is covered by the Electronic Communications Privacy Act (18 USC § 2510-2521), and may contain Confidential Official Use Only Information that may be exempt from public release under the Freedom of Information Act (5 USC § 552). If you are not the intended recipient, you are prohibited from disseminating, distributing or copying any information contained in this communication.*

*The State of Alaska cannot guarantee the security of e-mails sent to or from a state employee outside the state e-mail system. If you are not the intended recipient or receive this communication in error, please notify the sender by reply e-mail and delete the original message and all copies from your computer.*

---

**From:** Fowler, Micaela R (CED)  
**Sent:** Wednesday, February 07, 2018 11:24 AM  
**To:** Morledge, Edra (LEG) <[edra.morledge@akleg.gov](mailto:edra.morledge@akleg.gov)>  
**Cc:** Peterson, Darwin R (GOV) <[darwin.peterson@alaska.gov](mailto:darwin.peterson@alaska.gov)>; Chambers, Sara C (CED) <[sara.chambers@alaska.gov](mailto:sara.chambers@alaska.gov)>  
**Subject:** RE: AMC Legislation

Hi Edra,

We don't have a position on the bonding. We would defer to the board and support their request that fingerprinting be removed. On the issue of the effective date, we would differ. The November 21, 2017 memo from the Appraisal Subcommittee of the Federal Financial Institutions Examination Council provides that a delayed implementation may be requested by June 1, 2018, and that the extension can be for up to August 10, 2019. We would thus recommend a July 1, 2019 effective date so that the board could adopt regulations and the division set fees in regulations prior to the effective date of the act.

Thank you,

Micaela Fowler  
Special Assistant  
Department of Commerce, Community, and Economic Development  
907.465.2503(w)/907.209.3070(c)  
[micaela.fowler@alaska.gov](mailto:micaela.fowler@alaska.gov)

---

**From:** Edra Morledge [<mailto:Edra.Morledge@akleg.gov>]  
**Sent:** Tuesday, February 06, 2018 4:15 PM  
**To:** Fowler, Micaela R (CED) <[micaela.fowler@alaska.gov](mailto:micaela.fowler@alaska.gov)>  
**Subject:** FW: AMC Legislation

Hello,

I am wondering if the Department has any thoughts on the issues as described below by Dave Derry (SB 155 vs. HB 329). Specifically, they want a high surety bond, no fingerprinting and an effective date of August 9, 2018.

Any thoughts?

Thank you!

Edra

**From:** David Derry [<mailto:covedave5@gmail.com>]  
**Sent:** Tuesday, February 06, 2018 3:30 PM  
**To:** Edra Morledge <[Edra.Morledge@akleg.gov](mailto:Edra.Morledge@akleg.gov)>  
**Cc:** Thomas Atkinson <[Thomas.Atkinson@akleg.gov](mailto:Thomas.Atkinson@akleg.gov)>  
**Subject:** Re: AMC Legislation

Hi Edra,

I wanted to express my thoughts on a couple of the differences between SB 155 BS HB 329.

The surety bond in SB 155 at \$25k is inadequate. We feel the bond should be set at \$150k. These AMC are all large companies which should not have any difficulty securing the larger bond amount at little cost. An AMC operating statewide, could easily run up a billing total to a panel of Alaska appraisers well in excess of \$25k, especially considering the cost for appraisers to travel to remote or rural locations. We don't want any appraisers left high and dry should an AMC fold.

Regarding fingerprinting/background checks. We have received confirmation from the Appraisal Subcommittee (ASC) that our current background questions are adequate without any additional requirement for either fingerprinting or background checks. If needed I can provide that correspondence.

The effective date included in HB 329 allows us to began with regulation preparation quickly. Recognizing that we have a 8/10/18 drop dead date under Dodd-Frank, and the time necessary to prepare regs, being able to start quickly is very important.

If I can provide any additional information, let me know.

Thanks, Dave Derry  
Chair



THE STATE  
of **ALASKA**  
GOVERNOR BILL WALKER

**Department of Commerce, Community,  
and Economic Development**

DIVISION OF CORPORATIONS, BUSINESS AND  
PROFESSIONAL LICENSING

P.O. Box 110806  
Juneau, AK 99811-0806  
Main: 907.465.2550  
Fax: 907.465.2974

February 8, 2018

James R. Park,  
Executive Director  
1401 H. Street N.W.; Suite 760  
Washington, D.C. 20005

Dear Mr. Park:

Pursuant to ASC Bulletin 2017-02, please accept this formal request for an extension of the implementation period to establish an AMC program in the State of Alaska until August 10, 2019.

Two bills are currently before the Alaska State Legislature to provide this authority to the Board of Certified Real Estate Appraisers; once granted, the board is prepared to adopt regulations under that authority to ensure the program conforms to Title XI of FIRREA as amended by the Dodd-Frank Act. For your reference, the proposed legislation is attached to this letter.

Please feel free to contact our office with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Sara Chambers".

Sara Chambers  
Deputy Director

Encl.

CC: David Derry, Chairman, Alaska Board of Certified Real Estate Appraisers  
Janey McCullough, Director, DCCED, CBPL  
Micaela Fowler, Special Assistant, DCCED  
Renee Hoffard, Records and Licensing Supervisor, DCCED, CBPL  
Dawn Dulebohn, Occupational Licensing Examiner, DCCED, CBPL  
Claire Brooks, Policy Manager, Appraisal Subcommittee

**From:** Lori L. Schuster  
**To:** [Hoffard, Renee \(CED\)](#)  
**Cc:** [James R. Park](#); [Denise Graves](#); [Alice M. Ritter](#); [Claire M. Brooks](#); [covedave5@gmail.com](mailto:covedave5@gmail.com); [McCullough, Janey L \(CED\)](#); [Fowler, Micaela R \(CED\)](#); [Dulebohn, Dawn L \(CED\)](#)  
**Subject:** Alaska Request for one-year extension to establish AMC Program  
**Date:** Thursday, February 22, 2018 6:35:08 AM

---

Good morning Ms. Hoffard,

The ASC is in receipt of the February 8<sup>th</sup> request by the Alaska Department of Commerce, Community and Economic Development for a one-year Extension to the Implementation Date to establish an Appraisal Management Company (AMC) Program. The ASC will act on this request at its May 9, 2018 Meeting. You will be notified shortly thereafter on the status of your State's request.

Please do not hesitate to contact Claire Brooks at [Claire@asc.gov](mailto:Claire@asc.gov) if you have any questions or concerns.

Thank you.

Lori Schuster  
Management and Program Analyst  
Appraisal Subcommittee-FFIEC  
1401 H Street NW, Suite 760  
Washington, DC 20005

Confidentiality Notice: The information contained in this transmittal, including attachments if any, may be confidential or privileged under applicable law, or otherwise may be protected from disclosure to anyone other than the intended recipient(s). Any review, use or copying of the contents of this e-mail or its attachments by any person other than the intended recipient for any purpose other than its intended use, is strictly prohibited and may be unlawful. This communication is not intended as a waiver of the confidential, privileged or exempted status of the information transmitted. If you have received this e-mail in error, you should permanently delete the e-mail and any attachments. Do not save, copy, disclose, or rely on any part of the information contained in this e-mail or its attachments. Also immediately notify the sender of the misdirection of this transmittal. Your cooperation is appreciated.

**From:** Hoffard, Renee (CED) [<mailto:renee.hoffard@alaska.gov>]



# ASC Criteria Changes



# REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

## Summary of Changes

Effective May 1, 2018

The Appraiser Qualifications Board of The Appraisal Foundation establishes the *minimum* qualifications for real property appraisers in the United States. These qualifications can be found in the *Real Property Appraiser Qualification Criteria*.

To become a real property appraiser, candidates must obtain qualifying education hours, and, as applicable, obtain college-level education and experience hours, and successfully pass the National Uniform Licensing and Certification Examination. The following is a summary of changes to the Criteria effective May 1, 2018. Because state appraiser regulatory agencies are only required to adopt *minimum* AQB *Criteria*, it is **crucial** that candidates contact their state to determine if the state intends to adopt any or all of these changes, and if so, when the changes may go into effect.

<b>College-Level Education</b>		
	<b>PREVIOUS</b> <b>January 1, 2015 – April 30, 2018</b>	<b>NEW</b> <b>May 1, 2018</b>
<b>Licensed Residential</b>	30 Semester Hours of College-Level Education	No College-Level Education Required
<b>Certified Residential</b>	Bachelor's Degree or Higher	(See Chart of Options on Next Page)

## College Level Education for Certified Residential

Option #1	Option #2	Option #3	Option #4	Option #5	Option #6
<p>Bachelor's Degree in any field of study</p>	<p>Associates Degree in a field of study related to:</p> <ul style="list-style-type: none"> <li>• <i>Business Administration</i></li> <li>• <i>Accounting</i></li> <li>• <i>Finance</i></li> <li>• <i>Economics</i>; or</li> <li>• <i>Real Estate</i></li> </ul>	<p>Successful completion of 30 semester hours of college-level courses in <b>each</b> of the following specific topic areas:</p> <ul style="list-style-type: none"> <li>• <i>English Composition</i> (3 hours)</li> <li>• <i>Microeconomics</i> (3 hours)</li> <li>• <i>Macroeconomics</i> (3 hours)</li> <li>• <i>Finance</i> (3 hours)</li> <li>• <i>Algebra, Geometry, or Higher Math</i> (3 hours)</li> <li>• <i>Statistics</i> (3 hours)</li> <li>• <i>Computer Science</i> (3 hours)</li> <li>• <i>Business Law</i> or <i>Real Estate Law</i> (3 hours)</li> <li>• Two elective courses in any of the above topics, or in <i>Accounting, Geography, Agricultural Economics, Business Management, or Real Estate</i> (3 hours each)</li> </ul>	<p>Successful completion of at least 30 hours of College Level Examination Program® (CLEP®) examinations that cover each of the specific topic areas in Option #3 (see Equivalency Table on next page).</p>	<p>Any combination of Option #3 and Option #4 that includes all of the topics identified</p>	<p>No college-level education required.</p> <p>This option applies <u>only</u> to appraisers who <b>have held a Licensed Residential credential</b> for a minimum of five (5) years <b>and</b> have no record of any adverse, final, and non-appealable disciplinary action affecting the Licensed Residential appraiser's legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential.</p>

### Equivalency Table

CLEP Exams	CLEP Semester Hours Granted	Applicable College Courses
<i>College Algebra</i>	3	<i>Algebra, Geometry, Statistics, or higher mathematics</i>
<i>College Composition</i>	6	<i>English Composition</i>
<i>College Composition Modular</i>	3	<i>English Composition</i>
<i>College Mathematics</i>	6	<i>Algebra, Geometry, Statistics, or higher mathematics</i>
<i>Principles of Macroeconomics</i>	3	<i>Macroeconomics <b>or</b> Finance</i>
<i>Principles of Microeconomics</i>	3	<i>Microeconomics <b>or</b> Finance</i>
<i>Introductory Business Law</i>	3	<i>Business Law or Real Estate Law</i>
<i>Computer Science</i>	3	<i>Information Systems</i>

<b>Experience</b>		
	<b>Pre April 30, 2018</b>	<b>Effective May 1, 2018</b>
<b>Licensed Residential</b>	2,000 hours in no fewer than twelve (12) months	1,000 hours in no fewer than six (6) months
<b>Certified Residential</b>	2,500 hours in no fewer than twenty-four (24) months	1,500 hours in no fewer than twelve (12) months
<b>Certified General</b>	3,000 hours in no fewer than thirty (30) months, of which one thousand five hundred (1,500) hours must be in non-residential appraisal work	3,000 hours in no fewer than eighteen (18) months, of which one thousand five hundred (1,500) hours must be in non-residential appraisal work

# ASC Revised Policy Statement

## (March 2018)

**Appraisal Subcommittee**  
*Federal Financial Institutions Examination Council*

**POLICY**  
**STATEMENTS**  
(Revised – March 2018)



---

Requirements and Guidance to  
State Appraiser Certifying and Licensing Agencies  
For Compliance with Title XI

# Contents

<i>Introduction and Purpose</i> .....	v
<b><i>PART A: APPRAISER PROGRAM</i></b> .....	<b>1</b>
<b><i>POLICY STATEMENT 1</i></b> .....	<b>1</b>
<b><i>Statutes, Regulations, Policies and Procedures Governing State Appraiser Programs</i></b> .....	<b>1</b>
<b><i>A. State Regulatory Structure</i></b> .....	<b>1</b>
<b><i>B. Funding and Staffing</i></b> .....	<b>1</b>
<b><i>C. Minimum Criteria</i></b> .....	<b>2</b>
<b><i>D. Federally Recognized Appraiser Classifications</i></b> .....	<b>2</b>
<b><i>E. Non-federally Recognized Credentials</i></b> .....	<b>3</b>
<b><i>F. Appraisal Standards</i></b> .....	<b>3</b>
<b><i>G. Exemptions</i></b> .....	<b>4</b>
<b><i>H. ASC Staff Attendance at State Board Meetings</i></b> .....	<b>5</b>
<b><i>I. Summary of Requirements</i></b> .....	<b>5</b>
<b><i>POLICY STATEMENT 2</i></b> .....	<b>7</b>
<b><i>Temporary Practice</i></b> .....	<b>7</b>
<b><i>A. Requirement for Temporary Practice</i></b> .....	<b>7</b>
<b><i>B. Excessive Fees or Burdensome Requirements</i></b> .....	<b>7</b>
<b><i>C. Summary of Requirements</i></b> .....	<b>9</b>
<b><i>POLICY STATEMENT 3</i></b> .....	<b>10</b>
<b><i>National Registry of Appraisers (Appraiser Registry)</i></b> .....	<b>10</b>
<b><i>A. Requirements for the Appraiser Registry</i></b> .....	<b>10</b>
<b><i>B. Registry Fee and Invoicing Policies</i></b> .....	<b>11</b>
<b><i>C. Access to Appraiser Registry Data</i></b> .....	<b>12</b>
<b><i>D. Information Sharing</i></b> .....	<b>12</b>
<b><i>E. Summary of Requirements</i></b> .....	<b>13</b>
<b><i>POLICY STATEMENT 4</i></b> .....	<b>15</b>
<b><i>Application Process</i></b> .....	<b>15</b>
<b><i>A. Processing of Applications</i></b> .....	<b>15</b>
<b><i>B. Qualifying Education for Initial or Upgrade Applications</i></b> .....	<b>16</b>
<b><i>C. Continuing Education for Reinstatement and Renewal Applications</i></b> .....	<b>16</b>
<b><i>D. Experience for Initial or Upgrade Applications</i></b> .....	<b>19</b>
<b><i>E. Examination</i></b> .....	<b>20</b>
<b><i>F. Summary of Requirements</i></b> .....	<b>21</b>



<b>POLICY STATEMENT 5 .....</b>	<b>24</b>
<b>Reciprocity.....</b>	<b>24</b>
<b>A. Reciprocity Policy .....</b>	<b>24</b>
<b>B. Application of Reciprocity Policy .....</b>	<b>25</b>
<b>C. Appraiser Compliance Requirements.....</b>	<b>26</b>
<b>D. Well-Documented Application Files.....</b>	<b>26</b>
<b>E. Summary of Requirements .....</b>	<b>26</b>
<b>POLICY STATEMENT 6 .....</b>	<b>28</b>
<b>Education .....</b>	<b>28</b>
<b>A. Course Approval.....</b>	<b>28</b>
<b>B. Distance Education .....</b>	<b>28</b>
<b>C. Summary of Requirements .....</b>	<b>29</b>
<b>POLICY STATEMENT 7 .....</b>	<b>30</b>
<b>State Agency Enforcement.....</b>	<b>30</b>
<b>A. State Agency Regulatory Program.....</b>	<b>30</b>
<b>B. Enforcement Process .....</b>	<b>30</b>
<b>C. Summary of Requirements .....</b>	<b>33</b>
<b>PART B: AMC PROGRAM .....</b>	<b>35</b>
<b>POLICY STATEMENT 8 .....</b>	<b>35</b>
<b>Statutes, Regulations, Policies and Procedures Governing State AMC Programs.....</b>	<b>35</b>
<b>A. Participating States and ASC Oversight .....</b>	<b>35</b>
<b>B. Relation to State Law.....</b>	<b>35</b>
<b>C. Funding and Staffing .....</b>	<b>36</b>
<b>D. Minimum Requirements for Registration and Supervision of AMCs as Established by the AMC Rule.....</b>	<b>36</b>
<b>E. Summary of Requirements .....</b>	<b>39</b>
<b>POLICY STATEMENT 9 .....</b>	<b>41</b>
<b>National Registry of AMCs (AMC Registry) .....</b>	<b>41</b>
<b>A. Requirements for the AMC Registry.....</b>	<b>41</b>
<b>B. Registry Fee and Invoicing Policies.....</b>	<b>41</b>
<b>C. Reporting Requirements .....</b>	<b>42</b>
<b>D. Access to AMC Registry Data.....</b>	<b>42</b>
<b>E. Summary of Requirements .....</b>	<b>43</b>
<b>POLICY STATEMENT 10.....</b>	<b>44</b>
<b>State Agency Enforcement.....</b>	<b>44</b>

<i>A. State Agency Regulatory Program</i> .....	<i>44</i>
<i>B. Enforcement Process</i> .....	<i>44</i>
<i>C. Summary of Requirements</i> .....	<i>46</i>
<b><i>POLICY STATEMENT 11</i></b> .....	<b><i>48</i></b>
<i>Statutory Implementation Period</i> .....	<i>48</i>
<b><i>PART C: INTERIM SANCTIONS</i></b> .....	<b><i>49</i></b>
<b><i>POLICY STATEMENT 12</i></b> .....	<b><i>49</i></b>
<i>Interim Sanctions</i> .....	<i>49</i>
<i>A. Authority</i> .....	<i>49</i>
<i>B. Opportunity to be Heard or Correct Conditions</i> .....	<i>49</i>
<i>C. Procedures</i> .....	<i>50</i>
<b><i>APPENDICES</i></b> .....	<b><i>54</i></b>
<b><i>Appendix A – Compliance Review Process</i></b> .....	<b><i>54</i></b>
<b><i>Appendix B – Glossary of Terms</i></b> .....	<b><i>57</i></b>

## ***Introduction and Purpose***

Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 as amended (Title XI) established the Appraisal Subcommittee of the Federal Financial Institutions Examination Council (ASC).<sup>1</sup> The purpose of Title XI is to provide protection of Federal financial and public policy interests by upholding Title XI requirements for appraisals performed for federally related transactions. Specifically, those appraisals shall be performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.

Pursuant to Title XI, one of the ASC's core functions is to monitor the requirements established by the States<sup>2</sup> for certification and licensing of appraisers qualified to perform appraisals in connection with federally related transactions.<sup>3</sup> Title XI as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act)<sup>4</sup> expanded the ASC's core functions to include monitoring of the requirements established by States that elect to register and supervise the operations and activities of appraisal management companies<sup>5</sup> (AMCs).<sup>6</sup>

The ASC performs periodic Compliance Reviews<sup>7</sup> of each State appraiser regulatory program (Appraiser Program) to determine compliance or lack thereof with Title XI, and to assess implementation of minimum requirements for credentialing of appraisers as adopted by the Appraiser Qualifications Board (*The Real Property Appraiser Qualification Criteria* or AQB Criteria). As a result of the Dodd-Frank Act amendments to Title XI, States with an AMC

---

<sup>1</sup> The ASC Board is made up of seven members. Five members are designated by the heads of the FFIEC agencies (Board of Governors of the Federal Reserve System, Bureau of Consumer Financial Protection, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, and National Credit Union Administration). The other two members are designated by the heads of the Department of Housing and Urban Development and the Federal Housing Finance Agency.

<sup>2</sup> See Appendix B, Glossary of Terms, for the definition of "State."

<sup>3</sup> See Appendix B, Glossary of Terms, for the definition of "federally related transaction."

<sup>4</sup> Pub. L. 111-203, 124 Stat. 1376.

<sup>5</sup> Title XI § 1103 (a)(1)(B), 12 U.S.C. § 3332.

<sup>6</sup> See Appendix B, Glossary of Terms, for the definition of "appraisal management company" or AMC.

<sup>7</sup> See Appendix A, Compliance Review Process.

regulatory program (AMC Program) will be evaluated during the Compliance Review to determine compliance or lack thereof with Title XI, and to assess implementation of the minimum requirements for State registration and supervision of AMCs as established by the AMC Rule.<sup>8</sup>

The ASC is issuing these revised Policy Statements<sup>9</sup> in three parts to provide States with the necessary information to maintain their Appraiser Programs and AMC Programs in compliance with Title XI:

- Part A, *Appraiser Program* – Policy Statements 1 through 7 correspond with the categories that are: (a) evaluated during the Appraiser Program Compliance Review; and (b) included in the *ASC’s Compliance Review Report of the Appraiser Program*.
- Part B, *AMC Program* – Policy Statements 8 through 10 correspond with the categories that are: (a) evaluated during the AMC Program Compliance Review; and (b) included in the *ASC’s Compliance Review Report of the AMC Program*.
- Part C, *Interim Sanctions* – Policy Statement 12 sets forth required procedures in the event that interim sanctions are imposed against a State by the ASC for non-compliance in either the Appraiser Program or the AMC Program.

---

<sup>8</sup> The Dodd-Frank Act required the Office of the Comptroller of the Currency; Board of Governors of the Federal Reserve System; Federal Deposit Insurance Corporation; National Credit Union Administration; Bureau of Consumer Financial Protection; and Federal Housing Finance Agency to establish, by rule, minimum requirements to be imposed by a participating State appraiser certifying and licensing agency on AMCs doing business in the State. (Title XI § 1124 (a), 12 U.S.C. 3353(a)). Those rules were finalized and published on June 9, 2015, at 80 *Federal Register* 32658 with an effective date of August 10, 2015. (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.)

<sup>9</sup> These Policy Statements, adopted February 14, 2018, supersede all previous Policy Statements adopted by the ASC.

# ***PART A: APPRAISER PROGRAM***

## ***POLICY STATEMENT 1***

### ***Statutes, Regulations, Policies and Procedures Governing State Appraiser Programs***

#### ***A. State Regulatory Structure***

Title XI requires the ASC to monitor each State appraiser certifying and licensing agency for the purpose of determining whether each such agency has in place policies, practices and procedures consistent with the requirements of Title XI.<sup>10</sup> The ASC recognizes that each State may have legal, fiscal, regulatory or other factors that may influence the structure and organization of its Appraiser Program. Therefore, a State has flexibility to structure its Appraiser Program so long as it meets its Title XI-related responsibilities.

States should maintain an organizational structure for appraiser certification, licensing and supervision that avoids conflicts of interest. A State agency may be headed by a board, commission or an individual. State board<sup>11</sup> or commission members, or employees in policy or decision-making positions, should understand and adhere to State statutes and regulations governing performance of responsibilities consistent with the highest ethical standards for public service. In addition, Appraiser Programs using private entities or contractors should establish appropriate internal policies, procedures and safeguards to promote compliance with the State agency's responsibilities under Title XI and these Policy Statements.

#### ***B. Funding and Staffing***

The Dodd-Frank Act amended Title XI to require the ASC to determine whether States have sufficient funding and staffing to meet their Title XI requirements. Compliance with this provision requires that a State must provide its Appraiser Program with funding and

---

<sup>10</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>11</sup> See Appendix B, *Glossary of Terms*, for the definition of "State board."

staffing sufficient to carry out its Title XI-related duties. The ASC evaluates the sufficiency of funding and staffing as part of its review of all aspects of an Appraiser Program's effectiveness, including the adequacy of State boards, committees, or commissions responsible for carrying out Title XI-related duties.

### ***C. Minimum Criteria***

Title XI requires States to adopt and/or implement all relevant AQB Criteria. Requirements established by a State for certified residential or certified general appraisers, as well as requirements established for licensed appraisers, trainee appraisers and supervisory appraisers must meet or exceed applicable AQB Criteria.

### ***D. Federally Recognized Appraiser Classifications***

#### ***State Certified Appraisers***

"State certified appraisers" means those individuals who have satisfied the requirements for residential or general certification in a State whose criteria for certification meet or exceed the applicable minimum AQB Criteria. Permitted scope of practice and designation for State certified residential or certified general appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

#### ***State Licensed Appraisers***

"State licensed appraisers" means those individuals who have satisfied the requirements for licensing in a State whose criteria for licensing meet or exceed the applicable minimum AQB Criteria. The permitted scope of practice and designation for State licensed appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

#### ***Trainee Appraisers***

"Trainee appraisers" means those individuals who have satisfied the requirements for credentialing in a State whose criteria for credentialing meet or

exceed the applicable minimum AQB Criteria. Any minimum qualification requirements established by a State for individuals in the position of “trainee appraiser” or “supervisory appraiser” must meet or exceed the applicable minimum AQB Criteria. ASC staff will evaluate State designations such as “registered appraiser,” “apprentice appraiser,” “provisional appraiser,” or any other similar designation to determine if, in substance, such designation is consistent with a “trainee appraiser” designation and, therefore, administered to comply with Title XI. The permitted scope of practice and designation for trainee appraisers must be consistent with State and Federal laws, including regulations and supplementary guidance.

Any State or Federal agency may impose additional appraiser qualification requirements for trainee, State licensed, certified residential or certified general classifications, if they consider such requirements necessary to carry out their responsibilities under Federal and/or State statutes and regulations, so long as the additional qualification requirements do not preclude compliance with AQB Criteria.

### ***E. Non-federally Recognized Credentials***

States using non-federally recognized credentials or designations<sup>12</sup> must ensure that they are easily distinguished from the federally recognized credentials.

### ***F. Appraisal Standards***

Title XI and the Federal financial institutions regulatory agencies’ regulations mandate that all appraisals performed in connection with federally related transactions be in written form, prepared in accordance with generally accepted appraisal standards as promulgated by the Appraisal Standards Board (ASB) in the Uniform Standards of Professional Appraisal Practice (USPAP), and be subject to appropriate review for compliance with

---

<sup>12</sup> See Appendix B, *Glossary of Terms*, for the definition of “non-federally recognized credentials or designations.”

USPAP.<sup>13</sup> States that have incorporated USPAP into State law should ensure that statutes or regulations are updated timely to adopt the current version of USPAP, or if State law allows, automatically incorporate the latest version of USPAP as it becomes effective. States should consider ASB Advisory Opinions, Frequently Asked Questions, and other written guidance issued by the ASB regarding interpretation and application of USPAP.

Any State or Federal agency may impose additional appraisal standards if they consider such standards necessary to carry out their responsibilities, so long as additional appraisal standards do not preclude compliance with USPAP or the Federal financial institutions regulatory agencies' appraisal regulations for work performed for federally related transactions.

The Federal financial institutions regulatory agencies' appraisal regulations define "appraisal" and identify which real estate-related financial transactions require the services of a State certified or licensed appraiser. These regulations define "appraisal" as a "written statement independently and impartially prepared by a qualified appraiser setting forth an opinion as to the market value of an adequately described property as of a specific date(s) supported by the presentation and analysis of relevant market information." Per these regulations, an appraiser performing an appraisal review which includes the reviewer providing his or her own opinion of value constitutes an appraisal. Under these same regulations, an appraisal review that does not include the reviewer providing his or her own opinion of value does not constitute an appraisal. Therefore, under the Federal financial institutions regulatory agencies' regulations, only those transactions that involve appraisals for federally related transactions require the services of a State certified or licensed appraiser.

## ***G. Exemptions***

Title XI and the Federal financial institutions regulatory agencies' regulations specifically require the use of State certified or licensed appraisers in connection with the appraisal of certain real estate-related financial transactions.<sup>14</sup> A State may not exempt any

---

<sup>13</sup> See Appendix B, *Glossary of Terms* for the definition of "Uniform Standards of Professional Appraisal Practice."

<sup>14</sup> Title XI § 1112, 12 U.S.C. § 3341; Title XI § 1113, 12 U.S.C. § 3342; Title XI § 1114, 12 U.S.C. § 3343.



individual or group of individuals from meeting the State’s certification or licensing requirements if the individual or group member performs an appraisal when Federal statutes and regulations require the use of a certified or licensed appraiser. For example, an individual who has been exempted by the State from its appraiser certification or licensing requirements because he or she is an officer, director, employee or agent of a federally regulated financial institution would not be permitted to perform an appraisal in connection with a federally related transaction.

## ***H. ASC Staff Attendance at State Board Meetings***

The efficacy of the ASC’s Compliance Review process rests on the ASC’s ability to obtain reliable information about all areas of a State’s Appraiser Program. ASC staff regularly attends open State board meetings as part of the on-site Compliance Review process. States are expected to make available for review by ASC staff minutes of closed meetings and executive sessions. States are encouraged to allow ASC staff to attend closed and executive sessions of State board meetings where such attendance would not violate State law or regulation or be inconsistent with other legal obligations of the State board. ASC staff is obligated to protect information obtained during the Compliance Review process concerning the privacy of individuals and any confidential matters.

## ***I. Summary of Requirements***

1. States must require that appraisals be performed in accordance with the latest version of USPAP.<sup>15</sup>
2. States must, at a minimum, adopt and/or implement all relevant AQB Criteria.<sup>16</sup>
3. States must have policies, practices and procedures consistent with Title XI.<sup>17</sup>

---

<sup>15</sup> Title XI § 1101, 12 U.S.C. § 3331; Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>16</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345; Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>17</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

4. States must have funding and staffing sufficient to carry out their Title XI-related duties.<sup>18</sup>
5. States must use proper designations and permitted scope of practice for certified residential; certified general; licensed; and trainee classifications.<sup>19</sup>
6. State board members, and any persons in policy or decision-making positions, must perform their responsibilities consistent with Title XI.<sup>20</sup>
7. States' certification and licensing requirements must meet the minimum requirements set forth in Title XI.<sup>21</sup>
8. State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria.
9. State agencies must be granted adequate authority by the State to maintain an effective regulatory Appraiser Program in compliance with Title XI.<sup>22</sup>

---

<sup>18</sup> *Id.*; Title XI § 1118 (b), 12 U.S.C. § 3347.

<sup>19</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345; Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1113, 12 U.S.C. § 3342; AQB *Real Property Appraiser Qualification Criteria*.

<sup>20</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>21</sup> Title XI §§ 1116 (a), (c) and (e), 12 U.S.C. § 3345.

<sup>22</sup> Title XI § 1118 (b), 12 U.S.C. § 3347.

## ***POLICY STATEMENT 2***

### ***Temporary Practice***

#### ***A. Requirement for Temporary Practice***

Title XI requires State agencies to recognize, on a temporary basis, the certification or license of an out-of-State appraiser entering the State for the purpose of completing an appraisal assignment<sup>23</sup> for a federally related transaction. States are not, however, required to grant temporary practice permits to trainee appraisers. The out-of-State appraiser must register with the State agency in the State of temporary practice (Host State). A State may determine the process necessary for “registration” provided such process complies with Title XI and does not impose “excessive fees or burdensome requirements,” as determined by the ASC.<sup>24</sup> Thus, a credentialed appraiser<sup>25</sup> from State A has a statutory right to enter State B (the Host State) to perform an assignment concerning a federally related transaction, so long as the appraiser registers with the State agency in State B prior to performing the assignment. Though Title XI contemplates reasonably free movement of credentialed appraisers across State lines, an out-of-State appraiser must comply with the Host State’s real estate appraisal statutes and regulations and is subject to the Host State’s full regulatory jurisdiction. States should utilize the National Registry of Appraisers to verify credential status on applicants for temporary practice.

#### ***B. Excessive Fees or Burdensome Requirements***

Title XI prohibits States from imposing excessive fees or burdensome requirements, as determined by the ASC, for temporary practice.<sup>26</sup> Adherence by State agencies to the following mandates and prohibitions will deter the imposition of excessive fees or burdensome requirements.

---

<sup>23</sup> See Appendix B, *Glossary of Terms*, for the definition of “assignment.”

<sup>24</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

<sup>25</sup> See Appendix B, *Glossary of Terms*, for the definition of “credentialed appraisers.”

<sup>26</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

***Host State agencies must:***

- a. issue temporary practice permits on an assignment basis;
- b. issue temporary practice permits within five business days of receipt of a completed application, or notify the applicant and document the file as to the circumstances justifying delay or other action;
- c. issue temporary practice permits designating the permit's effective date;
- d. take regulatory responsibility for a temporary practitioner's unethical, incompetent and/or fraudulent practices performed while in the State;
- e. notify the appraiser's home State agency<sup>27</sup> in the case of disciplinary action concerning a temporary practitioner;
- f. allow at least one temporary practice permit extension through a streamlined process;
- g. track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any (States are strongly encouraged to maintain this information in an electronic, sortable format); and
- h. maintain documentation sufficient to demonstrate compliance with this Policy Statement.

***Host State agencies may not:***

- a. limit the valid time period of a temporary practice permit to less than 6 months (unless the applicant requests a specific end date and the applicant is allowed an extension if required to complete the assignment, the applicant's credential is no longer in active status during that period of time);
- b. limit an appraiser to one temporary practice permit per calendar year;<sup>28</sup>
- c. charge a temporary practice permit fee exceeding \$250, including one

---

<sup>27</sup> See Appendix B, Glossary of Terms, for the definition of "home State agency."

<sup>28</sup> State agencies may establish by statute or regulation a policy that places reasonable limits on the number of times an out-of-State certified or licensed appraiser may exercise his or her temporary practice rights in a given year. If such a policy is not established, a State agency may choose not to honor an out-of-State certified or licensed appraiser's temporary practice rights if it has made a determination that the appraiser is abusing his or her temporary practice rights and is regularly engaging in real estate appraisal services within the State.

- extension fee;
- d. impose State appraiser qualification requirements for education, experience and/or exam upon temporary practitioners;
- e. require temporary practitioners to obtain a certification or license in the State of temporary practice;
- f. require temporary practitioners to affiliate with an in-State licensed or certified appraiser;
- g. refuse to register licensed or certified appraisers seeking temporary practice in a State that does not have a licensed or certified level credential; or
- h. prohibit temporary practice.

***Home State agencies may not:***

- a. delay the issuance of a written “letter of good standing” or similar document for more than five business days after receipt of a request; or
- b. fail to consider and, if appropriate, take disciplinary action when one of its certified or licensed appraisers is disciplined by another State.

### ***C. Summary of Requirements***

1. States must recognize, on a temporary basis, appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction.<sup>29</sup>
2. States must adhere to mandates, prohibitions and documentation requirements as set forth above in Section B above, titled *Excessive Fees or Burdensome Requirements*.<sup>30</sup>

---

<sup>29</sup> Title XI § 1122 (a) (1), 12 U.S.C. § 3351.

<sup>30</sup> Title XI § 1122 (a) (2), 12 U.S.C. § 3351.

## ***POLICY STATEMENT 3***

### ***National Registry of Appraisers (Appraiser Registry)***

#### ***A. Requirements for the Appraiser Registry***

Title XI requires the ASC to maintain a National Registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions.<sup>31</sup> Title XI further requires the States to transmit to the ASC: (1) a roster listing individuals who have received a State certification or license in accordance with Title XI; (2) reports on the issuance and renewal of licenses and certifications, sanctions, disciplinary actions, revocations and suspensions; and (3) the registry fee as set by the ASC<sup>32</sup> from individuals who have received certification or licensing. States must notify the ASC as soon as practicable if a credential holder listed on the Appraiser Registry does not qualify for the credential held.

Roster and registry fee requirements apply to all individuals who receive State certifications or licenses, originally or by reciprocity, whether or not the individuals are, in fact, performing or planning to perform appraisals in federally related transactions. If an appraiser is certified or licensed in more than one State, the appraiser is required to be on each State's roster of certified or licensed appraisers, and a registry fee is due from each State in which the appraiser is certified or licensed.

Only AQB-compliant certified and licensed appraisers in active status on the Appraiser Registry are eligible to perform appraisals in connection with federally related transactions. Only those appraisers whose registry fees have been transmitted to the ASC will be eligible to be on the Appraiser Registry for the period subsequent to payment of the fee.

Some States may give State certified or licensed appraisers an option to not pay the registry

---

<sup>31</sup> Title XI § 1103 (a) (3), 12 U.S.C. § 3332.

<sup>32</sup> Title XI § 1109, *Roster of State certified or licensed appraisers; authority to collect and transmit fees*, requires the ASC to consider at least once every 5 years whether to adjust the dollar amount of the registry fees to account for inflation. (Title XI § 1109 (a), 12 U.S.C. § 3338.)

fee. If a State certified or licensed appraiser chooses not to pay the registry fee, then the Appraiser Program must ensure that any potential user of that appraiser's services is aware that the appraiser is not eligible to perform appraisals for federally related transactions. The Appraiser Program must place a conspicuous notice directly on the face of any evidence of the appraiser's authority to appraise stating, "Not Eligible To Appraise Federally Related Transactions," and the appraiser must not be listed in active status on the Appraiser Registry.

The ASC extranet application allows States to update their appraiser credential information directly to the Appraiser Registry. Only Authorized Registry Officials are allowed to request access for their State personnel (see section C below). The ASC will issue a User Name and Password to the designated State personnel responsible for that State's Appraiser Registry entries. Designated State personnel are required to protect the right of access, and not share their User Name or Password with anyone. States must adopt and implement a written policy to protect the right of access, as well as the ASC issued User Name and Password. The ASC will provide detailed specifications regarding the data elements on the Appraiser Registry.

### ***B. Registry Fee and Invoicing Policies***

Each State must remit to the ASC the annual registry fee, as set by the ASC, for State certified or licensed appraisers within the State to be listed on the Appraiser Registry. Requests to prorate refunds or partial-year registrations will not be granted. If a State collects multiple-year fees for multiple-year certifications or licenses, the State may choose to remit to the ASC the total amount of the multiple-year registry fees or the equivalent annual fee amount. The ASC will, however, record appraisers on the Appraiser Registry only for the number of years for which the ASC has received payment. Nonpayment by a State of an appraiser's registry fee may result in the status of that appraiser being listed as "inactive." States must reconcile and pay registry invoices in a timely manner (45 calendar days after the invoice date). When a State's failure to pay a past due invoice results in appraisers being listed as inactive, the ASC will not change those appraisers back to active status until payment is received from the State. An inactive status on the Appraiser Registry, for

whatever the reason, renders an appraiser ineligible to perform appraisals in connection with federally related transactions.

### ***C. Access to Appraiser Registry Data***

The ASC website provides free access to the public portion of the Appraiser Registry at [www.asc.gov](http://www.asc.gov). The public portion of the Appraiser Registry data may be downloaded using predefined queries or user-customized applications.

Access to the full database, which includes non-public data (*e.g.*, certain disciplinary action information), is restricted to authorized State and Federal regulatory agencies. States must designate a senior official, such as an executive director, to serve as the State's Authorized Registry Official, and provide to the ASC, in writing, information regarding the designated Authorized Registry Official. States must ensure that the authorization information provided to the ASC is updated and accurate.

### ***D. Information Sharing***

Information sharing (routine exchange of certain information among lenders, governmental entities, State agencies and the ASC) is essential for carrying out the purposes of Title XI. Title XI requires the ASC, any other Federal agency or instrumentality, or any federally recognized entity to report any action of a State certified or licensed appraiser that is contrary to the purposes of Title XI to the appropriate State agency for disposition. The ASC believes that full implementation of this Title XI requirement is vital to the integrity of the system of State appraiser regulation. States are encouraged to develop and maintain procedures for sharing of information among themselves.

The Appraiser Registry's value and usefulness are largely dependent on the quality and frequency of State data submissions. Accurate and frequent data submissions from all States are necessary to maintain an up-to-date Appraiser Registry. States must submit appraiser data in a secure format to the ASC at least monthly. If there are no changes to the data, the State agency must notify the ASC of that fact in writing. States are encouraged to submit data as frequently as possible.



States must report all disciplinary action<sup>33</sup> taken against an appraiser to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>34</sup> States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>35</sup> For the most serious disciplinary actions (*i.e.*, voluntary surrenders, suspensions and revocations, or any action that interrupts a credential holder’s ability to practice), the appraiser’s status must be changed on the Appraiser Registry to “inactive,” thereby making the appraiser ineligible to perform appraisals for federally related transactions or other transactions requiring the use of State certified or licensed appraisers.<sup>36</sup>

Title XI also contemplates the reasonably free movement of certified and licensed appraisers across State lines. This freedom of movement assumes, however, that certified and licensed appraisers are, in all cases, held accountable and responsible for their actions while performing appraisal activities.

### ***E. Summary of Requirements***

1. States must reconcile and pay registry invoices in a timely manner (45 calendar days after the invoice date).<sup>37</sup>
2. States must report all disciplinary action taken against an appraiser to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>38</sup>
3. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>39</sup>
4. For the most serious disciplinary actions (*i.e.*, voluntary surrenders, suspensions and revocations, or any action that interrupts a credential holder’s ability to

---

<sup>33</sup> See Appendix B, *Glossary of Terms*, for the definition of “disciplinary action.”

<sup>34</sup> *Id.*

<sup>35</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>36</sup> *Id.*

<sup>37</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1109 (a), 12 U.S.C. § 3338.

<sup>38</sup> *Id.*

<sup>39</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

practice), the appraiser’s status must be changed on the Appraiser Registry to “inactive,” thereby making the appraiser ineligible to perform appraisals for federally related transactions or other transactions requiring the use of State certified or licensed appraisers.<sup>40</sup>

5. States must designate a senior official, such as an executive director, who will serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf.<sup>41</sup>
6. States must ensure that the authorization information provided to the ASC is updated and accurate.<sup>42</sup>
7. States must adopt and implement a written policy to protect the right of access to the Appraiser Registry, as well as the ASC issued User Name and Password.<sup>43</sup>
8. States must ensure the accuracy of all data submitted to the Appraiser Registry.<sup>44</sup>
9. States must submit appraiser data (other than discipline) to the ASC at least monthly. If a State’s data does not change during the month, the State agency must notify the ASC of that fact in writing.<sup>45</sup>
10. If a State certified or licensed appraiser chooses not to pay the registry fee, the State must ensure that any potential user of that appraiser’s services is aware that the appraiser’s certificate or license is limited to performing appraisals only in connection with non-federally related transactions.<sup>46</sup>

---

<sup>40</sup> *Id.*

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Id.*

<sup>44</sup> *Id.*

<sup>45</sup> *Id.*

<sup>46</sup> *Id.*

## ***POLICY STATEMENT 4***

### ***Application Process***

AQB Criteria sets forth the minimum education, experience and examination requirements applicable to all States for credentialing of real property appraisers (certified, licensed, trainee and supervisory). In the application process, States must, at a minimum, employ a reliable means of validating both education and experience credit claimed by applicants for credentialing.<sup>47</sup> Effective January 1, 2017, AQB Criteria also requires States to assess whether an applicant for a real property appraiser credential possesses a background that would not call into question public trust. The basis for such assessment shall be a matter left to the individual States, and must, at a minimum, be documented to the file.

#### ***A. Processing of Applications***

States must process applications in a consistent, equitable and well-documented manner. Applications for credentialing should be timely processed by State agencies (within 90 calendar days after receipt of a completed application). Any delay in the processing of applications must be sufficiently documented in the file to explain the delay. States must ensure appraiser credential applications submitted for processing do not contain invalid examinations as established by AQB Criteria.

States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance, upgrade and renewal of a credential so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

Documentation must include:

1. Application receipt date;
2. Education;

---

<sup>47</sup> Includes applications for credentialing of trainee, licensed, certified residential or certified general classifications.

3. Experience;
4. Examination;
5. Continuing education; and
6. Any administrative or disciplinary action taken in connection with the application process, including results of any continuing education audit.

## ***B. Qualifying Education for Initial or Upgrade Applications***

States must verify that:

- (1) the applicant's claimed education courses are acceptable under AQB Criteria; and
- (2) the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought.

States may not accept an affidavit for claimed qualifying education from applicants for any federally recognized credential.<sup>48</sup> States must maintain adequate documentation to support verification of education claimed by applicants.

## ***C. Continuing Education for Reinstatement and Renewal Applications***

### ***1. Reinstatement Applications***

States must verify that:

- (1) the applicant's claimed continuing education courses are acceptable under AQB Criteria; and
- (2) the applicant has successfully completed all continuing education consistent with AQB Criteria for reinstatement of the appraiser credential sought.

---

<sup>48</sup> If a State accepts education-related affidavits from applicants for initial licensure in any non-certified classification, upon the appraiser's application to upgrade to a certified classification, the State must require documentation to support the appraiser's educational qualification for the certified classification, not just the incremental amount of education required to move from the non-certified to the certified classification. This requirement applies to all federally recognized credentials.

States may not accept an affidavit for continuing education claimed from applicants for reinstatement. Applicants for reinstatement must submit documentation to support claimed continuing education and States must maintain adequate documentation to support verification of claimed education.

## **2. *Renewal Applications***

States must ensure that continuing education courses for renewal of an appraiser credential are consistent with AQB Criteria and that continuing education hours required for renewal of an appraiser credential were completed consistent with AQB Criteria. States may accept affidavits for continuing education credit claimed for credential renewal so long as the State implements a reliable validation procedure that adheres to the following objectives and requirements:

### *a. Validation objectives*

The State's validation procedures must be structured to permit acceptable projections of the sample results to the entire population of subject appraisers. Therefore, the sample must include an adequate number of affidavits selected from each federally recognized credential level to have a reasonable chance of identifying appraisers who fail to comply with AQB Criteria, and the sample must include a statistically relevant representation of the appraiser population being sampled.

### *b. Minimum Standards*

- 1) Validation must include a prompt post-approval audit. Each audit of an affidavit for continuing education credit claimed must be completed within 60 business days from the date the credential is scheduled for renewal (based on the credential's expiration date). To ensure the audit is a statistically relevant representation, a sampling of credentials that were renewed after the scheduled expiration date and/or beyond the date the sample was selected, must also be audited to ensure that a credential holder may not avoid being selected for a continuing education audit by renewing early or late.

- 2) States must audit the continuing education-related affidavit for each credentialed appraiser selected in the sampling procedure.
- 3) States must determine that education courses claimed conform to AQB Criteria and that the appraiser successfully completed each course.
- 4) When a State determines that an appraiser's continuing education does not meet AQB Criteria, and the appraiser has failed to complete any remedial action offered, the State must take appropriate action to suspend the appraiser's eligibility to perform appraisals in federally related transactions until such time that the requisite continuing education has been completed. The State must notify the ASC within five (5) business days after taking such action in order for the appraiser's record on the Appraiser Registry to be updated appropriately.
- 5) If a State determines that a renewal applicant knowingly falsely attested to completing the continuing education required by AQB Criteria, the State must take appropriate administrative and/or disciplinary action and report such action, if deemed to be discipline, to the ASC within five (5) business days.
- 6) If more than ten percent of the audited appraisers fail to meet the AQB Criteria, the State must take remedial action<sup>49</sup> to address the apparent weakness of its affidavit process. The ASC will determine on a case-by-case basis whether remedial actions are effective and acceptable.
- 7) In the case of a renewal being processed after the credential's expiration date, but within the State's allowed grace period for a late renewal, the

---

<sup>49</sup> For example:

- (1) a State may conduct an additional audit using a higher percentage of audited appraisers; or
- (2) a State may publicly post action taken to sanction non-compliant appraisers to increase awareness in the appraiser community of the importance of compliance with continuing education requirements.

State must establish a reliable process to audit affidavits for continuing education (e.g., requiring documentation of all continuing education).

*c. Documentation*

States must maintain adequate documentation to support its affidavit renewal and audit procedures and actions.

*d. List of Education Courses*

To promote accountability, the ASC encourages States accepting affidavits for continuing education credit claimed for credential renewal to require that the appraiser provide a list of courses to support the affidavit.

## ***D. Experience for Initial or Upgrade Applications***

States must ensure that appraiser experience logs conform to AQB Criteria. States may not accept an affidavit for experience credit claimed by applicants for any federally recognized credential.<sup>50</sup>

### ***1. Validation Required***

States must implement a reliable validation procedure to verify that each applicant's experience meets AQB Criteria, including but not limited to, being USPAP compliant and containing the required number of hours and months.

### ***2. Validation Procedures, Objectives and Requirements***

#### *a. Experience Hours Validation*

States must determine the hours and time period claimed on the experience log are accurate. Appraiser Program staff or State board members must select

---

<sup>50</sup> See Policy Statement 1D and E for discussion of "federally recognized credential" and "non-federally recognized credential." If prior to July 1, 2013, a State accepted experience-related affidavits from applicants for initial licensure in any non-certified classification, upon the appraiser's application to upgrade to a certified classification, the State must require experience documentation to support the appraiser's qualification for the certified classification, not just the incremental amount of experience required to move from the non-certified to the certified classification. For example, if a State accepted an experience affidavit from an appraiser to support the appraiser's initial hours to qualify for the licensed classification, and subsequently that appraiser applies to upgrade to the certified residential classification, the State must require documentation to support the full experience hours required for the certified residential classification, not just the difference in hours between the two classifications.

the work product to validate the experience hours claimed; applicants may not have any role in this selection process.

*b. USPAP Compliance*

States must analyze a representative sample of the applicant's work product for compliance with USPAP. For appraisal experience to be acceptable under AQB Criteria, it must be USPAP compliant. States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP. Persons analyzing work product for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.

*c. Determination of Experience Time Periods*

Experience time periods must conform to requirements set forth in the AQB Criteria for the credential sought.

*d. Supporting Documentation*

States must maintain adequate documentation to support validation methods. The applicant's file, either electronic or paper, must include the information necessary to identify each appraisal assignment selected to validate the experience hours claimed and each appraisal assignment analyzed by the State for USPAP compliance, notes, letters and/or reports prepared by the official(s) evaluating the report for USPAP compliance, and any correspondence exchanged with the applicant regarding the appraisals submitted. This supporting documentation may be discarded upon the completion of the first ASC Compliance Review performed after the credential issuance or denial for that applicant.

***E. Examination***

States must ensure that an appropriate AQB-approved qualifying examination is administered for each of the federally recognized appraiser classifications requiring an examination.



## ***F. Summary of Requirements***

### ***Processing of Applications***

1. States must process applications in a consistent, equitable and well-documented manner.<sup>51</sup>
2. States must ensure appraiser credential applications submitted for processing do not contain invalid examinations as established by AQB Criteria.<sup>52</sup>
3. States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance, upgrade or renewal of a credential so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>53</sup>

### ***Education***

1. States must verify that the applicant's claimed education courses are acceptable under AQB Criteria, whether for initial credentialing, renewal, upgrade or reinstatement.<sup>54</sup>
2. States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought, whether for initial credentialing, renewal, upgrade or reinstatement.<sup>55</sup>
3. States must maintain adequate documentation to support verification.<sup>56</sup>
4. States may not accept an affidavit for education claimed from applicants for any federally recognized credential.<sup>57</sup>
5. States may not accept an affidavit for continuing education claimed from applicants for reinstatement.<sup>58</sup>
6. States may accept affidavits for continuing education credit claimed for credential renewal so long as the State implements a reliable validation procedure.<sup>59</sup>
7. Audits of affidavits for continuing education credit claimed must be completed

---

<sup>51</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>52</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>53</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>54</sup> *Id.*

<sup>55</sup> *Id.*

<sup>56</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>57</sup> *Id.*

<sup>58</sup> *Id.*

<sup>59</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

within sixty (60) business days from the date the credential is scheduled for renewal (based on the credential's expiration date).<sup>60</sup>

8. In the case of a renewal being processed after the credential's expiration date, but within the State's allowed grace period for a late renewal, the State must establish a reliable process to audit affidavits for continuing education (*e.g.*, requiring documentation of all continuing education).<sup>61</sup>
9. States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education credit claimed fail to meet the minimum AQB Criteria.<sup>62</sup>
10. States are required to take appropriate administrative and/or disciplinary action when it is determined that an applicant knowingly falsely attested to completing continuing education.<sup>63</sup>
11. When a State determines that an appraiser's continuing education does not meet AQB Criteria, and the appraiser has failed to complete any remedial action offered, the State must take appropriate action to suspend the appraiser's eligibility to perform appraisals in federally related transactions until such time that the requisite continuing education has been completed. The State must notify the ASC within five (5) business days after taking such action in order for the appraiser's record on the Appraiser Registry to be updated appropriately.<sup>64</sup>

### ***Experience***

1. States may not accept an affidavit for experience credit claimed from applicants for any federally recognized credential.<sup>65</sup>
2. States must ensure that appraiser experience logs conform to AQB Criteria.<sup>66</sup>
3. States must use a reliable means of validating appraiser experience claims on all

---

<sup>60</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>61</sup> *Id.*

<sup>62</sup> *Id.*

<sup>63</sup> *Id.*

<sup>64</sup> *Id.*

<sup>65</sup> *Id.*

<sup>66</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

- initial or upgrade applications for appraiser credentialing.<sup>67</sup>
4. States must select the work product to validate the experience hours claimed on all initial or upgrade applications for appraiser credentialing.<sup>68</sup>
  5. States must analyze a representative sample of the applicant's work product for compliance with USPAP on all initial or upgrade applications for appraiser credentialing.<sup>69</sup>
  6. States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing.<sup>70</sup>
  7. Persons analyzing work product for USPAP compliance must be knowledgeable about appraisal practice and USPAP, and States must be able to document how such persons are so qualified.<sup>71</sup>
  8. Experience time periods must conform to requirements set forth in the AQB Criteria for the credential sought.<sup>72</sup>

### ***Examination***

1. States must ensure that an appropriate AQB-approved qualifying examination is administered for each of the federally recognized credentials requiring an examination.<sup>73</sup>

---

<sup>67</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>68</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>69</sup> *Id.*

<sup>70</sup> *Id.*

<sup>71</sup> *Id.*

<sup>72</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>73</sup> *Id.*

## ***POLICY STATEMENT 5***

### ***Reciprocity***

#### ***A. Reciprocity Policy***

Title XI contemplates the reasonably free movement of certified and licensed appraisers across State lines. The ASC monitors Appraiser Programs for compliance with the reciprocity provision of Title XI as amended by the Dodd-Frank Act.<sup>74</sup> Title XI requires that in order for a State's appraisers to be eligible to perform appraisals for federally related transactions, the State must have a policy in place for issuing reciprocal credentials IF:

- a. the appraiser is coming from a State (Home State) that is "in compliance" with Title XI as determined by the ASC; AND
- b. (i) the appraiser holds a valid credential from the Home State; AND  
  
(ii) the credentialing requirements of the Home State<sup>75</sup> meet or exceed those of the reciprocal credentialing State (Reciprocal State).<sup>76</sup>

An appraiser relying on a credential from a State that does not have such a policy in place may not perform appraisals for federally related transactions. A State may be more lenient in the issuance of reciprocal credentials by implementing a more open door policy. However, States cannot impose additional impediments to obtaining reciprocal credentials.

For purposes of implementing the reciprocity policy, States with an ASC Finding<sup>77</sup> of "Poor" do not satisfy the "in compliance" provision for reciprocity. Therefore, States are not required to recognize, for purposes of granting a reciprocal credential, the license or certification of an appraiser credentialed in a State with an ASC Finding of "Poor."

---

<sup>74</sup> Title XI § 1122 (b), 12 U.S.C. § 3351.

<sup>75</sup> As they exist at the time of application for reciprocal credential.

<sup>76</sup> *Id.*

<sup>77</sup> See Appendix A, *Compliance Review Process*, for an explanation of ASC Findings.

## ***B. Application of Reciprocity Policy***

The following examples illustrate application of reciprocity in a manner that complies with Title XI. The examples refer to the reciprocity policy requiring issuance of a reciprocal credential IF:

- a. the appraiser is coming from a State that is "in compliance"; AND
- b. (i) the appraiser holds a valid credential from that State; AND  
(ii) the credentialing requirements of that State (as they currently exist) meet or exceed those of the reciprocal credentialing State (as they currently exist).

### ***Example 1. Additional Requirements Imposed on Applicants***

State A requires that prior to issuing a reciprocal credential the applicant must certify that disciplinary proceedings are not pending against that applicant in any jurisdiction. Under b (ii) above, if this requirement is not imposed on all of its own applicants for credentialing, STATE A cannot impose this requirement on applicants for reciprocal credentialing.

### ***Example 2. Credentialing Requirements***

An appraiser is seeking a reciprocal credential in STATE A. The appraiser holds a valid credential in STATE Z, even though it was issued in 2007. This satisfies b (i) above. However, in order to satisfy b (ii), STATE A would evaluate STATE Z's credentialing requirements as they currently exist to determine whether they meet or exceed STATE A's current requirements for credentialing.

### ***Example 3. Multiple State Credentials***

An appraiser credentialed in several States is seeking a reciprocal credential in State A. That appraiser's initial credentials were obtained through examination in the original credentialing State and through reciprocity in the additional States. State A requires the applicant to provide a "letter of good standing" from the State of original credentialing as a

condition of granting a reciprocal credential. State A may not impose such a requirement since Title XI does not distinguish between credentials obtained by examination and credentials obtained by reciprocity for purposes of granting reciprocal credentials.

### ***C. Appraiser Compliance Requirements***

In order to maintain a credential granted by reciprocity, appraisers must comply with the credentialing State's policies, rules and statutes governing appraisers, including requirements for payment of certification and licensing fees, as well as continuing education.<sup>78</sup>

### ***D. Well-Documented Application Files***

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

### ***E. Summary of Requirements***

1. States must have a reciprocity policy in place for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI in order for the State's appraisers to be eligible to perform appraisals for federally related transactions.<sup>79</sup>
2. States may be more lenient in the issuance of reciprocal credentials by implementing a more open door policy; however, States may not impose additional impediments to issuance of reciprocal credentials.<sup>80</sup>

---

<sup>78</sup> A State may offer to accept continuing education (CE) for a renewal applicant who has satisfied CE requirements of a home State; however, a State may not impose this as a requirement for renewal, thereby imposing a requirement for the renewal applicant to retain a home State credential.

<sup>79</sup> Title XI § 1122 (b), 12 U.S.C. § 3351.

<sup>80</sup> *Id.*

3. States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance of a credential by reciprocity so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>81</sup>

---

<sup>81</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

## ***POLICY STATEMENT 6***

### ***Education***

AQB Criteria sets forth minimum requirements for appraiser education courses. This Policy Statement addresses proper administration of education requirements for compliance with AQB Criteria. (For requirements concerning qualifying and continuing education in the application process, see Policy Statement 4, *Application Process*.)

#### ***A. Course Approval***

States must ensure that approved appraiser education courses are consistent with AQB Criteria and maintain sufficient documentation to support that approved appraiser education courses conform to AQB Criteria.

States should ensure that course approval expiration dates assigned by the State coincide with the endorsement period assigned by the AQB's Course Approval Program or any other AQB-approved organization providing approval of course design and delivery. States may not continue to accept AQB approved courses after the AQB's expiration date unless the course content is reviewed and approved by the State.

States should ensure that educational providers are afforded equal treatment in all respects.<sup>82</sup>

States are encouraged to accept courses approved by the AQB's Course Approval Program.

#### ***B. Distance Education***

States must ensure that distance education courses meet AQB Criteria and that the

---

<sup>82</sup> For example:

(1) consent agreements requiring additional education should not specify a particular course provider when there are other providers on the State's approved course listing offering the same course; and

(2) courses from professional organizations should not be automatically approved and/or approved in a manner that is less burdensome than the State's normal approval process.



delivery mechanism for distance education courses offered by a non-academic provider, including secondary providers, has been approved by an AQB-approved organization providing approval of course design and delivery.

States may not continue to accept courses after the AQB-approved organization's approval of course design and delivery date has expired.

### ***C. Summary of Requirements***

1. States must ensure that appraiser education courses are consistent with AQB Criteria.<sup>83</sup>
2. States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria.<sup>84</sup>
3. States must ensure the delivery mechanism for distance education courses offered by a non-academic provider, including secondary providers, has been approved by an AQB-approved organization providing approval of course design and delivery.<sup>85</sup>

---

<sup>83</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

<sup>84</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>85</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; AQB *Real Property Appraiser Qualification Criteria*.

## ***POLICY STATEMENT 7***

### ***State Agency Enforcement***

#### ***A. State Agency Regulatory Program***

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

#### ***B. Enforcement Process***

States must ensure that the system for processing and investigating complaints<sup>87</sup> and sanctioning appraisers is administered in a timely, effective, consistent, equitable, and well-documented manner.

##### ***1. Timely Enforcement***

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

---

<sup>86</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

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

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

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

## ***2. Effective Enforcement***

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

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

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

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

## ***3. Consistent and Equitable Enforcement***

Absent specific documented facts or considerations, substantially similar cases

---

<sup>89</sup> Title XI § 1117, 12 U.S.C. § 3346.

within a State should result in similar dispositions.

#### ***4. Well-Documented Enforcement***

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

##### *a. Complaint Files*

Complaint files must:

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

##### *b. Complaint Logs*

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

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

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

### ***C. Summary of Requirements***

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

---

<sup>90</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>91</sup> *Id.*

<sup>92</sup> *Id.*

complaint log.<sup>93</sup>

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

---

<sup>93</sup> *Id.*

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> *Id.*

# ***PART B: AMC PROGRAM***

## ***POLICY STATEMENT 8***

### ***Statutes, Regulations, Policies and Procedures Governing State AMC Programs***

#### ***A. Participating States and ASC Oversight***

States are not required to establish an AMC registration and supervision program. For those States electing to participate in the registration and supervision of AMCs (participating States), ASC staff will informally monitor the State's progress to implement the requirements of Title XI and the AMC Rule.<sup>97</sup> Formal ASC oversight of State AMC Programs will begin at the next regularly scheduled Compliance Review of a State after a State elects to register and supervise AMCs pursuant to the AMC Rule. Formal ASC oversight will consist of evaluating AMC Programs in participating States during the Compliance Review process to determine compliance or lack thereof with Title XI, and to assess implementation of the minimum requirements for State registration and supervision of AMCs as established by the AMC Rule. Upon expiration of the statutory implementation period (see Policy Statement 11, *Statutory Implementation Period*), Compliance Reviews will include ASC oversight of AMC Programs for any participating State.

#### ***B. Relation to State Law***

Participating States may establish requirements in addition to those in the AMC Rule.

Participating States may also have a more expansive definition of AMCs.<sup>98</sup> However, if a participating State has a more expansive definition of AMCs than in Title XI (thereby

---

<sup>97</sup> Title XI § 1103 (a)(1)(B), 12 U.S.C. § 3332. AMC Rule means the interagency final rule on minimum requirements for State registration and supervision of AMCs (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

<sup>98</sup> Title XI as amended by the Dodd-Frank Act defines “appraisal management company” to mean, in part, an external third party that oversees a network or panel of more than 15 appraisers (State certified or licensed) in a State, or 25 or more appraisers nationally (two or more States) within a given year. (12 U.S.C.

encompassing State regulation of AMCs that are not within the Title XI definition of AMC), the State must ensure such AMCs are identified as such in the State database, just as States currently do for non-federally recognized credentials or designations. Only those AMCs that meet the Federal definition of AMC will be eligible to be on the AMC Registry.

### ***C. Funding and Staffing***

The Dodd-Frank Act amended Title XI to require the ASC to determine whether participating States have sufficient funding and staffing to meet their Title XI requirements. Compliance with this provision requires that a State must provide its AMC Program with funding and staffing sufficient to carry out its Title XI-related duties. The ASC evaluates the sufficiency of funding and staffing as part of its review of all aspects of an AMC Program's effectiveness, including the adequacy of State boards, committees, or commissions responsible for carrying out Title XI-related duties.

### ***D. Minimum Requirements for Registration and Supervision of AMCs as Established by the AMC Rule***

#### ***1. AMC Registration and Supervision***

If a State chooses to participate in the registration and supervision of AMCs in accordance with the AMC Rule, the State will be required to comply with the minimum requirements set forth in the AMC Rule. States should refer to the AMC Rule for compliance requirements<sup>99</sup> as this Policy Statement merely summarizes what the AMC Rule requires of participating States.

(a) The AMC Rule includes requirements for participating States to establish and maintain within the State appraiser certifying and licensing agency an AMC Program with the legal authority and mechanisms to:

---

3350(11)). Title XI as amended by the Dodd-Frank Act also allows States to adopt requirements in addition to those in the AMC Rule. (12 U.S.C. 3353(b)). For example, States may decide to supervise entities that provide appraisal management services, but do not meet the size thresholds of the Title XI definition of AMC. If a State has a more expansive regulatory framework that covers entities that provide appraisal management services but do not meet the Title XI definition of AMC, the State should only submit information regarding AMCs meeting the Title XI definition to the AMC Registry.

<sup>99</sup> See footnote 97.



(1) Review and approve or deny AMC initial registration applications and/or renewals for registration;

(2) Examine records of AMCs and require AMCs to submit information;

(3) Verify that appraisers on AMCs' panels hold valid State credentials;

(4) Conduct investigations of AMCs to assess potential violations of appraisal-related laws, regulations, or orders;

(5) Discipline, suspend, terminate, or deny renewal of the registration of an AMC that violates appraisal-related laws, regulations, or orders; and

(6) Report an AMC's violation of appraisal-related laws, regulations, or orders, as well as disciplinary and enforcement actions and other relevant information about an AMC's operations, to the ASC.

(b) The AMC Rule includes requirements for participating States to impose requirements on AMCs that are not Federally regulated AMCs<sup>100</sup> to:

(1) Register with and be subject to supervision by the State appraiser certifying and licensing agency;

(2) Engage only State-certified or State-licensed appraisers for federally related transactions in conformity with any federally related transaction regulations;

(3) 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,

---

<sup>100</sup> "Federally regulated AMCs," meaning AMCs that are subsidiaries owned and controlled by an insured depository institution or an insured credit union and regulated by a Federal financial institutions regulatory agency, are not required to register with the State (Title XI § 1124 (c), 12 U.S.C. § 3353(c)).

and experience necessary to competently complete the appraisal assignment for the particular market and property type;

(4) Direct the appraiser to perform the assignment in accordance with USPAP; and

(5) 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) through (i) of the Truth in Lending Act, 15 U.S.C. 1639e(a) through (i), and regulations thereunder.

## **2. Ownership Limitations for State-registered AMCs**

### *A. Appraiser certification or licensing of Owners*

An AMC subject to State registration shall not be registered by a State or included on the AMC Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause,<sup>101</sup> as determined by the State appraiser certifying and licensing agency. A State's process for review could, for example, be by questionnaire, or affidavit, or background screening, or otherwise. States must document to the file the State's method of review and the result.

### *B. Good Moral Character of Owners*

An AMC shall not be registered by a State if any person that owns more than 10 percent of the AMC—

- (1) Is determined by the State not to have good moral character; or
- (2) Fails to submit to a background investigation carried out by the State.

---

<sup>101</sup> An AMC subject to State registration is not barred from being registered by a State or included on the AMC Registry of AMCs if the license or certificate 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. (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

A State's process for review could, for example, be by questionnaire, or affidavit, or background screening, or otherwise. The ASC would expect written documentation of the State's method of review and the result.

### **3. Requirements for Federally Regulated AMCs**

Participating States are not required to identify Federally regulated AMCs<sup>102</sup> operating in their States, but rather the Federal financial institution regulatory agencies are responsible for requiring such AMCs to identify themselves to participating States and report required information.

A Federally regulated AMC shall not be included on the AMC Registry if such AMC, in whole or in part, directly or indirectly, is owned by any person who has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any State for a substantive cause, as determined by the ASC.

### **E. Summary of Requirements**

1. Participating States must establish and maintain an AMC Program with the legal authority and mechanisms consistent with the AMC Rule.<sup>103</sup>
2. Participating States must impose requirements on AMCs consistent with the AMC Rule.<sup>104</sup>
3. Participating States must enforce and document ownership limitations for State-registered AMCs.<sup>105</sup>
4. Only those AMCs that meet the Federal definition of AMC will be eligible to be on the AMC Registry. Therefore, participating States that have a more expansive

---

<sup>102</sup> See footnote 97.

<sup>103</sup> 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

<sup>104</sup> *Id.*

<sup>105</sup> *Id.*

definition of AMCs than in the AMC Rule must ensure such non-Federally recognized AMCs are identified as such in the State database.<sup>106</sup>

5. States must have funding and staffing sufficient to carry out their Title XI-related duties.<sup>107</sup>

---

<sup>106</sup> Title XI § 1118 (b), 12 U.S.C. § 3347.

<sup>107</sup> *Id.*

## ***POLICY STATEMENT 9***

### ***National Registry of AMCs (AMC Registry)***

#### ***A. Requirements for the AMC Registry***

Title XI requires the ASC to maintain the AMC Registry of AMCs that are either registered with and subject to supervision of a participating State or are operating subsidiaries of a Federally regulated financial institution.<sup>108</sup> Title XI further requires the States to transmit to the ASC: (1) reports on a timely basis of supervisory activities involving AMCs, including investigations resulting in disciplinary action being taken; and (2) the registry fee as set by the ASC<sup>109</sup> from AMCs that are either registered with a participating State or are Federally regulated AMCs.<sup>110</sup>

As with appraiser registry fees, Title XI, § 1109(a)(4)(b) requires the AMC registry fee to be collected by each participating State and transmitted to the ASC. Therefore, as with appraisers, an AMC will pay a registry fee in each participating State in which the AMC operates. As with appraisers, an AMC operating in multiple participating States will pay a registry fee in multiple States in order to be on the AMC Registry for each State.

States must notify the ASC as soon as practicable if an AMC listed on the AMC Registry is no longer registered with or operating in the State. The ASC extranet application allows States to update their AMC information directly to the AMC Registry.

#### ***B. Registry Fee and Invoicing Policies***

Each State must remit to the ASC the annual registry fee, as set by the ASC, for AMCs to be listed on the AMC Registry. Requests to prorate refunds or partial-year registrations will not be granted. If a State collects multiple-year fees for multiple-years, the State may choose

---

<sup>108</sup> Title XI § 1103 (a) (6), 12 U.S.C. § 3332.

<sup>109</sup> Title XI § 1109 (a) (4), 12 U.S.C. § 3338.

<sup>110</sup> Title XI § 1109 (a) (3) and (4), 12 U.S.C. § 3338.

to remit to the ASC the total amount of the multiple-year registry fees or the equivalent annual fee amount. The ASC will, however, record AMCs on the AMC Registry only for the number of years for which the ASC has received payment. States must reconcile and pay registry invoices in a timely manner (45 calendar days after receipt of the invoice).

### ***C. Reporting Requirements***

State agencies must report all disciplinary action<sup>111</sup> taken against an AMC to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement. For the most serious disciplinary actions (*e.g.*, any action that interrupts an AMCs ability to provide appraisal management services), the AMCs status must be changed on the AMC Registry to “inactive.” A Federally regulated AMC operating in a State must report to the State the information required to be submitted by the State to the ASC, pursuant to the ASC’s policies regarding the determination of the AMC registry fee.

### ***D. Access to AMC Registry Data***

The ASC website provides free access to the public portion of the AMC Registry at [www.asc.gov](http://www.asc.gov). The public portion of the AMC Registry data may be downloaded using predefined queries or user-customized applications.

Access to the full database, which includes non-public data (*e.g.*, certain disciplinary action information), is restricted to authorized State and Federal regulatory agencies. States must designate a senior official, such as an executive director, to serve as the State’s Authorized Registry Official, and provide to the ASC, in writing, information regarding the designated Authorized Registry Official. States must ensure that the authorization information provided to the ASC is updated and accurate. States must adopt and implement a written policy to protect the right of access, as well as the ASC issued User Name and Password.

---

<sup>111</sup> See Appendix B, *Glossary of Terms*, for the definition of “disciplinary action.”

## ***E. Summary of Requirements***

1. States must reconcile and pay registry invoices in a timely manner (45 calendar days after receipt of the invoice).<sup>112</sup>
2. State agencies must report all disciplinary action taken against an AMC to the ASC via the extranet application within 5 business days after the disciplinary action is final, as determined by State law.<sup>113</sup>
3. States not reporting via the extranet application must provide, in writing to the ASC, a description of the circumstances preventing compliance with this requirement.<sup>114</sup>
4. For the most serious disciplinary actions (*e.g.*, any action that interrupts an AMC's ability to provide appraisal management services), the AMC's status must be changed on the AMC Registry to "inactive."<sup>115</sup>
5. States must notify the ASC as soon as practicable if an AMC listed on the AMC Registry is no longer registered with or operating in the State.
6. States must designate a senior official, such as an executive director, who will serve as the State's Authorized Registry Official, and provide to the ASC, in writing, information regarding the selected Authorized Registry Official, and any individual(s) authorized to act on their behalf.<sup>116</sup>
7. States must adopt and implement a written policy to protect the right of access to the AMC Registry, as well as the ASC issued User Name and Password.<sup>117</sup>
8. States must ensure the accuracy of all data submitted to the AMC Registry.<sup>118</sup>

---

<sup>112</sup> Title XI § 1118 (a), 12 U.S.C. § 3347; Title XI § 1109 (a), 12 U.S.C. § 3338.

<sup>113</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>114</sup> *Id.*

<sup>115</sup> *Id.*

<sup>116</sup> *Id.*

<sup>117</sup> *Id.*

<sup>118</sup> *Id.*

## ***POLICY STATEMENT 10***

### ***State Agency Enforcement***

#### ***A. State Agency Regulatory Program***

Title XI requires the ASC to monitor the States for the purpose of determining whether the State processes complaints and completes investigations in a reasonable time period, appropriately disciplines sanctioned AMCs and maintains an effective regulatory program.<sup>119</sup>

#### ***B. Enforcement Process***

States must ensure that the system for processing and investigating complaints<sup>120</sup> and sanctioning AMCs is administered in a timely, effective, consistent, equitable, and well-documented<sup>121</sup> manner.

##### ***1. Timely Enforcement***

States must process complaints against AMCs in a timely manner to ensure effective supervision of AMCs. Absent special documented circumstances, final administrative decisions regarding complaints must occur within one year (12 months) of the complaint filing date. Special documented circumstances are those extenuating circumstances (fully documented) beyond the control of the State agency that delays normal processing of a complaint such as: complaints involving a criminal investigation by a law enforcement agency when the investigative agency requests that the State refrain from proceeding; final disposition that has been appealed to a higher court; documented medical condition of the respondent; ancillary civil litigation; and complex fraud cases that involve multiple individuals and reports. Such special documented circumstances also include those periods when State rules require referral of a complaint to another State entity for review

---

<sup>119</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>120</sup> See Appendix B, *Glossary of Terms*, for the definition of “complaint.”

<sup>121</sup> See Appendix B, *Glossary of Terms*, for the definition of “well-documented.”



and the State agency is precluded from further processing of the complaint until it is returned. In that circumstance, the State agency should document the required referral and the time period during which the complaint was not under its control or authority.

## ***2. Effective Enforcement***

Effective enforcement requires that States investigate complaints, and if allegations are proven, take appropriate disciplinary or remedial action.

## ***3. Consistent and Equitable Enforcement***

Absent specific documented facts or considerations, substantially similar cases within a State should result in similar dispositions.

## ***4. Well-Documented Enforcement***

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

### ***a. Complaint Files***

Complaint files must:

- include documentation outlining the progress of the investigation;
- include rationale for the final outcome of the case (*i.e.*, dismissal or imposition of discipline);
- include documentation explaining any delay in processing, investigation or adjudication;
- contain documentation that all ordered or agreed upon discipline is tracked and that completion of all terms is confirmed; and
- be organized in a manner that allows understanding of the steps taken throughout the complaint, investigation, and adjudicatory process.

### *b. Complaint Logs*

States must track all complaints using a complaint log. The complaint log must record all complaints, regardless of their procedural status in the investigation and/or resolution process, including complaints pending before the State board, Office of the Attorney General, other law enforcement agencies, and/or offices of administrative hearings. The complaint log must include the following information (States are strongly encouraged to maintain this information in an electronic, sortable format):

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

### ***C. Summary of Requirements***

1. States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations.<sup>122</sup>
2. States must resolve all complaints filed against AMCs within one year (12 months) of the complaint filing date, except for special documented circumstances.<sup>123</sup>

---

<sup>122</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>123</sup> *Id.*

3. States must ensure that the system for processing and investigating complaints and sanctioning AMCs is administered in an effective, consistent, equitable, and well-documented manner.<sup>124</sup>

4. States must track complaints of alleged AMC misconduct or wrongdoing using a complaint log.<sup>125</sup>

5. States must appropriately document enforcement files and include rationale.<sup>126</sup>

---

<sup>124</sup> *Id.*

<sup>125</sup> *Id.*

<sup>126</sup> *Id.*

## ***POLICY STATEMENT 11***

### ***Statutory Implementation Period***

Title XI and the AMC Rule set forth the statutory implementation period.<sup>127</sup> The AMC Rule was effective on August 10, 2015. As of 36 months from that date (August 10, 2018), an AMC may not provide appraisal management services for a federally related transaction in a non-participating State unless the AMC is a Federally regulated AMC. Appraisal management services may still be provided for federally related transactions in non-participating States by individual appraisers, by AMCs that are below the minimum statutory panel size threshold, and as noted, by Federally regulated AMCs.

The ASC, with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this statutory implementation period for an additional 12 months if the ASC makes a finding that a State has made substantial progress toward implementing a registration and supervision program for AMCs that meets the standards of Title XI.<sup>128</sup>

---

<sup>127</sup> Title XI § 1124 (f)(1), 12 U.S.C. § 3353 and 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26.

<sup>128</sup> Title XI § 1124 (f)(2), 12 U.S.C. § 3353.

# ***PART C: INTERIM SANCTIONS***

## ***POLICY STATEMENT 12***

### ***Interim Sanctions***

#### ***A. Authority***

Title XI grants the ASC authority to impose sanctions on a State that fails to have an effective Appraiser or AMC Program.<sup>129</sup> The ASC may remove a State credentialed appraiser or a registered AMC from the Appraiser or AMC Registry on an interim basis, not to exceed 90 days, pending State agency action on licensing, certification, registration and disciplinary proceedings as an alternative to or in advance of a non-recognition proceeding.<sup>130</sup> In determining whether an Appraiser or AMC Program is effective, the ASC shall conduct an analysis as required by Title XI. An ASC Finding of Poor on the Compliance Review Report<sup>131</sup> issued to a State at the conclusion of an ASC Compliance Review may trigger an analysis by the ASC for potential interim sanction(s). The following provisions apply to the exercise by the ASC of its authority to impose interim sanction(s) on State agencies.

#### ***B. Opportunity to be Heard or Correct Conditions***

The ASC shall provide the State agency with:

1. written notice of intention to impose an interim sanction; and
2. opportunity to respond or to correct the conditions causing such notice to the State.

Notice and opportunity to respond or correct the conditions shall be in accordance with section C, *Procedures*.

---

<sup>129</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

<sup>130</sup> *Id.*

<sup>131</sup> See Appendix A – Compliance Review Process.

## ***C. Procedures***

This section prescribes the ASC's procedures which will be followed in arriving at a decision by the ASC to impose an interim sanction against a State agency.

### ***1. Notice***

The ASC shall provide a written Notice of intention to impose an interim sanction (Notice) to the State agency. The Notice shall contain the ASC's analysis as required by Title XI of the State's licensing and certification of appraisers, the registration of AMCs, the issuance of temporary licenses and certifications for appraisers, the receiving and tracking of submitted complaints against appraisers and AMCs, the investigation of complaints, and enforcement actions against appraisers and AMCs.<sup>132</sup> The ASC shall verify the State's date of receipt, and publish both the Notice and the State's date of receipt in the *Federal Register*.

### ***2. State Agency Response***

Within 15 days of receipt of the Notice, the State may submit a response to the ASC's Executive Director. Alternatively, a State may submit a Notice Not to Contest with the ASC's Executive Director. The filing of a Notice Not to Contest shall not constitute a waiver of the right to a judicial review of the ASC's decision, findings and conclusions. Failure to file a Response within 15 days shall constitute authorization for the ASC to find the facts to be as presented in the Notice and analysis. The ASC, for good cause shown, may permit the filing of a Response after the prescribed time.

### ***3. Briefs, Memoranda and Statements***

Within 45 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, the State agency may file with the ASC's Executive Director a written brief, memorandum or other statement providing factual data

---

<sup>132</sup> Title XI § 1118 (a), 12 U.S.C. § 3347.

and policy and legal arguments regarding the matters set out in the Notice and analysis.

#### **4. *Oral Presentations to the ASC***

Within 45 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, the State may file a request with the ASC's Executive Director to make oral presentation to the ASC. If the State has filed a request for oral presentation, the matter shall be heard within 45 days. An oral presentation shall be considered as an opportunity to offer, emphasize and clarify the facts, policies and laws concerning the proceeding, and is not a Meeting<sup>133</sup> of the ASC. On the appropriate date and time, the State agency will make the oral presentation before the ASC. Any ASC member may ask pertinent questions relating to the content of the oral presentation. Oral presentations will not be recorded or otherwise transcribed. Summary notes will be taken by ASC staff and made part of the record on which the ASC shall decide the matter.

#### **5. *Conduct of Interim Sanction Proceedings***

##### *(a) Written Submissions*

All aspects of the proceeding shall be conducted by written submissions, with the exception of oral presentations allowed under subsection 4 above.

##### *(b) Disqualification*

An ASC member who deems himself or herself disqualified may at any time withdraw. Upon receipt of a timely and sufficient affidavit of personal bias or disqualification of such member, the ASC will rule on the matter as a part of the record.

##### *(c) Authority of ASC Chairperson*

---

<sup>133</sup> The proceeding is more in the nature of a Briefing not subject to open meeting requirements. The presentation is an opportunity for the State to brief the ASC – to offer, emphasize and clarify the facts, policies and laws concerning the proceeding, and for the ASC members to ask questions. Additional consideration is given to the fact that this stage of the proceeding is pre-decisional.

The Chairperson of the ASC, in consultation with other members of the ASC whenever appropriate, shall have complete charge of the proceeding and shall have the duty to conduct it in a fair and impartial manner and to take all necessary action to avoid delay in the disposition of proceedings.

*(d) Rules of Evidence*

Except as is otherwise set forth in this section, relevant material and reliable evidence that is not unduly repetitive is admissible to the fullest extent authorized by the Administrative Procedure Act (5 U.S.C. §§ 551-559) and other applicable law.

**6. *Decision of the ASC and Judicial Review***

Within 90 days after the date of receipt by the State agency of the Notice as published in the *Federal Register*, or in the case of oral presentation having been granted, within 30 days after presentation, the ASC shall issue a final decision, findings and conclusions and shall publish the decision promptly in the *Federal Register*. The final decision shall be effective on issuance. The ASC's Executive Director shall ensure prompt circulation of the decision to the State agency. A final decision of the ASC is a prerequisite to seeking judicial review.

**7. *Computing Time***

Time computation is based on business days. The date of the act, event or default from which the designated period of time begins to run is not included. The last day is included unless it is a Saturday, Sunday, or Federal holiday, in which case the period runs until the end of the next day which is not a Saturday, Sunday or Federal holiday.

**8. *Documents and Exhibits***

Unless otherwise provided by statute, all documents, papers and exhibits filed in connection with any proceeding, other than those that may be withheld from disclosure under applicable law, shall be placed by the ASC's Executive Director in the proceeding's file and will be available for public inspection and copying.



## **9. *Judicial Review***

A decision of the ASC under this section shall be subject to judicial review. The form of proceeding for judicial review may include any applicable form of legal action, including actions for declaratory judgments or writs of prohibitory or mandatory injunction in a court of competent jurisdiction.<sup>134</sup>

---

<sup>134</sup> 5 U.S.C. § 703 - *Form and venue of proceeding.*

# ***APPENDICES***

## ***Appendix A – Compliance Review Process***

The ASC monitors State Appraiser and AMC Programs for compliance with Title XI. The monitoring of State Programs is largely accomplished through on-site visits known as a Compliance Review (Review). A Review is conducted over a two- to four-day period, and is scheduled to coincide with a meeting of the Program’s decision-making body whenever possible. ASC staff reviews the Appraiser Program and the seven compliance areas addressed in Policy Statements 1 through 7. ASC staff reviews a participating State’s AMC Program and the three compliance areas addressed in Policy Statements 8 through 10. Sufficient documentation demonstrating compliance must be maintained by a State and made available for inspection during the Review. ASC staff reviews a sampling of documentation in each of the compliance areas. The sampling is intended to be representative of a State Program in its entirety.

Based on the Review, ASC staff provides the State with an ASC staff report for the Appraiser Program, and if applicable, an ASC staff report for the AMC Program, detailing preliminary findings. The State is given 60 days to respond to the ASC staff report(s). At the conclusion of the Review, a Compliance Review Report (Report) is issued to the State for the Appraiser Program, and if applicable, a Report is also issued for the AMC Program, with the ASC Finding on each Program’s overall compliance, or lack thereof, with Title XI. Deficiencies resulting in non-compliance in any of the compliance areas are cited in the Report. “Areas of Concern” which potentially expose a Program to compliance issues in the future are also addressed in the Report. The ASC’s final disposition is based upon the ASC staff report, the State’s response and staff’s recommendation.

The following chart provides an explanation of the ASC Findings and rating criteria for each ASC Finding category. The ASC Finding places particular emphasis on whether the State is maintaining an effective regulatory Program in compliance with Title XI.

ASC Finding	Rating Criteria	Review Cycle (Program history or nature of deficiency may warrant a more accelerated Review Cycle.)
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	Two-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	Two-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	Two-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	One-year
Poor <sup>135</sup>	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

---

<sup>135</sup> An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 12, *Interim Sanctions*.

The ASC has two primary Review Cycles: two-year and one-year. Most States are scheduled on a two-year Review Cycle. States may be moved to a one-year Review Cycle if the ASC determines more frequent on-site Reviews are needed to ensure that the State maintains an effective Program. Generally, States are placed on a one-year Review Cycle because of non-compliance issues or serious areas of concerns that warrant more frequent on-site visits. Both two-year and one-year Review Cycles include a review of all aspects of the State's Program.

The ASC may conduct Follow-up Reviews and additional monitoring. A Follow-up Review focuses only on specific areas identified during the previous on-site Review. Follow-up Reviews usually occur within 6-12 months of the previous Review. In addition, as a risk management tool, ASC staff identifies State Programs that may have a significant impact on the nation's appraiser regulatory system in the event of Title XI compliance issues. For States that represent a significant percentage of the credentials on the Appraiser Registry, ASC staff performs annual on-site Priority Contact visits. The primary purpose of the Priority Contact visit is to review topical issues, evaluate regulatory compliance issues, and maintain a close working relationship with the State. This is not a complete Review of the Program. The ASC will also schedule a Priority Contact visit for a State when a specific concern is identified that requires special attention. Additional monitoring may be required where a deficiency is identified and reports on required or agreed upon corrective actions are required monthly or quarterly. Additional monitoring may include on-site monitoring as well as off-site monitoring.

## ***Appendix B – Glossary of Terms***

**Appraisal management company (AMC):** Refers to, in connection with valuing properties collateralizing mortgage loans or mortgages incorporated into a securitization, any external third party authorized either by a creditor of a consumer credit transaction secured by a consumer’s principal dwelling or by an underwriter of or other principal in the secondary mortgage markets, that oversees a network or panel of more than 15 certified or licensed appraisers in a State or 25 or more nationally within a given year—

(A) to recruit, select, and retain appraisers;

(B) to contract with licensed and certified appraisers to perform appraisal assignments;

(C) to manage the process of having an appraisal performed, including providing administrative duties such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed; or

(D) to review and verify the work of appraisers.

**AQB Criteria:** Refers to the *Real Property Appraiser Qualification Criteria* as established by the Appraiser Qualifications Board of the Appraisal Foundation setting forth minimum education, experience and examination requirements for the licensure and certification of real property appraisers, and minimum requirements for “Trainee” and “Supervisory” appraisers.

**Assignment:** As referenced herein, for purposes of temporary practice, “assignment” means one or more real estate appraisals and written appraisal report(s) covered by a single contractual agreement.

**Complaint:** As referenced herein, any document filed with, received by, or serving as the basis for possible inquiry by the State agency regarding alleged violation of Title XI, Federal or State law or regulation, or USPAP by a credentialed appraiser or appraiser applicant, for allegations of unlicensed appraisal activity, or complaints involving AMCs. A complaint may be in the form of a referral, letter of inquiry, or other document alleging misconduct or wrongdoing.

**Credentialed appraisers:** Refers to State licensed, certified residential or certified general appraiser classifications.

**Disciplinary action:** As referenced herein, corrective or punitive action taken by or on behalf of a State agency which may be formal or informal, or may be consensual or involuntary, resulting in any of the following:

- a. revocation of credential or registration
- b. suspension of credential or registration

- c. written consent agreements, orders or reprimands
- d. probation or any other restriction on the use of a credential
- e. fine
- f. voluntary surrender<sup>136</sup>
- g. other acts as defined by State statute or regulation as disciplinary

With the exception of voluntary surrender, suspension or revocation, such action may be exempt from reporting to the National Registry if defined by State statute, regulation or written policy as “non-disciplinary.”

**Federally related transaction:** Refers to any real estate related financial transaction which:

a) a federal financial institutions regulatory agency engages in, contracts for, or regulates; and

b) requires the services of an appraiser. (See Title XI § 1121 (4), 12 U.S.C. § 3350.)

**Federal financial institutions regulatory agencies:** Refers to 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. (See Title XI § 1121 (6), 12 U.S.C. § 3350.)

**Home State agency:** As referenced herein, State agency or agencies that grant an appraiser a licensed or certified credential. Residency in the home State is not required. Appraisers may have more than one home State agency.

**Non- federally recognized credentials or designations:** Refers to any State appraiser credential or designation other than trainee, State licensed, certified residential or certified general classifications as defined in Policy Statement 1, and which is not recognized by Title XI.

**Real estate related financial transaction:** Any transaction involving:

a) the sale, lease, purchase, investment in or exchange of real property, including interests in property, or the financing thereof;

b) the refinancing of real property or interests in real property; and

c) the use of real property or interests in property as security for a loan or investment, including mortgage-backed securities.

(See Title XI § 1121 (5), 12 U.S.C. 3350.)

---

<sup>136</sup> A voluntary surrender that is not deemed disciplinary by State law or regulation, or is not related to any disciplinary process need not be reported as discipline provided the individual’s Appraiser Registry record is updated to show the credential is inactive.

**State:** Any State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands. (American Samoa does not have a Program.)

**State board:** As referenced herein, “State board” means a group of individuals (usually appraisers, AMC representatives, bankers, consumers, and/or real estate professionals) appointed by the Governor or a similarly positioned State official to assist or oversee State Programs. A State agency may be headed by a board, commission or an individual.

**Uniform Standards of Professional Appraisal Practice (USPAP):** Refers to appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation establishing minimum requirements for development and reporting of appraisals, including real property appraisal. Title XI requires appraisals prepared by State certified and licensed appraisers to be performed in conformance with USPAP.

**Well-documented:** Means that States obtain and maintain sufficient relevant documentation pertaining to a matter so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations.

# AQB Update

## (May 2018)



APPRAISER QUALIFICATIONS BOARD



THE APPRAISAL FOUNDATION

*Authorized by Congress as the Source of Appraisal  
Standards and Appraiser Qualifications*

# **THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA AND INTERPRETATIONS OF THE CRITERIA**

Effective May 1, 2018

# WHAT IS THE AQB?

The Appraiser Qualifications Board (AQB) is an independent board of The Appraisal Foundation (TAF). The AQB is comprised of at least five practicing appraisers who are appointed by TAF's Board of Trustees for one- to three-year terms.

Under the provisions of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA), the AQB establishes the minimum education, experience, and examination requirements for real property appraisers to obtain a state license or certification as well as Supervisory Appraiser requirements. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications (see "Other AQB Work" on page 4).

## REAL PROPERTY APPRAISER QUALIFICATION CRITERIA, INTERPRETATIONS OF THE CRITERIA, GUIDE NOTES AND Q&AS

States are required to implement appraiser licensing and certification requirements that are no less stringent than those issued by the AQB in the *Real Property Appraiser Qualification Criteria (Criteria)*.

The AQB has statutory authority to develop mandatory *Criteria* for Supervisory Appraisers (not an appraiser credential classification) and the Trainee Appraiser, Licensed Residential, Certified Residential, and Certified General appraiser classifications. If a state has these classifications, they are required to adopt these *Criteria*, at a minimum, for appraisals performed in federally-related transactions.

The original *Criteria*, adopted by the AQB in March 1991, included the following classifications: Licensed Residential, Certified Residential and Certified General. Each of these classifications included requirements for education, experience, and an examination. The Trainee Appraiser classification was adopted by the AQB in 1993 and does not include experience or examination requirements.

After public exposure, the AQB adopted revisions to all classifications in early 1994 for implementation in January 1998. Major components of the revised *Criteria* included:

- An increase in the qualifying education requirements for the Licensed Residential and Certified General classifications;
- The requirement that all real property appraisers take the *15-Hour National Uniform Standards of Professional Appraisal Practice (USPAP) Course*;
- An increase in the experience requirements for the Certified Residential and Certified General Classifications from 2,000 to 2,500 hours, and from 2,000 to 3,000 hours, respectively; and
- An increase in the annual continuing education requirement from 10 to 14 classroom hours for all classifications.

After thorough public exposure, the AQB adopted significant revisions to the *Criteria* in early 2004 for implementation in January 2008. Highlights of the major revisions include:

- An increase in the qualifying education requirements for the Licensed Residential, Certified Residential, and Certified General classifications. The required education hours were raised from 90 to 150 hours for the Licensed Residential classification, 120 to 200 hours for the Certified Residential classification, and 180 to 300 hours for the Certified General classification; and
- A requirement for college-level education for the Certified Residential and Certified General classifications. The Certified Residential classification required an Associate degree or higher; or in lieu of a degree, a minimum of 21 college semester hours in specified coursework. The Certified General required a Bachelor's degree or higher, or in lieu of a degree, a minimum of 30 semester hours in specified college course work.

After five exposure drafts, in December 2011 the AQB adopted revisions to the *Criteria* for implementation in January 2015. Major revisions include:

- Education and experience must be completed prior to taking the *National Uniform Licensing and Certification Examinations*;
- Applicants for the Certified Residential and Certified General classifications must have a Bachelor's degree or higher from an accredited college or university;
- Applicants for the Licensed Residential classification must successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university, or have an Associate's degree or higher from an accredited college, junior college, community college, or university;
- Recognition of university degree programs as counting toward the education requirements in the *Criteria*;
- Removal of the "Segmented" Approach to implementation of the *Criteria*;
- Prohibition of repetitive continuing education within the same continuing education cycle;
- Clarification of the term "written examination";
- Revisions to the Trainee Appraiser classification that include a requirement to take a course oriented to the requirements and responsibilities of Trainee Appraisers and Supervisory Appraisers;
- New Supervisory Appraiser requirements;
- Revisions to Guide Note 1; and
- Additions to the illustrative list of educational topics acceptable for continuing education.

In July 2015, the AQB issued a Concept Paper exploring alternative requirements to the *Criteria*. In October 2015, the AQB held a Public Hearing with major stakeholders of the *Criteria*. In the following two years, the AQB issued a Discussion Draft and four Exposure Drafts of proposed changes to the 2015 *Criteria*. On February 1, 2018, the AQB adopted revisions to the *Criteria*. Major revisions include:

- Elimination of college-level education requirements for the Licensed Residential Real Property classification;
- Alternative college-level education requirements for the Certified Residential Real Property classification;
- An alternative track for Licensed Residential Real Property Appraisers to move to the Certified Residential Real Property Appraiser classification; and

- Modification of experience hours and experience time frames for the Licensed Residential and Certified Residential classifications, and modification of experience hours for the Certified General classification.

To further clarify AQB intent to users of the *Criteria*, the AQB may issue Interpretations of the *Criteria*. Interpretations are essential to properly understanding the *Criteria* and are, therefore, binding on users of the *Criteria*. Interpretations are added to the text of this document subsequent to their adoption by the AQB. These Interpretations are listed in subject matter order, which is designed to follow the applicable *Criteria*. As a result, the dates reflecting the adoption of some Interpretations may not follow a chronological sequence.

### **Supporting the Work of the AQB**

The AQB strongly encourages input from appraisers, users of appraisal services and the public through the exposure draft process, public meetings, speaking engagements and correspondence. Detailed information on how to support the work of the AQB is available online via the Foundation’s website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org), or by contacting the Board’s staff at the Foundation by calling (202) 347-7722, or via e-mail at [AQBcomments@appraisalfoundation.org](mailto:AQBcomments@appraisalfoundation.org).

### **Exposure Draft Process**

In recognition of the public authority of the AQB, all proposed revisions to the *Criteria* must be exposed for public comment prior to adoption. The AQB considers all comments in public meetings prior to taking final action. Prior to publication of an exposure draft, all proposed revisions to the *Criteria* are reviewed by a regulatory attorney.

### **Public Meetings**

The AQB conducts periodic public meetings. Observers are encouraged to attend and, if time permits, address the Board regarding an agenda item.

### **Speaking Engagements**

Members of the AQB are available for speaking engagements and presentations on the current work of the Board. Invitations to speak may be submitted via the “Request a Speaker” section on The Appraisal Foundation’s website ([www.appraisalfoundation.org](http://www.appraisalfoundation.org)). These requests should be submitted as early as possible in order to facilitate scheduling.

### **Other AQB Work**

In addition to its work on the *Criteria*, the AQB is involved in numerous other ongoing projects including:

- Maintenance and periodic updating of the National Uniform Licensing and Certification Examinations and their accompanying Examination Content Outlines (ECO’s). The ECO’s are used in the development of the examinations.
- Development of and enhancements to the Program to Improve USPAP Education.
- Administration of the Course Approval Program (CAP).
- Administration of the Undergraduate/Graduate Degree in Real Estate Review Program.
- Development of **voluntary** minimum *Personal Property Appraiser Qualification Criteria*.

More information on The Appraisal Foundation and the activities of the AQB is available online at [www.appraisalfoundation.org](http://www.appraisalfoundation.org) or by contacting the Board’s staff at The Appraisal Foundation by phone at (202) 347-7722 or via e-mail at [staff@appraisalfoundation.org](mailto:staff@appraisalfoundation.org).

# Real Property Appraiser Qualification Criteria

## **DEFINITIONS:**

**Real Property Appraiser Qualification Criteria (Criteria):** Established by the Appraiser Qualifications Board (AQB) of The Appraisal Foundation, these *Criteria* set forth the minimum education, experience, and examination requirements for real property appraisers.

**Required Core Curriculum:** A set of major appraisal subject matter headings, known as “modules,” which require a specified number of educational hours at each credential level.

*For example, as part of the Required Core Curriculum, a minimum of 30 hours of coverage of the module “Basic Appraisal Principles” is required.*

**Subtopics:** Areas of appraisal education (as identified in AQB Guide Note 1) that may be included within the modules of the *Required Core Curriculum*.

*As Guide Note 1 is not a binding requirement, coverage of the subtopics is not required for educational offerings to be valid; however, individuals will be expected to demonstrate competency in the subtopics in order to pass the respective licensing or certification examinations.*

**Interpretations:** Elaborations or clarifications of the *Criteria* issued by the AQB. Interpretations are essential to a proper understanding of the requirements set forth in the *Criteria* and are, therefore, binding upon users of the *Criteria*.

**Guide Notes:** Guidance or advice provided by the AQB for assistance in understanding and implementing the *Criteria*.

*For example, AQB Guide Note 1 (GN-1) “AQB Guidance for Curriculum Content” provides state appraiser regulators, students, and educators with suggested subtopics and items of coverage for each module in the Required Core Curriculum. The subtopics identified in Guide Note 1 represent those areas of education in which appraisers should be able to demonstrate competency to pass the respective licensing or certification examinations.*

## **GENERAL INTERPRETATIONS**

The following is the only exception for implementing the *2015 Real Property Appraiser Qualification Criteria*:

*An applicant in the Reserve components of the U.S. Armed Forces, who was pursuing an appraiser license or certification prior to December 1, 2011, and who was called to active duty between December 1, 2011 and December 31, 2014, may satisfy the qualifications required under the 2008 Criteria for an additional time period after January 1, 2015. The extension of time shall be equal to the applicant’s time of active duty, plus 12 months.*

## CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS

### I. Standards of Practice

Appraisers in all classifications shall perform and practice in compliance with the *Uniform Standards of Professional Appraisal Practice* (USPAP).

### II. Existing Credential Holders

Existing credential holders (with the exception of Trainee Appraisers) in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board *Real Property Appraiser Qualification Criteria* (*Criteria*) if they have passed an AQB-approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential (with the exception of Trainee Appraisers) in another jurisdiction. All credential holders must comply with ongoing requirements for continuing education and state renewal procedures.

### III. Generic Education Criteria

#### A. Class Hour

1. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student.
2. The prescribed number of class hours includes time for examinations.

#### B. Credit for the class hour requirements may be obtained only from the following providers:

1. Colleges or universities;
2. Community or junior colleges;
3. Real estate appraisal or real estate-related organizations;
4. State or federal agencies or commissions;
5. Proprietary schools;
6. Providers approved by state certification/licensing agencies; or
7. The Appraisal Foundation or its Boards.

#### C. Experience may not be substituted for education.

#### D. Distance education is defined as any education process based on the geographical separation of student and instructor. A distance education course is acceptable to meet class hour requirements if:

1. The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor; and
2. Content approval is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction; and
3. Course delivery mechanism approval is obtained from one of the following sources:
  - a. AQB approved organizations providing approval of course design and delivery; or
  - b. a college or university that qualifies for content approval in paragraph 2 above that awards academic credit for the distance education course; or

- c. a qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

E. Criteria Specific to Qualifying Education

1. Class hours will be credited only for educational offerings with content that follows the *Required Core Curriculum* for each respective credential classification. Course content requirements may be general or specific to property types. The *Required Core Curriculum* is to be followed by major headings with the classroom hours for each. Guide Note (GN-1) contains guidance for curriculum content with subtopics listed under each major module. The subtopics listed in GN-1 are used for developing Examination Content Outlines for each applicable credential classification, and may also be amended from time to time to reflect changes in technology or in the Body of Knowledge. GN-1 is not mandatory for meeting the *Required Core Curriculum*.

2. Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the US Secretary of Education, **provided that the college or university has had its curriculum reviewed and approved by the AQB.**

The AQB may maintain a list of approved college or university degree programs, including the *Required Core Curriculum* and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for the Trainee Appraiser, Licensed Residential, Certified Residential, or Certified General credential who are awarded degrees from approved institutions are required to complete all additional education required for the credential in which the approved degree is judged to be deficient by the AQB.

3. Class hours may be obtained only where:
  - a. the minimum length of the educational offering is at least 15 hours; and
  - b. the individual successfully completes a proctored, closed-book final examination pertinent to that educational offering.
4. Where the qualifying education course includes multiple modules as listed in the *Required Core Curriculum*, there must be appropriate testing of each module included in the course.
5. Courses taken to satisfy the qualifying education requirements must not be repetitive. Courses shall foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.
6. Applicants must take the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and pass the associated *15-Hour National USPAP Course* examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also a state certified appraiser in good standing. Course equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student-to-instructor, and student-to-material interaction.
7. In addition to the generic requirements described in III.D., distance education courses intended for use as qualifying education must include a written, closed-book final examination



(proctored by an official approved by the college or university, or by the sponsoring organization). The term “written” as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable. The testing must be in compliance with the examination requirements of this section.

F. Criteria Specific to Continuing Education

1. The purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising.

Aside from complying with the requirements to complete the *7-Hour National USPAP Update Course*, or its equivalent, appraisers may not receive credit for completion of the same continuing education course offering within an appraiser’s continuing education cycle.

2. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.
3. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover real property related appraisal topics, including, but not limited to:
  - a. Ad valorem taxation;
  - b. Arbitration, dispute resolution;
  - c. Courses related to the practice of real estate appraisal or consulting;
  - d. Development cost estimating;
  - e. Ethics and standards of professional practice, USPAP;
  - f. Land use planning, zoning;
  - g. Management, leasing, timesharing;
  - h. Property development, partial interests;
  - i. Real estate law, easements, and legal interests;
  - j. Real estate litigation, damages, condemnation;
  - k. Real estate financing and investment;
  - l. Real estate appraisal-related computer applications;
  - m. Real estate securities and syndication;
  - n. Developing opinions of real property value in appraisals that also include personal property and/or business value;
  - o. Seller concessions and impact on value; and/or
  - p. Energy efficient items and “green building” appraisals.
4. Up to one half of an individual’s continuing education requirement may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities that are determined to be equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.
5. Educational offerings taken by an individual in order to fulfill the class hour requirement for a different classification than his/ her current classification may be simultaneously counted towards the continuing education requirement of his/her current classification.

6. In addition to the generic requirements described in III.D., distance education courses intended for use as continuing education must include at least one of the following:
  - a. A written examination proctored by an official approved by the college or university, or by the sponsoring organization. The term “written” as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable; or
  - b. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.
7. Real estate appraisal-related field trips may be acceptable for credit toward the continuing education requirements. However, transit time to or from the field trip may not be included when awarding credit unless instruction occurs during said transit time.
8. Appraisers must successfully complete the *7-Hour National USPAP Update Course*, or its AQB-approved equivalent, every two calendar years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.
9. Individuals who are credentialed in more than one jurisdiction shall not have to take more than one *7-Hour National USPAP Update Course* within a two calendar year period for the purposes of meeting AQB *Criteria*.
10. USPAP continuing education credit shall only be awarded when the course is instructed by at least one AQB Certified USPAP Instructor who is also a state certified appraiser in good standing.
11. The equivalent of fourteen (14) class hours of instruction in courses or seminars for each year during the period preceding the renewal is required. For example, a two-year continuing education cycle would require twenty-eight hours. The class hour requirement can be fulfilled at any time during the cycle.
12. AQB Certified USPAP Instructors successfully completing a *7-Hour Instructor Recertification Course* and exam (if required) within their current continuing education cycle have satisfied the *7-Hour National USPAP Update Course* continuing education requirement.
13. State appraiser regulatory agencies with the appropriate authority to do so may place a credential holder in an “inactive status” in the event the state determines a deficiency in continuing education was due to extenuating circumstances.

Prior to reactivation, credential holders in an inactive status must complete all required continuing education hours that would have been required if the credential holder was in an active status. The required hours must also include the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB-approved equivalent).

Waivers may not be granted to credential holders who have failed to meet the continuing education requirements.

Deferrals may not be granted to credential holders, except in the case of individuals returning from active military duty, or individuals impacted by a state- or federally-declared disaster. State appraiser regulatory agencies may allow credential holders returning from active military duty to be placed in active status for a period of up to 90 days pending completion of all continuing education requirements. State appraiser regulatory agencies may allow credential holders impacted by a state- or federally-declared disaster that occurs within 90 days prior to the end of the continuing education cycle to remain (or be placed in) active status for a period of up to 90 days after the end of the credential holder's continuing education cycle, pending completion of all continuing education requirements.

14. Credentialed appraisers are required to complete continuing education for a partial year in a continuing education cycle as follows:

For continuing education cycle periods of 185 days or more, 14 hours of continuing education is required.

For continuing education cycle periods of less than 185 days, no hours of continuing education are required.

**Example #1:** A credential issued on August 15 that expires on December 31 of the same year would not require any continuing education hours for that year.

**Example #2:** A credential issued on May 15 that expires on December 31 of the same year would require 14 continuing education hours for that year.

**Example #3:** A credential issued on August 15 that expires on December 31 of the following year would require 14 hours of continuing education to renew.

15. State appraiser regulatory agencies may award continuing education credit to credentialed appraisers who attend a state appraiser regulatory agency meeting, under the following conditions:
  - a. Credit may be awarded for a single state appraiser regulatory agency meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours; and
  - b. The state appraiser regulatory agency must ensure that the credentialed appraiser attends the meeting for the required period of time.

#### **IV. Generic Examination Criteria**

A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB-approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

#### **V. Generic Experience Criteria**

- A. Education may not be substituted for experience, except as shown below in Section D below.
- B. The quantitative experience requirements must be satisfied by time spent on the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the

problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.

- C. Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience.
1. Cumulative is defined as meaning that experience may be acquired over any time period.
  2. The following is an example of cumulative experience:

Year 1	200 Hours
Year 2	800 Hours
Year 3	600 Hours
Year 4	400 Hours
Year 5	500 Hours
<b>Total</b>	<b>2,500 Hours</b>

- D. There need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.

Practicum courses that are approved by the AQB Course Approval Program or state appraiser regulatory agencies can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.

Experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process.

- E. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal practice. Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal.

All experience must be obtained after January 30, 1989, and must be USPAP-compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5, and/or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

- F. Documentation in the form of reports, certifications, or file memoranda, or, if such reports and memoranda are unavailable for good cause, other evidence at the credentialing authority's discretion that the work is compliant with USPAP must be provided as part of the state experience verification process to support the experience claimed.
- G. The verification for experience credit claimed by an applicant shall be on forms prescribed by the state certification/licensing agency, which shall include:
1. Type of property;
  2. Date of report;

3. Address of appraised property;
4. Description of work performed by the trainee/applicant and scope of the review and supervision of the supervising appraiser;
5. Number of actual work hours by the trainee/applicant on the assignment; and
6. The signature and state certification number of the supervising appraiser if applicable. Separate appraisal logs shall be maintained for each supervising appraiser if applicable.

H. There is no maximum time limit during which experience may be obtained.

## **VI. Background Checks**

- A. All applicants for a real property appraiser credential shall possess a background that would not call into question public trust.
- B. Applicants shall provide state appraiser regulatory agencies with all of the information and documentation necessary for the jurisdiction to determine the applicant's fitness for licensure or certification.
- C. An applicant shall not be eligible for a real property appraiser credential if, during at least the five (5) year period immediately preceding the date of the application for licensing or certification, the applicant has been convicted of, or pled guilty or nolo contendere to a crime that would call into question the applicant's fitness for licensure.
- D. Additional guidance related to background checks for applicants for a real property appraiser credential may be found in Guide Note 9 (GN-9).

## **VII. Interpretations and Guide Notes (GN)**

Periodically, the AQB may issue Interpretations to the *Criteria* (binding); or Guide Notes (advisory) on interpretations or application of the *Criteria*.

## SUPERVISORY APPRAISER REQUIREMENTS

### APPLICABLE TO SUPERVISION OF **TRAINEE APPRAISERS** ONLY

Supervisory Appraisers provide a critical role in the mentoring, training and development of future valuation professionals. It is inherently important to strike a proper balance between enhancing public trust by ensuring Supervisory Appraisers are competent and qualified to supervise Trainee Appraisers without making the criteria too stringent and restrictive as to discourage or prevent qualified Supervisory Appraisers from actually participating in the training and supervision of Trainee Appraisers.

#### I. **General**

- A. Supervisory Appraisers shall be responsible for the training, guidance, and direct supervision of the Trainee Appraiser by:
  1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;
  2. Reviewing and signing the Trainee Appraiser appraisal report(s); and
  3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.
- B. Supervisory Appraisers shall be state-certified and in “good standing for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state certified and in good standing ***in the jurisdiction*** in which the Trainee Appraiser practices ***for any specific minimum period of time***. Supervisory Appraisers shall not have been subject to any disciplinary action within any jurisdiction within the last three (3) years that affected the Supervisory Appraiser’s legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in “good standing” three (3) years *after* the successful completion/termination of the sanction imposed against the appraiser.
- C. Supervisory Appraisers must comply with the COMPETENCY RULE of USPAP for the property type and geographic location where the Trainee Appraiser is being supervised.
- D. Whereas a Trainee Appraiser is permitted to have more than one Supervisory Appraiser, Supervisory Appraisers may not supervise more than three (3) Trainee Appraisers at one time, unless a state program in the credentialing jurisdiction provides for progress monitoring, supervisory certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.
- E. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and Trainee Appraiser to ensure the experience log is accurate, current, and complies with the requirements of the Trainee Appraiser’s credentialing jurisdiction. At a minimum, the appraisal log requirements shall include:
  1. Type of property;
  2. Date of report;
  3. Address of appraised property;
  4. Description of work performed by the Trainee Appraiser and the scope of the review and supervision of the Supervisory Appraiser;

5. 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.
- F. Supervisory Appraisers shall be required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course is to be completed by the Supervisory Appraiser prior to supervising a Trainee Appraiser. Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

# REAL PROPERTY APPRAISER CLASSIFICATIONS

## TRAINEE REAL PROPERTY APPRAISER

Please consult the CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS for additional requirements.

### I. General

- A. The Trainee Appraiser classification is intended to incorporate any documented non-certified/non-licensed real property appraisers who are subject to the *Real Property Appraiser Qualification Criteria*. Recognizing that individual credentialing jurisdictions may use different terminologies, “Trainee Appraisers” include, but are not limited to: registered appraisers, apprentice appraisers, provisional appraisers, or other similar designations created by state appraiser regulatory agencies.
- B. The scope of practice for the Trainee Appraiser classification is the appraisal of those properties which the state-certified Supervisory Appraiser is permitted by his/her current credential and that the Supervisory Appraiser is competent to appraise.
- C. The Trainee Appraiser, as well as the Supervisory Appraiser, shall be entitled to obtain copies of appraisal reports and/or permitted appropriate access and retrieval arrangements for all workfiles for appraisals in which he or she participated, in accordance with the RECORD KEEPING RULE of USPAP.
- D. All Trainee Appraisers must comply with the COMPETENCY RULE of USPAP for all assignments.

### II. Examination

There is no examination requirement for the Trainee Appraiser classification, but the Trainee Appraiser shall pass the appropriate end-of-course examinations in all of the prerequisite qualifying education courses in order to earn credit for those courses.

### III. Qualifying Education

- A. As the prerequisite for application, an applicant must have completed seventy-five (75) hours of qualifying education as specified in the *Required Core Curriculum*. Additionally, applicants must pass the course examinations and pass the *15-Hour National USPAP Course* (or its AQB-approved equivalent) and examination as part of the 75 hours. All qualifying education must be completed within the five (5) year period immediately preceding the date of application for a Trainee Appraiser credential.
- B. Appraisers holding a valid Licensed Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.
- C. Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.
- D. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Trainee Appraiser credential.



#### IV. Experience

No experience is required as a prerequisite for the Trainee Appraiser classification.

#### V. Training

- A. The Trainee Appraiser shall be subject to direct control and supervision by a Supervisory Appraiser in good standing, who shall be state certified. A Trainee Appraiser is permitted to have more than one Supervisory Appraiser.
- B. The Supervisory Appraiser shall be responsible for the training, guidance, and direct control and supervision of the Trainee Appraiser by:
  1. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;
  2. Reviewing and signing the Trainee Appraiser appraisal report(s); and
  3. Personally inspecting each appraised property with the Trainee Appraiser until the Supervisory Appraiser determines the Trainee Appraiser is competent to inspect the property, in accordance with the COMPETENCY RULE of USPAP for the property type.
- C. The Trainee Appraiser is permitted to have more than one Supervisory Appraiser, but a Supervisory Appraiser may not supervise more than three (3) Trainee Appraisers, at one time, unless a program in the state appraiser regulatory jurisdiction provides for progress monitoring, supervising certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.
- D. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Trainee Appraiser. It is the responsibility of both the Supervisory Appraiser and the Trainee Appraiser to ensure the appraisal experience log is accurate, current, and complies with the requirements of the Trainee Appraiser's credentialing jurisdiction. At a minimum, the appraisal log requirements are:
  1. Type of property;
  2. Date of report;
  3. Address of appraised property;
  4. Description of work performed by the Trainee Appraiser and scope of the review and supervision of the Supervisory Appraiser;
  5. 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.
- E. Supervisory Appraisers shall be state certified and in good standing for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state certified and in good standing ***in the jurisdiction*** in which the Trainee Appraiser practices ***for any specific minimum period of time***. Supervisory Appraisers shall not have been subject to any disciplinary action—within any jurisdiction— within the last three (3) years that affected the Supervisory Appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in "good standing" three (3) years *after* the successful completion/termination of the sanction imposed against the appraiser.

- F. Trainee Appraisers shall be required to complete a course that, at minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course must be completed by the Trainee Appraiser prior to obtaining a Trainee Appraiser credential from the individual credentialing jurisdiction. Further, the Trainee Appraiser course is not eligible towards the 75 hours of qualifying education required. Please refer to the Supervisory Appraiser / Trainee Appraiser Course Objectives and Outline in this booklet for more information.

## LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS for additional requirements.

### I. General

- A. The Licensed Residential Real Property Appraiser classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000, and complex one-to-four residential units having a transaction value less than \$250,000.
- B. Complex one-to-four unit residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.<sup>1</sup>
- C. For non-federally related transaction appraisals, transaction value shall mean market value.
  1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units, or for which the highest and best use is for one-to-four residential units.
  2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
- D. All Licensed Residential Real Property Appraisers must comply with the COMPETENCY RULE of USPAP.

### II. Examination

- A. The AQB-approved Licensed Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Licensed Residential examination is the successful completion of the Certified Residential or Certified General examination.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  1. One hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*; and
  2. One thousand (1,000) hours of qualifying experience in no fewer than six (6) months.

### III. Qualifying Education

- A. The Licensed Residential Real Property Appraiser classification requires completion of one hundred fifty (150) creditable class hours as specified in the *Required Core Curriculum*. As part of the 150 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and successfully pass the examination. There is no alternative to successful completion of the USPAP Course and examination.
- B. Appraisers holding a valid **Trainee Appraiser** credential may satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential by successfully completing the following additional educational hours:

1. Residential Market Analysis and Highest and Best Use	15 Hours
2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
3. Residential Sales Comparison and Income Approaches	30 Hours

---

<sup>1</sup> Bank Holding Company Supervision Manual, 12 C.F.R. 225.63(d).

4. Residential Report Writing and Case Studies

**TOTAL**      15 Hours  
**75 Hours**

- C. Appraisers holding a valid **Certified Residential Real Property Appraiser** credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.
- D. Appraisers holding a valid **Certified General Real Property Appraiser** credential satisfy the educational requirements for the Licensed Residential Real Property Appraiser credential.

**IV. Experience:**

One thousand (1,000) hours of experience are required to be obtained in no fewer than six (6) months.

## CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

### I. General

- A. The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.
  1. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units purposes or for which the highest and best use is for one-to-four residential units.
  2. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
- B. All Certified Residential appraisers must comply with the COMPETENCY RULE of USPAP.

### II. Examination

- A. The AQB-approved Certified Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  1. Two hundred (200) creditable class hours as specified in the *Required Core Curriculum*;
  2. Completion of the requirements specified in Section III.B. or III.C., "Qualifying Education"; and
  3. One thousand five hundred (1,500) hours of qualifying experience obtained in no fewer than twelve (12) months.

### III. Qualifying Education

- A. All college-level education must be obtained from a degree-granting institution by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education.

Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
  - A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
  - A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.
- B. Applicants for the Certified Residential credential must satisfy at least one of the following five options (III.B.1, III.B.2, III.B.3, III.B.4, or III.B.5):
    1. Possession of a Bachelor's Degree in any field of study;
    2. Possession of an Associate's Degree in a field of study related to:
      - a. Business Administration;
      - b. Accounting;

- c. Finance;
  - d. Economics; or
  - e. Real Estate
3. Successful completion of 30 semester hours of college-level courses that cover each of the following specific topic areas and hours:
    - a. English Composition (3 semester hours);
    - b. Microeconomics (3 semester hours);
    - c. Macroeconomics (3 semester hours);
    - d. Finance (3 semester hours);
    - e. Algebra, Geometry, or higher mathematics (3 semester hours);
    - f. Statistics (3 semester hours);
    - g. Computer Science (3 semester hours);
    - h. Business or Real Estate Law (3 semester hours); and
    - i. Two elective courses in any of the topics listed above or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each).
  4. Successful completion of at least 30 semester hours of College Level Examination Program® (CLEP®) examinations from each of the following subject matter areas:
    - a. College Algebra (3 semester hours);
    - b. College Composition (6 semester hours);
    - c. College Composition Modular (3 semester hours);
    - d. College Mathematics (6 semester hours);
    - e. Principles of Macroeconomics (3 semester hours);
    - f. Principles of Microeconomics (3 semester hours);
    - g. Introductory Business Law (3 semester hours); and
    - h. Information Systems (3 semester hours).
  5. Any combination of III.B.3 and III.B.4 above that ensures coverage of all topics and hours identified in III.B.3.
- C. As an alternative to the requirements in Section III.B. above, individuals who have held a Licensed Residential credential for a minimum of five (5) years may qualify for a Certified Residential credential by satisfying all of the following:
1. No record of any adverse, final, and non-appealable disciplinary action affecting the Licensed Residential appraiser's legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential;
  2. Successful completion of the additional required qualifying education as specified in Section III.F. below;
  3. Successful completion of the required experience as specified in Section IV below; and
  4. Successful completion of the Certified Residential Real Property Appraiser examination as specified in Section II above.
- D. The Certified Residential Real Property Appraiser classification requires completion of two hundred (200) creditable class hours as specified in the *Required Core Curriculum*. As part of the 200 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.

E. Appraisers holding a valid **Trainee Appraiser** credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by successfully completing the following additional educational hours:

1. Residential Market Analysis and Highest and Best Use	15 Hours
2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
3. Residential Sales Comparison and Income Approaches	30 Hours
4. Residential Report Writing and Case Studies	15 Hours
5. Statistics, Modeling, and Finance	15 Hours
6. Advanced Residential Applications and Case Studies	15 Hours
7. Appraisal Subject Matter Electives	<u>20 Hours</u>
<b>TOTAL</b>	<b>125 Hours</b>

F. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by successfully completing the following additional educational hours:

1. Statistics, Modeling, and Finance	15 Hours
2. Advanced Residential Applications and Case Studies	15 Hours
3. Appraisal Subject Matter Electives	<u>20 Hours</u>
<b>TOTAL</b>	<b>50 Hours</b>

G. Appraisers holding a valid **Trainee Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification must also satisfy the college-level education requirement as specified in III.B.

H. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification who do not meet the requirements outlined in Section III.C. must also satisfy the college-level education requirements as specified in Section III.B.

I. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential wishing to change to the Certified Residential Real Property Appraiser classification who meet the requirements outlined in Section III.C. do not need to satisfy college-level education requirements as specified in Section III.B.

J. Appraisers holding a valid **Certified General Real Property Appraiser** credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential.

#### IV. Experience:

One thousand five hundred (1,500) hours of experience are required to be obtained during no fewer than twelve (12) months. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

## CERTIFIED GENERAL REAL PROPERTY APPRAISER

Please consult the **CRITERIA APPLICABLE TO ALL APPRAISER CLASSIFICATIONS** for additional requirements.

### I. General

- A. The Certified General Real Property Appraiser classification qualifies the appraiser to appraise all types of real property.
- B. All Certified General appraisers must comply with the COMPETENCY RULE of USPAP.

### II. Examination

- A. The AQB-approved Certified General Real Property Appraiser examination must be successfully completed. There is no alternative to successful completion of the exam.
- B. The prerequisites for taking the AQB-approved examination are completion of:
  1. Three hundred (300) creditable class hours as specified in the *Required Core Curriculum*; and
  2. Completion of the college-level education requirements specified in III.A. "Qualifying Education"; and
  3. Three thousand (3,000) hours of qualifying experience obtained in no fewer than eighteen (18) months, where a minimum of one thousand five hundred (1,500) hours must be obtained in non-residential appraisal work.

### III. Qualifying Education

- A. Applicants for the Certified General credential must hold a Bachelor's degree or higher from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education. Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:
  - An accredited, degree-granting domestic college or university;
  - A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
  - A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.
- B. The Certified General Real Property Appraiser classification requires completion of three hundred (300) creditable class hours as specified in the *Required Core Curriculum*. As part of the 300 required hours, the applicant shall complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination.
- C. Applicants must demonstrate that their education includes the core courses listed in these criteria, with particular emphasis on non-residential properties. Residential is defined as "composed of one-to-four residential units."



D. Appraisers holding a valid **Trainee Appraiser** credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use	30 Hours
2. Statistics, Modeling and Finance	15 Hours
3. General Appraiser Sales Comparison Approach	30 Hours
4. General Appraiser Site Valuation and Cost Approach	30 Hours
5. General Appraiser Income Approach	60 Hours
6. General Appraiser Report Writing and Case Studies	30 Hours
7. Appraisal Subject Matter Electives	<u>30 Hours</u>
<b>TOTAL</b>	<b>225 Hours</b>

E. Appraisers holding a valid **Licensed Residential Real Property Appraiser** credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use	15 Hours
2. Statistics, Modeling and Finance	15 Hours
3. General Appraiser Sales Comparison Approach	15 Hours
4. General Appraiser Site Valuation and Cost Approach	15 Hours
5. General Appraiser Income Approach	45 Hours
6. General Appraiser Report Writing and Case Studies	15 Hours
7. Appraisal Subject Matter Electives	<u>30 Hours</u>
<b>TOTAL</b>	<b>150 Hours</b>

F. Appraisers holding a valid **Certified Residential Real Property Appraiser** credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional educational hours:

1. General Appraiser Market Analysis and Highest and Best Use	15 Hours
2. General Appraiser Sales Comparison Approach	15 Hours
3. General Appraiser Site Valuation and Cost Approach	15 Hours
4. General Appraiser Income Approach	45 Hours
5. General Appraiser Report Writing and Case Studies	<u>10 Hours</u>
<b>TOTAL</b>	<b>100 Hours</b>

G. **Trainee Appraisers, Licensed Residential Real Property Appraisers, and Certified Residential Real Property Appraisers** wishing to change to the Certified General Real Property Appraiser classification must also satisfy the requirements in III.A. and III.C.

#### IV. Experience

Three thousand (3,000) hours of experience are required to be obtained during no fewer than eighteen (18) months. One thousand five hundred (1,500) hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

# REQUIRED CORE CURRICULUM

<b>TRAINEE APPRAISER</b>	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)	15 HOURS
<b>TOTAL</b>	<b>75 HOURS</b>
<b>LICENSED RESIDENTIAL</b>	
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
<b>TOTAL</b>	<b>150 HOURS</b>
<b>CERTIFIED RESIDENTIAL</b>	
BASIC APPRAISAL PRINCIPLES	30 HOURS
BASIC APPRAISAL PROCEDURES	30 HOURS
15-HOUR NATIONAL USPAP COURSE (OR ITS EQUIVALENT)	15 HOURS
RESIDENTIAL APPRAISER 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
<b>TOTAL</b>	<b>200 HOURS</b>
<b>CERTIFIED GENERAL</b>	
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
<b>TOTAL</b>	<b>300 HOURS</b>

# SUPERVISORY APPRAISER / TRAINEE APPRAISER COURSE OBJECTIVES AND OUTLINE

## **COURSE OBJECTIVES**

In developing the course, providers must include the following course objectives, which address both the Supervisory Appraiser and Trainee Appraiser.

### **Supervisory Appraiser Objectives**

The course must provide adequate information to ensure the Supervisory Appraiser understands the qualifications and responsibilities of that role. Specifically, the objective of the course shall be that the student understands:

- AQB minimum qualifications for becoming and remaining a Supervisory Appraiser;
- Jurisdictional credentialing requirements for both Supervisory Appraisers and Trainee Appraisers that may exceed those of the *Criteria*;
- Expectations and responsibilities of being a Supervisory Appraiser;
- Responsibilities and requirements of a Supervisory Appraiser in maintaining and signing all appropriate Trainee Appraiser experience logs; and
- Expectations and responsibilities of the Trainee Appraiser.

### **Trainee Appraiser Objectives**

The course must provide adequate information to ensure the Trainee Appraiser understands the qualifications and responsibilities of that role. Specifically, the objective of the course shall be that the student understands:

- AQB minimum qualifications for becoming a credentialed appraiser;
- Jurisdictional credentialing requirements for Trainee Appraisers that may exceed those of the *Criteria*;
- AQB minimum qualifications for becoming and remaining a Supervisory Appraiser, as well as jurisdictional credentialing requirements that may exceed those of the *Criteria*;
- Processes and roles of the entities involved in establishing qualifications for credentialed appraisers;
- Expectations and responsibilities of the Trainee Appraiser;
- Basics of the *Uniform Standards of Professional Appraisal Practice (USPAP)*; and
- Responsibilities and requirements of a Trainee Appraiser's role in maintaining and signing all appropriate Trainee Appraiser experience logs.

## **COURSE CONTENT OUTLINE**

Education developers must include the topics contained in the following outline when creating course content:

### **I. Table of Contents**

### **II. Course Introduction and Overview**

### **III. Qualification and Credentialing Entities**

- A. The Appraisal Foundation
  - 1. Overview of the creation and role of The Appraisal Foundation
- B. The Appraiser Qualifications Board (AQB)
  - 1. Overview of the role of the AQB in establishing qualifications for real property appraisers
- C. Individual State or Territory Credentialing Authorities
  - 1. Overview of a jurisdiction's role in issuing appraiser credentials and disciplining appraisers
  - 2. Specific information regarding the regulatory structure of the individual jurisdiction (optional)
- D. Professional Appraiser Organizations
  - 1. Overview of the role of professional appraiser organizations
  - 2. Explain difference between required regulatory state appraiser credentials and "voluntary" professional appraiser organization designations

### **IV. Qualifications for Appraiser Credentials**

- A. AQB Qualifications
  - 1. Overview of the AQB minimum qualifications for real property appraisers, including the education, experience and examination requirements for the following categories:
    - a. Trainee Appraiser
    - b. Licensed Residential
    - c. Certified Residential
    - d. Certified General

Comment: Course developers shall include a summary matrix outlining the minimum education, experience and examination requirements necessary for each of the different credentials.

- 2. Overview of Supervisory Appraiser Qualifications
  - a. AQB minimum qualifications
  - b. Discussion noting individual credentialing jurisdictions could have qualifications that may exceed AQB minimum qualifications
- B. Individual Jurisdiction Qualifications
  - 1. Overview explaining how AQB sets minimum qualifications, but states may have qualifications that exceed AQB *Criteria*
  - 2. Outline and explain the specific steps/requirements to becoming licensed or certified in the particular jurisdiction in which the course is being provided

## V. Overview of USPAP

- A. Provide brief overview of sections of USPAP relevant to Trainee Appraisers including overviews of:
1. ETHICS RULE
  2. COMPETENCY RULE
  3. SCOPE OF WORK RULE
  4. RECORD KEEPING RULE
  5. STANDARD 1 (Development) and STANDARD 2 (Reporting)

Comment: This section is not intended to be a substitute for the *15-Hour National USPAP Course* (or its equivalent).

## VI. Overview of Supervisory Appraiser Expectations and Responsibilities

- A. The course material must include a presentation of the requirements, expectations, and responsibilities of Supervisory Appraiser. At a minimum, the course materials must include the expectations and responsibilities of the Supervisory Appraiser to:
1. Provide the Trainee Appraiser with a basic understanding of USPAP requirements
  2. Understand the AQB minimum requirements of both the Supervisory Appraiser and Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the *Criteria*
  3. Provide proper guidance to the Trainee Appraiser when he or she selects a specific credentialing path (i.e., Licensed Residential, Certified Residential or Certified General)
  4. Monitor the Trainee Appraiser's progress in satisfying both the education and experience requirements necessary to achieve his or her selected credentialing path
  5. Verify that the Supervisory Appraiser and Trainee Appraiser are properly documenting all appropriate experience logs
  6. Accompany the Trainee Appraiser on all inspections until the Trainee Appraiser is competent to conduct inspections independently, and has met all specific requirements pertaining to property inspection established by the credentialing jurisdiction
  7. Monitor and provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
  8. Verify that the Trainee Appraiser is properly identified and acknowledged in the appraisal report in compliance with USPAP requirements
  9. Immediately notify the Trainee Appraiser if the Supervisory Appraiser is no longer qualified to supervise and/or sign the Trainee Appraiser's experience log

## VII. Overview of Trainee Appraiser Expectations and Responsibilities

- A. The course material must include a presentation of the requirements, expectations, and responsibilities of the Trainee Appraiser. At a minimum, the course materials must include the expectations and responsibilities of the Trainee Appraiser to understand:
1. The AQB minimum requirements to become a Trainee Appraiser, as well as the requirements of the credentialing jurisdiction that may exceed those of the *Criteria*
  2. The importance of selecting an appropriate Supervisory Appraiser. Points covered shall include:
    - a. The Supervisory Appraiser-Trainee Appraiser relationship is a long-term commitment by both parties
    - b. The Trainee Appraiser is inherently connected to the "good standing" of the Supervisory Appraiser

- c. The importance of selecting a Supervisory Appraiser with the experience and competency that best matches the Trainee Appraiser's selected credentialing path
  - d. Options for the Trainee Appraiser if a Supervisory Appraiser is no longer qualified to serve as a Supervisory Appraiser
3. How to determine if an appraiser is qualified and in good standing to be a Supervisory Appraiser by searching the Appraisal Subcommittee (ASC) National Registry and/or jurisdictional websites
  4. It is the Supervisory Appraiser's responsibility to monitor the progression of the Trainee Appraiser's education and experience necessary to achieve the Trainee Appraiser's selected credentialing path
  5. It is the Supervisory Appraiser's responsibility to provide assignments and duties that ensure the Trainee Appraiser is developing an understanding and progression of knowledge and experience of all applicable valuation methodologies and approaches to value
  6. The responsibilities of both the Trainee Appraiser and the Supervisory Appraiser in properly documenting all appropriate Trainee Appraiser's experience logs
  7. The Supervisory Appraiser must accompany the Trainee Appraiser on all inspections until he or she is competent to conduct inspections independently, and has met all requirements pertaining to property inspection established by the credentialing jurisdiction

#### **VIII. Overview of Jurisdictional Requirements for Supervisory Appraiser and Trainee Appraiser Requirements**

- A. Provide summary of jurisdictional requirements that may exceed those of the AQB *Criteria*
- B. Course developers may elect to present jurisdictional requirements as a separate add-on module, or incorporate differences between AQB minimum and jurisdictional requirements in each appropriate section of the outline

#### **IX. Summary/Quiz (optional)**

#### **X. Definitions**

- A. Provide glossary of definitions utilized throughout the course

## Guide Notes

A link to Guide Notes is available here: <https://appraisalfoundation.sharefile.com/d-s5c1ee9bc5e1450d8>.

The 2018 *Real Property Appraiser Qualification Criteria* booklet will include the Guide Notes found in the link as well as Guide Note 10, which is currently being drafted.

## Q&As

The 2018 *Real Property Appraiser Qualification Criteria* booklet will not include Q&As, but the Q&A document will be available as a separate downloadable document on The Appraisal Foundation's website. These Q&As will be based on the new requirements as well as implementation Q&As. These are currently under revision.

# Potential New Regulations Projects



# Correspondence

**From:** Jackie Vincent  
**To:** [Jackie Vincent](#)  
**Subject:** New AQB Changes Effective May 1, 2018  
**Date:** Tuesday, February 06, 2018 10:50:25 AM  
**Attachments:** [AQB Fourth Exposure Draft RPAQC FINAL.PDF](#)  
**Importance:** High

---

Good Afternoon!

As you are aware on February 1, 2018, the Appraiser Qualifications Board (AQB) adopted revisions to the Real Property Appraiser Criteria. The effective date for these changes is May 1, 2018.

I wanted to reach out to see if there are any plans on updating your rules to incorporate these new changes? If so, do you have an estimate on what the timeline would be?

Any information you could provide would be greatly appreciated.

Thank you

**Jackie Vincent**  
Senior Regulatory Compliance Specialist  
**McKissock**  
800-328-2008  
**mckissock.com**



TO: All Interested Parties

FROM: Joseph C. Traynor, Chair  
Appraiser Qualifications Board

RE: Fourth Exposure Draft of **Proposed Changes to the *Real Property Appraiser Qualification Criteria***

DATE: November 1, 2017

---

For over two years, the Appraiser Qualifications Board (AQB) has been examining potential areas of change to the *Real Property Appraiser Qualification Criteria (Criteria)*. During this time, the AQB has published a Concept Paper and a Discussion Draft, held a public hearing and an online public briefing, and issued three exposure drafts, each time proposing changes with consideration given to feedback the Board received.

After receiving public comment from its most recent (Third) exposure draft, the AQB formed a Focus Group, made up of constituents from several specific sectors. The Focus Group met with the AQB in Minneapolis as part of the Board's meetings in early September. Input from this Focus Group assisted the AQB in crystalizing potential proposals for revisions to the *Criteria*.

Representatives from the AQB then presented these potential concepts to members of the Association of Appraiser Regulatory Officials (AARO) at its fall conference in Washington, DC, in October. The Board received positive feedback from AARO members regarding these concepts.

After considering all of the feedback received to date, the AQB is now addressing the topics contained in this Fourth Exposure Draft as follows:

- **Degree Requirement for Licensed Residential and Certified Residential:** Section 1 of this document addresses college-level education requirements for the Licensed Residential and Certified Residential classifications.

- **Alternative Track for Licensed Residential to Certified Residential:** Section 2 of this document outlines a pathway for qualified Licensed Residential appraisers to obtain a Certified Residential credential without satisfying the college-level education requirements.
- **Practical Applications of Real Estate Appraisal:** Section 3 of this document outlines the status of the *Practical Applications of Real Estate Appraisal* concept.
- **Experience Requirements:** Section 4 of this document contains proposed revisions to the experience hours and time frames required for the Licensed Residential, Certified Residential, and Certified General classifications.

**All interested parties are encouraged to comment in writing to the AQB before Friday, January 12, 2018. The AQB will also accept verbal comments at its public meeting in Washington, DC on Thursday, February 1, 2018.** Respondents are assured that each member of the AQB will thoroughly read and consider all comments.

Please submit written comments on this exposure draft by mail or email.

Mail: Appraiser Qualifications Board  
The Appraisal Foundation  
1155 15<sup>th</sup> Street NW, Suite 1111  
Washington, DC 20005

Email: [aqbcomments@appraisalfoundation.org](mailto:aqbcomments@appraisalfoundation.org)

**IMPORTANT NOTE: The Appraisal Foundation will post on its website for public viewing all written comments exactly as submitted. Upon request, The Appraisal Foundation will redact the name(s) of the author(s) from the website.**

**The Appraisal Foundation reserves the right not to post written comments containing offensive or inappropriate statements.**

If you have any questions regarding this exposure draft, please contact Magdalene Vasquez, Qualifications Administrator at The Appraisal Foundation, via e-mail at [magdalene@appraisalfoundation.org](mailto:magdalene@appraisalfoundation.org) or by calling (202) 624-3074.

## **Fourth Exposure Draft of Proposed Changes to the *Real Property Appraiser Qualification Criteria (Criteria)***

**Issued: November 1, 2017  
Comment Deadline: January 12, 2018**

Each section of this exposure draft begins with rationale for the proposed changes. The rationale is identified as such and does not have line numbering. Where proposed changes to the *Criteria* are noted, the exposure draft contains line numbers. This difference is intended to distinguish for the reader those parts that explain the changes from the proposed changes themselves.

When commenting on the exposure draft, it is helpful to reference the line numbers, fully explain the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues for the AQB's consideration.

Where text is deleted from what currently appears in the *Criteria*, that text is shown as strikethrough. For example: ~~This is strikethrough text proposed for deletion.~~ Text added to what currently appears in the *Criteria* is underlined. For example: This is text proposed for insertion.

The primary mission of the AQB is to protect public trust in the appraisal profession. As such, multiple exposure drafts are required to adequately vet the significant issues contained in this document.

The proposals contained in this Fourth Exposure Draft, if adopted, would result in *Criteria* requirements that are less stringent than those currently in effect. Because states are legally permitted to possess requirements that are greater than, but not less than, the AQB *Criteria*, adoption of any of these proposals would not necessitate a future effective date to allow states time to update statute and regulations to remain in compliance. Therefore, the AQB anticipates that any changes, if adopted, would go into effect immediately. State appraiser regulatory agencies could then elect to implement the revised *Criteria* whenever they deem appropriate.

**Fourth Exposure Draft:  
Potential Changes to the  
*Real Property Appraiser Qualification Criteria***

**Issued: November 1, 2017  
Comment Deadline: January 12, 2018**

Each section of this document identifies the area(s) of the *Criteria* under consideration for potential changes.

When commenting on various aspects of the discussion paper, it is helpful to explain, in detail, the reasons for concern or support, provide examples or illustrations, and suggest any alternatives or additional issues for the AQB's consideration.

For ease in identifying the various issues being addressed, this exposure draft is presented in sections.

**TABLE OF CONTENTS**

<b>Section</b>	<b>Issue</b>	<b>Page</b>
1	Licensed Residential and Certified Residential College-Level Education Requirements	5
2	Alternative Track for Licensed Residential to Certified Residential	13
3	Practical Applications of Real Estate Appraisal	16
4	Experience Requirements	17

## Section 1: Licensed Residential and Certified Residential College-Level Education Requirements

### Rationale

The AQB has long considered a Bachelor's Degree is appropriate for the Certified Residential and Certified General credentials, and that some college-level education is necessary for the Licensed Residential credential. However, the AQB also recognizes that shifts occur in the marketplace for appraisal services based on changes in business practices. After examining this issue in-depth for over two years, the AQB believes that public trust can be served without requiring college-level education for the Licensed Residential credential, and by allowing alternatives to the Bachelor's Degree requirement for the Certified Residential credential. The AQB continues to consider a Bachelor's Degree appropriate for the Certified General credential.

The AQB received an unprecedented level of feedback on this particular topic and there has been a great divergence of opinion. Some commenters continue to support a Bachelor's Degree for residential appraisers. Others have expressed that changes in the marketplace in the last several years have not only minimized the need for a Bachelor's Degree, but preclude residential appraising as a viable career option and could ultimately create a shortage of appraisers in some sectors.

The AQB maintains a Bachelor's Degree is a strong attribute and is worthy of recognition, while recognizing other alternatives exist that would achieve a similar level of public trust in the residential appraisal marketplace. These alternatives are more palatable options for those considering residential appraisal as a career option, thereby facilitating an adequate supply of qualified appraisers. It is important to note that while the AQB does not establish *Criteria* with the intent to affect the supply of appraisers, a healthy balance of supply and demand certainly assists with protecting public trust in the appraisal profession.

Therefore, the AQB is proposing:

- 1) Removal of the college-level education requirements for the Licensed Residential credential; and
- 2) Alternatives to the Bachelor's Degree requirement for the Certified Residential credential.

For the Certified Residential credential, the AQB is proposing the following options to demonstrate specific college-level equivalency:

- 1) Bachelor's Degree in any field of study;
- 2) Associate's Degree in a focused field of study;
- 3) Successful completion of 30 college semester credit hours in specified topics;

- 4) Successful completion of College-Level Examination Program (CLEP)<sup>1</sup> exams equivalent to a minimum of 30 semester credit hours in specified subject matter areas; or
- 5) Any combination of #3 and #4 above that includes all of the topics identified.

#### Option #1 – Bachelor’s Degree in any field of study

Some comments received by the AQB questioned the applicability of a Bachelor’s Degree obtained in a seemingly unrelated field of study. The AQB continues to recognize that individuals obtaining a Bachelor’s Degree in *any* field are required to demonstrate competence in essential skills that teach things such as logic, analysis, reasoning, and communication.

#### Option #2 – Associate’s Degree in a focused field of study

It is the position of the AQB that an Associate’s Degree in business, finance, accounting, economics, or similar programs would be acceptable alternatives to a Bachelor’s Degree. If adopted, the AQB will develop guidance to assist state appraiser regulators, educators, and practitioners on the acceptability of these programs.

#### Option #3 – Successful completion of 30 college semester credit hours in specified subject matter areas

The AQB also recognizes many individuals may have acquired significant collegiate hours of education, but did not receive a formal degree. For those individuals, the AQB is proposing an alternative of 30 semester credit hours in specific college course topics. The topics are identical to what existed in the 2008 *Criteria* as an option “in lieu” of a Bachelor’s Degree. They are:

1. English Composition;
2. Micro Economics;
3. Macro Economics;
4. Finance;
5. Algebra, Geometry, or higher mathematics;
6. Statistics;
7. Computer Science;
8. Business or Real Estate Law; and
9. Two elective courses in accounting, geography, agricultural economics, business management, or real estate.

#### Option #4 – Successful completion of CLEP exams equivalent to a minimum of 30 semester credit hours in specified topics

As outlined in prior exposure drafts, CLEP is a well-recognized testing program accepted by 2,900 colleges and universities.<sup>2</sup> The specific topics considered necessary to protect the public trust for the Certified Residential credential consist of:

---

<sup>1</sup> CLEP exams involve “scaled scoring” without a pass/fail result. Applicants would be required to achieve exam scores that meet the minimums required to grant college credit at accredited colleges and universities.



- College Algebra
- College Composition
- College Composition Modular
- College Mathematics
- Principles of Macroeconomics
- Principles of Microeconomics
- Introductory Business Law
- Principles of Management

Option #5 – Any combination of #3 and #4 above that includes all of the topics identified  
 As outlined in prior exposure drafts, the AQB believes that a combination of the required college semester hours and successful completion of CLEP exams is acceptable to satisfy the college-level education requirement. Any such combination would need to cover all topics identified.

<b>Equivalency Table</b>		
<b>CLEP Exams</b>	<b>CLEP Exam Semester Hours</b>	<b>Applicable College Courses</b>
College Algebra	3	Algebra, Geometry, Statistics, or higher mathematics
College Composition	6	English Composition
College Composition Modular	3	English Composition
College Mathematics	6	Algebra, Geometry, Statistics, or higher mathematics
Principles of Macroeconomics	3	Economics or Finance
Principles of Microeconomics	3	Economics or Finance
Introductory Business Law	3	Business Law or Real Estate Law
Principles of Management	3	Principles of Management, Financial Management, Property Management

Note: The AQB has learned the American Association of College Registrars and Admissions Officers (AACRAO) no longer evaluates degrees from foreign countries for equivalency and, thus, proposes removing them as an approved source for this service.

---

<sup>2</sup> [www.collegeboard.org](http://www.collegeboard.org)

## LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

### III. Qualifying Education

1 ~~A. Applicants for the Licensed Residential credential shall successfully complete 30~~  
2 ~~semester hours of college-level education from an accredited college, junior~~  
3 ~~college, community college, or university. The college or university must be a~~  
4 ~~degree-granting institution accredited by the Commission on Colleges, a regional~~  
5 ~~or national accreditation association, or by an accrediting agency that is~~  
6 ~~recognized by the U.S. Secretary of Education. If an accredited college or~~  
7 ~~university accepts the College Level Examination Program® (CLEP) and~~  
8 ~~examination(s) and issues a transcript for the exam, showing its approval, it will~~  
9 ~~be considered as credit for the college course.~~

10 Applicants holding an Associate degree, or higher, from an accredited college,  
11 junior college, community college, or university satisfy the 30-hour college-level  
12 education requirement.

13 Applicants with a college degree from a foreign country may have their education  
14 evaluated for “equivalency” by one of the following:

- 15 • ~~An accredited, degree-granting domestic college or university;~~
- 16 • ~~The American Association of Collegiate Registrars and Admissions Officers~~  
17 ~~(AACRAO);~~
- 18 • ~~A foreign degree credential evaluation service company that is a member of~~  
19 ~~the National Association of Credential Evaluation Services (NACES); or~~
- 20 • ~~A foreign degree credential evaluation service company that provides~~  
21 ~~equivalency evaluation reports accepted by an accredited degree-granting~~  
22 ~~domestic college or university or by a state licensing board that issues~~  
23 ~~credentials in another discipline.~~

24 ~~BA.~~ The Licensed Residential Real Property Appraiser classification requires  
25 completion of one hundred fifty (150) creditable class hours as specified in the  
26 *Required Core Curriculum*. As part of the 150 required hours, the applicant shall  
27 successfully complete the *15-Hour National USPAP Course*, or its AQB-  
28 approved equivalent, and successfully pass the examination. There is no  
29 alternative to successful completion of the USPAP Course and examination.

30 ~~C.~~ For college-level courses taken in a quarterly system versus a semester system,  
31 one-quarter hour credit is equivalent to .67 semester credit hours. Conversely,  
32 one semester credit hour is equivalent to 1.5 quarter credit hours. For example,  
33 to satisfy the 30 semester credit hour requirement for the Licensed Residential  
34 Real Property Appraiser classification, an applicant needs to successfully pass  
35 those applicable courses that generate 45 quarter credit hours, (i.e. 30 semester  
36 credit hours x 1.5 conversion factor).

37 ~~DB.~~ Appraisers holding a valid **Trainee Appraiser** credential may satisfy the  
38 educational requirements for the Licensed Residential Real Property Appraiser  
39 credential by completing the following additional educational hours:

40	1. Residential Market Analysis and Highest and Best Use	15 Hours
41	2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
42	3. Residential Sales Comparison and Income Approaches	30 Hours
43	4. Residential Report Writing and Case Studies	15 Hours
44		<b>TOTAL      75 Hours</b>

45 ~~E. **Trainee Appraisers** wishing to change to the Licensed Residential Real~~  
46 ~~Property Appraiser classification must also satisfy the college level education~~  
47 ~~requirements as specified in III.A.~~

48 FC. Appraisers holding a valid **Certified Residential Real Property Appraiser**  
49 credential satisfy the educational requirements for the Licensed Residential Real  
50 Property Appraiser credential.

51 GD. Appraisers holding a valid **Certified General Real Property Appraiser**  
52 credential satisfy the educational requirements for the Licensed Residential Real  
53 Property Appraiser credential.

# CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

## III. Qualifying Education

54 A. All college-level education must be obtained from a degree-granting institution  
55 accredited by the Commission on Colleges, a national or regional accreditation  
56 association, or by an accrediting agency that is recognized by the U.S. Secretary  
57 of Education.

58 ~~Applicants for the Certified Residential credential must hold a Bachelor's Degree,~~  
59 ~~or higher, from an accredited college or university. The college or university must~~  
60 ~~be a degree-granting institution accredited by the Commission on Colleges, a~~  
61 ~~national or regional accreditation association, or by an accrediting agency that is~~  
62 ~~recognized by the U.S. Secretary of Education.~~

63 Applicants with a college degree from a foreign country may have their education  
64 evaluated for "equivalency" by one of the following:

- 65 • An accredited, degree-granting domestic college or university;
- 66 • ~~The American Association of Collegiate Registrars and Admissions Officers~~  
67 ~~(AACRAO);~~
- 68 • A foreign degree credential evaluation service company that is a member of  
69 the National Association of Credential Evaluation Services (NACES); or
- 70 • A foreign degree credential evaluation service company that provides  
71 equivalency evaluation reports accepted by an accredited degree-granting  
72 domestic college or university or by a state licensing board that issues  
73 credentials in another discipline.

74 B. Applicants for the Certified Residential credential must satisfy at least one of the  
75 following five options (III.B.1, III.B.2, III.B.3, III.B.4, or III.B.5):

- 76 1. Possession of a Bachelor's Degree in any field of study;
- 77 2. Possession of an Associate's Degree in a field of study related to:
  - 78 a. Business Administration;
  - 79 b. Accounting;
  - 80 c. Finance;
  - 81 d. Economics; or
  - 82 e. Real Estate
- 83 3. Successful completion of 30 semester hours of college-level courses in the  
84 following specific topic areas:
  - 85 a. English Composition (3 semester hours);
  - 86 b. Micro Economics (3 semester hours);
  - 87 c. Macro Economics (3 semester hours);
  - 88 d. Finance (3 semester hours);
  - 89 e. Algebra, Geometry, or higher mathematics (3 semester hours);
  - 90 f. Statistics (3 semester hours);
  - 91 g. Principles of Management (3 semester hours);

- 92                    h. Business or Real Estate Law (3 semester hours); and  
 93                    i. Two elective courses in: accounting, geography, agricultural economics,  
 94                    business management, or real estate (3 semester hours each).
- 95                    4. Successful completion of at least 30 hours of College Level Examination  
 96                    Program® (CLEP®) examinations from the following subject matter areas:
- 97                    a. College Algebra  
 98                    b. College Composition  
 99                    c. College Composition Modular  
 100                   d. College Mathematics  
 101                   e. Principles of Macroeconomics  
 102                   f. Principles of Microeconomics  
 103                   g. Introductory Business Law  
 104                   h. Principles of Management
- 105                   5. Any combination of III.B.3 and III.B.4 above that includes all of the topics  
 106                   identified.

107 **BC.** The Certified Residential Real Property Appraiser classification requires  
 108 completion of two hundred (200) creditable class hours as specified in the  
 109 *Required Core Curriculum*. As part of the 200 required hours, the applicant shall  
 110 successfully complete the *15-Hour National USPAP Course*, or its AQB-  
 111 approved equivalent, and the examination. There is no alternative to successful  
 112 completion of the USPAP Course and examination.

113 **GD.** Appraisers holding a valid **Trainee Appraiser** credential may satisfy the  
 114 educational requirements for the Certified Residential Real Property Appraiser  
 115 credential by completing the following additional educational hours:

116	1. Residential Market Analysis and Highest and Best Use	15 Hours
117	2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
118	3. Residential Sales Comparison and Income Approaches	30 Hours
119	4. Residential Report Writing and Case Studies	15 Hours
120	5. Statistics, Modeling and Finance	15 Hours
121	6. Advanced Residential Applications and Case Studies	15 Hours
122	7. Appraisal Subject Matter Electives	20 Hours
123	<b>TOTAL</b>	<b>125 Hours</b>

124 **DE.** Appraisers holding a valid **Licensed Residential Real Property Appraiser**  
 125 credential may satisfy the educational requirements for the Certified Residential  
 126 Real Property Appraiser credential by completing the following additional  
 127 educational hours:

128	1. Statistics, Modeling and Finance	15 Hours
129	2. Advanced Residential Applications and Case Studies	15 Hours
130	3. Appraisal Subject Matter Electives	20 Hours
131	<b>TOTAL</b>	<b>50 Hours</b>

132 **EF.** **Trainee Appraisers** and **Licensed Residential Real Property Appraisers**  
 133 wishing to change to the Certified Residential Real Property Appraiser

134 classification must also satisfy the college degree requirements as specified in  
135 III.BA.

136 FG. Appraisers holding a valid **Certified General Real Property Appraiser**  
137 credential satisfy the educational requirements for the Certified Residential Real  
138 Property Appraiser credential.

## Section 2: Alternative Track for Licensed Residential to Certified Residential

### Rationale

As stated previously, the AQB recognizes that many Licensed Residential appraisers have a demonstrated track record of providing quality residential appraisal services for a number of years without any disciplinary sanctions. Some of these individuals worked under the premise that they would be able to continue to practice with their current credentials and, through no fault of their own, subsequently found their practice significantly limited due to changes in the marketplace. These changes commenced when Congress mandated the Federal Housing Administration to use only state certified appraisers. For whatever reason, many users of appraisal services followed suit and as a result, Licensed Residential appraisers were no longer eligible to provide appraisals in many transactions.

Some of these Licensed Residential credential holders lived in rural markets providing a variety of services besides appraisals (e.g., brokerage, property management, insurance) and may have only performed a few appraisals per month. When the *Criteria* changed to require a Bachelor's Degree for the Certified Residential credential, those without a degree simply decided it was not worthwhile to consider upgrading to the certified level. As a result, many rural markets are now deemed underserved because Certified Residential appraisers must perform those assignments. Many of these markets have very few, if any, Certified Residential appraisers, resulting in the need to bring in eligible appraisers from distant markets. This may increase turnaround times for rural assignments, while at the same time placing a strain on urban markets due to those appraisers taking time away to perform rural assignments.

As stated previously, the AQB does not revise the *Criteria* in an attempt to adjust the supply of credentialed appraisers. However, the AQB recognizes ethical and competent Licensed Residential appraisers with a history of performing residential appraisals should have an alternative path to obtain a Certified Residential credential, given they only lack the required college-level education. Therefore, the AQB is proposing such a path.

Note: For the sake of clarity, the AQB is exposing this proposal separately from the proposed revisions to the college-level education requirements for the Certified Residential credential shown in Section 1 of this document. This proposal would apply to the college-level requirements for the Certified Residential credential, whether the proposed revisions shown in Section 1 are adopted or not. Therefore, the proposed revisions on the following page are shown based on the *current* Criteria.

## CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

### III. Qualifying Education

139 A. Applicants for the Certified Residential credential must hold a Bachelor's Degree,  
140 or higher, from an accredited college or university. The college or university must  
141 be a degree-granting institution accredited by the Commission on Colleges, a  
142 national or regional accreditation association, or by an accrediting agency that is  
143 recognized by the U.S. Secretary of Education.

144 Applicants with a college degree from a foreign country may have their education  
145 evaluated for "equivalency" by one of the following:

- 146 • An accredited, degree-granting domestic college or university;
- 147 • ~~The American Association of Collegiate Registrars and Admissions Officers~~  
148 ~~(AACRAO);~~
- 149 • A foreign degree credential evaluation service company that is a member of  
150 the National Association of Credential Evaluation Services (NACES); or
- 151 • A foreign degree credential evaluation service company that provides  
152 equivalency evaluation reports accepted by an accredited degree-granting  
153 domestic college or university or by a state licensing board that issues  
154 credentials in another discipline.

155 B. As an alternative to the Bachelor's Degree requirement, individuals who have  
156 held a Licensed Residential credential for a minimum of five (5) years may qualify  
157 for a Certified Residential credential by satisfying all of the following:

- 158 1. No finally adjudicated disciplinary action affecting the Licensed Residential  
159 appraiser's legal eligibility to engage in appraisal practice within the five (5)  
160 years immediately preceding the date of application for a Certified Residential  
161 credential;
- 162 2. Successful completion of the additional required qualifying education as  
163 specified in Section III.E below;
- 164 3. Successful completion of the required experience as specified in Section IV  
165 below; and
- 166 4. Successful completion of the Certified Residential Real Property Appraiser  
167 examination as specified in Section II above.

168 BC. The Certified Residential Real Property Appraiser classification requires  
169 completion of two hundred (200) creditable class hours as specified in the  
170 *Required Core Curriculum*. As part of the 200 required hours, the applicant shall  
171 successfully complete the *15-Hour National USPAP Course*, or its AQB-  
172 approved equivalent, and the examination. There is no alternative to successful  
173 completion of the USPAP Course and examination.



174 CD. Appraisers holding a valid **Trainee Appraiser** credential may satisfy the  
175 educational requirements for the Certified Residential Real Property Appraiser  
176 credential by completing the following additional educational hours:

177	1. Residential Market Analysis and Highest and Best Use	15 Hours
178	2. Residential Appraiser Site Valuation and Cost Approach	15 Hours
179	3. Residential Sales Comparison and Income Approaches	30 Hours
180	4. Residential Report Writing and Case Studies	15 Hours
181	5. Statistics, Modeling and Finance	15 Hours
182	6. Advanced Residential Applications and Case Studies	15 Hours
183	7. Appraisal Subject Matter Electives	20 Hours
184	<b>TOTAL</b>	<b>125 Hours</b>

185 DE. Appraisers holding a valid **Licensed Residential Real Property Appraiser**  
186 credential may satisfy the educational requirements for the Certified Residential  
187 Real Property Appraiser credential by completing the following additional  
188 educational hours:

189	1. Statistics, Modeling and Finance	15 Hours
190	2. Advanced Residential Applications and Case Studies	15 Hours
191	3. Appraisal Subject Matter Electives	20 Hours
192	<b>TOTAL</b>	<b>50 Hours</b>

193 EF. **Trainee Appraisers** and **Licensed Residential Real Property Appraisers**  
194 wishing to change to the Certified Residential Real Property Appraiser  
195 classification must also satisfy the college degree requirements as specified in  
196 III.A.

197 FG. Appraisers holding a valid **Certified General Real Property Appraiser**  
198 credential satisfy the educational requirements for the Certified Residential Real  
199 Property Appraiser credential.

### Section 3: Practical Applications of Real Estate Appraisal

#### Rationale

In the past three exposure drafts, the consideration of an experience-training curriculum known as the *Practical Applications of Real Estate Appraisal* (PAREA) was proposed. The PAREA concept would provide an alternative to gaining experience in the traditional sense of training (i.e., in an appraisal office with a supervisor mentoring the trainee). The proposed PAREA curriculum consists of three modules that would encapsulate appraisal experience in both a classroom and external practice-based environment. The proposed objectives and guidelines would have required a rewrite of *AQB Guide Note 4 (GN-4)* in the *Criteria*.

The AQB has received widespread support to develop alternatives to current training methods. Those in favor very much agreed that an alternate method of gaining experience was necessary, primarily because of the current lack of training opportunities in appraisal firms and the financial disincentives inherent in training programs for both the mentors and trainees. Also cited was the desire for an experience program offering a consistent educational format and qualified mentors.

Some respondents expressed concern, stating there is no substitute for actual field experience. However, the goal of the practical applications program would be to emulate actual field experience, and the module structures would include actual field experience. As a result, individuals completing these modules would perform actual and/or virtual appraisal assignments.

Some of the responses conveyed a lack of understanding of the AQB's goals in developing this alternative form of experience.

Because of the varied responses, it is evident more information and illustration is necessary in order for responders to credibly evaluate this concept. At this time, the PAREA concept is being removed from this exposure draft and will be developed separately. Its development will require a more extensive time frame than the other proposals. As part of the PAREA development, the AQB is considering developing one initial module to serve as a model for subsequent modules. This will likely be accomplished in conjunction with subject matter experts with expertise in this type of endeavor. Look for additional information on PAREA in the coming months.

## Section 4: Experience Requirements

### Rationale

As stated in prior exposure drafts, the role experience plays in determining an individual's eligibility for a real estate appraiser credential has been an item of substantial debate. The model that has been in place for many years is familiar and seems "natural" to many. However, virtually all commenters acknowledge the difficulty with obtaining appraisal experience in today's environment.

The simple fact that experience is difficult to obtain does not warrant reducing the amount of experience needed for a credential. The AQB's charge is to maintain and promote public trust in the appraisal profession by establishing appropriate *minimum* qualifications necessary to qualify for a credential. It's important to keep in mind that being *qualified* is different than being *competent*.

Many commenters felt any reduction in the experience requirements would not render a competent appraiser; however, the AQB *Criteria* must ensure that an individual is qualified to appraise, even though that individual may not necessarily be competent yet. Competency is gained over time based on an appraiser's practice. Regardless of the amount of experience required to obtain a credential, there will always be assignments appraisers are not competent to perform at the time they initially receive a credential.

As stated in prior exposure drafts, the experience requirements in the *Criteria* have not increased since January 1, 1998. However, since that time:

- The number of hours of qualifying education required for a credential has increased dramatically;
- Qualifying education must now follow a specified Required Core Curriculum, including completion of case study and report writing courses;
- Successful completion of each qualifying education course requires a candidate to pass a closed-book, proctored, final examination;
- College-level education is now required;
- Applicants must pass the practice-based *National Uniform Licensing and Certification* examinations, which are far more robust and challenging than the pre-2008 exams were;
- A comprehensive program for instruction related to the *Uniform Standards of Professional Appraisal Practice* (USPAP) has been implemented; and
- There are qualification requirements for supervisory appraisers.

With these enhancements to the education and examination components of the *Criteria*, the AQB continues to consider it appropriate to offer a more balanced approach to the qualifications needed for a credential by reducing the number of hours of experience required for the residential classifications. The AQB has also evaluated the required experience hours in comparison to the minimum time frames (i.e., months required). Using a typical 40-hour work week as a basis, the Board is proposing corresponding reductions in the months of experience required for all classifications.

## LICENSED RESIDENTIAL REAL PROPERTY APPRAISER

### IV. Experience

200 ~~Two thousand (2,000)~~ One thousand (1,000) hours of experience are required to  
201 be obtained in no fewer than ~~12~~ six (6) months.

## CERTIFIED RESIDENTIAL REAL PROPERTY APPRAISER

### IV. Experience

202 ~~Two thousand five hundred (2,500)~~ One thousand five hundred (1,500) hours of  
203 experience are required to be obtained during no fewer than ~~twenty four (24)~~  
204 ~~months is required~~ twelve (12) months. While the hours may be cumulative, the  
205 required number of months must accrue before an individual can be certified.

## CERTIFIED GENERAL REAL PROPERTY APPRAISER

### IV. Experience

206 Three thousand (3,000) hours of experience are required to be obtained during  
207 no fewer than ~~thirty (30) months is required~~ eighteen (18) months, of which o  
208 One thousand five hundred (1,500) hours must be in non-residential appraisal  
209 work. While the hours may be cumulative, the required number of months must  
210 accrue before an individual can be certified.

**From:** Michael Curtis  
**To:** [Dulebohn, Dawn L \(CED\)](mailto:Dulebohn, Dawn L (CED))  
**Subject:** AK continuing education - Certified Residential License #125778  
**Date:** Thursday, April 12, 2018 6:45:29 PM

---

Dawn,

I have called a couple of times and left messages. I am a Certified Residential Real Estate Appraiser in AK, license #125778. My license expiration date is 06/30/2019.

It looks like AK requires 14 hours of live classroom attendance. I have recently completed USPAP update 2018 in a live classroom for 7 hours. However, I am unclear on a question about the remaining 7 hours. I completed Appraisal Institute Class Residential Review Theory. According to the AI website, it is approved in AK for 17 classroom hours. I took this course as a live on line synchronous class where attendance was monitored and questions could be asked; essentially it was a live class and NOT on demand. Would this qualify as a live classroom for CE requirements in AK?

I live in AZ where about the only live class anyone offers is USPAP. I have to travel to CA for a live class. I have even checked AK, but cannot find any live class offerings. The problem I keep having is every time I find a live class in CA that is approved for AK and the other states where I am licensed (14 total) I sign up for it and it gets cancelled 10 days before class starts since most end up taking it on line, since it is considerably less expensive.

I do quite a bit of review work for properties in AK and need to keep my AK license. Hopefully the live on line synchronous class will be able to qualify as a live classroom for CE purposes. I will be waiting your response on this question; if so, then all my CE for renewal is currently complete. If not, I will have to continue searching and hopefully will find another that won't get cancelled at the last minute.

Thank you in advance for your consideration.

**Michael Curtis, RM, SRA**

Curtis Appraisal Consultants  
8984 W. Diana Avenue  
Peoria, AZ 85345  
Phone (623) 522-8613 Fax (623) 522-8617  
Email [mcurtis@curtisappraisal.com](mailto:mcurtis@curtisappraisal.com)  
Web [www.curtisappraisal.com](http://www.curtisappraisal.com)

*This e-mail is CONFIDENTIAL and is intended only for the named recipient(s) and may contain information that is privileged, attorney or appraiser work product or exempt from disclosure under applicable law. If you have received this message in error, or are not the named recipient(s), please immediately notify the sender and delete this e-mail message from your computer. Thank you.*

**From:** Michael Curtis  
**To:** [Dulebohn, Dawn L \(CED\)](#)  
**Subject:** Reviewer specific states  
**Date:** Wednesday, April 18, 2018 7:55:24 PM  
**Attachments:** [Reviewer State Specific Map 04.02.2018.pdf](#)

---

Hi Dawn,

As we discussed in our telephone conversation this morning, I asked the question regarding AK becoming a reviewer specific state. I have attached a map showing reviewer specific states for your reference.

As it currently exists, it is up to each state as to whether or not it becomes reviewer specific. As you probably know, currently a reviewer is required to have a license in every state in order to state a value or commonly known as "review to value". However when a reviewer performs a review regarding compliance items and/or the quality of an appraisal without stating a value, certain states require the reviewer to be licensed in that state (Reviewer Specific). Other states do not require a reviewer to be licensed in that state (Non-Reviewer) specific. Most recently this year, the states of OH, WV (although not shown on map), SC and NJ became Reviewer Specific. It is anticipated in the near future that CA, ID and CO are leaning in that direction.

The reason that I would like to bring this issue up before the board is twofold; you had indicated that certain AMC issues would be coming up in AK during the next legislative session and the other is that I seem to recall that AK had issued a statement recently regarding appraiser competency and maintaining a data base for properties appraised in AK. Currently I am licensed in 14 states and perform reviews to value for two clients and perform compliance reviews for one other. Each of these clients are AMC's. The new trend over the past year is for AMC's to perform review work. Historically, review assignments have come directly from agencies such as Fannie Mae, Freddie Mac or directly from individual lending institutions.

As previously stated, I perform reviews to value for two clients and do their work only in states where I am licensed. However for my other client (who is also my employer), I not only perform compliance reviews in the states where I am licensed but other Non-Reviewer specific states such as NY, MA, NC, VA, WI, PA, etc. When I applied for my current licenses, the states of CA and NV required taking a course in their states appraiser related laws before a license was issued. The state of ID even had a short open book exam as part of their application. It is difficult sometimes for me to perform a review in a Non-Reviewer specific state not being totally familiar with that states laws or local practices. I feel much more comfortable performing reviews of both kind in states where I am licensed.

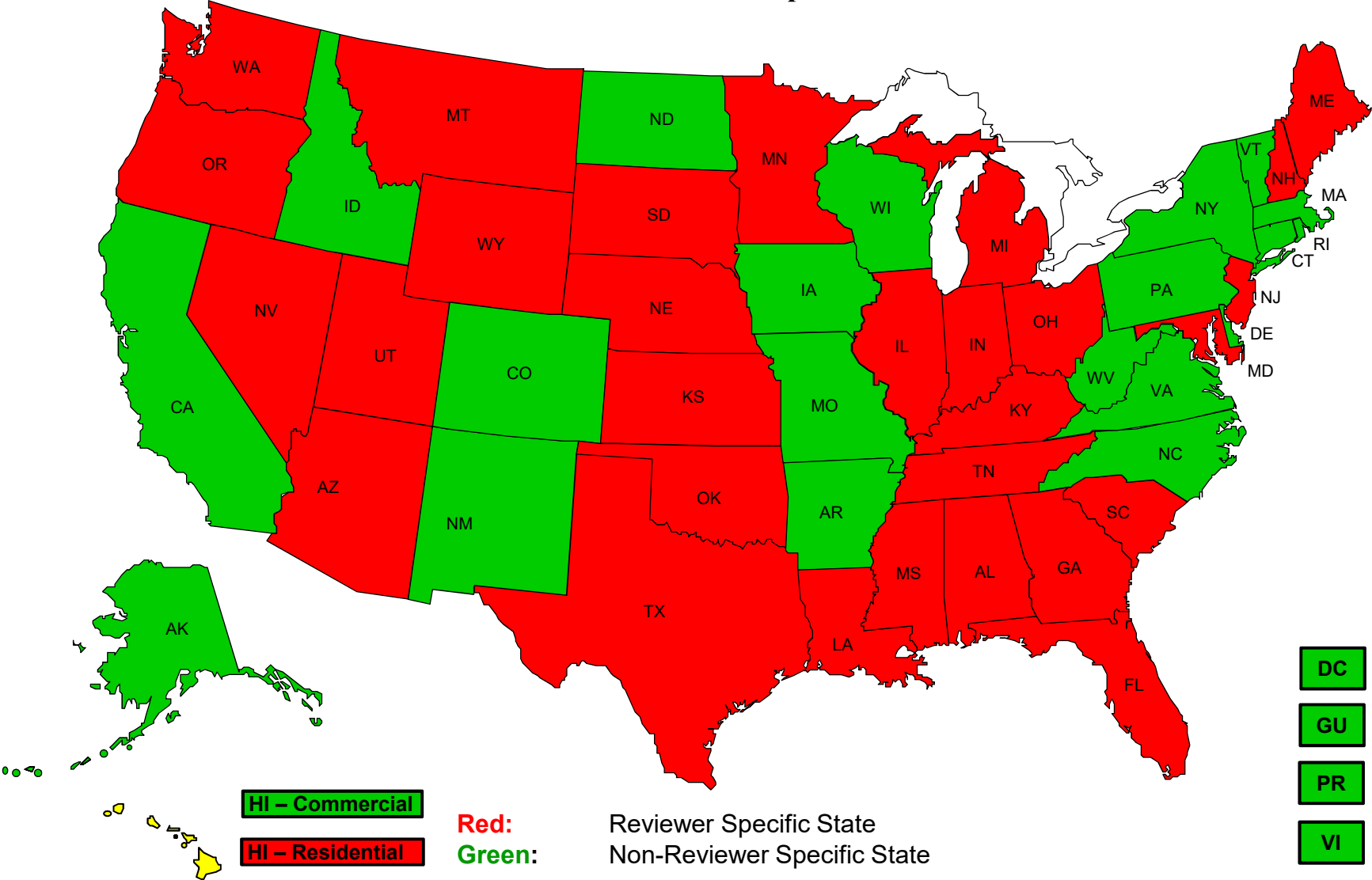
I wanted to bring this issue up before the AK state board due to the trend toward heavy AMC involvement with reviews. Also to address the issues of non-AK reviewers performing compliance reviews in AK. I would appreciate the boards comments and consideration on this issue. Since I am currently licensed in AK, I am interested since I have "a horse in this race". Hopefully, AK will become a Reviewer Specific state in the near future.

Thank you in advance for you consideration and also please extend my thanks to the board on hearing my comments and concerns on this issue.

**Michael Curtis, RM, SRA**

Curtis Appraisal Consultants  
8984 W. Diana Avenue  
Peoria, AZ 85345  
Phone (623) 522-8613 Fax (623) 522-8617  
Email [mcurtis@curtisappraisal.com](mailto:mcurtis@curtisappraisal.com)

# Reviewer State Specific



Last Updated: April 2, 2018

**From:** Gretchen Druhot  
**To:** [Dulebohn, Dawn L \(CED\)](#)  
**Subject:** Appraisal National Standards  
**Date:** Wednesday, April 18, 2018 11:55:08 AM

---

Hi Dawn,

The national standards for appraiser trainees is changing on May 1, do you know if the State of Alaska will be adopting the new standards?

Thanks

Gretchen Druhot



**From:** Gretchen Druhot  
**To:** [Dulebohn, Dawn L \(CED\)](mailto:dawn.dulebohn@alaska.gov)  
**Subject:** Re: Appraisal National Standards  
**Date:** Wednesday, April 18, 2018 2:15:28 PM  
**Attachments:** [RPAQC February 2018 final.pdf](#)

---

Hi Dawn,

Here is the link to the new requirements, and I attached the pdf. It took a bit of looking through the appraisal foundation web page to find the new requirements.

[https://www.appraisalfoundation.org/imis/TAF/Standards/Qualification\\_Criteria/Qualification\\_Criteria\\_RP\\_/TAF/AQB\\_RPAQC.aspx?hkey=5ec61b8d-751b-4a97-90b1-9b3dae51beea](https://www.appraisalfoundation.org/imis/TAF/Standards/Qualification_Criteria/Qualification_Criteria_RP_/TAF/AQB_RPAQC.aspx?hkey=5ec61b8d-751b-4a97-90b1-9b3dae51beea)

On Wed, Apr 18, 2018 at 1:29 PM, Dulebohn, Dawn L (CED) <[dawn.dulebohn@alaska.gov](mailto:dawn.dulebohn@alaska.gov)> wrote:

Hello Gretchen,

I have no knowledge on this subject but the Board is meeting on May 11 and I will bring this up during the Correspondence section of the meeting.

Best Regards,

*Dawn Dulebohn*

Licensing Examiner

Certified Real Estate Appraisers Board

Corporations, Business, and Professional Licensing

P.O. Box 110806

Juneau, AK 99811-0806

PH: 907-465-3811

**From:** Gretchen Druhot <[druhotalaska@gmail.com](mailto:druhotalaska@gmail.com)>

**Sent:** Wednesday, April 18, 2018 11:54 AM

**To:** Dulebohn, Dawn L (CED) <[dawn.dulebohn@alaska.gov](mailto:dawn.dulebohn@alaska.gov)>

**Subject:** Appraisal National Standards

Hi Dawn,

The national standards for appraiser trainees is changing on May 1, do you know if the State of Alaska will be adopting the new standards?

Thanks

Gretchen Druhot

**From:** Allen Safer  
**To:** [Dulebohn, Dawn L \(CED\)](#)  
**Cc:** [Allen Safer](#)  
**Subject:** RE: Educational Barriers to Licensure  
**Date:** Thursday, March 01, 2018 11:04:22 AM

---

Dawn

I have been actively following licensing requirements since 1990 and am well aware of the declining pool of trained appraisers exasperated by retirement of the aging baby boomers. This is going on in the entire country, and is resulting in a shortage of trained fee appraisers.

Today, there are significant barriers to young people considering entering the appraisal profession.

The Appraisal Foundation currently sets the minimum requirements to become a certified appraiser was modified for Certified Residential appraisers to include needing to have a 2-year associates degree or higher or, in lieu of a degree, completion of 21 semester hours in specific real estate topics.

For General Certified Real Estate Appraisers the applicant must have either a bachelor degree or higher or, in lieu of a degree, completion of 30 semester hours in specific real estate topics.

While having the degree alternative is somewhat helpful, the required 21-30 semester hours on top of the 200 to 300 classroom hours required for licensing is a significant barrier to entry.

As an employer, I have found the prerequisite of 3-classes (30-hours) to become a trainee (Principals, Procedures & USPAP) to be a major barrier to recruitment. The upfront cost amounts to about \$1,200 (assuming the state allows on-line curriculum) and entry level/trainee wages are typically \$36,000 to \$42,000 per year. I have found the costs associated with the 200 to 300 classroom hours (after obtaining) the Associates or Bachelor degree (or alternative curriculum) is very difficult to justify for the income expectancy over the 2 to 3-year time spent as a trainee.

It would be very helpful if the 3-class prerequisite to become an Appraisal Trainee could instead be met within 6-months of becoming an Appraisal Trainee. As an employer, I would pay a portion of the required courses for an employee who is a good fit for the profession.

To summarize, the time and cost to satisfy the licensing requirements now exceed the near term benefits. In my opinion, what's missing is an acknowledgment by The Appraisal Foundation (TAF) of the relative importance of on-the-job training, while over-weighting college curriculum.

To get TAF to modify the Appraisal Qualifications, Alaska would need to coordinate with other state Real Appraiser Boards to lobby for a change in Appraisal Qualifications so enhance recruitment into the profession.

Best regards,  
Allen

Allen N. Safer, MAI, MRICS  
Senior Managing Director  
Integra Realty Resources – Seattle  
600 University Street, #310  
Seattle, WA 98101  
Direct: 206-436-1190  
Fax: 206-770-7247  
Email: [asafer@irr.com](mailto:asafer@irr.com)  
Website: [www.irr.com](http://www.irr.com)

Visit our blog at <http://blog.irr.com/>

---

**From:** Dulebohn, Dawn L (CED) [mailto:dawn.dulebohn@alaska.gov]  
**Sent:** Wednesday, February 28, 2018 12:56 PM  
**To:** Allen Safer <asafer@irr.com>  
**Subject:** Educational Barriers to Licensure

It was great speaking with you!

If you would like to send me your opinion on the subject of educational barriers into the field of real estate appraisal, I would submit it to the Board at the May 11<sup>th</sup> meeting.

**From:** Allen Safer  
**To:** [Dulebohn, Dawn L \(CED\)](#)  
**Cc:** [Allen Safer](#)  
**Subject:** RE: Educational Barriers to Licensure  
**Date:** Wednesday, February 28, 2018 1:31:11 PM

---

Dawn

I will respond by email tomorrow on barriers to entry.

I just finished my count from downloaded licensees. There are a total of 232 certified real estate appraisers (including trainees).

Focusing only on General Certified RE Appraisers (CGREAs), there are a total of 98 statewide, of which 33 are domiciled in the lower 48.

Geographically, there are 40 CGREAs (excluding trainees) licensed in the Anchorage Metro Area (Anchorage, Wasilla, Eagle River, Palmer).

Of the 65 CGREAs statewide (domiciled in AK), 40 are physically located in Metro Anchorage.

Hope this helps,  
Allen

Allen N. Safer, MAI, MRICS  
Senior Managing Director  
Integra Realty Resources – Seattle  
600 University Street, #310  
Seattle, WA 98101  
Direct: 206-436-1190  
Fax: 206-770-7247  
Email: [asafer@irr.com](mailto:asafer@irr.com)  
Website: [www.irr.com](http://www.irr.com)

Visit our blog at <http://blog.irr.com/>

---

**From:** Dulebohn, Dawn L (CED) [mailto:[dawn.dulebohn@alaska.gov](mailto:dawn.dulebohn@alaska.gov)]  
**Sent:** Wednesday, February 28, 2018 12:56 PM  
**To:** Allen Safer <[asafer@irr.com](mailto:asafer@irr.com)>

# Administrative Business

# STATE OF ALASKA

# 2018 HOLIDAY CALENDAR

## State Holidays

Date	Holiday
01/01	New Year's Day
01/15	MLK Jr.'s Birthday
02/19	Presidents' Day
03/26	Seward's Day
05/28	Memorial Day
07/04	Independence Day
09/03	Labor Day
10/18	Alaska Day
11/11	Veterans' Day (observed 11/12)
11/22	Thanksgiving Day
12/25	Christmas Day

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

  Holiday

UNAVAILABLE

NEARLY UNAVAILABLE

APR MEETING

MAS MEETING

State calendar maintained by the  
Division of Finance,  
Department of Administration  
<http://doa.alaska.gov/calendars.html>  
Rev. 7/10/2017

## JANUARY

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

## FEBRUARY

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			

## MARCH

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## APRIL

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## MAY

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## JUNE

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

## JULY

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## AUGUST

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

## SEPTEMBER

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

## OCTOBER

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

## NOVEMBER

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

## DECEMBER

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

**INVOICE #2160**

Date: February 5, 2018

Association of Appraiser Regulatory Officials  
13200 Strickland Rd.  
Suite 114-264  
Raleigh, NC 27613  
Ph: (919) 235-4544  
**EIN: 91-1545335**

Bill To:

Fernando Pintang  
Alaska Department of Commerce

<u>Description</u>	<u>Amount</u>
AARO 2018 Annual membership dues	<u>450.00</u>
Total Due	\$ 450.00

Invoice due by March 15, 2018. Please remit to 'AARO' at the address shown above.

We appreciate your business!

**From:** [Irwin, Lindy \(GOV\)](#)  
**To:** [dfaulkenburry@gmail.com](mailto:dfaulkenburry@gmail.com)  
**Cc:** [Dulebohn, Dawn L \(CED\)](#)  
**Subject:** Oath of Office  
**Date:** Friday, March 30, 2018 10:16:46 AM  
**Attachments:** [Code of Conduct.pdf](#)  
[Oath of Office.docx](#)

---

Dear Donald Faulkenburry,

Congratulations on your recent appointment to the Board of Certified Real Estate Appraisers. In reviewing our records, we have not received your signed and notarized Oath of Office or copy of the Code of Contact. They should have been mailed to you after your appointment. I am attaching copies.

Please have the Oath notarized and return both documents via email or mail it as soon as possible. The law requires that a signed and notarized Oath of Office be on file before an appointee is authorized to exercise the powers and perform the duties of his/her appointment.

If you have any questions or feel you have received this email in error, please contact me at 907-269-7450.

Thank you for your prompt response.

Regards,

**Lindy Irwin**  
**Boards and Commissions**  
**Office of Governor Bill Walker**

550 West 7<sup>th</sup> Avenue, Suite 1700

Anchorage, Alaska 99501

PHONE: 907.269.7450

FAX: 907.269.7463

[lindy.irwin@alaska.gov](mailto:lindy.irwin@alaska.gov)

[www.gov.alaska.gov](http://www.gov.alaska.gov)



## *State of Alaska Board or Commission Code of Conduct*

The Code of Conduct is a set of behavioral expectations intended to assure the Public that the board and its individual members uphold the highest level of integrity and ethical standards as they ensure public access to competent, safe and ethical practitioners of the licensed profession they regulate, as well as policy recommendations made to the Legislative body and the Governor's office by an advisory board. Your signature confirms your commitment to following the Code to the best of your ability.

- \* Demonstrate professional civility for fellow board members, staff and the public in all matters.
- \* Avoid emotional outbursts or anything that could be considered threatening or intimidating at all times.
- \* Respect and adhere to rules, policies and guidelines of the board or commission.
- \* Ensure each matter is dealt with in a fair, equitable and impartial manner.
- \* Courteously accept decisions made by the majority of the board, regardless of a possible conflicting opinion.
- \* Strive beyond the norm to avoid any actual or perceived conflict of interest that may compromise the Integrity of the board.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Print Name: \_\_\_\_\_

# 2018 Annual Report

# Clarification on Board Decisions

## Policies Going Forward

**From:** David Derry  
**To:** [Dulebohn, Dawn L \(CED\)](mailto:Dulebohn, Dawn L (CED))  
**Subject:** Re: APR- Classroom hours via webinar and Supervisor/Trainee Course Final Exam  
**Date:** Wednesday, March 21, 2018 9:51:15 AM

---

Hi Dawn,

I did some research, probably a duplicate of what you have already done, and here's my conclusions, by the number:

1. I don't think we as a board have addressed this specific topic, at least not since I've been on the board. It is something that we should have a position on, so let's put it on the next meeting agenda. With a board decision, we can post it in the FAQs and clarify that for future education offerings and most importantly for CE credit. My preliminary thought is, if the webinar is proctored/monitored by the instructor to assure the student is in attendance, it should be considered a "classroom setting". But let's see what the board as a whole thinks. Do you have an application pending for education credit subject to this point? Or more importantly, is this in issue for someone applying for certification.....or the CE audit? If so, let me know and I can make a command decision, subject to board concurrence.

2. Yes the "Summary/quiz" is optional, and we (Alaska) do not require it. Some states have more strict requirements on Supervisor/Trainee certification, with the test mandatory, and some requiring state specific regulation topics. We're pretty loose, and having taken this course, it's not earth shaking info.

Best, Dave

On Tue, Mar 20, 2018 at 10:34 AM, Dulebohn, Dawn L (CED)  
<[dawn.dulebohn@alaska.gov](mailto:dawn.dulebohn@alaska.gov)> wrote:

David,

I have a few questions, if you have a moment:

1) Can classroom hours be taken via webinar (i.e. an online class in which the student can interact with the instructor in real time)?

2) In regards to the Supervisory Appraiser/Trainee Appraiser Course Objectives and Outline, AQB states that the "Summary/Quiz" is optional. Is that the Board's opinion?

I do have an applicant waiting on this information.

Best Regards,

*Dawn Dulebohn*

Licensing Examiner

Board of Massage Therapists

Board of Certified Real Estate Appraisers

Corporations, Business, and Professional Licensing

P.O. Box 110806

Juneau, AK 99811-0806

PH: [907-465-3811](tel:907-465-3811)

Fax: [907-465-2974](tel:907-465-2974)

[Dawn.Dulebohn@alaska.gov](mailto:Dawn.Dulebohn@alaska.gov)

# Clarifications Requested from the Board

In an effort to get clarification on some issues that have been brought to my attention, I would like the board to weigh in on precedents previously set or that need to be revisited in following with Federal and State requirements. Although the Division formulates all the applications, I would like Board input on the following items from the experts in the industry. All feedback will be considered and appreciated.

\*\*Applications must meet BOTH State and Federal Requirements. Any that do not will be considered incomplete until corrected. This includes AQB approval, outlines, and application content.

## **Application Approval Process**

1. What is the board's stance on postdating course approval? Some previous exceptions have been:

- If the completed application is received by the date of courses listed? This goes against 12 AAC 70.150.
- Case by case basis- just post the true approval date

The reason this is a question is because I would like a board approved stance on what is acceptable in regards to submission of a course application. I am getting applications that have a set course within days or weeks of a class date. This is an unrealistic timeline in which to think the board will receive, review, and potentially approve a course. 12 AAC 70.150 states that the "application deadline is 15 days before the scheduled date for the boards application review". I would like to start enforcing this regulation starting with sending out a notification e-mail to all the sponsors on file AND post it on the website.

2. What is the board's authority to only extend course approval to match AQB approval since state S&R say that courses are good for 3 years?

- Reference 12 AAC 70.145 or Initial/trainee courses and 12 AAC 70.200 for continuing education. "I agree that it will be the sponsor's responsibility to submit the renewed AQB documents."
- There is nothing in statutes and regs that state that the board will accept any course that is AQB approved. Regulations project to amend to justify AQB approval being a qualifier that allows only one board member to review and approve those courses (from Division's supervisor and regulation's specialist).

3. Application by Examination applicants must send “official transcripts, notarized copies of certificates of completion” per 12 AAC 70.100 (a)(1)(B).

- Currently not being followed with the exception of the Verification of Work Experience form.

4. Streamline Current Application Process for Applications by Examination. Steps:

- Submit completed application
- Get Board Approval for test
- Pass test, Division receives test results
- Board is contacted to determine who will review work product
- Reviewing Board member is sent Work Log to choose product
- Applicant is contacted asking for work product for review
- Work product is sent to Reviewing Board Member
- Work product is reviewed and results sent to Division
- License is issued

To streamline this process, I would like to change the process to combine some of these steps:

- Have a “go to” member appointed to review all work products (can be year terms?)
- Have that appointed member designate to Division what work product they would like to review in the initial application review/ballot vote. When passing test results are received, Division can relay which product needs to be submitted.

5. Does this statement accurately reflect the board’s position on Supervisor Approval Requests?

### Supervisor Approval Request

Per 12 AAC 70.935, a supervisory appraiser shall be certified in Alaska and in good standing for at least three years before applying on this form. A supervisory appraiser must comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice, and may not supervise more than three trainee appraisers at any given time.

This form must be accompanied by:

6. If someone fraudulently attempts to gain supervisor approval, should there be disciplinary action taken in accordance with AS 08.87.210(3)?

7. Can Distance Education be substituted for Classroom Hours for Qualifying/Initial Education if all of the following criteria are met?

- The course provides interaction with Instructor- written or verbal communication
- Content Approval from AQB and...? Give specific organizations (page 6, D-1)
- Course Delivery Mechanism Approval- AQB approved organization (IDECC) or ...? Give specific organizations (page 6, D-3)

- Class hours minimum length of education is at least 15 hours
- Individual successfully completes a proctored, closed book final exam pertinent to that educational offering. Oral exams are not acceptable.
- Can the closed book, proctored exam be web monitored?
- Does attendance need to be monitored?

## 8. Can Distance Education be substituted for Classroom Hours for Continuing Education if all of the following criteria are met?

- The course provides interaction with Instructor- written or verbal communication
- Content Approval from AQB and...? Give specific organizations (page 6, D-1)
- Course Delivery Mechanism Approval- AQB approved organization (IDECC) or ...? Give specific organizations (page 6, D-3)
- Class hours minimum length of education is at least 15 hours
- Distance Education for CE must include either (a) proctored written examination (not oral) OR (b) successful completion of demonstration of subject matter.
- Can the proctored exam be web monitored?
- Does attendance need to be monitored?

## 9. Any Continuing Education requirements must include:

- 7 hour National USPAP Update Course (or it's equivalent)
- Class must be at least 2 hours in length
- Up to ½ of an individual's continuing education requirement may be granted for participation in appraisal educational processes (i.e. teaching, program development, authorship of textbooks, ect).

The screenshot shows the Appraisal Institute website. The main content area is titled "Basic Appraisal Principles" and includes a sub-header "Education Schedule (PDF)" and "Education Catalog (PDF)". Below this, there is a warning: "Some AI educational programs may not be approved in every state. Students should check state approvals prior to registering for any Appraisal Institute program." The page has three tabs: "Classroom", "On-Demand Online Education", and "Live Online (Synchronous)". The "Live Online (Synchronous)" tab is active, and a message below it says "Not available synchronous". The sidebar on the left contains "Your Career" and "Search Appraisal Institute Education" with options like "New and Popular Education", "Advanced Search for All Education", "Quick Search by State", "Search by Class Title", and "State Appraisal - Placement/Online". The top navigation bar includes "AI Resources", "Education", "Publications", "Professional Practice", "News", "Advocacy", and "About Us".



## Application Changes

### Course Approval Applications

#### 1. Current Presentation Methods- Traditional Classroom, Correspondence, Online, Video Tape, Distance Education

- Suggestion to reduce to Traditional Classroom, Distance (includes online and correspondence), Synchronous Online with definitions for each

<b>PART III Course Information</b>	
Is this course AQB or IDECC approved?	* Yes <input type="checkbox"/> No <input type="checkbox"/>
* If yes, include documentation of approval.	
Date(s) of Course	
Location(s) of Course	
Course Category	<input type="checkbox"/> Initial Certification <input type="checkbox"/> Continuing Education <input type="checkbox"/> Both
Presentation Method	<input type="checkbox"/> Traditional Classroom <input type="checkbox"/> Correspondence <input type="checkbox"/> Online <input type="checkbox"/> Video Tape <input type="checkbox"/> Distance Education
Number of Classroom Hours:	
Number of Final Exam Hours:	
Total Number of Hours:	

#### 2. Is there a difference between Provider and Provider Title?

<b>PART II Sponsor Information</b>	
Provider	
Provider Title	
Course Title	

#### 3. Application by Trainee Transition- should be black and white. For those who do not know better, this is sending confusing messages.

- More direct language should be added to the Trainee Transition section spelling out requirements instead of directing applicants to another section to reduce frustration.

**CERTIFICATION BY EXAMINATION:** In addition to the fees, release and application, the following must be on file before the Board will consider an application for a certificate by examination as a residential real estate appraiser:

1. **Official Transcripts:** notarized copies of certificates of completion, or other evidence of course completion acceptable to the board, that verify classroom hours of education required in 12 AAC 70.115 (see below).
2. **Core Curriculum:** An applicant for certification as a residential real estate appraiser shall document satisfactory completion of 200 creditable classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of nonresidential properties, and specified in the following core curriculum, of which at least 150 hours must be completed within the five years preceding the date of a complete application:
  - a. basic appraisal principles, 30 hours;
  - b. basic appraisal procedures, 30 hours;
  - c. 15-hour National USPAP course taught by an Appraiser Qualifications Board Certified Instructor;
  - d. residential market analysis and highest and best use, 15 hours;
  - e. residential appraiser site valuation and cost approach, 15 hours;
  - f. residential appraiser sales comparison approach, 30 hours;
  - g. residential appraiser report writing and case studies, 15 hours;
  - h. statistics, modeling and finance, 15 hours;
  - i. Advanced residential applications and case studies, 15 hours;
  - j. appraisal subject matter electives, 20 hours.
3. **Degree Requirements:** A bachelor's degree or higher from an accredited college or university;
4. **Work Experience:** Three forms completed by a combination of three different individuals referenced in 12 AAC 70.110 (form enclosed) verifying 2,500 hours of experience obtained continuously over a period of not less than 24 months. An applicant may not receive credit for more than 1,250 hours of experience in real property appraisal in a 12-month period.
5. **Completed Work Verification Log:** Document appraisal work. Please do not submit work products (appraisal report) at time of application. The Board or Board Designee will select products for review.
6. **Examination:** Copy of examination results as proof of successful completion of the Uniform State Residential Certification Examination endorsed by the Appraiser Qualifications Board of the Appraiser Foundation. The Alaska Board of Certified Real Estate Appraisers currently utilizes as its testing agent Pearson Education, Inc., which administers both the Certified Residential Appraiser test and the Certified Residential Appraiser test. For specific information regarding the examination, contact: For information regarding the examination, contact: Pearson Vue, 800-274-7488.
7. **Authorization for Release of Records** (attached).

**TRAINEE TRANSITION:** In addition to the fees, release and application, the following must be on file before the Board will consider an application for a certified trainee to transition to a residential real estate appraiser

1. **Core Curriculum:** 125 additional hours of education per 12 AAC 70.115(a); d-j under "2" of exam directions above.
2. **Determination of Competency** (attached)
3. **Authorization for Release of Records** (attached).

# Application Update



Adjourn