

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 70.108(a) is amended to read:

(a) An applicant for certification as a general real estate appraiser shall submit verification of 3,000 hours of appraisal work obtained continuously over a period of not less than **18** [30] months. At least 1,500 hours of the appraisal work must be in nonresidential appraisal work. The board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with [STANDARD 1 AND STANDARD 2 OF] the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time that the work experience was obtained.

12 AAC 70.108(b) is amended to read:

(b) An applicant for certification as a residential real estate appraiser shall submit verification of **1,500** [2,500] hours of appraisal experience obtained continuously over a period of not less than **12** [24] months. The board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with [STANDARD 1 AND STANDARD 2 OF] the USPAP in effect at the time that the work experience was obtained. (Eff. 12/13/94, Register 133; am 2/13/2002, Register 161; am 4/16/2004, Register 170; am 5/24/2007, Register 182; am 9/14/2012, Register 203; am ____/____/____, Register ____)

Authority: AS 08.87.020

The lead in language of 12 AAC 70.115(b) is amended to read:

(b) An applicant for the Appraiser Qualification Board approved examination for certification as a general real estate appraiser shall document satisfactory completion of 300 creditable classroom hours as specified in the following core curriculum[, OF WHICH AT LEAST 150 HOURS MUST BE COMPLETED NOT LATER THAN THE FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF A COMPLETE APPLICATION]:

12 AAC 70.115(b)(10) is amended to read:

(10) appraisal subject matter electives, 30 hours, **and may include hours over the minimum of the course topics required under this subsection.**

12 AAC 70.115(c) is amended to read:

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

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

(2) an associate's degree in a field of study related to business administration, accounting, finance, economics, or real estate;

(3) successful completion of 30 semester hours of college level courses that cover each of the following specific topic areas and hours;

(A) English composition, three hours;

(B) microeconomics, three hours;

(C) macroeconomics, three hours;

(D) finance, three hours;

(E) algebra, geometry, or higher mathematics, three hours;

(F) statistics, three hours;

(G) computer science, three hours;

(H) business or real estate law, 3 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 hours each; or

(4) successful completion of at least 30 semester hours of the College Level

Examination Program (CLEP) examination in the following specific topic areas and hours;

(A) college algebra, three hours;

(B) college composition, six hours;

(C) college composition modular, three hours;

(D) college mathematics, six hours;

(E) principles of macroeconomics, three hours;

(F) principles of microeconomics, three hours;

(G) introductory business law, three hours; and

(H) information systems, three hours.

The lead in language of 12 AAC 70.115(d) is amended to read:

(d) An applicant for the Appraiser Qualification Board examination for certification as a residential real estate appraiser shall document satisfactory completion of 200 creditable classroom hours as specified in the following core curriculum[, OF WHICH AT LEAST 100 HOURS MUST BE COMPLETED NOT LATER THAN THE FIVE YEARS IMMEDIATELY PRECEDING THE DATE OF A COMPLETE APPLICATION]:

12 AAC 70.115(d)(10) is amended to read:

(10) appraisal subject matter electives, 20 hours, **and may include hours over the minimum of the course topics required under this subsection.**

(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 70.140(c) is amended to read:

(c) An applicant's classroom hours of education for certification as a general or residential real estate appraiser must include coverage of all topics listed in the applicable Appraiser Qualification Criteria developed by the Appraiser Qualifications Board of the Appraisal Foundation, *The Real Property Appraiser Qualification Criteria* effective **May 1, 2018** [JANUARY 1, 2015], and adopted by reference.

(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; am 10/18/2017, Register 224; am ____/____/____, 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 70.160. Real estate appraisal management company registration. (a) An applicant for registration as a real estate appraisal management company shall submit

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

(A) the names and addresses of all owners of the company, including natural persons or entities;

(B) the name of the registered agent if applicable under AS 08.87.135(a)(2);

(C) a list of all certified appraisers;

(D) a list of all states in which the appraisal management company performs appraisals;

(E) the name of the controlling person and evidence satisfactory to the board the controlling person

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

(ii) has not had a real estate appraiser certificate denied, cancelled,

suspended, revoked, put on probation, or surrendered in accordance with

AS 08.87.135(b)(2);

(iii) is of good moral character; and

(F) certification the

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

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

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

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

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

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

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

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

appraisal management company; and

(2) the finding by the board of lack of good moral character is supported by clear and convincing evidence. (Eff. ____/____/____, Register _____)

Authority: AS 08.87.020 AS 08.87.130 AS 08.87.135

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

12 AAC 70.165. Real estate appraisal management company and panel standards.

On or after March 1, 2019, a real estate appraisal management company operating in the state shall

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

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

(3) report to the board on a form provided by the department and submit the fee required in 12 AAC 02.370(b)(4) within 30 days of a change of

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

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

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(C) an employee, director, officer, or agent. (Eff. ____/____/____,

Register _____)

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.87.020

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

12 AAC 70.170. Renewal of an appraisal management company registration. A registered appraisal management company applying for renewal of a registration shall submit

- (1) a completed renewal application, on a form provided by the department that meets the requirements of AS 08.87.135(e);
- (2) the renewal fee required in 12 AAC 02.370; and
- (3) proof of current bonding as described in 12 AAC 70.160(a)(3).

(Eff. ____/____/____, Register _____)

Authority: AS 08.01.065 AS 08.87.130 AS 08.87.135
AS 08.01.100

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

12 AAC 70.175. Annual reporting and federal registry requirements for appraisal management companies. (a) A registered appraisal management company shall report annually on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for federally related transactions during the preceding calendar year.

(b) Federally regulated appraisal management companies shall report annually to the

board information required by AS 08.87.150 on a form provided by the department and submit the registry fee required in 12 AAC 02.370(b)(5) for each appraiser on the appraiser panel performing appraisals for federally related transactions during the preceding calendar year. (Eff. ____/____/____, Register _____)

Authority: AS 08.87.020 AS 08.87.135 AS 08.87.150
AS 08.87.130

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

12 AAC 70.180. Retention of records and inspection by the board. A registered appraisal management company must retain all records as described in AS 08.87.145 and make the records available to the board or its designee upon request. (Eff. ____/____/____, Register _____)

Authority: AS 08.87.020 AS 08.87.145

12 AAC 70.990(1) is amended to read:

(1) “appraisal experience” includes fee and staff appraisals, ad valorem tax appraisals, appraisal reviews, appraisal analysis, real estate counseling, and feasibility analysis and study, all of which must have been performed in accordance with [STANDARD 1 AND STANDARD 2 OF] the *Uniform Standards of Professional Appraisal Practices* described in 12 AAC 70.900;

(Eff. 7/16/92, Register 123; am 4/15/94, Register 130; am 12/13/94, Register 133; am 6/5/98,

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Register 146; am 5/24/2007, Register 182; am 9/14/2012, Register 203; am ____/____/____,

Register _____)

Authority: AS 08.87.020