

Statutes and Regulations **Certified Real Estate** **Appraisers**

June 2011

(Centralized Statutes and Regulations not included)



DEPARTMENT OF COMMERCE, COMMUNITY,
AND ECONOMIC DEVELOPMENT

***DIVISION OF CORPORATIONS, BUSINESS
AND PROFESSIONAL LICENSING***

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**CHAPTER 87.
REAL ESTATE APPRAISERS.**

Article

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**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, Community, 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 certified under this chapter as a general real estate appraiser, at least one member shall be a person certified 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.

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.

**ARTICLE 2.
CERTIFICATION.**

Section

- 100. Certificate required**
- 110. Real estate appraiser certificate**
- 120. Continuing education requirements for renewal of certificate**

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 at 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 a 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.

Sec. 08.87.110. Real estate appraiser certificate. (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.

(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.

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 technique 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.

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.

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.

ARTICLE 4. GENERAL PROVISIONS.

Section

300. Retention of records

310. Registered trainees

320. Actions by uncertified real estate appraisers prohibited

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.

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.

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.

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.

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.

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 or 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, Community, and Economic Development;

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

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

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

(10) “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);

(11) “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;

(12) “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;

(13) “institutional real estate appraiser” means a real estate appraiser employed full-time by a financial institution with offices in the state.

CHAPTER 70.
BOARD OF CERTIFIED REAL ESTATE APPRAISERS.

Article

- 1. Application and Examination Requirements**
(12 AAC 70.100—12 AAC 70.150)
- 2. Continuing Education Requirements**
(12 AAC 70.200—12 AAC 70.220)
- 3. Repealed**
- 4. General Provisions** (12 AAC 70.900—12 AAC 70.990)

ARTICLE 1.
APPLICATION AND EXAMINATION REQUIREMENTS.

Section

- 100. General real estate appraiser certification by examination**
- 105. Residential real estate appraiser certification by examination**
- 107. Institutional real estate appraiser certification by examination**
- 108. Work experience requirements for real estate appraiser certification**
- 110. Verification of work experience**
- 115. Education requirements for real estate appraiser certification**
- 120. Application for certification by endorsement**
- 125. Real estate appraiser trainee registration**
- 130. Real estate appraiser examinations**
- 140. Approved appraiser organizations and academic institutions**
- 145. Approval of course or seminar for initial certification or trainee registration**
- 150. Application deadline**

12 AAC 70.100. GENERAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION. (a)

An applicant for certification by examination as a general real estate appraiser shall submit

- (1) a complete application on the forms provided by the department;
 - (2) any fees required in 12 AAC 02.370;
 - (3) 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);
 - (4) 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
 - (5) 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.
- (b) Repealed 12/13/94.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.105. RESIDENTIAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION.

An applicant for certification by examination as a residential real estate appraiser shall submit

- (1) a complete application on the forms provided by the department;
- (2) any fees required in 12 AAC 02.370;
- (3) 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);
- (4) work experience verification forms 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
- (5) 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.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.107. INSTITUTIONAL REAL ESTATE APPRAISER CERTIFICATION BY EXAMINATION. An applicant for certification as an institutional real estate appraiser shall submit

- (1) a complete application on the forms provided by the department;
- (2) the fees required in 12 AAC 02.370;

(3) official transcripts, notarized copies of certificates of completion, or other evidence of course completion acceptable to the board, that verify the classroom hours of education required of general real estate appraisers in 12 AAC 70.115(a); and

(4) proof of full-time employment with a financial institution with offices in this state.

Authority: AS 08.87.020 AS 08.87.110

12 AAC 70.108. WORK EXPERIENCE REQUIREMENTS FOR REAL ESTATE APPRAISER CERTIFICATION. (a) An applicant for certification as a general real estate appraiser shall submit,

(1) if applying before January 1, 2008, verification of 3,000 hours of appraisal work obtained continuously over a period of not less than 30 months; at least 1,500 hours of the appraisal work must be in nonresidential appraisal work;

(2) if applying on or after January 1, 2008, verification of 3,000 hours of appraisal work obtained continuously over a period of not less than 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 the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time that the work experience was obtained.

(b) An applicant for certification as a residential real estate appraiser shall submit,

(1) if applying before January 1, 2008, verification of 2,500 hours of appraisal experience obtained continuously over a period of not less than 24 months;

(2) if applying on or after January 1, 2008, verification of 2,500 hours of appraisal experience obtained continuously over a period of not less than 24 months; the board will only accept work experience that was obtained after January 30, 1989 and was performed in compliance with the USPAP in effect at the time that the work experience was obtained.

(c) An applicant may not receive credit for more than 1,250 hours of experience in real property appraisal in a 12-month period.

(d) In this section, a residential property is one to four residential units.

Authority: AS 08.87.020

***Editor's note:** A copy of the Uniform Standards of Professional Appraisal Practice, developed by the Appraisal Foundation, is available for inspection at the Department of Commerce, Community, and Economic Development, Division of Corporations, Business and Professional Licensing, P.O. Box 110806, Juneau, AK 99811 or for purchase from the Appraisal Foundation, 1155 15th Street, N.W., Suite 1111, Washington, D.C. 20005.*

12 AAC 70.110. VERIFICATION OF WORK EXPERIENCE. (a) An applicant's qualifying work experience must be verified by a combination of at least three different individuals, on forms provided by the department, and, for an applicant for certification as a general real estate appraiser or a residential real estate appraiser, a log submitted by the applicant of appraisal work performed. If an applicant cannot, for good cause, provide work experience verification forms from at least three different individuals, the board may consider and approve other kinds of work experience verification.

(b) The board will accept a work experience verification form only if it is notarized and has been completed by

(1) a licensed construction contractor;

(2) a federal or state regulated lender;

(3) a present or former employer of the applicant;

(4) an officer of a state or federal agency; or

(5) an officer of a company that customarily uses the services of a real estate appraiser who has recent knowledge of the applicant's experience on that company's behalf.

(c) Repealed 12/13/94.

(d) Repealed 12/13/94.

(e) At the request of the board, an applicant for certification as a general real estate appraiser or a residential real estate appraiser shall submit a copy of the work product from any appraisal performed by the applicant and included in the log of appraisals submitted under (a) of this section.

Authority: AS 08.87.020

12 AAC 70.115. EDUCATION REQUIREMENTS FOR REAL ESTATE APPRAISER CERTIFICATION. (a) An applicant for certification as a general real estate appraiser shall document satisfactory completion of,

(1) if applying before January 1, 2008, 180 classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of nonresidential properties, and including the following conditions:

(A) 15 of the classroom hours must

(i) for a course taken before January 1, 2003, cover the USPAP;

(ii) for a course taken on or after January 1, 2003, be the 15-hour national USPAP course taught by an Appraiser Qualification Board certified instructor;

(B) at least 90 of the 180 classroom hours must be completed within the five years immediately preceding the date of a complete application;

(2) if applying on or after January 1, 2008,

(A) 300 creditable classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of nonresidential properties;

(B) except as provided in (C) and (D) of this paragraph, a bachelor's degree or higher from an accredited college or university;

(C) in lieu of the degree required under (B) of this paragraph, 30 semester credit hours, or their equivalent, in the following collegiate level subject matter courses from an accredited college, junior college, community college, or university; if an accredited academic institution accepts the College-Level Examination Program (CLEP) examinations and issues a transcript for the examination showing its approval, the board will consider the examination as credit for the college course:

(i) English composition;

(ii) microeconomics;

(iii) macroeconomics;

(iv) finance;

(v) algebra, geometry, or higher mathematics;

(vi) statistics;

(vii) introduction to computer, including word processing and preparation of spreadsheets;

(viii) business or real estate law;

(ix) accounting, geography, agricultural economics, business management, or real estate courses not listed in (ii) – (vi) and (viii) of this subparagraph; however, the board will not accept more than two elective courses under this subparagraph.

(b) On or after January 1, 2008, 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 within the five years immediately preceding the date of a complete application:

(1) basic appraisal principles, 30 hours;

(2) basic appraisal procedures, 30 hours;

(3) the 15-hour National USPAP course or its equivalent, 15 hours;

(4) general appraiser market analysis and the principle of the highest and best use of the property, 30 hours;

(5) statistics, modeling, and finance, 15 hours;

(6) general appraiser sales comparison approach, 30 hours;

(7) general appraiser site valuation and cost approach, 30 hours;

(8) general appraiser income approach, 60 hours;

(9) general appraiser report writing and case studies, 30 hours;

(10) appraisal subject matter electives, 30 hours.

(c) An applicant for certification as a residential real estate appraiser shall document satisfactory completion of,

(1) if applying before January 1, 2008, 120 classroom hours of instruction that meet the requirements of 12 AAC 70.140 with emphasis on appraisal of residential properties, and including the following conditions:

(A) 15 of the classroom hours must

(i) for a course taken before January 1, 2003, cover the USPAP;

(ii) for a course taken on or after January 1, 2003, be the 15-hour national USPAP course taught by an Appraiser Qualification Board certified instructor; and

(B) at least 60 of the 120 classroom hours must be completed within the five years immediately preceding the date of a complete application;

(2) if applying on or after January 1, 2008,

(A) 200 creditable classroom hours of instruction that meet the requirements in 12 AAC 70.140 with emphasis on appraisal of residential properties;

(B) except as provided in (C) and (D) of this paragraph, an associate degree or higher from an accredited college or university;

(C) in lieu of the degree required under (B) of this paragraph, 21 semester credit hours, or their equivalent, in the following collegiate level subject matter courses from an accredited college, junior college, community college, or university; if an accredited academic institution accepts the CLEP examinations and issues a transcript for the examination showing its approval, the board will consider the examination as credit for the college course:

(i) English composition;

(ii) principles of economics (micro or macro);

(iii) finance;

(iv) algebra, geometry, or higher mathematics;

(v) statistics;

(vi) introduction to computers, including word processing and preparation of spreadsheets;

(vii) business or real estate law.

(d) On or after January 1, 2008, an applicant for the Appraisal Qualification Board approved 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 within the five years immediately preceding the date of a complete application:

- (1) basic appraisal principles, 30 hours;
- (2) basic appraisal procedures, 30 hours;
- (3) the 15-hour national USPAP course or its equivalent, 15 hours;
- (4) residential market analysis and the principle of the highest and best use of the property, 15 hours;
- (5) residential appraiser site valuation and cost approach, 15 hours;
- (6) residential sales comparison and income approaches, 30 hours;
- (7) residential report writing and case studies, 15 hours;
- (8) statistics, modeling and finance, 15 hours;
- (9) advanced residential applications and case studies, 15 hours;
- (10) appraisal subject matter electives, 20 hours.

(e) In this section, "residential property" means property with one to four residential units.

Authority: AS 08.87.020 AS 08.87.110

Editor's note: A list of certified instructors by the Appraisal Foundation, Appraiser Qualification Board, may be obtained from the Appraisal Foundation, 1155 15th Street, N.W., Suite 1111, Washington, D.C. 20005

12 AAC 70.120. APPLICATION FOR CERTIFICATION BY ENDORSEMENT. (a) A person certified as a real estate appraiser in another state who wishes to practice in this state may apply for certification as a general or residential real estate appraiser under AS 08.87.110(c) by submitting

- (1) a complete application on the forms provided by the department;
- (2) any fees required in 12 AAC 02;
- (3) verification of that person's valid certificate or license to practice real estate appraisal in another state that was issued based upon substantially equivalent requirements for general or residential real estate appraiser certification in this state;

(4) an affidavit from every state or other licensing jurisdiction in which the applicant has held a real estate appraiser certificate or license stating that the applicant

(A) is not the subject of an ongoing disciplinary action or holding a suspended certificate or license at time of application in this state; and

(B) has not had a certificate or license as a real estate appraiser revoked;

(5) documentation of satisfactory completion of 42 hours of continuing education in real estate appraisal obtained within the three years immediately before the date of a complete application and substantially equivalent to the standards for continuing education in this state as defined in 12 AAC 70.210.

(b) If necessary to verify that an applicant for certification by endorsement met education requirements in another state that are substantially equivalent to the education requirements in this state, the board will require an applicant to submit information on the applicant's education. If requested, for each course the applicant shall provide

- (1) a complete course description, including the course title and a description of the learning objectives;
- (2) the name of the course provider;
- (3) an outline of the major topics covered by the course and the number of classroom hours allowed for each topic;
- (4) the number of classroom hours allowed for examinations and assignments; and
- (5) the name of the instructor.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.120

12 AAC 70.125. REAL ESTATE APPRAISER TRAINEE REGISTRATION. (a) An applicant for registration as a real estate appraiser trainee shall

- (1) apply on a form provided by the department;
- (2) pay the fees required in 12 AAC 02.370; and
- (3) submit 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 (d) of this section.

(b) Registration as a real estate appraiser trainee expires on June 30 of odd-numbered years and may be renewed.

(c) To renew a registration as a real estate appraiser trainee, the applicant shall

- (1) submit an application for renewal on a form provided by the department; and
- (2) pay the fees required in 12 AAC 02.370.

(d) An applicant for registration as a real estate appraiser trainee shall submit verification of satisfactory completion of 75 classroom hours of instruction that meet the requirements in 12 AAC 70.140(a).

Authority: AS 08.87.020

AS 08.87.310

12 AAC 70.130. REAL ESTATE APPRAISER EXAMINATIONS. (a) To be certified as a real estate appraiser by examination, an applicant must pass the following examination within the 24 months immediately preceding the date of certification:

(1) for general or institutional certification, the Uniform State General Certification Examination endorsed by the Appraiser Qualifications Board of The Appraisal Foundation; or

(2) for residential certification, the Uniform State Residential Certification Examination endorsed by the Appraiser Qualification Board of The Appraisal Foundation.

(b) Repealed 1/16/2005.

Authority: AS 08.87.020

AS 08.87.110

12 AAC 70.140. STANDARDS FOR ACCEPTABLE EDUCATION. (a) To comply with the real estate appraisal education requirements of 12 AAC 70.115 for initial certification, or the registered trainee education requirements of 12 AAC 70.125, an applicant's classroom hours of instruction, as defined in 12 AAC 70.910, must relate directly to real estate appraisal theory or practices and must be obtained through

(1) a member organization of the Appraisal Foundation;

(2) a junior college, college, or university;

(3) a course approved by the Appraiser Qualifications Board Educational Course Review Program;

(4) a real estate appraisal or real estate related organization;

(5) a state or federal agency or commission;

(6) a proprietary school; or

(7) another organization or academic institution approved by the board.

(b) The board will credit only a course approved under 12 AAC 70.145 toward the classroom hours of instruction required for certification or registration.

(c) An applicant's classroom hours of education must include coverage of all topics listed in the applicable Appraiser Qualification Criteria developed by the Appraiser Qualifications Board of the Appraisal Foundation as follows:

(1) for an applicant applying before January 1, 2008 for certification as a general real estate appraiser, the Certified General Real Property Appraiser Classification portion of *The Real Property Appraiser Qualification Criteria*, effective January 1, 2003 and adopted by reference;

(2) for an applicant applying before January 1, 2008 for certification as a residential real estate appraiser, the Certified Residential Real Property Appraiser Classification portion of *The Real Property Appraiser Qualification Criteria*, effective January 1, 2003 and adopted by reference;

(3) for an applicant applying on or after January 1, 2008 for certification as a general or residential real estate appraiser, *The Real Property Appraiser Qualification Criteria* effective January 1, 2008, located in the Appendix of *The Real Property Appraiser Qualification Criteria*, effective January 1, 2003, and adopted by reference.

(d) Repealed 1/16/2005.

(e) The board will award credit toward the classroom hour requirement to an applicant who obtained credit for a course by passing a challenge examination without attending the course, if the credit was granted by the course provider before July 1, 1990 and the board is satisfied with the quality of the challenge examination.

(f) The board will award credit toward the classroom hour requirement for initial certification or trainee registration for completion of a course by distance education if the course

(1) meets the requirements of this section and 12 AAC 70.145(d);

(2) requires successful completion of a written final examination that is proctored by an official approved by the presenting college or university, or by the sponsoring organization;

(3) is presented to an organized group in an institutional setting with

(A) a person qualified and available to answer questions, provide information, and monitor student attendance;

(B) a minimum of two classroom hours;

(4) meets the requirements for courses established by the Appraiser Qualifications Board;

(5) has been presented by a college or university accredited by the Commission on Colleges or a regional accreditation association that offers distance education programs in other disciplines; and

(6) has received approval

(A) repealed 1/16/2005; or

(B) of the International Distance Education Certification Center's (IDECC) for the course design and delivery mechanism and either the approval of the

(i) Appraiser Qualifications Board through the AQB Course Approval Program; or

(ii) licensing or certifying jurisdiction where the course is being offered, for the content of the course.

(g) The board will not award credit for noninstructional course time except for a maximum of 20 hours spent writing appraisal reports for a course on that subject. The number of hours credited under this subsection may not exceed 50 percent of the total classroom hours awarded for the course for which the appraisal reports were written.

The board will award credit under this subsection for no more than one course during an applicant's total classroom hours of instruction.

(h) An applicant's classroom hours of instruction must include coverage of the full scope of the fundamentals of appraisal theory, principles, and practices. A course that is highly specialized or narrow in focus will not be credited toward an applicant's required classroom hours of instruction unless the applicant has also completed sufficient courses to cover the fundamental aspects of appraisal theory, principles, and practices.

(i) The board will not award credit for more than eight classroom hours of instruction per day. If no breakdown of instructional, assignment, and examination hours is given for a course or seminar, the board will award three and one half classroom hours of instruction for the last day of the course or seminar and seven classroom hours of instruction for all other days of the course or seminar.

(j) The board will require additional information if necessary to determine if an applicant's classroom hours of instruction meet the requirements in this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

Editor's note: Copies of the Appraiser Qualification Criteria adopted by reference in 12 AAC 70.140 are available from the Appraisal Qualifications Board of the Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005-3517; phone: (202) 347-7722; website at www.appraisalfoundation.org.

12 AAC 70.145. APPROVAL OF COURSE OR SEMINAR FOR INITIAL CERTIFICATION OR TRAINEE REGISTRATION. (a) The board will use the standards established in this section to determine if a course or seminar is in a subject related to real estate appraisal and will be credited toward an applicant's total classroom hours of instruction.

(b) The board will review each course or seminar submitted with an individual's application for certification or registration and approve a course or seminar that meets the requirements of this section. The board will require an applicant to submit additional information, including the information required in (e)(3) - (10) of this section, if necessary to determine if a course or seminar meets the requirements in this section.

(c) The board will review and preapprove a course or seminar that meets the requirements of this section if an individual or organization submits the course or seminar to the board for preapproval under (e) of this section.

(d) To be approved by the board, a course or seminar must meet the following requirements:

(1) the primary focus of the course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal;

(2) the course or seminar must be a minimum of 15 classroom hours in duration and include successful completion of a final examination; except as provided in 12 AAC 70.140(g), time spent on

(A) the final examination will be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(B) an assignment will not be counted toward the minimum course duration or credited toward the total classroom hours of instruction required for certification or registration;

(3) the number of hours of instruction must be sufficient for quality instruction on the subject matter covered by the course or seminar.

(e) An individual or organization wishing to receive preapproval of a course or seminar shall submit to the board

(1) a completed application form for course approval;

(2) the course approval fee in 12 AAC 02.370;

(3) the name of the course or seminar provider;

(4) a complete course description, including the course title and a description of the learning objectives;

(5) a course syllabus;

(6) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;

(7) a list of texts and instructional materials used in the course or seminar;

(8) repealed 6/22/2005;

(9) the instructor's résumé that includes the instructor's

(A) name;

(B) recognition in the real estate appraisal industry; and

(C) professional designations and affiliations; and

(10) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance.

(f) An individual or organization that has received preapproval of a course or seminar shall notify the board of any change in the information submitted under (e) of this section for an approved course or seminar.

(g) Course and seminar approval under this section is valid for three years from the date of approval.

(h) The board will maintain a list of courses and seminars approved under this section.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.310

12 AAC 70.150. APPLICATION DEADLINE. To be scheduled for board review, an application for certification or course approval must be complete and filed with the department, as defined in 12 AAC 02.920, at least 15 days before the scheduled date of the board's application review.

Authority: AS 08.87.020

**ARTICLE 2.
CONTINUING EDUCATION REQUIREMENTS.**

Section

200. Application for continuing education course or seminar approval

210. Approved continuing education courses and seminars

215. Approved online courses

220. Hours of continuing education required

12 AAC 70.200. APPLICATION FOR CONTINUING EDUCATION COURSE OR SEMINAR APPROVAL. (a) A person or an organization wishing to sponsor a real estate appraisal continuing education course or seminar shall apply for board approval of that course or seminar by submitting

(1) a completed application on forms provided by the department;

(2) any fees required in 12 AAC 02.370;

(3) the following information:

(A) a complete course description, including the course or seminar title and a description of the learning objectives;

(B) an outline of the major topics covered by the course or seminar and the number of classroom hours allowed for each topic;

(C) the name of the course or seminar provider;

(D) repealed 6/22/2005;

(E) a copy of the attendance policy and a description of the procedures used for keeping a record of attendance;

(F) a course syllabus;

(G) a list of texts and instructional materials used in the course or seminar;

(H) the instructor's résumé that includes the instructor's

(i) name;

(ii) recognition in the real estate appraisal industry; and

(iii) professional designations and affiliations.

(b) An applicant for renewal may petition the board for approval of a course or seminar that the applicant believes will meet the requirements of 12 AAC 70.210.

(c) The board will award up to 10 hours of continuing education credit for nonstudent participation in an educational program as provided for in AS 08.87.120(b)(2). To receive credit under this subsection, an applicant for renewal shall provide the documentation necessary to substantiate the applicant's participation and experience, including

(1) information on the topics covered and the hours spent in the program; and

(2) documentation that the applicant's involvement in the program was in the technical and professional aspects of real estate appraisal and that the primary focus of the program was directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(d) Course and seminar approval under this section is valid for three years from the date of approval.

Authority: AS 08.87.020

AS 08.87.120

12 AAC 70.210. APPROVED CONTINUING EDUCATION COURSES AND SEMINARS. (a) To be approved by the board, the primary focus of a continuing education course or seminar must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve a course or seminar on the following topics if the course or seminar meets the requirements of (a) of this section:

(1) business courses related to real estate appraisal;

(2) construction cost estimating;

(3) ethics and standards of professional appraisal practice;

(4) land use planning, zoning, and taxation;

(5) property development;

(6) real estate appraisal (including valuations and evaluations);

(7) real estate financing and investment;

- (8) real estate law;
 - (9) real estate litigation;
 - (10) real estate appraisal related computer applications;
 - (11) other topics related to real estate appraisal that are approved by the board.
- (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:
- (1) courses offered by a member organization of The Appraisal Foundation;
 - (2) courses offered by a regionally accredited junior college, college, or university; or
 - (3) courses approved by the Appraiser Qualifications Board Educational Course Review Program.
- (d) To be approved by the board, a continuing education course or seminar must include a minimum of two classroom hours, that meet the requirements of (a) of this section.
- (e) The board will award continuing education credit for completion of a course by distance education if the course
- (1) meets the requirements of 12 AAC 70.140(f); or
 - (2) is a course other than the one that qualifies under (1) of this subsection that
 - (A) is presented in a classroom setting with a person who can verify student attendance and is qualified to answer questions and provide information on course content; and
 - (B) meets the requirements of (a) - (d) of this section.
- (f) Course and seminar approval under this section is valid for three years from the date of approval.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.215. APPROVED ONLINE COURSES. (a) To be approved by the board to meet the continuing education requirements of 12 AAC 70.220, the primary purpose of an online course must be directly related to the theories, concepts, principles, practices, techniques, methods, or problems applicable to one or more aspects of real property appraisal.

(b) The board will approve an online course on the following topics if the online course meets the requirements of (a) of this section:

- (1) business courses related to real estate appraisal;
- (2) construction cost estimating;
- (3) ethics and standards of professional appraisal practice;
- (4) land use planning, zoning, and taxation;
- (5) property development;
- (6) real estate appraisal, including valuations and evaluations;
- (7) real estate financing and investment;
- (8) real estate law;
- (9) real estate litigation;
- (10) real estate appraisal related computer applications;
- (11) other topics related to real estate appraisal that are approved by the board.

(c) In addition to the online courses approved by the board under (b) of this section, the following online courses are approved for continuing education if they are consistent with (a) of this section:

- (1) courses presented by a regionally accredited junior college, college, or university that offers distance education programs in other disciplines;
- (2) repealed 1/16/2005;
- (3) courses approved by the Appraiser Qualifications Board Educational Course Review Program;
- (4) courses offered by a member organization of The Appraisal Foundation.

Authority: AS 08.87.020 AS 08.87.120

12 AAC 70.220. HOURS OF CONTINUING EDUCATION REQUIRED. (a) At the time of certificate renewal, an applicant for renewal who has been certified for

- (1) 24 months or more shall document satisfactory completion of at least 28 hours of continuing education;
- (2) at least 12 months, but less than 24 months, shall document satisfactory completion of at least 14 hours of continuing education;
- (3) less than 12 months is not required to meet continuing education requirements for that renewal.

(b) The board will not recognize continuing education hours claimed by an applicant for renewal for taking the same, or substantially identical, course more than once during a certification period.

(c) Except as provided in (d) of this section, credit is given for classroom and examination hours only and not for hours devoted to class preparation or completion of assignments. A classroom hour is defined in 12 AAC 70.910.

(d) Up to one-fourth of the hours required by this section may be obtained through distance education approved under 12 AAC 70.210 or online courses approved under 12 AAC 70.215.

(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 7-hour National USPAP Update Course, taught by an Appraiser Qualification Board certified instructor or its equivalent.

Authority: AS 08.87.020 AS 08.87.120

ARTICLE 3. LIMITED CERTIFICATION.

Section

- 300. Scope of limited real estate appraiser (*Repealed*)**
- 310. Qualifications for limited real estate appraiser certification (*Repealed*)**

12 AAC 70.300. SCOPE OF LIMITED REAL ESTATE APPRAISER. (*Repealed 4/15/94*)

12 AAC 70.310. QUALIFICATIONS FOR LIMITED REAL ESTATE APPRAISER CERTIFICATION.
(*Repealed 4/15/94*)

ARTICLE 4. GENERAL PROVISIONS.

Section

- 900. Standards of practice**
- 910. Definition of classroom hours**
- 920. Courtesy License**
- 930. Federal Registry**
- 990. Definitions**

12 AAC 70.900. STANDARDS OF PRACTICE. The standards of practice for certified real estate appraisers practicing in the state are those specified in AS 08.87.200(3).

Authority: AS 08.87.020 AS 08.87.200

Editor's note: The standards of practice referred to in 12 AAC 70.900 (*Uniform Standards of Professional Appraisal Practice*) are available from the Appraisal Foundation, publications department, 1029 Vermont Avenue, N.W., Suite 900, Washington, DC 20005-3517. Phone no. (202) 347-7722.

12 AAC 70.910. DEFINITION OF CLASSROOM HOUR. For the purposes of this chapter,
(1) except as provided in 12 AAC 70.145(d)(2)(A) and 12 AAC 70.220(c), one classroom hour equals a minimum of 50 minutes of instruction;
(2) one academic semester credit hour equals 15 classroom hours; and
(3) one academic quarter credit hour equals 10 classroom hours.

Authority: AS 08.87.020 AS 08.87.110 AS 08.87.120

12 AAC 70.920. COURTESY LICENSE. (a) The board or its designee in the department will issue a courtesy license to a nonresident who is a certified real estate appraiser in another state and who meets the requirements of this section.

(b) *Repealed 12/13/94.*

(c) A courtesy license is valid for one appraisal assignment, not to exceed 180 consecutive days. However, upon request the board will grant one 30-day extension. A person may be issued no more than two courtesy licenses in a 12-month period.

(d) An applicant for a courtesy license shall submit

- (1) a completed application on the forms provided by the department;
- (2) any fees required in 12 AAC 02.370;
- (3) evidence of a certificate as a real estate appraiser in good standing from another state; and
- (4) an address for service of process.

(e) A courtesy license holder shall submit to the board a copy of the report prepared for the appraisal assignment for which the courtesy license was issued within 30 days of the completion of the assignment.

(f) The board's designee in the department shall issue a courtesy license within five days after receipt of the materials and fees required in (d) of this section unless those application materials indicate disciplinary action in another state.

(g) The board's designee in the department shall forward any courtesy license application and accompanying materials that indicate disciplinary action in another state to the board for its consideration to grant or deny the courtesy license.

Authority: AS 08.01.062 AS 08.87.020

12 AAC 70.930. FEDERAL REGISTRY. (a) In compliance with 12 U.S.C. 3338 (Financial Institutions Reform, Recovery, and Enforcement Act of 1989), the board will annually send to the Federal Financial Institutions Examination Council, Appraisal Subcommittee,

(1) a roster of all real estate appraisers certified in Alaska at that time; and
(2) an amount equal to the amount collected from each certified real estate appraiser listed on the roster identified in paragraph (1) of this section.

(b) At the time of initial certification and at the time of certificate renewal, a certified real estate appraiser shall submit to the department any annual federal registry fee established in 12 AAC 02.

Authority: AS 08.01.065 AS 08.87.100 AS 08.87.110

12 AAC 70.990. DEFINITIONS. In this chapter and in AS 08.87

(1) "appraisal experience" includes fee and staff appraisals, ad valorem tax appraisals, appraisal reviews, appraisal analysis, real estate counseling, feasibility analysis and study, and teaching of appraisal courses, all of which must have been performed in accordance with the Uniform Standards of Professional Appraisal Practices described in 12 AAC 70.900;

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

(3) "certified real estate appraiser" means a real estate appraiser who is certified in Alaska under AS 08.87; it does not include persons certified by another licensing jurisdiction or organization;

(4) "department" means the Department of Commerce, Community, and Economic Development;

(5) "holds out as a certified real estate appraiser in any way" includes anyone who performs appraisal services on real estate located in Alaska;

(6) "transaction value" means the amount of the federally-related transaction and is not necessarily the value of the property being appraised;

(7) "institutional real estate appraiser" means a real estate appraiser employed full-time by a financial institution with an office in the state subject to the limitations set out in AS 08.87.110(e) - (g);

(8) "complete application" means an application that includes all documentation and fees required for certification in this chapter;

(9) "distance education" means an educational process where a geographical separation exists between the provider and student;

(10) "CLEP" means the College-Level Examination Program;

(11) "USPAP" means the Uniform Standards of Professional Appraisal Practice, developed by the Appraisal Foundation.

Authority: AS 08.87.020