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**WEB/TELECONFERENCE  
REAL ESTATE APPRAISERS BOARD  
Room 121A, 1400 East Washington Avenue, Madison  
Contact: Tom Ryan (608) 266-2112  
January 21, 2014**

*The following agenda describes the issues that the Board plans to consider at the meeting. At the time of the meeting, items may be removed from the agenda. Please consult the meeting minutes for a record of the actions of the Board.*

**AGENDA**

**3:30 P.M.**

**OPEN SESSION – CALL TO ORDER – ROLL CALL**

- A) Adoption of Agenda**
- B) 165-SPS 85 Education and Experience Requirements Preliminary Draft – Discussion and Consideration (3-36)**
- C) Thirty-day Right to Review – Discussion and Consideration**
- D) Items Added After Preparation of Agenda:**
  - 1) Introductions, Announcements and Recognition
  - 2) Administrative Updates
  - 3) Education and Examination Matters
  - 4) Credentialing Matters
  - 5) Practice Matters
  - 6) Legislation/Administrative Rule Matters
  - 7) Liaison Report(s)
  - 8) Informational Item(s)
  - 9) Disciplinary Matters
  - 10) Presentations of Petition(s) for Summary Suspension
  - 11) Presentation of Proposed Stipulation(s), Final Decision(s) and Order(s)
  - 12) Presentation of Proposed Decisions
  - 13) Presentation of Interim Order(s)
  - 14) Petitions for Re-Hearing
  - 15) Petitions for Assessments
  - 16) Petitions to Vacate Order(s)
  - 17) Petitions for Designation of Hearing Examiner
  - 18) Motions
  - 19) Petitions
  - 20) Appearances from Requests Received or Renewed
  - 21) Speaking Engagement(s), Travel, or Public Relation Request(s)

E) Public Comments

**ADJOURNMENT**

**State of Wisconsin  
Department of Safety & Professional Services**

**AGENDA REQUEST FORM**

<b>1) Name and Title of Person Submitting the Request:</b>  <b>Shawn Leatherwood</b>		<b>2) Date When Request Submitted:</b>  <b>January 16, 2014</b>	
Items will be considered late if submitted after 4:30 p.m. and less than: <ul style="list-style-type: none"> <li>▪ 10 work days before the meeting for Medical Board</li> <li>▪ 08 work days before the meeting for all others</li> </ul>			
<b>3) Name of Board, Committee, Council, Sections:</b> Real Estate Appraisers Board			
<b>4) Meeting Date:</b>  <b>January 21, 2014</b>	<b>5) Attachments:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>6) How should the item be titled on the agenda page?</b>  <b>165-SPS 85 Education and Experience Requirements Preliminary Draft</b>	
<b>7) Place Item in:</b> <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	<b>8) Is an appearance before the Board being scheduled? If yes, who is appearing?</b>  <input type="checkbox"/> Yes by _____ (name)  <input checked="" type="checkbox"/> No	<b>9) Name of Case Advisor(s), if required:</b>  N/A	
<b>10) Describe the issue and action that should be addressed:</b>  <p>The Board will review and discuss any comments on the initial draft of the proposed rule.</p>			
<b>11) Signature of person making this request</b>  Shawn Leatherwood		<b>Authorization</b>  January 16, 2014	
Supervisor (if required)		Date	
Bureau Director signature (indicates approval to add post agenda deadline item to agenda)		Date	
<b>Directions for including supporting documents:</b> 1. This form should be attached to any documents submitted to the agenda. 2. Post Agenda Deadline items must be authorized by a Supervisor and the Board Services Bureau Director. 3. If necessary, Provide original documents needing Board Chairperson signature to the Bureau Assistant prior to the start of a meeting.			

STATE OF WISCONSIN  
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

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IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE  
PROCEEDINGS BEFORE THE : DEPARTMENT OF  
DEPARTMENT OF SAFETY AND : SAFETY AND PROFESSIONAL  
PROFESSIONAL SERVICES : SERVICES  
: ADOPTING RULES  
: (CLEARINGHOUSE RULE )  
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PROPOSED ORDER

An order of the Department of Safety and Professional Services to repeal SPS 80.03 (2), (8a) and (8d), 81.02 (8), 81.05 (intro.), 82.01 (6), 83.01 (3) (e), (3) (g), and (3)(g) (Note), 83.01 (4) (c), 83.02 (7), 84.03 (1) (b) 1. to 6., 84.04 (1) (b) (intro.) (Note) and 1. to 9., and 86 Appendix I; to renumber SPS 80 (title), 81 (title), 81.03 (1) to (2) (d), 81.05 (1), 81.05 (2), 81.05 (3), 82 (title), 82.02, 82.03, 82.04, 83 (title), 83.01 (1), 83.01 (1a), 83.01 (2), 84 (title), 84.02, 84.03 (1) (title) (intro) and (a), 84.03 (2) (a) to (c), 84.04 (1) (title) (intro.) and (a), 84.04 (1) (b) (intro.), 84.04 (1) (b) (intro.) (Note) and 1. to 9., 84.04 (2) and (3); to renumber and amend SPS 80.01, 80.02, 80.03, 80.03 (1) to (8), (8ag) to (8c) and (9) to (18), 81.01, 81.02 (1) to (7), 81.02 (8) (Note), 81.03 (2) (d) (Note), 82.01 (1) to (5), 83.01 (title), 83.01 (3) (intro.) (a) to (d) and (f), 83.01 (3m), 83.01 (4) (intro.) and (4) (b), 83.01 (4) (c) (Note), 83.02 (title) (1) to (6), 84.001, 84.01, 84.03 (1) (b) (intro.), 84.04 (1) (b) (intro.), 85.01; to amend SPS 87.01 (2) and (3), 87.02 (1), (2) (intro.), (b) and (c), (3)(b) and (3) (c), 86.01 (1), (4), (9) and (11); to repeal and recreate SPS 85 (title); and to create SPS 85.100 (3m) and (19), 85.240, subch. III (title), 85.330, subch. IV (title), 85.410, 85.430, subch. V (title), 85.510 (title), 85.520 (8) and (9), 85.530, 85.600 (7), 85.700 (4) (a) to (f), 85.820, 85.830, 85.840, subch. IX (title), 85.900 (7), 85.910 (2) (n) to (p), 85.810 (7) (a), related to the examination, education, and experience requirements of real estate appraisers.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

**Statutes interpreted:**

Sections 458.03, 458.06, 458.08, 458.085, 458.10, 458.13, Stats.

**Statutory authority:**

Sections 227.11 (2) (a), 440.03 (1), 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Explanation of agency authority:**

The Department of Safety and Professional Services (Department) is empowered to promulgate rules interpreting the provision of any statute it enforces or administers per s. 227.11 (2) (a), Stats. Pursuant to s. 440.03 (1), Stats., the Department may promulgate rules defining uniform procedures to be used by the Real Estate Appraisers Board. The subject of these proposed rules relate to uniform procedures with regard to education, experience, and examination requirements as well as other standard application procedures. The Department is specifically granted rule-making authority to draft these proposed rules pursuant to ss. 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Related statute or rule:**

There are no other statutes or rules other than those listed.

**Plain language analysis:**

The Financial Institutions Reform Recovery Act of 1989 ("FIRREA") 12 U.S.C. 3331 et seq. gives authority to the Appraiser Qualifications Board (AQB) to set minimum qualification requirements for real estate appraisers. Those minimum requirements will change as of January 1, 2015. The changes include the following. Education and experience must be completed prior to taking the National Uniform Licensing and Certification Examinations. Applicants for the certified residential and certified general credentials must have a Bachelor's degree or higher from an accredited college or university. Applicants for the licensed residential credential must successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university, or have an Associate's degree or higher from an accredited college, junior college, community college or university. All applicants for an initial credential must undergo a background check. A prohibition against repetitive use of continuing education within the same continuing education cycle. Clarification of the term "written examination" will be provided. The Department seeks to implement these changes via the proposed rules.

**Summary of, and comparison with, existing or proposed federal regulation:**

The Financial Institutions Reform Recovery Act of 1989, ("FIRREA") 12 U.S.C 3331, et. seq. regulates real estate appraisers on the federal level. The purpose of FIRREA "is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision." 12 U.S.C. 3331. This federal mandate is accomplished via the Appraiser Qualification Board (AQB) and the Appraisal Subcommittee (ASC). The ASC monitors state regulation of certified and licensed appraisers and reviews each state's compliance with federal legislation.

The AQB sets the minimum qualifications of real estate appraisers. The minimum qualifications criteria established by the AQB are set forth in the *Real Property Appraiser Qualifications Criteria and Interpretations of the Criteria* ("Criteria") The AQB Criteria includes the minimum experience, examination, qualifying education, and continuing education requirements that must be satisfied by an individual in order to obtain and maintain an appraiser credential.

**Comparison with rules in adjacent states:**

**Illinois:** Illinois issues certified general, certified residential and associate real estate trainee appraiser credentials. The licensure, educational, experience and continuing education requirements set forth in 68 Il. Admin. Code 1455.10 et. seq. (2013) meet the minimum requirements set by the AQB.

**Iowa:** Iowa credentials certified residential, certified general and associate real property appraisers. The associate real property appraiser is substantially equivalent to the federal category of trainee real property appraisers. Unlike Iowa, Wisconsin does not credential trainee real property appraisers. The education, experience, and examination requirements promulgated by Iowa Admin Code 193F-4.1, 193F-5.1 (1) and 193F-6.1 (2013), meet the minimum requirements set forth by the AQB.

**Michigan:** Michigan credentials limited real estate appraisers, state licensed real estate appraisers, certified residential real estate appraisers, and certified general real estate appraisers. The state licensed real estate appraiser is similar to Wisconsin's licensed appraiser. The certified general and certified residential requirements are consistent with the AQB's minimum requirements. The limited real estate appraiser is equivalent to the trainee real property appraiser. MCLS § 339.2601 (2013).

**Minnesota:** Minnesota regulates trainee real property appraisers, licensed residential real property appraisers, certified residential real property appraisers, and certified general real property appraisers. The Licensed residential real property appraiser credential is similar to Wisconsin's licensed appraiser credential. The education, examination, and experience requirements for all classes of credentials for real estate appraisers is set forth in Minn. Stat. §§82B.11, 82B.12, 82B.13, 82B.14 (2013), and are consistent with the minimum requirements established by the AQB.

**Summary of factual data and analytical methodologies:**

The AQB minimum qualification requirements for real estate appraisers will change as of January 1, 2015. The Department has reviewed those changes in order to make a determination as to how they would impact the current rules. The Department has determined that the current rules need to be aligned with the new AQB minimum criteria for licensure of real estate appraisers. The Department has considered the suggestions of the Appraisal Subcommittee in making the necessary changes to the current rules.

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

This rule was posted for public comment on the economic impact of the proposed rule, including how this proposed rule may affect businesses local government units and individuals, for a period of 14 days. No comments were received relating to the economic impact of the rule.

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis are attached.

**Effect on small business:**

These proposed rules do have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. and are submitted to the Small Business Regulatory Review Board for a determination on whether the rules will have a significant economic impact on a substantial number of small businesses. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608

**Agency contact person:**

Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-261-4438; email at Shancethea.Leatherwood@wisconsin.gov.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8366, or by email to Shancethealea.Leatherwod@wisconsin.gov. Comments must be received on or before \* to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Chapter SPS 80 (title) is renumbered Subchapter I (title) of chapter SPS 85 [precedes SPS 85.100].

SECTION 2. SPS 80.01 to 80.02 are renumbered SPS 85.100 to 85.110 and as renumbered, are amended to read:

**SPS 85.100 Authority** The rules in chs. SPS 80 85 to 87 are adopted under the authority of ss. 227.11 and 440.03 (1), Stats., and ch. 458, Stats.

**SPS 85.110 Intent** The intent of the department in adopting chs. SPS 80 85 to 87 is to establish minimum standards for professional appraisal practice for certified and licensed appraisers which are consistent with the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation. It is further intended that these rules shall establish standards of competency such that persons certified or licensed as appraisers are qualified to perform appraisals for federally related transaction under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, 12 USC 3331 et seq.

SECTION 3. SPS 80.03 (intro.) is renumbered SPS 85.120 (intro.) and amended to read:

**SPS 85.120 Definitions.** (intro.) As used in chs. SPS 80 85 to 87 and in ch. 458, Stats.:

SECTION 4. SPS 80.03 (1) to (8), (8a) to (8c), and (9) to (18) are renumbered SPS 85.120 (1) to (23) and SPS 85.120 (14) as renumbered, is amended to read:

**SPS 85.120 (14)** "Hours of appraisal experience" means 60 minutes of verifiable time spent performing tasks as identified in s. SPS 83.01 (3) (b) 85.700 (3) (b) in accordance with the uniform standards of professional appraisal practice, in effect at the time the tasks were performed.

SECTION 5. SPS 80.03 (2), (8a), and (8d) are repealed.

SECTION 6. Chapter SPS 81 (title) is renumbered Subchapter II (title) of chapter SPS 85 [precedes SPS 85.200].

SECTION 7. SPS 81.01 is renumbered SPS 85.200, and amended to read:

**SPS 85.200 Prerequisite to submitting credential application.** Prior to submitting an application for a licensed or certified real estate appraiser credential, an individual shall successfully complete the required education and experience hours required under s. SPS 84.02, 84.03, or 84.04, as appropriate.

SECTION 8. Chapter SPS 81.02 (1) to (7) are renumbered SPS 85.210 (1) to (7) and SPS 85.210 (3), SPS 85.210 (5), SPS 85.210 (5) (Note) and SPS 85.210 (7), as renumbered, are amended to read:

**SPS 85.210 (3)** Evidence of successful completion of the educational course work required in ~~ch. SPS 84~~ chs. SPS 85.320, 85.420, and 85.520 for licensure or certification.

**SPS 85.210 (5)** Evidence of successful completion of the national and state examinations as specified in ~~SPS 82.01~~ 85.600.

**SPS 85.210 (5) Note:** Applicants have up to 24 months after receiving authorization from the department to sit for the examination, to take and pass the state and national examinations required under ~~s. SPS 82.01~~, s. SPS 85.601. After passing the examination, applicants have up to 24 months to complete all other requirements for a credential.

THIS NO LONGER APPLIES.

(7) A roster of appraisal experience ~~as required in s. SPS 83.01 (4) (b)~~.

SECTION 9. SPS 81.02 (8) is repealed.

SECTION 10. SPS 81.02 (8) (Note) is renumbered SPS 85.210 (7) (Note), and as renumbered, is amended to read:

**SPS 85.210 (7) Note:** Applications for certification or licensure are available from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 11. SPS 81.03 (1) to (2) (d) are renumbered SPS 85.220 (1) to (2) (d).

SECTION 12. SPS 81.03 (2) (d) (Note) is renumbered SPS 85.220 (2) (d) (Note), and as renumbered, is amended to read:

**SPS 85.220 (2) (b) Note:** Applications for temporary registration are available from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 13. SPS 81.04 is renumbered SPS 85.230 and SPS 85.230 (1) (c) 2. and 3. as renumbered are amended to read:

**SPS 85.230 (1) (c) 2.** Has passed the examination on Wisconsin statutes and rules governing appraisers, as provided under ~~s. SPS 82.01~~ 85.600.

**SPS 85.230 (1) (c) 3.** Subject to ss. 111.321, 111.322 and 111.335, Stats., does not have an arrest or conviction record subject to review.

SECTION 14. SPS 81.05 (intro.) is repealed.

SECTION 15. SPS 81.05 (1) is renumbered SPS 85.300.

SECTION 16. SPS 81.05 (2) is renumbered SPS 85.400.

SECTION 17. SPS 81.05 (3) is renumbered SPS 85.500

SECTION 18. Chapter SPS 82 (title) is renumbered Subchapter VI (title) of chapter SPS 85 [precedes SPS 85.600].

SECTION 19. SPS 82.01 (1) to (5) are renumbered SPS 85.600 (1) to (5) and SPS 85.600 (5) (b) as renumbered, is amended to read:

SPS 85.600 (5) (b) Pay the fees required under s. ~~SPS 81.02 (4)~~ SPS 85.210 (1).

SECTION 20. SPS 82.01 (6) is repealed.

SECTION 21. SPS 82.02 is renumbered SPS 85.610.

SECTION 22. SPS 82.03 is renumbered SPS 85.620.

SECTION 23. SPS 82.04 is renumbered SPS 85.630.

SECTION 24. Chapter SPS 83 (title) is renumbered Subchapter VII (title) of chapter SPS 85 [precedes SPS 85.700].

SECTION 25. SPS 83.01 (title) is renumbered SPS 85.310 (title) and amended to read:

**SPS 85.310 (title) Proof of experience for certified and licensed general appraisers.**

SECTION 26. SPS 83.01 (1) is renumbered SPS 85.310.

SECTION 27. SPS 83.01 (1a) is renumbered SPS 85.410.

SECTION 28. SPS 83.01 (2) is renumbered SPS 85.510.

SECTION 29. SPS 83.01 (3) (intro.), (a) to (d), and (f) are renumbered 85.700 (3) (intro), (a) to (d) and (f), and SPS 85.700 (3) (intro.), as renumbered, is amended to read:

**SPS 85.700 (3) Proof of Experience.** (intro.) The work claimed under ~~subs. (1), (1a) and (2)~~ ss. SPS 85.310, 85.410 and 85.510 for appraisal experience credit shall be approved by the department and shall accomplish all of the following:

SECTION 30. SPS 83.01 (3) (e), (3) (g), and (3) (g) (Note) are repealed.

SECTION 31. SPS 83.01 (3m) is renumbered SPS 85.700 (3m) and as renumbered is amended to read:

~~SPS 85.700 (3m) An applicant who fails to complete the appropriate hours of All experience required under sub. (1), (1a) or (2), under subch. SPS 85.310, 85.410 and 85.510, as appropriate, must be acquired before January 1, 2008, may claim only those experience hours acquired after January 30, 1989.~~

SECTION 32. SPS 83.01 (4) (intro.) and (4) (b) are consolidated, renumbered SPS 85.700 (4) (intro.) and amended to read:

~~SPS 85.700 (4) (intro.) An applicant applying for certification or licensure under subs. (1), (1a) and (2) ss. SPS 85.310, 85.410 and 85.510 shall submit on forms provided by the department: (b) A roster of appraisal experience that contains all of the following:~~

SECTION 33. SPS 83.01 (4) (c) is repealed.

SECTION 34. SPS 83.01 (4) (c) (Note) is renumbered SPS 85.700 (4) (Note) and as renumbered, is amended to read:

~~SPS 85.700 (4) Note: Application forms required for certification or licensure may be obtained from the Department of Safety and Professional Services, Division of Professional Credentialing-Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.~~

SECTION 35. SPS 83.02 (title) (1) to (6) are renumbered SPS 85.710 (title) (1) to (6) and SPS 85.710 (4) as renumbered, is amended to read:

~~SPS 85.710 (4) Copies of any appraisal listed in the documentation of experience required under s. SPS 83.01 (4) (b) 85.700 (4). The department may contact any person listed on the application to obtain additional information about the experience of the applicant.~~

SECTION 36. SPS 83.02 (7) is repealed.

SECTION 37. Chapter SPS 84 (title) is renumbered Subchapter VIII (title) of chapter SPS 85 [precedes SPS 85.800].

SECTION 38. SPS 84.001 is renumbered SPS 85.100 (4r) and amended to read:

~~SPS 85.100 (4r) Definition. In this chapter "CLEP" means college level examination program.~~

SECTION 39. SPS 84.01 is renumbered SPS 85.810 and SPS 85.810 (7) (e), as renumbered, is amended to read:

**SPS 85.810 (7) (e)** If applying to teach the 15-hour national USPAP course, or its equivalent, be a certified residential or general appraiser, and be certified by the appraiser qualifications board of the appraisal foundation as an instructor to teach that course. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

SECTION 40. SPS 84.02 is renumbered SPS 85.520.

SECTION 41. SPS 84.03 (1) (title), (intro.), and (a) are renumbered SPS 85.420 (1) (title), (intro.), and (a).

SECTION 42. SPS 84.03 (1) (b) (intro.) is renumbered SPS 85.420 (1) (b) and amended to read:

~~SPS 85.420 (1) (b) An associate degree~~ A Bachelors degree or higher in any field of study, or equivalent education from an accredited college or university. Equivalent education shall consist of at least 21 semester credit hours successfully completed at an accredited college or university, or completed through the CLEP, that covers all of the following subjects: The college or university must be a degree-granting institution accredited by the commission on colleges, a national regional accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education.

SECTION 43. SPS 84.03 (1) (b) 1. to 6. are repealed

SECTION 44. SPS 84.03 (2) (a) to (c) are renumbered SPS 85.420 (2) (a) to (c).

SECTION 45. SPS 84.04 (1), (title), (intro.) and (a) are renumbered SPS 85.320 (1) (title) (intro.) and (a).

SECTION 46. SPS 84.04 (1) (b) (intro.) is renumbered SPS 85.320 (1) (b) and amended to read:

~~SPS 85.320 (1) (b) A bachelor's degree or higher, in any field of study, or equivalent education from an accredited college or university. Equivalent education shall consist of at least 10 semester credit hours successfully completed at an accredited college or university or completed through the CLEP, that covers all of the following subject matter courses: The college or university must be a degree-granting institution accredited by the commission on colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education.~~

SECTION 47. SPS 84.04 (1) (b) (intro.) (Note) and 1. to 9. are repealed.

SECTION 48. SPS 84.04 (2) and (3) are renumbered SPS 85.320 (2) and (3).

SECTION 49. Chapter SPS 85 (title) is repealed and recreated to read:

CHAPTER SPS 85 (title)  
APPRAISERS

SECTION 50. SPS 85.01 is renumbered SPS 85.900 of subchapter IX of chapter SPS 85, and SPS 85.900 (2), as renumbered, is amended to read:

**SPS 85.900 (2)** Continuing education class hours may be applied only to satisfy the continuing education requirements for the biennial renewal period in which the hours were acquired and may not be carried over to the next biennial renewal period.  
Appraisers may not receive credit for completion of the same continuing education course offering within a continuing education cycle.

SECTION 51. SPS 85.100 (3m) and (19) are created to read:

**SPS 85.100 (3m)** "AQB" means the appraiser qualifications board.

**(19)** "Written" means written on paper or administered electronically on a computer workstation or other device.

SECTION 52. SPS 85.240 is created to read:

**SPS 85.240 Background checks.** All candidates for licensed or certified appraiser credentials must undergo background screening in accordance with s. 440.03 (13) (c). A licensed or certified appraiser credential shall not be issued if any of the following applies:

(1) The applicant has had an appraiser licensed or certification revoked in any governmental jurisdiction within the 5 year period immediately preceding the date of application.

(2) The applicant has been convicted of, or plead guilty, or nolo contendere to a felony in a domestic or foreign court, during the 5 year period immediately preceding the application for licensure or certification or at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering. The felony must be substantially related to the practice of certified or licensed real estate appraiser.

(3) The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly and fairly.

(4) Subject to ss. 111.321, 111.322 and 111.335, Stats. an applicant who has a pending criminal charge or has a conviction record shall provide the department with all related information necessary for the department to determine whether the circumstances

of the pending charge or conviction substantially relate to the practice of real estate appraisal.

SECTION 53. Subchapter III (title) of chapter SPS 85 [precedes SPS 85.300] is created to read:

SUBCHAPTER III (title)

CERTIFIED GENERAL APPRAISER

SECTION 54. SPS 85.330 created to read:

**SPS 85.330 Prerequisite for examination.** The AQB-approved certified general appraiser examination must be completed. There is no alternative to successful completion of the exam. The prerequisite for taking the AQB-approved examination is the completion of all of the following:

(1) 300 creditable class hours as specified in the course requirements found in SPS 85.320 (1) (a). As part of the 300 required hours, the applicant shall complete the 15-hour national USPAP course or its AQB equivalent, and the examination. There is no alternative to successful completion of the USPAP course and examination.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 3,000 hours of qualifying experience obtained no fewer than 30 months, where a minimum of 1,500 hours must be obtained in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before **and** individual can be certified.

← AN

SECTION 55. Subchapter IV (title) of chapter SPS 85 [precedes SPS 85.400] is created to read:

SUBCHAPTER IV (title)

CERTIFIED RESIDENTIAL APPRAISER

SECTION 56. SPS 85.410 (title) is created to read:

**SPS 85.410 (title) Proof of experience for certified residential appraisers.**

SECTION 57. SPS 85.430 is created to read:

**SPS 85.430 Prerequisite for examination.** The AQB-approved certified residential real property appraiser examination must be successfully completed. The only alternative to successful completion of the certified residential examination is the successful completion of the certified general examination. The prerequisite for taking the AQB-approved examination is completion of all of the following:

(1) 200 creditable class hours as specified in the course requirements found in SPS 85.410 (1) (a). As part of the 200 required hours, applicants shall successfully complete the 15-hour national USPAP course or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP course and examination.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 2,500 hours of qualifying experience obtained in no fewer than 24 months. While the hours may be cumulative the required number of months must accrue before an individual can be certified.

SECTION 58. Subchapter V (title) of chapter SPS 85 [precedes SPS 85.500] is created to read:

SUBCHAPTER V (title)

LICENSED APPRAISER

SECTION 59. SPS 85.510 (title) is created to read:

**SPS 85.510 (title) Proof of experience for licensed appraisers.**

SECTION 60. SPS 85.520 (8) and (9) are created to read:

**SPS 85.520 (8)** An individual who applies for a license as an appraiser shall successfully complete 30 semester hours of college level education, from an accredited college, junior college, community college or university. The college or university must be a degree-granting institution accredited by the commission on colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education. If an accredited college or university accepts the CLEP and examinations and issues a transcript for the exam, showing its approval, it will be considered as a credit for the college course.

(9) Applicants holding an associate degree, or higher from an accredited college, junior college, community college, or university satisfy the 30-hour college-level education requirement.

SECTION 61. SPS 85.530 is created to read:

**SPS 85.530 Prerequisite for examination.** The AQB-approved licensed appraiser examination must be successfully completed. The only alternatives to successful completion of the licensed appraisers examination is the successful completion of the certified residential or certified general examination. The prerequisite for taking the AQB-approved examination are all of the following:

*THIS IS NOT  
CONSISTENT  
WITH APPRAISAL  
FOUNDATION  
REQUIREMENTS.*

(1) 150 creditable class hours as specified in the course requirements found in SPS 85.520.

(2) Completion of the college-level education requirements specified in SPS 85.520 (8).

(3) 2,000 hours of qualifying experience in no fewer than 12 months.

SECTION 62. SPS 85.600 (7) is created to read:

**SPS 85.600 (7)** A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

*THIS NO LONGER APPLIES*

SECTION 63. SPS 85.700 (4) (a) to (f) are created to read:

**SPS 85.700 (4) (a)** Type of property.

(b) The date of the report.

(c) The address of the appraised property.

(d) A description of work performed by the applicant and scope of review and supervision of the supervising appraiser.

(e) The number of actual work hours by the applicant on the assignment.

(f) The signature and state certification number of the supervising appraiser, if applicable. Separate rosters shall be maintained for each supervising appraiser.

SECTION 64. SPS 85.820 is created to read:

**SPS 85.820 Distance Education.** A distance education course is acceptable to meet class hour requirements if all of the following occur:

(1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor.

(2) Content approval for a distance education course is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the commission on colleges, a regional or a national accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction.

(3) Course delivery approval is obtained from one of the following sources:

(a) AQB approved organizations providing approval of course design and delivery

(b) A college or university that qualifies for content approval and that awards academic credit for the distance education course

(c) A qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

(4) Distance education courses intended for use as a qualifying education must include a written, closed-book final examination, proctored by an official approved by the

college or university, or by the sponsoring organization. Oral examinations are not acceptable.

SECTION 65. SPS 85.830 is created to read:

**SPS 85.830 Approved providers.** Credit for the class hour requirement under s. SPS 85.320, 85.420, and 85.520 may be obtained only from the following providers:

- (1) Colleges or universities.
- (2) Community or junior colleges.
- (3) Real estate appraisal or real estate related organizations.
- (4) State or federal agencies or commissions.
- (5) Proprietary schools.
- (6) Providers approved by the state certification or licensing agencies.
- (7) The appraisal foundation or its boards.

SECTION 66. SPS 85.840 is created to read:

**SPS 85.840 College degree acceptance.** (1) Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the association to advance collegiate schools of business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

(2) Education may not be substituted for experience except for approved practicum courses as found in SPS 85.700 (3) (f).

SECTION 67. Subchapter IX (title) of chapter SPS 85 [precedes SPS 85.900] is created to read:

#### SUBCHAPTER IX (title)

#### CONTINUING EDUCATION

SECTION 68. SPS 85.900 (7) is created to read:

**SPS 85.900 (7)** Certified and licensed appraisers may not receive credit for completion of the same continuing education course offering within an appraiser's continuing education cycle.

SECTION 69. SPS 85.910 (2) (n) to (p) are created to read:

**SPS 85.910 (2) (n)** Developing opinions of real property value in appraisals that also include personal property or business value.

- (o) Sell concessions and impact on value.
- (p) energy efficient items and "green building" appraisals.

SECTION 70. SPS 85.910 (7) (a) is created to read:

**SPS 85.910 (7)** A distance education course intended for use as continuing education must include at least one of the following:

- (a) A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.
- (b) Successful completion of prescribed course material required to demonstrate knowledge of the subject matter.

SECTION 71. Section SPS 86 Appendix I is repealed.

SECTION 72. Section SPS 87.01 (2) and (3) are amended to read:

**SPS 87.01 (2)** An appraiser granted a certificate of certification under s. 458.06 (3) or (4), 1989 Stats., may renew the certificate by satisfying the requirements in sub. (1) and by submitting evidence of completion of the educational course work required under ss. ~~SPS 84.03~~ SPS 85.420 and ~~84.04~~ 85.320, as appropriate.

**(3)** An appraiser granted a certificate of licensure under s. 458.08 (3), 1991 Stats., may renew the certificate by satisfying the requirements in sub. (1), and submitting evidence of completion of the experience or educational course work required under ss. ~~SPS 83.01~~ SPS 85.510 and ~~84.02~~ 85.520, as appropriate.

SECTION 73. Section SPS 87.02 (1), (2) (intro.), (b) and (c) (3) (b) and (3) (c) are amended to read:

**SPS 87.02 (1)** If applying less than 5 years after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.04~~ SPS 85.900 and paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats.

**(2)** If applying 5 years or more after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.04~~ SPS 85.900; paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats., and submitting proof of one or more of the following, as determined by the department to ensure protection of the public health, safety, and welfare:

- (b) Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (3) (b)** Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.
- (c) Successful completion of the national appraiser examination required under s. ~~SPS 82.04~~ 85.600 for appraiser licensure or certification.

Comment [MB1]: Clarify the USPAP biennial requirement.

NEED TO CLARIFY USPAP COMPONENT.

SECTION 74. SPS 86.01 (1), (4), (9) and (11) are amended to read:

**SPS 86.01 (1)** Certified and licensed appraisers shall comply with the standards of practice established by ch. 458, Stats., chs. ~~SPS 80-86~~ SPS 85-86 and the uniform standards of professional appraisal practice (USPAP). A violation of any provision in this chapter may result in disciplinary action under s.458.26, Stats.

**SPS 86.01 (4)** A licensed appraiser who is not certified under s. 458.06, Stats., shall not use the title "Wisconsin licensed appraiser" on any appraisal report or written agreement, except in conjunction with an appraisal performed within the scope of appraisal practice of a licensed appraiser as specified in s. ~~SPS 81.05~~ SPS 85.500.

**SPS 86.01 (9)** A certified or licensed appraiser shall not solicit from or knowingly disclose to any person or entity the content of an examination for appraiser certification or licensure conducted under ~~ch. SPS 82~~. SPS 85.600.

**SPS 86.01 (11)** All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate appraising including, but not limited to, the financial institutions reform, recovery, and enforcement act of 1989, and all appraisal related federal regulations promulgated by the federal financial institution regulatory agencies, as defined in s. ~~SPS 80.03 (8a)~~ SPS 85.120 (9).

SECTION 75. SPS 86.01 (2) (Note) is repealed.

SECTION 76. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF TEXT OF RULE)  
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Dated \_\_\_\_\_ Agency \_\_\_\_\_  
Secretary  
Department of Safety and Professional Services

STATE OF WISCONSIN  
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

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IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE  
PROCEEDINGS BEFORE THE : DEPARTMENT OF  
DEPARTMENT OF SAFETY AND : SAFETY AND PROFESSIONAL  
PROFESSIONAL SERVICES : SERVICES  
: ADOPTING RULES  
: (CLEARINGHOUSE RULE )  
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PROPOSED ORDER

An order of the Department of Safety and Professional Services to repeal SPS 80.03 (2), (8a) and (8d), 81.02 (8), 81.05 (intro.), 82.01 (6), 83.01 (3) (e), (3) (g), and (3)(g) (Note), 83.01 (4) (c), 83.02 (7), 84.03 (1) (b) 1. to 6., 84.04 (1) (b) (intro.) (Note) and 1. to 9., and 86 Appendix I; to renumber SPS 80 (title), 81 (title), 81.03 (1) to (2) (d), 81.05 (1), 81.05 (2), 81.05 (3), 82 (title), 82.02, 82.03, 82.04, 83 (title), 83.01 (1), 83.01 (1a), 83.01 (2), 84 (title), 84.02, 84.03 (1) (title) (intro) and (a), 84.03 (2) (a) to (c), 84.04 (1) (title) (intro.) and (a), 84.04 (1) (b) (intro.), 84.04 (1) (b) (intro.) (Note) and 1. to 9., 84.04 (2) and (3); to renumber and amend SPS 80.01, 80.02, 80.03, 80.03 (1) to (8), (8ag) to (8c) and (9) to (18), 81.01, 81.02 (1) to (7), 81.02 (8) (Note), 81.03 (2) (d) (Note), 82.01 (1) to (5), 83.01 (title), 83.01 (3) (intro.) (a) to (d) and (f), 83.01 (3m), 83.01 (4) (intro.) and (4) (b), 83.01 (4) (c) (Note), 83.02 (title) (1) to (6), 84.001, 84.01, 84.03 (1) (b) (intro.), 84.04 (1) (b) (intro.), 85.01; to amend SPS 87.01 (2) and (3), 87.02 (1), (2) (intro.), (b) and (c), (3)(b) and (3) (c), 86.01 (1), (4), (9) and (11); to repeal and recreate SPS 85 (title); and to create SPS 85.100 (3m) and (19), 85.240, subch. III (title), 85.330, subch. IV (title), 85.410, 85.430, subch. V (title), 85.510 (title), 85.520 (8) and (9), 85.530, 85.600 (7), 85.700 (4) (a) to (f), 85.820, 85.830, 85.840, subch. IX (title), 85.900 (7), 85.910 (2) (n) to (p), 85.810 (7) (a), related to the examination, education, and experience requirements of real estate appraisers.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

**Statutes interpreted:**

Sections 458.03, 458.06, 458.08, 458.085, 458.10, 458.13, Stats.,

**Statutory authority:**

Sections 227.11 (2) (a), 440.03 (1), 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Explanation of agency authority:**

The Department of Safety and Professional Services (Department) is empowered to promulgate rules interpreting the provision of any statute it enforces or administers per s. 227.11 (2) (a), Stats. Pursuant to s. 440.03 (1), Stats., the Department may promulgate rules defining uniform procedures to be used by the Real Estate Appraisers Board. The subject of these proposed rules relate to uniform procedures with regard to education, experience, and examination requirements as well as other standard application procedures. The Department is specifically granted rule-making authority to draft these proposed rules pursuant to ss. 458.03 (1) (b) and (e), 458.06 (4) (e), 458.08 (3) (e), 458.085, 458.10 (3), Stats.

**Related statute or rule:**

There are no other statutes or rules other than those listed.

**Plain language analysis:**

The Financial Institutions Reform Recovery Act of 1989 (“FIRREA”) 12 U.S.C. 3331 et seq. gives authority to the Appraiser Qualifications Board (AQB) to set minimum qualification requirements for real estate appraisers. Those minimum requirements will change as of January 1, 2015. The changes include the following—:

- Education and experience must be completed prior to taking the National Uniform Licensing and Certification Examinations.
- Applicants for the certified residential and certified general credentials must have a Bachelor’s degree or higher from an accredited college or university.
- Applicants for the licensed residential credential must successfully complete 30 semester hours of college-level education from an accredited college, junior college, community college, or university, or have an Associate’s degree or higher from an accredited college, junior college, community college or university.
- All applicants for an initial credential must undergo a background check.
- A prohibition against repetitive use of continuing education within the same continuing education cycle.
- Clarification of the term “written examination” will be provided.

**Comment [SWB1]:** Listing this just made it easier to see what entirely was being addressed.  
**Formatted:** List Paragraph, Bulleted + Level: 1 + Aligned at: 0.34" + Indent at: 0.59"

The Department seeks to implement these changes via the proposed rules.

**Summary of, and comparison with, existing or proposed federal regulation:**

The Financial Institutions Reform Recovery Act of 1989, (“FIRREA”) 12 U.S.C 3331, et. seq. regulates real estate appraisers on the federal level. The purpose of FIRREA “is to provide that Federal financial and public policy interests in real estate related transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision.” 12 U.S.C. 3331. This

federal mandate is accomplished via the Appraiser Qualification Board (AQB) and the Appraisal Subcommittee (ASC). The ASC monitors state regulation of certified and licensed appraisers and reviews each state's compliance with federal legislation.

Under FIRREA, the state criteria for the qualification of real estate appraisers must meet the minimum qualifications criteria established by the Appraiser Qualifications Board (AQB). The minimum qualifications criteria established by the AQB are set forth in the *Real Property Appraiser Qualifications Criteria and Interpretations of the Criteria* ("Criteria") The AQB Criteria includes the minimum experience, examination, qualifying education, and continuing education requirements that must be satisfied by an individual in order to obtain and maintain an appraiser credential.

**Comparison with rules in adjacent states:**

**Illinois:** Illinois issues certified general, certified residential and associate real estate trainee appraiser credentials. The licensure, educational, experience and continuing education requirements set forth in 68 Il. Admin. Code 1455.10 et. seq. (2013) meet the minimum requirements set by the AQB.

**Iowa:** Iowa credentials certified residential, certified general and associate real property appraisers. The associate real property appraiser is substantially equivalent to the federal category of trainee real property appraisers. Unlike Iowa, Wisconsin does not credential trainee real property appraisers. The education, experience, and examination requirements promulgated by Iowa Admin Code 193F-4.1, 193F-5.1 (1) and 193F-6.1 (2013), meet the minimum requirements set forth by the AQB.

**Michigan:** Michigan credentials limited real estate appraisers, state licensed real estate appraisers, certified residential real estate appraisers, and certified general real estate appraisers. The state licensed real estate appraiser is similar to Wisconsin's licensed appraiser. The certified general and certified residential requirements are consistent with the AQB's minimum requirements. The limited real estate appraiser is equivalent to the trainee real property appraiser. MCLS § 339.2601 (2013).

**Minnesota:** Minnesota regulates trainee real property appraisers, licensed residential real property appraisers, certified residential real property appraisers, and certified general real property appraisers. The Licensed residential real property appraiser credential is similar to Wisconsin's licensed appraiser credential. The education, examination, and experience requirements for all classes of credentials for real estate appraisers is set forth in Minn. Stat. §§82B.11, 82B.12, 82B.13, 82B.14 (2013), and are consistent with the minimum requirements established by the AQB.

**Summary of factual data and analytical methodologies:**

The AQB minimum qualification requirements for real estate appraisers will change as of January 1, 2015. The Department has reviewed those changes in order to make a determination as to how they would impact the current rules. The Department has

determined that the current rules need to be aligned with the new AQB minimum criteria for licensure of real estate appraisers. The Department has considered the suggestions of the Appraisal Subcommittee in making the necessary changes to the current rules.

**Analysis and supporting documents used to determine effect on small business or in preparation of economic impact analysis:**

**This rule was posted for public comment on the economic impact of the proposed rule, including how this proposed rule may affect businesses local government units and individuals, for a period of 14 days. No comments were received relating to the economic impact of the rule.**

**Comment [SWB2]:** Has this been done, or is this form language that may be used in the future? I'm sensing this doesn't come into play until after the designated comment period has ended, especially since there is some "lead-in" to the comment period identified below.

**Fiscal Estimate and Economic Impact Analysis:**

The Fiscal Estimate and Economic Impact Analysis are attached.

**Effect on small business:**

These proposed rules do have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. and are submitted to the Small Business Regulatory Review Board for a determination on whether the rules will have a significant economic impact on a substantial number of small businesses. The Department's Regulatory Review Coordinator may be contacted by email at Tom.Engels@wisconsin.gov, or by calling (608) 266-8608.

**Agency contact person:**

Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-261-4438; email at Shancethea.Leaherwood@wisconsin.gov.

**Place where comments are to be submitted and deadline for submission:**

Comments may be submitted to Shawn Leatherwood, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 1400 East Washington Avenue, Room 151, P.O. Box 8366, Madison, WI 53708-8366, or by email to Shancethealea.Leaherwod@wisconsin.gov. Comments must be received on or before \* to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Chapter SPS 80 (title) is renumbered Subchapter I (title) of chapter SPS 85 [precedes SPS 85.100].

SECTION 2. SPS 80.01 to 80.02 are renumbered SPS 85.100 to 85.110 and as renumbered, are amended to read:

**SPS 85.100 Authority** The rules in chs. SPS ~~80~~ 85 to 87 are adopted under the authority of ss. 227.11 and 440.03 (1), Stats., and ch. 458, Stats.

**SPS 85.110 Intent** The intent of the department in adopting chs. SPS ~~80~~ 85 to 87 is to establish minimum standards for professional appraisal practice for certified and licensed appraisers which are consistent with the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation. It is further intended that these rules shall establish standards of competency such that persons certified or licensed as appraisers are qualified to perform appraisals for federally related transaction under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, 12 USC 3331 et seq.

SECTION 3. SPS 80.03 (intro.) is renumbered SPS 85.120 (intro.) and amended to read:

**SPS 85.120 Definitions.** (intro.) As used in chs. SPS ~~80~~ 85 to 87 and in ch. 458, Stats.:

SECTION 4. SPS 80.03 (1) to (8), (8a) to (8c), and (9) to (18) are renumbered SPS 85.120 (1) to (23) and SPS 85.120 (14) as renumbered, is amended to read:

**SPS 85.120 (14)** “Hours of appraisal experience” means 60 minutes of verifiable time spent performing tasks as identified in s. SPS ~~83.01 (3) (b)~~ 85.700 (3) (b) in accordance with the uniform standards of professional appraisal practice, in effect at the time the tasks were performed.

SECTION 5. SPS 80.03 (2), (8a), and (8d) are repealed.

SECTION 6. Chapter SPS 81 (title) is renumbered Subchapter II (title) of chapter SPS 85 [precedes SPS 85.200].

SECTION 7. SPS 81.01 is renumbered SPS 85.200, and amended to read:

**SPS 85.200 Prerequisite to submitting credential application.** Prior to submitting an application for a licensed or certified real estate appraiser credential, an individual shall successfully complete all the required education and experience hours ~~required under s. SPS 84.02, 84.03, or 84.04, as appropriate.~~

SECTION 8. Chapter SPS 81.02 (1) to (7) are renumbered SPS 85.210 (1) to (7) and SPS 85.210 (3), SPS 85.210 (5), SPS 85.210 (5) (Note) and SPS 85.210 (7), as renumbered, are amended to read:

**SPS 85.210 (3)** Evidence of successful completion of the educational course work required in ~~ch. SPS 84~~ chs. SPS 85.320, 85.420, and 85.520 for licensure or certification.

**SPS 85.210 (5)** Evidence of successful completion of the national and state examinations as specified in SPS ~~82.01~~ 85.600.

**SPS 85.210 (5) Note:** Applicants have up to 24 months after receiving authorization from the department to sit for the examination, to take and pass the state and national examinations required under ~~s. SPS 82.01~~ s. SPS 85.601. After passing the examination, applicants have up to 24 months to complete all other requirements for a credential.

(7) A roster of appraisal experience ~~as required in s. SPS 83.01 (4) (b)~~.

SECTION 9. SPS 81.02 (8) is repealed.

SECTION 10. SPS 81.02 (8) (Note) is renumbered SPS 85.210 (7) (Note), and as renumbered, is amended to read:

**SPS 85.210 (7) Note:** Applications ~~for certification or licensure~~ are available from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 11. SPS 81.03 (1) to (2) (d) are renumbered SPS 85.220 (1) to (2) (d).

SECTION 12. SPS 81.03 (2) (d) (Note) is renumbered SPS 85.220 (2) (d) (Note), and as renumbered, is amended to read:

**SPS 85.220 (2) (b) Note:** Applications ~~for temporary registration~~ are available from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 13. SPS 81.04 is renumbered SPS 85.230 and SPS 85.230 (1) (c) 2. and 3. as renumbered are amended to read:

**SPS 85.230 (1) (c) 2.** Has passed the examination on Wisconsin statutes and rules governing appraisers, as provided under s. SPS ~~82.01~~ 85.600.

**SPS 85.230 (1) (c) 3.** Subject to ss. 111.321, 111.322 and 111.335, Stats., does not have an arrest or conviction record subject to review.

**Comment [SWB3]:** I'm not sure exactly what this means. Review by whom? Just seems too vague to me, unless it's spelled out elsewhere and I'm missing something (which is very possible).

SECTION 14. SPS 81.05 (intro.) is repealed.

SECTION 15. SPS 81.05 (1) is renumbered SPS 85.300.

SECTION 16. SPS 81.05 (2) is renumbered SPS 85.400.

SECTION 17. SPS 81.05 (3) is renumbered SPS 85.500

SECTION 18. Chapter SPS 82 (title) is renumbered Subchapter VI (title) of chapter SPS 85 [precedes SPS 85.600].

SECTION 19. SPS 82.01 (1) to (5) are renumbered SPS 85.600 (1) to (5) and SPS 85.600 (5) (b) as renumbered, is amended to read:

SPS 85.600 (5) (b) Pay the fees required under s. ~~SPS 81.02 (1)~~ SPS 85.210 (1).

SECTION 20. SPS 82.01 (6) is repealed.

SECTION 21. SPS 82.02 is renumbered SPS 85.610.

SECTION 22. SPS 82.03 is renumbered SPS 85.620.

SECTION 23. SPS 82.04 is renumbered SPS 85.630.

SECTION 24. Chapter SPS 83 (title) is renumbered Subchapter VII (title) of chapter SPS 85 [precedes SPS 85.700].

SECTION 25. SPS 83.01 (title) is renumbered SPS 85.310 (title) and amended to read:

**SPS 85.310 (title) Proof of experience for certified and licensed general appraisers.**

SECTION 26. SPS 83.01 (1) is renumbered SPS 85.310.

SECTION 27. SPS 83.01 (1a) is renumbered SPS 85.410.

SECTION 28. SPS 83.01 (2) is renumbered SPS 85.510.

SECTION 29. SPS 83.01 (3) (intro.), (a) to (d), and (f) are renumbered 85.700 (3) (intro), (a) to (d) and (f), and SPS 85.700 (3) (intro.), as renumbered, is amended to read:

**SPS 85.700 (3) Proof of Experience.** (intro.) The work claimed under ~~subs. (1), (1a) and (2)~~ ss. SPS 85.310, 85.410 and 85.510 for appraisal experience credit shall be approved by the department and shall accomplish all of the following:

SECTION 30. SPS 83.01 (3) (e), (3) (g), and (3) (g) (Note) are repealed.

SECTION 31. SPS 83.01 (3m) is renumbered SPS 85.700 (3m) and as renumbered is amended to read:

**SPS 85.700 (3m)** ~~An applicant who fails to complete the appropriate hours of~~ All experience required under sub. (1), (1a) or (2), under subch. SPS 85.310, 85.410 and 85.510, as appropriate, must be acquired before January 1, 2008, may claim only those ~~experience hours acquired~~ after January 30, 1989.

SECTION 32. SPS 83.01 (4) (intro.) and (4) (b) are consolidated, renumbered SPS 85.700 (4) (intro.) and amended to read:

**SPS 85.700 (4)** (intro.) An applicant applying for certification or licensure under ~~subs. (1), (1a) and (2) ss. SPS 85.310, 85.410 and 85.510~~ shall submit on forms provided by the department: ~~(b) A~~ a roster of appraisal experience that contains all of the following:

SECTION 33. SPS 83.01 (4) (c) is repealed.

SECTION 34. SPS 83.01 (4) (c) (Note) is renumbered SPS 85.700 (4) (Note) and as renumbered, is amended to read:

**SPS 85.700 (4) Note:** Application forms ~~required for certification or licensure~~ may be obtained from the Department of Safety and Professional Services, Division of Professional ~~Credentialing~~ Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

SECTION 35. SPS 83.02 (title) (1) to (6) are renumbered SPS 85.710 (title) (1) to (6) and SPS 85.710 (4) as renumbered, is amended to read:

SPS 85.710 (4) Copies of any appraisal listed in the documentation of experience required under s. SPS ~~83.01 (4) (b)~~ 85.700 (4). The department may contact any person listed on the application to obtain additional information about the experience of the applicant.

SECTION 36. SPS 83.02 (7) is repealed.

SECTION 37. Chapter SPS 84 (title) is renumbered Subchapter VIII (title) of chapter SPS 85 [precedes SPS 85.800].

SECTION 38. SPS 84.001 is renumbered SPS 85.100 (4r) and amended to read:

**SPS 85.100 (4r) Definition.** ~~In this chapter “CLEP”~~ means college level examination program.

SECTION 39. SPS 84.01 is renumbered SPS 85.810 and SPS 85.810 (7) (e), as renumbered, is amended to read:

**SPS 85.810 (7) (e)** If applying to teach the 15-hour national USPAP course, or its equivalent, be a certified residential or general appraiser, and be certified by the appraiser qualifications board of the appraisal foundation as an instructor to teach that course. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

SECTION 40. SPS 84.02 is renumbered SPS 85.520.

SECTION 41. SPS 84.03 (1) (title), (intro.), and (a) are renumbered SPS 85.420 (1) (title), (intro.), and (a).

SECTION 42. SPS 84.03 (1) (b) (intro.) is renumbered SPS 85.420 (1) (b) and amended to read:

SPS 85.420 (1) (b) ~~An associate degree~~ A Bachelors degree or higher in any field of study, ~~or equivalent education~~ from an accredited college or university. ~~Equivalent education shall consist of at least 21 semester credit hours successfully completed at an accredited college or university, or completed through the CLEP, that covers all of the following subjects:~~ The college or university must be a degree-granting institution accredited by the commission on colleges, a national regional accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education.

**Comment [SWB4]:** Should there be some sort of transitional rule here, seeing as currently an associate's degree would be fine? E.g., "unless licensed prior to \_\_\_\_"

SECTION 43. SPS 84.03 (1) (b) 1. to 6. are repealed

SECTION 44. SPS 84.03 (2) (a) to (c) are renumbered SPS 85.420 (2) (a) to (c).

SECTION 45. SPS 84.04 (1), (title), (intro.) and (a) are renumbered SPS 85.320 (1) (title) (intro.) and (a).

SECTION 46. SPS 84.04 (1) (b) (intro.) is renumbered SPS 85.320 (1) (b) and amended to read:

SPS 85.320 (1) (b) A bachelor's degree or higher, in any field of study, ~~or equivalent education~~ from an accredited college or university. ~~Equivalent education shall consist of at least 10 semester credit hours successfully completed at an accredited college or university or completed through the CLEP, that covers all of the following subject matter courses:~~ The college or university must be a degree-granting institution accredited by the commission on colleges, a national or regional accreditation

association, or by an accrediting agency that is recognized by the U.S. secretary of education.

SECTION 47. SPS 84.04 (1) (b) (intro.) (Note) and 1. to 9. are repealed.

SECTION 48. SPS 84.04 (2) and (3) are renumbered SPS 85.320 (2) and (3).

SECTION 49. Chapter SPS 85 (title) is repealed and recreated to read:

CHAPTER SPS 85 (title)  
APPRAISERS

SECTION 50. SPS 85.01 is renumbered SPS 85.900 of subchapter IX of chapter SPS 85, and SPS 85.900 (2), as renumbered, is amended to read:

**SPS 85.900 (2)** Continuing education class hours may be applied only to satisfy the continuing education requirements for the biennial renewal period in which the hours were acquired and may not be carried over to the next biennial renewal period.

Appraisers may not receive credit **more than once** for completion **more than once** of the same continuing education course offering within an appraiser's **same** continuing education cycle.

SECTION 51. SPS 85.100 (3m) and (19) are created to read:

**SPS 85.100 (3m)** "AQB" means the appraiser qualifications board.

**(19)** "Written" means written on paper or administered electronically on a computer workstation or other device.

SECTION 52. SPS 85.240 is created to read:

**SPS 85.240 Background checks.** All candidates for licensed or certified appraiser credentials must undergo background screening in accordance with s. 440.03 (13) (c). A licensed or certified appraiser credential shall not be issued if any of the following applies:

**(1)** The applicant has had an appraiser licensed or certification revoked in any governmental jurisdiction within the 5 year period immediately preceding the date of application.

**(2)** The applicant has been convicted of, or plead guilty, or nolo contendere to a felony in a domestic or foreign court, during the 5 year period immediately preceding the application for licensure or certification or at any time preceding the date of application, if such felony involved an act of fraud, dishonesty, or a breach of trust, or money laundering. The felony must be substantially related to the practice of certified or licensed real estate appraiser.

**Comment [SWB5]:** What if their license was revoked simply because they stopped submitting/completing continuing education in a certain state because they moved? Or if they were licensed in multiple states and simply decided to stop doing business in one of those states? Seems to be that shouldn't necessarily prevent them from being licensed somewhere else.

(3) The applicant has failed to demonstrate character and general fitness such as to command the confidence of the community and to warrant a determination that the appraiser will operate honestly and fairly.

(4) Subject to ss. 111.321, 111.322 and 111.335, Stats. an applicant who has a pending criminal charge or has a conviction record shall provide the department with all related information necessary for the department to determine whether the circumstances of the pending charge or conviction substantially relate to the practice of appraisal.

Comment [SWB6]: Bold

SECTION 53. Subchapter III (title) of chapter SPS 85 [precedes SPS 85.300] is created to read:

SUBCHAPTER III (title)  
CERTIFIED GENERAL APPRAISER

SECTION 54. SPS 85.330 created to read:

**SPS 85.330 Prerequisite for examination.** The AQB-approved certified general appraiser examination must be completed. There is no alternative to successful completion of the exam. The prerequisite for taking the AQB-approved examination is the completion of all of the following:

(1) 300 creditable class hours as specified in the course requirements found in SPS 85.320 (1) (a). As part of the 300 required hours, the applicant shall complete the 15-hour national USPAP course or its AQB equivalent, and the corresponding examination. ~~There is no alternative to successful completion of the USPAP course and examination.~~

Comment [SWB7]: The last sentence made this contradictory because the language in the preceding sentence allows an AQB equivalent, if one existed. I don't think the last sentence is needed anyway, because this already a mandatory list.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 3,000 hours of qualifying experience obtained no fewer than 30 months, where a minimum of 1,500 hours must be obtained in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified.

SECTION 55. Subchapter IV (title) of chapter SPS 85 [precedes SPS 85.400] is created to read:

SUBCHAPTER IV (title)  
CERTIFIED RESIDENTIAL APPRAISER

SECTION 56. SPS 85.410 (title) is created to read:

**SPS 85.410 (title) Proof of experience for certified residential appraisers.**

SECTION 57. SPS 85.430 is created to read:

**SPS 85.430 Prerequisite for examination.** The AQB-approved certified residential real property appraiser examination must be successfully completed. The only alternative to successful completion of the certified residential examination is the successful completion of the certified general examination. The prerequisite for taking the AQB-approved examination is completion of all of the following:

(1) 200 creditable class hours as specified in the course requirements found in SPS 85.410 (1) (a). As part of the 200 required hours, applicants shall successfully complete the 15-hour national USPAP course or its AQB-approved equivalent, and the corresponding examination. ~~There is no alternative to successful completion of the USPAP course and examination.~~

Comment [SWB8]: See above.

(2) Completion of a bachelor's degree or higher from an accredited college or university.

(3) 2,500 hours of qualifying experience obtained in no fewer than 24 months. While the hours may be cumulative the required number of months must accrue before an individual can be certified.

SECTION 58. Subchapter V (title) of chapter SPS 85 [precedes SPS 85.500] is created to read:

SUBCHAPTER V (title)

LICENSED APPRAISER

SECTION 59. SPS 85.510 (title) is created to read:

**SPS 85.510 (title) Proof of experience for licensed appraisers.**

SECTION 60. SPS 85.520 (8) and (9) are created to read:

**SPS 85.520 (8)** An individual who applies for a license as an appraiser shall successfully complete 30 semester hours of college level education, from an accredited college, junior college, community college or university. The college or university must be a degree-granting institution accredited by the commission on colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. secretary of education. If an accredited college or university accepts the CLEP and examinations and issues a transcript for the exam, showing its approval, it will be considered as a credit for the college course.

(9) Applicants holding an associate degree, or higher from an accredited college, junior college, community college, or university satisfy the 30-hour college-level education requirement.

Comment [SWB9]: Should a distinction be made between associates and bachelor's degree not that a bachelor's degree is proposed to be required, as indicated by new Section 85.420(1), above? Do we want a bachelors required?

I bring this up particularly because, I imagine, not all accredited junior or community colleges grant bachelor's degrees. I think this needs to be more precise and link up better with other sections.

SECTION 61. SPS 85.530 is created to read:

**SPS 85.530 Prerequisite for examination.** The AQB-approved licensed appraiser examination must be successfully completed. The only alternatives to successful completion of the licensed appraisers examination is the successful completion of the certified residential or certified general examination. The prerequisite for taking the AQB-approved examination are all of the following:

- (1) 150 creditable class hours as specified in the course requirements found in SPS 85.520.
- (2) Completion of the college-level education requirements specified in SPS 85.520 (8).
- (3) 2,000 hours of qualifying experience in no fewer than 12 months.

SECTION 62. SPS 85.600 (7) is created to read:

**SPS 85.600 (7)** A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after approval by the state, to take and pass an AQB approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

SECTION 63. SPS 85.700 (4) (a) to (f) are created to read:

- SPS 85.700 (4)** (a) Type of property.  
(b) The date of the report.  
(c) The address of the appraised property.  
(d) A description of work performed by the applicant and scope of review and supervision of the supervising appraiser.  
(e) The number of actual work hours by the applicant on the assignment.  
(f) The signature and state certification number of the supervising appraiser, if applicable. Separate rosters shall be maintained for each supervising appraiser.

SECTION 64. SPS 85.820 is created to read:

**SPS 85.820 Distance Education.** A distance education course is acceptable to meet class hour requirements if all of the following occur:

- (1) The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor.
- (2) Content approval for a distance education course is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the commission on colleges, a regional or a national accreditation association or by an accrediting agency that is recognized by the U.S. secretary of education. Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction.
- (3) Course delivery approval is obtained from one of the following sources:
  - (a) AQB approved organizations providing approval of course design and delivery
  - (b) A college or university that qualifies for content approval and that awards academic credit for the distance education course

(c) A qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

(4) Distance education courses intended for use as a qualifying education must include a written, closed-book final examination, proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.

SECTION 65. SPS 85.830 is created to read:

**SPS 85.830 Approved providers.** Credit for the class hour requirement under s. SPS 85.320, 85.420, and 85.520 may be obtained only from the following providers:

- (1) Colleges or universities.
- (2) Community or junior colleges.
- (3) Real estate appraisal or real estate related organizations.
- (4) State or federal agencies or commissions.
- (5) Proprietary schools.
- (6) Providers approved by the state certification or licensing agencies.
- (7) The appraisal foundation or its boards.

SECTION 66. SPS 85.840 is created to read:

**SPS 85.840 College degree acceptance.** (1) Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the association to advance collegiate schools of business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

(2) Education may not be substituted for experience except for approved practicum courses as found in SPS 85.700 (3) (f).

SECTION 67. Subchapter IX (title) of chapter SPS 85 [precedes SPS 85.900] is created to read:

#### SUBCHAPTER IX (title)

#### CONTINUING EDUCATION

SECTION 68. SPS 85.900 (7) is created to read:

**SPS 85.900 (7)** Certified and licensed appraisers may not receive credit more than once for completion more than once of the same continuing education course offering within an appraiser's same continuing education cycle.

SECTION 69. SPS 85.910 (2) (n) to (p) are created to read:

**Comment [SWB10]:** Is the intent to require closed book?

**Comment [SWB11]:** Is this word going to be defined? We had concerns over it at the last board meeting. Otherwise, "official" might need to be defined somehow to alleviate the concern over *who* may proctor an exam.

**SPS 85.910 (2)** (n) Developing opinions of real property value in appraisals that also include personal property or business value.

(o) Sell concessions and impact on value.

(p) energy efficient items and “green building” appraisals.

SECTION 70. SPS 85.910 (7) (a) is created to read:

**SPS 85.910 (7)** A distance education course intended for use as continuing education must include at least one of the following:

(a) A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Oral examinations are not acceptable.

(b) Successful completion of prescribed course material required to demonstrate knowledge of the subject matter.

Comment [SWB12]: See questions from above.

SECTION 71. Section SPS 86 Appendix I is repealed.

SECTION 72. Section SPS 87.01 (2) and (3) are amended to read:

**SPS 87.01 (2)** An appraiser granted a certificate of certification under s. 458.06 (3) or (4), 1989 Stats., may renew the certificate by satisfying the requirements in sub. (1) and by submitting evidence of completion of the educational course work required under ss. ~~SPS 84.03~~ SPS 85.420 and ~~84.04~~ 85.320, as appropriate.

(3) An appraiser granted a certificate of licensure under s. 458.08 (3), 1991 Stats., may renew the certificate by satisfying the requirements in sub. (1), and submitting evidence of completion of the experience or educational course work required under ss. ~~SPS 83.01~~ SPS 85.510 and ~~84.02~~ 85.520, as appropriate.

SECTION 73. Section SPS 87.02 (1), (2) (intro.), (b) and (c) (3) (b) and (3) (c) are amended to read:

**SPS 87.02 (1)** If applying less than 5 years after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.01~~ SPS 85.900 and paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats.

(2) If applying 5 years or more after the renewal date, submitting proof of completion of the continuing education course work required in each biennial period under s. ~~SPS 85.01~~ SPS 85.900; paying the renewal fees specified in s. 440.08 (2) (a) 11., 11m. and 12. and (3), Stats., and submitting proof of one or more of the following, as determined by the department to ensure protection of the public health, safety, and welfare:

(b) Successful completion of the examination on Wisconsin statutes and rules required under s. ~~SPS 82.01~~ 85.600 for appraiser licensure or certification.

(c) Successful completion of the national appraiser examination required under s. ~~SPS 82.01~~ 85.600 for appraiser licensure or certification.

(3) (b) Successful completion of the examination on Wisconsin statutes and rules required under s. SPS ~~82.04~~ 85.600 for appraiser licensure or certification.

(c) Successful completion of the national appraiser examination required under s. SPS ~~82.04~~ 85.600 for appraiser licensure or certification.

SECTION 74. SPS 86.01 (1), (4), (9) and (11) are amended to read:

**SPS 86.01 (1)** Certified and licensed appraisers shall comply with the standards of practice established by ch. 458, Stats., chs. ~~SPS 80-86~~ SPS 85-86 and the uniform standards of professional appraisal practice (USPAP). A violation of any provision in this chapter may result in disciplinary action under s.458.26, Stats.

**SPS 86.01 (4)** A licensed appraiser who is not certified under s. 458.06, Stats., shall not use the title “Wisconsin licensed appraiser” on any appraisal report or written agreement, except in conjunction with an appraisal performed within the scope of appraisal practice of a licensed appraiser as specified in s. ~~SPS 81.05~~ SPS 85.500.

**SPS 86.01 (9)** A certified or licensed appraiser shall not solicit from or knowingly disclose to any person or entity the content of an examination for appraiser certification or licensure conducted under ~~ch. SPS 82.~~ SPS 85.600.

**SPS 86.01 (11)** All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate appraising including, but not limited to, the financial institutions reform, recovery, and enforcement act of 1989, and all appraisal related federal regulations promulgated by the federal financial institution regulatory agencies, as defined in s. ~~SPS 80.03 (8a)~~ SPS 85.120 (9).

SECTION 75. SPS 86.01 (2) (Note) is repealed.

SECTION 76. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

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(END OF TEXT OF RULE)  
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Dated \_\_\_\_\_ Agency \_\_\_\_\_  
Secretary  
Department of Safety and Professional Services

**From:** [Leatherwood, Shancethea N - DSPS](#)  
**To:** [Agne, Daniel - DSPS](#)  
**Subject:** Carl Clementi's comments  
**Date:** Friday, January 17, 2014 3:36:27 PM

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See below.

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**From:** Carl Clementi [REDACTED]  
**Sent:** Wednesday, January 08, 2014 3:16 PM  
**To:** Leatherwood, Shancethea N - DSPS  
**Subject:** RE: Draft of Appraiser rule

Shawn –

If it is not too late, I have a few observations and questions regarding the ‘proposed rule’ changes.

In the .pdf you sent:

- Page 5 - SPS85.200                      If I am reading this right, an individual must complete the education and experience before submitted a credential application. This will add more time for an individual to get a license and is a significant investment for classes and appraisal work at low trainee level pay. What if an applicant is denied due not passing the new background check and has all that time and money invested? As a credential applicant, I would want to know before investing that time in education and experience. Was this change requested by Dodd-Frank? Appraisal Foundation?
- Page 10 – SPS85.900 (2)                      Underlined comment is confusing to me. Maybe something stated along the lines of : An appraiser will only get credit one time for a continuing education class taken during a two-year cycle, even if the class is taken more than once.
- Page 10 – SPS85.240                      (2) states credentials shall not be issued if the applicant is convicted of a felony only if it is substantially related to the practice of real estate appraisal. I think this is too narrow. Residential appraisers walk through homes as a part of their data gathering process. I thing a convicted pedophile would be cause for public concern if entering a home with children. Maybe that would be covered by (3) or (4). Interested in your thoughts on this.
- Page 12 (3)                                      Third paragraph – months is spelled incorrectly (moths)

Hope this helps,

***Carl N. Clementi, Real Esate Appraisal Board Member***

President

**Situs Appraisal Group, Inc.**

[REDACTED]  
[REDACTED]

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