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**OFFICE OF THE LIEUTENANT GOVERNOR
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M E M O R A N D U M

TO: Jun Maiquis, AAC Contact
Department of Commerce, Community and Economic Development

FROM: Scott Meriwether
Special Assistant 
907.465.4081

DATE: June 2, 2015

RE: Filed Permanent Regulations: Board of Certified Real Estate Appraisers
Regulations update re: certification of real estate appraisers and trainees (12 AAC70)

Attorney General File:	JU2015200158
Regulation Filed:	May 29, 2015
Effective Date:	June 28, 2015
Print:	214, July 2015

cc with enclosures: Linda Miller, Department of Law
Genevieve Wojtusik, Administrative Regulation Review Committee
Judy Herndon, LexisNexis

JU2015200158

ORDER CERTIFYING THE CHANGES TO REGULATIONS
OF THE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

The attached twelve pages of regulations, dealing with application for general or residential real estate appraiser certification by examination, reciprocity, institutional, or endorsement, education requirements, application for approval as a trainee appraiser or as a supervisory appraiser, standards for acceptable education, continuing education requirements, and supervision of trainee appraisers, are hereby certified to be a correct copy of the regulation changes that the Board of Certified Real Estate Appraisers adopted at its April 14, 2015 teleconference meeting, under the authority of AS 08.87.020, AS 08.87.110, AS 08.87.120, and AS 08.87.310 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

Although no public comments were received, the Board of Certified Real Estate Appraisers paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

DATE: 4/14/15
Kenai, Alaska



David M. Derry, Chairman
Board of Certified Real Estate
Appraisers

FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on May 29, 2015 at 2:30 p.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.



Byron Mallott, Lieutenant Governor

Effective: June 28, 2015.

Register: 214, July 2015.

Chapter 70. Board of Certified Real Estate Appraisers.

12 AAC 70.100 is repealed and readopted to read:

12 AAC 70.100. Application for general real estate appraiser certification by examination. (a) The board will issue a ~~license or~~ certification by examination to practice as a general real estate appraiser to an applicant who meets the requirements of AS 08.87.110(a) and this section.

(b) An applicant for ~~license or~~ certification under this section ^{must} ~~shall~~

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

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

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

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

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

(2) pay any fees required in 12 AAC 02.370. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.105 is repealed and readopted to read:

12 AAC 70.105. Application for residential real estate appraiser certification by examination. (a) The board will issue a ~~license or~~ certification by examination to practice as a residential real estate appraiser to an applicant who meets the requirements of AS 08.87.110(b) and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~ must

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

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

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

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

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

(2) pay any fees required in 12 AAC 02.370. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70 is amended by adding a new section to ~~Article 1~~ to read:

12 AAC 70.106. Application for general real estate appraiser or residential real estate appraiser certification by reciprocity. (a) The board will issue a ~~license or~~ certification to practice as a general real estate appraiser or residential real estate appraiser by reciprocity to an applicant who meets the requirements of AS 08.87.110(c) and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~ must

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

(2) pay any fees required in 12 AAC 02.370; and

submit
(3) verification of current certification or licensure from another state on a form

provided by the department. (Eff. 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.107 is repealed and readopted to read:

12 AAC 70.107. Application for institutional real estate appraiser certification by examination. (a) The board will issue a ~~license or~~ certification by examination to practice as an institutional real estate appraiser to an applicant who meets the requirements of AS 08.87.110(e) and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~ must

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

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

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

(C) proof of full-time employment with a financial institution with offices in this state; ^{and}

(2) pay any fees required in 12 AAC 02.370. (Eff. 4/15/94, Register 130; am 12/13/94, Register 133; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.115(a) is repealed and readopted to read:

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

12 AAC 70.115(c) is repealed and readopted to read:

(c) An applicant for certification as a residential real estate appraiser ^{must} ~~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 residential properties, and a bachelor's degree or higher ^{in any field} ~~in any field~~ from an accredited college or university.

(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)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.120 is repealed and readopted to read:

12 AAC 70.120. Application for certification by endorsement. (a) The board may issue a ~~license or~~² certification by endorsement to practice as a general real estate appraiser or residential real estate appraiser to an applicant who meets the requirements of AS 08.87.110(h) and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~^{must}

(1) submit a completed application, on a form provided by the department; the completed application must include the personal identification information requested on the form; ^{and}

(2) pay any fees required in 12 AAC 02.370. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 6/13/97, Register 142; am 4/16/2004, Register 170; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.125 is repealed and readopted to read:

12 AAC 70.125. Application for approval as a trainee appraiser. (a) The board will issue a ~~license or~~ certification approving a person as a trainee appraiser to an applicant who meets the requirements of 12 AAC 70.935 and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~^{must}

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

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

(B) proof ^{of} that the applicant has successfully completed and passed 75

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

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

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

(1) submit an application for renewal on a form provided by the department; and

(2) provide evidence of satisfactory completion of 14 hours of continuing

education credit. (Eff. 4/15/94, Register 130; am 12/13/94, Register 133; am 6/28/2015,

Register 214)

Authority: AS 08.87.020 AS 08.87.310

12 AAC 70 is amended by adding a new section to ~~Article 7~~ to read:

12 AAC 70.126. Application for approval as a supervisory appraiser. (a) The board will issue a ~~license or~~ certification approving a person as a supervisory appraiser to an applicant who is ~~licensed or~~ certified to practice as a general real estate appraiser or residential real estate appraiser and who meets the requirements of 12 AAC 70.935 and this section.

(b) An applicant for ~~license or~~ certification under this section ~~shall~~ must

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

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

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

(2) pay any fees required in 12 AAC 02.370. (Eff. 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.310

12 AAC 70.140(e) is repealed:

(e) Repealed 6/28/2015.

(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 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)

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

The introductory language of 12 AAC 70.210(c) is amended to read:

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

...

12 AAC 70.210(c)(3) is amended to read:

(3) courses approved by the Appraiser Qualifications Board [EDUCATIONAL] Course Approval [REVIEW] Program. of the Appraisal Foundation

12 AAC 70.210(e) is repealed and readopted to read:

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

(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)

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.215(b)(1) is repealed:

(1) repealed 6/28/2015;

12 AAC 70.215(c)(3) is amended to read:

(3) distance education courses approved by the Appraiser Qualifications Board [EDUCATIONAL] Course Approval [REVIEW] Program; of the Appraisal Foundation

12 AAC 70.215(c)(4) is repealed:

(4) repealed 6/28/2015. (Eff. 1/7/2001, Register 157; am 1/16/2005,

Register 173; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.220(e) is amended to read:

(e) As part of the requirements of (a)(1) of this section, an applicant for renewal of a certificate shall document satisfactory completion of a seven-hour [7-hour] National USPAP Update Course, taught by an Appraiser Qualifications [QUALIFICATION] Board [AQB] certified instructor transfer [OR ITS EQUIVALENT] who is a certified appraiser [AS DETERMINED BY THE Appraisal Qualifications Board BOARD]. The board will accept courses determined as equivalent by the [AQB] Course Approval Program. Completion of the 15-hour national [National] USPAP course used for certification under

seven-hour 12 AAC 70.115 may not be used to satisfy the continuing education renewal requirements of the [7-hour] USPAP Update Course required in this subsection. (Eff. 7/16/92, Register 123; am 12/13/94, Register 133; am 1/7/2001, Register 157; am 4/16/2004, Register 170; am 1/16/2005, Register 173; am 6/22/2005, Register 174; am 9/14/2012, Register 203; am 6/28/2015, Register 214)

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70 is amended by adding a new section to ~~Article 4~~ to read:

12 AAC 70.935. Supervision of trainee appraisers. (a) A lowercase Supervisory appraisers shall

(1) be in good standing in this state and not subject to any disciplinary action within any jurisdiction within the last three years that affects the supervisory appraiser's legal eligibility to engage in appraisal practice. lowercase A supervisory appraiser subject to a disciplinary is action ~~would be considered~~ in good standing three years after the successful completion or

termination of the sanction imposed against the appraiser;

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

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

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

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

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

(2) reviewing and signing the trainee appraisal report(s); and

align (3) personally inspecting each appraised property with the trainee appraiser until the supervisory appraiser determines that the trainee appraiser is competent, in accordance with the Competency Rule of the Uniform Standards of Professional Appraisal Practice, for the property type. g lowercase The supervisory appraiser shall make the ~~this~~ determination of competency in writing on a form provided by the department and shall submit the determination to the department not later than 10 days ~~thereafter~~. after the date of the determination.

A lowercase
(d) Trainee appraisers shall report to the department, on a form provided by the department, the identity of any supervisory appraiser. A lowercase Trainee appraisers may have more than one supervisory appraiser. If ~~When~~ a trainee appraiser has more than one supervisory appraiser,

the trainee appraiser shall report the identity of each supervisory appraiser as required under this subsection.
each shall be reported as indicated above.

(e) A supervisor-trainee relationship ~~shall~~ ^{cs} become effective on the date of receipt ^{by the department} of the original required form with original signatures ^{by the department}.

(f) ^{The supervisory} An appraisal log shall be maintained jointly by the supervising appraiser and the ^{jointly maintain an appraisal log that} appraisal trainee or appraiser in training and shall ~~at a minimum~~, include the following for each

appraisal ^{includes at least}

identification of the

(1) type of property;

(2) ^{the} date of ^{the} report;

(3) ^{the} address of ^{the} appraised property;

(4) ^a description of work performed by the trainee appraiser and the scope of the

review and supervision of the supervisory appraiser;

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

(6) the signature and state certification number of the supervisory appraiser;

separate appraisal logs shall be maintained for each supervisory appraiser, if applicable.

Before supervising a trainee appraiser, a

(g) ^{lowercase} Supervisory appraisers shall complete a course that ⁷¹⁽¹⁾ ~~at a minimum~~, complies with the Appraisal Qualifications Board of the Appraisal Foundation; and ⁷¹⁽²⁾

specifications for course content established by the ~~ABQ~~, 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.~~

The course that an applicant for certification under 12 AAC 70.12.5 as a trainee appraiser must take

(h) Trainee appraisers shall be required to complete a course that, ^{71(1) must} ~~at minimum~~, complies ^{71(A) comply} with the specifications for course content established by the Appraisal Qualifications Board of the Appraisal Foundation; and ^{71(B)} be

to the requirements and responsibilities of supervisory appraisers and trainee appraisers. ~~The~~ ^{71(C) and}

~~course must be completed by the trainee appraiser prior to obtaining a trainee appraiser~~

~~credential from the individual credentialing jurisdiction. The trainee appraiser course is not~~ ⁷¹⁽²⁾

Register 214, July 2015 PROFESSIONAL REGULATIONS

Under 12 AAC 70.125

eligible towards the 75 hours of qualifying education required. (Eff. 6/28/2015, Register
214)

Authority: AS 08.87.020 AS 08.87.310