

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

DIVISION OF OCCUPATIONAL LICENSING

TONY KNOWLES, GOVERNOR

P.O. BOX 110806

JUNEAU, ALASKA 99811-0806 PHONE: (907) 465-2534

FAX: TDD:

(907) 465-2974 (907) 465-5437

E-mail address:

License@commerce.state.ak.us

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November 25, 1998

Mr. Herbert S. Yolles Chairperson Appraisal Subcommittee 2100 !ennsylvania Avenue, NW, Ste. 200 !ashington, !C 20037

Dear Mr. Yolles:

I have reviewed your September 14, 1998 letter and will answer your questions in the order they were presented:

1. For courtesy licenses, Alaska's 90-day effective period, inability to offer a time extension, and limit of one courtesy license per individual per calendar year are burdensome under ASC Policy Statement 5 and title XI.

The Board of Certified Real Estate Appraisers moved to public notice the following regulation change at its November 5, 1998 meeting.

12 AAC 70.920(c) proposed amendment to read:

(c) A courtesy license is valid for one appraisal assignment, not to exceed 180 [901 consecutive days, however, the board may grant a 30-day extension. A person may be issued only one courtesy license in a calendar year.

(Words underlined indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.

2. The board believes only one appraisal report may be prepared under a courtesy (temporary practice) license.

In the past, the board has taken the position that an "appraisal assignment" means identified real estate, which means an identified parcel or trace of land, as defined in Alaska Statute (AS) 08.81.900(3) and (8). Per AS 08.87.900(4), the definition of "reappraisal report" means any communication, written or oral, of an appraisal. However, the board is expected to be meeting with a full board in March 1999 and is committed to discussing this issue again.

3. The board has not met during 1998 due to the lack of a quorum. As a result, some board responsibilities have not been fulfilled.

On September 11, 1998, Vince Coan, Certified General Real Estate Appraiser, was appointed to the board to fill the "general real estate appraiser" position on the board. The board met on October 8-9, 1998 to review education courses and all pending applications for certification as either general, residential, or registered trainee status.

To date, the board has met its board responsibilities, albeit delayed.

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4. At the time of the review, Alaska had not submitted information to the ASC regarding disciplinary actions taken by the board.

The information reported from the Juneau office includes any <u>public</u> action taken against a licensee. See enclosed report prepared by Steve Winker, Paralegal for the Division of Occupational Licensing. We have clarified our internal reporting procedures to ensure the Appraisal Subcommittee receives this type of information in the future.

Complaints, investigative files, and advisory letters from the investigative staff are not reported because the information is considered confidential.

5. Board regulations do not reference the most current version of USPAP.

At its board meeting November 5, 1998, the board moved to public notice the following regulation change to read as follows:

12 AAC 70.900. STANDARDS OF PRACTICE. The standards of practice for certified real estate appraisers practicing in this state are the *Uniform Standards of Professional Appraisal Practice* (current edition) [1996 EDITION], adopted by the Appraisal Standards Board of the Appraisal Foundation.

(Words <u>underlined</u> indicate language being added; words [CAPITALIZED AND BRACKETED] indicate language being deleted.

6. Alaska does not maintain reciprocal agreements with other states.

Alaska does not have any written agreements with any states at this time. Per AS 08.87. 11 0(c), Alaska has established a means by which an appraiser may apply for licensure without examination if the certifying state provides for certification of nonresidents under conditions similar to those set out in Alaska law and without discriminatory costs.

7. The board approves continuing education courses only if the courses are at least seven hours in length.

RESOLVED to amend 12 AAC 70.210(d) to read a minimum of two classroom hours, provided the classroom hours meet the requirements of 12 AAC 70.210(a).

At the November 5, 1998 board meeting, it was to amend 12 AAC 70.210(a) to read as follows:

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.

8. Institutional appraisers may mistakenly be considered eligible to perfo appraisals for transactions requiring a certified appraiser.

The board is in support of repealing AS 08.87.110(e).

Thank you for the opportunity to comment. I enjoyed meeting with your staff during their field audit review. Please let me know if I can be of any further assistance.

Sincerely,

Catherine A. Reardon

Director