

SB

235

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. SB 235

Revision Date: _____ Department: Commerce and Economic Development
 Title: An Act extending the termination date of the Board BRU: Occupational Licensing
of Certified Real Estate Appraisers Component: Operations
 Sponsor: Senate Labor and Commerce
 Requestor: Senate Labor and Commerce COMPONENT SERIAL NO. 1844

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
CHANGE IN REVENUES						

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ 35.5

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

SB 235 extends the Board of Certified Real Estate Appraisers to June 30, 2002. Funding for continuation of the board in the amount of \$35.5 is included in the department's FY 99 operating budget request; therefore, new funds are not needed. The program is required to cover its costs with licensing fees under AS 08.01.055, and revenue generated by board fees are anticipated to cover its full operating costs.

Prepared by: Jennifer Strickler, Administrative Manager
 Division: Occupational Licensing
 Approved by Commissioner: Deborah B. Sedwick
 Agency: Commerce and Economic Development

Phone: 465-2144
 Date: 1/23/98
 Date: 1-26-98

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HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 9, 1998

FURTHER REFERRALS:

Date of Committee Action: 5/4/98

The FINANCE Committee considered:

CSSB 235(FIN)

CS FOR SENATE BILL NO. 235(FIN)

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

“An Act extending the termination date of the Board of Certified Real Estate Appraisers.”

recommends it be replaced with the following committee substitute _____ [] the same title
[] a new title

[] additional referral to _____ Committee
[] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 [] fiscal note(s) _____ [] fiscal note(s) _____
 [] zero fiscal note(s) _____ zero fiscal note(s) DCED, 2/11/98

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Care Therriault</i> Therriault			X	
<i>Gidon Mulder</i> Mulder	X			
<i>Wic Kohring</i> Kohring	X			
<i>Ben Gussendorf</i> Gussendorf	X			
<i>Paul E. Moses</i> Moses	X			
<i>Er. Davis</i> Er. DAVIS	X			
<i>John Kelly</i> Kelly	X			

CHAIR'S SIGNATURE *Care Therriault*

ANNUAL REPORT

FISCAL YEAR 1997

**BOARD OF CERTIFIED
REAL ESTATE APPRAISERS**

December 1997

BOARD OF CERTIFIED REAL ESTATE APPRAISERS

ANNUAL REPORT

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**BOARD OF CERTIFIED REAL ESTATE APPRAISERS
IDENTIFICATION OF THE BOARD**

Term

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June 30, 1998

Susan K. Crosson
Vice Chairperson
General Real Estate Appraiser
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June 30, 1998

Jon B. Wolfe
Chairperson
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June 30, 2000

Eileen R. Bechtol
Public Member
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June 30, 1999

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BOARD OF CERTIFIED REAL ESTATE APPRAISERS

NARRATIVE STATEMENT

The certification and licensing of appraisers is a relatively new phenomenon and, naturally, there has been a "learning curve" at both the federal and state levels. Regulations under which the Alaska Board of Certified Real Estate Appraisers functions have been amended a number of times, either in response to changing federal mandates promulgated by the Appraisal Foundation or in response to changing state needs. Fine tuning of the regulations can be expected to be an ongoing exercise for the Board.

In addition to revising regulations, the primary functions of the board include: reviewing and approving applications for initial certification of residential, general and trainee appraisers; approving courses for both initial certification and continuing education; reviewing applications from nonresident appraisers seeking courtesy licenses or initial certification by endorsement; and directing the investigation and resolution of complaints against appraisers. While the processing of complaints is a staff function, the board is informed of the general nature of complaints and approves the final disposition of complaints.

MEMBERSHIP

The full compliment of the Alaska Board of Certified Real Estate Appraisers consists of five members appointed by the Governor and subject to legislative confirmation. As of this writing, there is one vacant position which the board expects will be filled sometime in early 1998. Immediately following renewal of certifications in July 1997, there were 76 certified residential appraisers, 67 certified general appraisers, and 3 registered trainees in the State of Alaska.

Eileen R. Bechtol	Public
Susan K. Crosson	General Real Estate Appraiser, Vice Chairperson
Paige R. Hodson	Residential Real Estate Appraiser
Jon B. Wolfe	At-Large, Chairperson
Vacant	Mortgage Banking Executive

OBJECTIVES ACCOMPLISHED

Regulation changes dealing primarily with education and experience requirements were public noticed in 1995. However, they languished in the Department of Law awaiting review so long that the board had to repeat the public notice and hearing procedure. These were finally adopted during FY 97. Regulations permitting distance education for continuing education are in process. While at the present time there are not many courses available specifically for appraisers this is a void which can be expected to be filled as more states approve distance education.

The first renewal period for certifications occurred at the beginning of FY 97. Although primarily a staff accomplishment, the renewals were processed in a timely fashion. A random sample of appraisers was audited for proof of completing their required continuing education.

The board has discussed issues related to reciprocity and a review of state reciprocity issues has been undertaken. The majority of applicants for either initial certification by endorsement or courtesy licenses have come from the State of Washington. In order to expedite the processing of requests for initial certification and course approvals, the board has approved the use of mail balloting.

STATUTE CHANGES

The board is subject to a sunset review at the end of FY 97. This will entail an audit of the board's functions and public purpose by Legislative Audit. Following this exercise, the statutes governing the board will be subject to continuation or cease under sunset provisions. At this time, it is opportune to undertake a review of the statutes and to suggest changes. The board has identified three areas for attention as follows:

- Require mandatory state certification for all appraisers.
- Require appraisal assistants to become certified trainees.
- Increase required continuing education requirements to 40 hours for each biennial renewal period.

BOARD OF CERTIFIED REAL ESTATE APPRAISERS
GOALS AND OBJECTIVES - FISCAL YEAR 1998

The board reviews its goals and objectives at each meeting. The primary goals for this coming year is to investigate revisions to statutes and regulations to enhance consistency with the policy of the Appraisal Subcommittee.

1. Modify current statutes and regulations to include changes as needed and encourage their implementation.
2. Seek comments/input from other organizations who are involved in or use appraisal services in Alaska.
 - Circulate to appraisal organizations, interested individuals, and users of appraisal services the board meeting dates.
 - Provide public notice of all meetings in the newspapers.
 - Continue to make listings of approved, denied, and expired initial certification and continuing education courses/seminars available to certified individuals.
3. Review recommendations for changes in the enabling statutes of the certified real estate appraisers program.

FISCAL YEAR 97

Board/Commission: Board of Certified Real Estate Appraisers

Authority for Licensure: Check the appropriate method in which licenses are issued (not including examination), and cite the specific statutory authority.

<u> </u>	Credentials	AS 08. _____
<u> </u>	Reciprocity	AS 08. _____
<u> </u>	Comity	AS 08. _____
<u> x </u>	Endorsement	AS 08. <u>87.110(c)</u>

Licenses*: List each category and the number of current/active licenses within each category. Category should be subdivided into licenses issued by examination or credential if applicable.

A. Category: Current/Active	New - Issued During FY 97	As of 6/30/97	Notes
1. General	2	83	Endorsement - 2 Examination - 0
2. Residential	3	84	Endorsement - 1 Examination - 2
3. Institutional	0	0	
4. Trainee	3	5	
TOTAL	8	172	
B. Category: Current/Inactive (not lapsed)**			
1. Not Applicable			
2.			
3.			
TOTAL			
C. Category: Permits/Endorsements, etc.			
1. Courtesy	7	2	
2.			
3.			
TOTAL	7	2	
D. Other statistics applicable to a specific board			

*Whenever the word *license* is used, it may also refer to registrations, certificates, endorsements, which are issued as applicable.

**Note some professions do not have inactive status.

Expiration Date of Licenses for this program: If the expiration date is different for each category, indicate the category after each date.

CATEGORY	EXPIRATION DATE
General	06/30/99
Residential	06/30/99
Institutional	06/30/99
Trainee	06/30/99

Examination: List each examination separately indicating the licensure category (such as RN, LPN, Dentist, Dental Hygienist), the total number of examinees, number passed and failed.

Exam Statute Authority: AS 08.87.110

Category	Date	Total Candidates	No. Passed	No. Failed
Computerized testing available weekly in Anchorage, monthly in Fairbanks, and quarterly in Juneau.				

Meetings: List Date(s) and Location(s)

1. October 8, 1996 - Anchorage
2. February 7, 1997 - Anchorage
3. May 30, 1997 - Anchorage
- 4.

Teleconferences: List Date(s) and Site(s)

- 1.
- 2.
- 3.
- 4.

Name of Individual completing form: Anne-Lise Hagevig

Date: June 30, 1997

(Use additional pages if necessary)

BOARD OF CERTIFIED REAL ESTATE APPRAISERS
BUDGET RECOMMENDATIONS

The board has agreed to reduce the number of annual meetings to two or three times per year in the interest of economy. This may result in some delays in critical areas such as revision of regulations and the approval of courses. The Appraisal Foundation is constantly developing recommendations and advising states on the revision of regulations. The states are expected to comply with these recommendations and if Alaska "looses ground" on these changes, it could result in sanctions against the state. The inadequate budget continues to pose problems for the board not merely in scheduling meeting, but also in our inability to participate on a national level.

We have been unable to join the Association of Appraiser Regulatory Officials (AARO) or to participate in meetings or conferences. Meetings of the AARO would be extremely helpful to the board to remain on the cutting edge of national trends and changes in the appraisal profession. In requiring all boards to "pay their own way," the State Legislature lost sight of the fact that the only valid reason for creating a state board or professional regulatory body is to protect the public. We merely have to return a few short years to the period of the savings and loan debacle to recall what can result from unregulated appraisal practice. State boards, even small boards, provide a public purpose and there ought to be a base level of funding which guarantees any board the ability to carry out its purposes on behalf of the public.

BOARD OF CERTIFIED REAL ESTATE APPRAISERS
ANNUAL REGULATIONS REPORT
FY 97

1. Regulations projects pending at the end of FY 96	Status
A. Education Standards	A. Effective 6/13/97
B. Update USPAP reference	B. Effective 9/6/96
C.	

2. New projects started in FY 97	Status
*A. Distance education	A. Adopted - pending final review by Department of Law
*B. Courtesy licensing	B. Approved for public notice
C.	

3. Number of regulations hearings held in FY 97: 1

(*Indicates a regulations project that is pending at the end of FY 97)

(5) "psychologist" means a person who practices psychology;

(6) "to practice psychology" means to render or offer to render for a fee to individuals, groups, organizations, or the public for the diagnosis, prevention, treatment, or amelioration of psychological problems and emotional and mental disorders of individuals or groups or for conducting research on human behavior, a psychological service involving the application of psychological principles, methods, and procedures of understanding, predicting, and influencing behavior, including

(A) the principles pertaining to learning, perception, motivation, emotions, and interpersonal relationships;

(B) the methods and procedures of interviewing, counseling, psychotherapy, biofeedback, behavior modification, and hypnosis;

(C) constructing, administering and interpreting tests of mental abilities, aptitudes, interests, attitudes, personality characteristics, emotions, and motivations. (§ 1 ch 136 SLA 1967; am §§ 12, 13 ch 65 SLA 1973; am § 55 ch 218 SLA 1976; am §§ 18 — 20, 22, 24 ch 58 SLA 1980; am § 6 ch 29 SLA 1983; am § 9 ch 63 SLA 1986; am § 10 ch 51 SLA 1996)

Revisor's notes. — Reorganized in 1987 to alphabetize the defined terms.

Effect of amendments. — The 1996 amendment, effective September 4, 1996, in paragraph (4), deleted

"specific" following "who renders" and "in association with a licensed psychologist" following "psychological services."

NOTES TO DECISIONS

Applied in *Allred v. State*, 554 P.2d 411 (Alaska 1976).

Chapter 87. Real Estate Appraisers.

Article

1. Board of Certified Real Estate Appraisers (§§ 08.87.010, 08.87.020)
2. Certification (§§ 08.87.100 — 08.87.120)
3. Prohibited Practices and Disciplinary Proceedings (§§ 08.87.200, 08.87.210)
4. General Provisions (§§ 08.87.300 — 08.87.900)

Article 1. Board of Certified Real Estate Appraisers.

Section

10. Board created
20. Powers and duties of board

Sec. 08.87.010. Board created. There is created in the Department of Commerce and Economic Development the Board of Certified Real Estate Appraisers. The board is composed of five members appointed by the governor. At least one member shall be a person licensed under this chapter as a general real estate appraiser, at least one member shall be a person licensed under this chapter as a residential real estate appraiser, at least one member shall be an executive in a mortgage banking entity, and at least one member shall represent the public. The board shall elect a chair from among its membership. (§ 1 ch 177 SLA 1990)

Cross references. — For qualifications of members of initial board, see § 5, ch. 177, SLA 1990 in the Temporary and Special Acts.

Sec. 08.87.020. Powers and duties of board. In addition to the powers and duties conferred on the board by AS 08.01, the board shall

(1) establish the examination specifications for certification as a general real estate appraiser, as a residential real estate appraiser, and as an institutional real estate appraiser;

(2) adopt rules of professional conduct to establish and maintain a high standard of integrity in the real estate appraisal profession; and

(3) adopt regulations necessary to carry out the purposes of this chapter, including regulations necessary to comply with the requirements of 12 U.S.C. 3331 — 3351 (Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989); the regulations adopted by the board under AS 08.87.110, 08.87.120, and 08.87.310 may not be more stringent than the corresponding minimum requirements for receiving approval of the state's program of certification of real estate appraisers under 12 U.S.C. 3331 — 3351 or other federal law. (§ 1 ch 177 SLA 1990; am § 1 ch 42 SLA 1992; am § 2 ch 88 SLA 199-

CC
fed reg
4/6/92

Effect of amendments. — The 1992 amendment, effective September 1, 1992, added “, and as an institutional real estate appraiser” to the end of paragraph (1) and made a related stylistic change. The 1994 amendment, effective September 4, 1994, rewrote paragraph (3).

Article 2. Certification.

<p>Section 100. Certificate required 110. General, residential, and institutional real estate appraiser certificates</p>	<p>Section 120. Continuing education requirements for renewal of certificate</p>
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Sec. 08.87.100. Certificate required. A person is guilty of a class B misdemeanor who

(1) does not hold a certificate issued by the board, whose certificate is suspended or revoked, or whose certificate has lapsed or terminated, and holds out as a certified real estate appraiser in any way, orally or in writing, directly or by implication;

(2) is certified as a residential real estate appraiser and holds out as certified to appraise real estate other than

(A) residential real property of four or fewer units; or

(B) residential real property of 12 or fewer units when a net income capitalization analysis is not required by the terms of the appraisal assignment and a secondary mortgage market form is used; or

(3) is certified as an institutional real estate appraiser and

(A) holds out as certified to appraise real estate other than

(i) residential real property of four or fewer units having a transaction value of less than \$1,000,000; or

(ii) commercial property having a transaction value of less than \$250,000;

(B) holds out as performing real estate appraisal services for a fee or for the public on a large;

(C) accepts a fee for real estate appraisal services other than for services conducted as a full-time employee of a financial institution with offices in the state and other than the salary received as a full-time employee of the financial institution; or

(D) performs a real estate appraisal for other than the portfolio of the financial institution for which the person is employed. (§ 1 ch 177 SLA 1990; am § 2 ch 42 SLA 1992)

Effect of amendments. — The 1992 amendment, effective July 1, 1992, inserted “or terminated” in paragraph (1), added paragraph (3), and made related stylistic changes.

Sec. 08.87.110. General, residential, and institutional real estate appraiser certificates. (a) The board shall issue a general real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person

(1) has successfully completed classroom instruction in subjects related to real estate appraisal, as required by the board in regulation, from an appraisal organization or academic institution approved by the board;

(2) has successfully completed classroom instruction related to standards of professional practice as a real estate appraiser, as required by the board in regulation;

(3) successfully completes an examination prescribed by the board;

(4) has not been convicted of a crime involving moral turpitude; and

(5) has paid the required fees.

(b) The board shall issue a residential real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person

(1) meets the requirements of (a)(2) — (5) of this section; and

(2) has successfully completed classroom instruction in subjects related to residential real estate appraisal, as required by the board in regulation, from an appraisal organization or academic institution approved by the board.

Smith (c) Notwithstanding (a) and (b) of this section, the board shall, without requiring the examination specified in (a)(3) of this section, issue a general real estate appraiser or residential real estate appraiser certificate to a person who can, by evidence satisfactory to the board, show that the person

(1) has been certified in another state that has certification requirements substantially equivalent to the requirements established by this chapter and by regulations issued by the board under this chapter, and that provides for certification of nonresidents under conditions similar to those set out in this subsection and without discriminatory costs;

(2) is not the subject of an unresolved complaint or disciplinary action before an authority regulating real estate appraisers or a professional real estate appraisers' association;

(3) has not failed the examination for certification as a real estate appraiser in this state;

(4) has not had certification as a real estate appraiser revoked or suspended in this state or in another jurisdiction;

(5) has submitted proof of continued competency satisfactory to the board;

(6) successfully completes an examination that may be prescribed by the board relating to appraisal matters unique to Alaska; and

(7) has paid the required fees.

(d) A certificate may be issued to a natural person only. A certified real estate appraiser may sign an appraisal report on behalf of a corporation, partnership, firm, or group practice.

(e) The board shall issue an institutional real estate appraiser certificate to a person who presents evidence satisfactory to the board that the person meets the educational and testing requirements of 12 U.S.C. 3331 — 3351 (Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989) as implemented by the board and that the person is a full-time employee of a financial institution with offices in the state. A person receiving certification under this subsection may perform an appraisal only

(1) for and as an employee of a financial institution with offices in the state;

(2) for the financial institution's own portfolio; and

(3) of

(A) commercial property with a transaction value of less than \$250,000; or

(B) residential property of four or fewer units having a transaction value of less than \$1,000,000.

(f) A certificate issued under (e) of this section terminates when the person certified leaves the full-time employment of the financial institution with offices in the state for whom the person was employed when the certificate was issued.

(g) A person certified under (e) of this section as an institutional real estate appraiser may not perform real estate appraisal services for the general public or for a fee other

than the salary the person receives as a full-time employee of a financial institution with offices in the state. (§ 1 ch 177 SLA 1990; am §§ 3, 4 ch 42 SLA 1992; am §§ 3 — 5 ch 88 SLA 1994)

Effect of amendments. — The 1992 amendment, effective September 1, 1992, rewrote subsection (e) and added subsections (f) and (g).

The 1994 amendment, effective September 4, 1994, inserted ", as required by the board in regulation," in paragraphs (a)(1), (a)(2), and (b)(2); in subsection (a), substituted "completed classroom instruction" for "completed 150 or more classroom hours of instruction" in paragraph (1), substituted "completed classroom instruction" for "completed 15 classroom hours of instruction" in paragraph (2), deleted former para-

graph (3), relating to real property appraisal experience, and redesignated former paragraphs (4)-(6) as present paragraphs (3)-(5); in subsection (b), made an internal reference substitution in paragraph (1), deleted "60 hours of" preceding "classroom instruction" in paragraph (2), deleted paragraph (3), relating to real property appraisal experience, and made related stylistic changes; and, in subsection (c), made an internal reference substitution in the introductory language.

Sec. 08.87.120. Continuing education requirements for renewal of certificate.

(a) The board may not renew a certificate issued under this chapter unless the person applying for renewal presents evidence satisfactory to the board that the person has, within the two years preceding the application for renewal, attended classroom instruction, as required by the board in regulation, in courses or seminars that have received the approval of the board.

(b) The board may grant credit toward some or all of the requirements of (a) of this section to a person who has

(1) successfully completed a program of study determined by the board to be equivalent for continuing education purposes to a course or seminar approved by the board for continuing education credit; or

(2) participated, other than as a student, in educational programs that related to real estate analysis or real property appraisal theory, practice, or technique, including teaching, program development, and preparation of textbooks, monographs, articles, and other instructional materials.

(c) The board shall adopt regulations on continuing education to ensure that persons applying for renewal of certificates have thorough knowledge of current theories, practices, and techniques of real estate analysis and appraisal. The regulations must provide for

(1) procedures for the sponsor of a course or seminar to apply for board approval for continuing education credit; the regulations must require the sponsor to show that claimed attendance at a course or seminar can be verified; and

(2) procedures for evaluating equivalency claims for applicants for certificate renewal under (b) of this section.

(d) In considering whether to approve courses and seminars under this section, the board shall give special consideration to courses, seminars, and other appraisal education programs developed by or under the auspices of organizations or associations of professional real estate appraisers that are utilized by those organizations or associations for the purposes of awarding real estate appraisal designations or of indicating compliance with the continuing education requirements of the organizations or associations.

(e) An amendment or repeal of a regulation adopted by the board under this section shall not operate to deprive a person holding a certificate under this chapter of credit toward renewal of the person's certificate for a course of instruction or seminar that had been completed by the person before the amendment or repeal of the regulation. (§ 1 ch 177 SLA 1990; am § 6 ch 88 SLA 1994)

Effect of amendments. — The 1994 amendment, effective September 4, 1994, substituted "attended classroom instruction, as required by the board in

regulation," for "attended 40 classroom hours of instruction" in subsection (a).

Article 3. Prohibited Practices and Disciplinary Proceedings.

Section

200. Prohibited practices
210. Disciplinary proceedings

Sec. 08.87.200. Prohibited practices. A certified real estate appraiser may not

- (1) act negligently or incompetently or fail without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal;
- (2) wilfully disregard or violate a provision of this chapter or of a regulation adopted by the board under this chapter;
- (3) fail to comply with the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Standards Board of the Appraisal Foundation;
- (4) accept a fee for an appraisal assignment that is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or upon the opinion, conclusion, or valuation reached, or upon the consequences resulting from the appraisal assignment;
- (5) knowingly make a false statement, submit false information, or fail to provide complete information in response to a question in an application for certification or for renewal of a certificate; or
- (6) violate the confidential nature of government records to which the person gains access through retention as an appraiser by the government agency. (§ 1 ch 177 SLA 1990)

Sec. 08.87.210. Disciplinary proceedings. The board may exercise its disciplinary powers under AS 08.01.075 if, after hearing, the board finds a certified real estate appraiser has

- (1) violated a provision of this chapter or a regulation adopted by the board under this chapter;
- (2) been convicted of a crime that involves moral turpitude; or
- (3) committed, while acting as a real estate appraiser, an act or omission involving dishonesty, fraud, or misrepresentation with the intent to benefit the appraiser or another person or to injure another person. (§ 1 ch 177 SLA 1990)

Article 4. General Provisions.

Section

300. Retention of records
310. Registered trainees
320. Actions by uncertified real estate appraisers prohibited

Section

330. Exemptions
340. Appraisals by uncertified appraisers permitted
900. Definitions

Sec. 08.87.300. Retention of records. (a) A certified real estate appraiser shall retain for not less than three years copies of all written contracts engaging the appraiser's services for real property appraisal work, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports.

(b) The three-year period specified in (a) of this section for retention of records is applicable to each engagement of the services of the appraiser and commences upon the date of the submittal of the appraisal reports to the client unless, within the three-year period, the appraiser is notified that the appraisal report is involved in litigation, in which case the three-year retention period commences upon the date of the final disposition of the litigation.

(c) All records that a certified appraiser must maintain under (a) of this section shall be made available to the board or department for inspection and copying upon reasonable notice to the appraiser. (§ 1 ch 177 SLA 1990)

Sec. 08.87.310. Registered trainees. (a) A person engaged in the practice of real estate appraisal who is employed by or under the direct supervision of a certified real estate appraiser may become a registered trainee by submitting proof to the board that the person has successfully completed the number of classroom hours required by the board in regulation of courses in subjects related to real estate appraisal from an appraisal organization or academic institution approved by the board.

(b) A registered trainee may prepare or assist in the preparation of an appraisal report issued by a certified real estate appraiser if the report is also signed by the certified real estate appraiser and if the certified real estate appraiser accepts full responsibility for the report. (§ 1 ch 177 SLA 1990; am § 7 ch 88 SLA 1994)

Effect of amendments. — The 1994 amendment, effective September 4, 1994, substituted "completed the number of classroom hours required by the board" in regulation" for "completed at least 30 classroom hours" in subsection (a).

Sec. 08.87.320. Actions by uncertified real estate appraisers prohibited. A person may not bring an action in a court of this state for compensation for an act done or service rendered as a certified real estate appraiser if the person did not hold a certificate under this chapter at the time that the person performed the act or service or offered to perform the act or service. (§ 1 ch 177 SLA 1990)

Sec. 08.87.330. Exemptions. This chapter does not apply to a person who appraises real estate as part of the tax assessment process of a municipality. (§ 1 ch 177 SLA 1990)

Sec. 08.87.340. Appraisals by uncertified appraisers permitted. Nothing in this chapter precludes a person who is not certified as a real estate appraiser from appraising real estate for compensation if the person does not hold out to be a certified appraiser and if appraisal by a certified appraiser is not required by federal law. (§ 1 ch 177 SLA 1990)

Sec. 08.87.900. Definitions. In this chapter

(1) "analysis assignment" means an analysis, opinion, or conclusion prepared by a real estate appraiser that relates to the nature, quality, or utility of certified real estate or real property;

(2) "appraisal" means an analysis, opinion, or conclusion prepared by a real estate appraiser relating to the nature, quality, value, energy efficiency, or utility of specified interests in, or aspects of, identified real estate, and includes a valuation appraisal, an analysis assignment, and a review assignment;

(3) "appraisal assignment" means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested person rendering an unbiased analysis, opinion, or conclusion relating to the nature, quality, value, or utility of specified interests in, or aspects of, identified real estate;

(4) "appraisal report" means any communication, written or oral, of an appraisal;

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

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

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

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

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

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

(11) "residential real estate appraiser" means a real estate appraiser certified to appraise residential real property, subject to the limitations of AS 08.87.100(2);

(12) "review assignment" means an analysis, opinion, or conclusion prepared by a real estate appraiser that forms an opinion as to the adequacy and appropriateness of a valuation appraisal or an analysis assignment;

(13) "valuation appraisal" means an analysis, opinion, or conclusion prepared by a real estate appraiser that estimates the value of an identified parcel of real estate, or identified real property at a particular time. (§ 1 ch 177 SLA 1990; am § 5 ch 42 SLA 1992)

Revisor's notes. — Reorganized in 1992 to maintain alphabetical order.

Effect of amendments. — The 1992 amendment, effective September 1, 1992, added paragraph (8).

Chapter 88. Real Estate Brokers and Salesmen.

Article

1. Real Estate Commission (§§ 08.88.011 — 08.88.141)
2. Licensing (§§ 08.88.161 — 08.88.251)
3. Miscellaneous Provisions (§§ 08.88.263 — 08.88.405)
4. Real Estate Surety Fund (§§ 08.88.450 — 08.88.495)
5. General Provisions (§§ 08.88.900, 08.88.990)

Collateral references. — 12 Am. Jur. 2d, Brokers, §§ 6-29.

12 C.J.S., Brokers, §§ 14-24.

Necessity of having real estate broker's license in order to recover commission as affected by fact that business sold includes real property. 82 ALR3d 1139.

Article 1. Real Estate Commission.

Section

11. Creation and membership of commission
31. Executive secretary of commission
37. Investigation and injunction
41. Qualifications of commission members
51. Commission meetings and officers
61. Assistants
71. Duties of the commission

Section

81. Commission regulations
91. Education of applicants and licensees
111. Commission regulations
131. Applicability of the Administrative Procedure Act
141. Compensation

Sec. 08.88.010. [Repealed, § 3 ch 95 SLA 1964.]

Sec. 08.88.011. Creation and membership of commission. There is created a Real Estate Commission. It consists of seven members. (§ 1 ch 95 SLA 1964; am § 9 ch 258 SLA 1976)

Sec. 08.88.020. [Repealed, § 3 ch 95 SLA 1964.]

Sec. 08.88.021. Appointment and term of office. [Repealed, § 49 ch 94 SLA 1987. For current law, see AS 08.01.035.]

Sec. 08.88.026. Terms of office. [Repealed, § 20 ch 80 SLA 1996, effective January 1, 1997.] For current law, see AS 39.05.053.

Sec. 08.88.030. [Repealed, § 3 ch 95 SLA 1964.]

Sec. 08.88.031. Executive secretary of commission. The department shall, after consultation with the commission, employ a person, who is not a member of the commission, to serve as executive secretary for the commission. The executive secretary shall perform duties as assigned by the commission. (§ 1 ch 95 SLA 1964; am § 1 ch 28 SLA 1974; am § 56 ch 218 SLA 1976; am § 1 ch 167 SLA 1980; am § 5 ch 74 SLA 1987)