

November 6, 2024

Via Email

Sylvan Robb, Division Director
Division of Corporations, Business and Professional Licensing
Department of Commerce, Community, and Economic Development
550 West 7th Avenue, Suite 1500
Anchorage, AK 99501
Sylvan.Robb@alaska.gov

RE: ASC Compliance Review of Alaska's Appraiser Regulatory Program

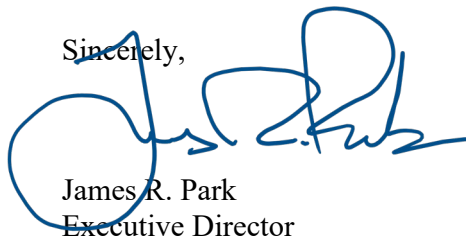
Dear Sylvan Robb:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Alaska appraiser regulatory program (Appraiser Program) on July 15-18, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program has been awarded an ASC Finding of "Good." Areas of concern were identified which will be monitored by ASC Staff. Alaska will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the Alaska Appraiser Program is attached.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Nancy Harris, Executive Administrator, Nancy.Harris@alaska.gov
Glenn Saviers, Division Deputy Director, Glenn.Saviers@alaska.gov
Sara Sather, Licensing Examiner, Sara.Sather@alaska.gov
Erika Prieksat, Chief Investigator, Erika.Prieksat@alaska.gov
Billy Homestead, Senior Investigator, Billy.Homestead@alaska.gov
Dennis Hines, Investigator III, Dennis.Hines@alaska.gov

¹ 12 U.S.C. §§ 3331-3356.

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: November 6, 2024

Alaska Appraiser Regulatory Program (State)			
Alaska Board of Certified Real Estate Appraisers (Board)	PM: J. Stewart	ASC Compliance Review Date: July 15-18, 2024	Review Period: August 2022 to June 2024
Umbrella Agency: Division of Corporations, Business and Professional Licensing		Number of State Credentialed Appraisers on Appraiser Registry: 246	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:			X				
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				AQB Criteria requires the equivalent of fourteen (14) class hours of instruction in courses or seminars for each year during the period preceding the renewal. The State's regulation is inconsistent with this requirement. However, the renewal application requires 28 hours for the 2-year renewal period.	On September 26, 2024, the State reported that they have a regulations project in process that will correct/clarify this requirement to comply with the AQB Criteria.	The State should continue the process to amend its regulations to bring them into compliance and provide the ASC staff with a copy once finalized.	None
Statutes, Regulations, Policies and Procedures Continued:			X				
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				AQB Criteria requires QE and CE be measured in class hours. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student. The State's regulations allow the Board to approve QE and CE hours based on a formula when the provider submits no breakdown of instructional, assignment, and examination hours.	On September 26, 2024, the State reported that the Board agrees to add these regulation changes to the regulations project that is currently in process. The State went on to report that current staff has no recollection or record of the formula ever being used to approve courses.	The State should continue the process to amend its regulations to bring them into compliance and provide the ASC staff with a copy once finalized.	None
Temporary Practice:	X						
				No compliance issues noted.	N/A	None	None
National Registry:	X						
				No compliance issues noted.	N/A	None	None
Application Process:	X						
				No compliance issues noted.	N/A	None	None



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Reciprocity:	X			No compliance issues noted.	N/A	None	None
Education:	X			No compliance issues noted.	N/A	None	None
Enforcement:			X				
States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State had 1 aged complaint which was unresolved for more than 1 year without the exemption for special documented circumstances.	On September 26, 2024, the State reported that investigations must be reviewed by a Board member, who then provides a recommendation. The State went on to say that the referenced complaint was submitted to a Board member for review in July 2023, but the investigator has yet to receive the Board member's recommendation despite multiple follow-ups.	The State should work with Board members to ensure complaints are resolved timely.	None