



Alaska State Legislature

Senator Anna Fairclough – Senate District M

Sponsor Statement

CS SB 129 (FIN): Extend the Board of Real Estate Appraisers

“An Act extending the termination date of the Board of Certified Real Estate Appraisers; relating to real estate appraisers; and providing for an effective date.”

The Board of Certified Real Estate Appraisers is up for review for extension. The board is made up of five members appointed by the governor and confirmed by the legislature, and membership is designed to appropriately represent the real estate appraiser industry. The board is responsible for establishing examination specifications for certification as a real estate appraiser, adopting rules of professional conduct to establish and maintain a high standard of integrity in the real estate appraisal profession, and adopting regulations necessary to carry out the purposes of statutes. An audit from the Division of Legislative Budget and Audit performed in June of 2013 recommended that the Board be extended for four years.

Much of this legislation is designed to bring the state of Alaska into compliance with these federally mandated changes. The federal Appraisal Subcommittee (ASC), authorized by the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) and the Dodd-Frank Act, has imposed licensure requirements for all 50 states that will affect those qualified to perform federal appraisal transactions. Some of these requirements were implemented in 2013, and a new wave of requirements will be in effect January 1, 2015. Without these statutory changes to the licensing program during the 2014 legislative session, the state will become wholly noncompliant with these requirements. If statutes are not enacted during this legislative session, the ASC will begin the process of removing Alaska licensure as a qualifying credential for appraisal of federally backed real estate loans, which could have negative impacts on the industry and on the economy of the state.

Please join me in supporting the important work of the Board of Certified Real Estate Appraisers.