



---

**REAL ESTATE APPRAISERS BOARD**  
**Room 121A, 1400 East Washington Avenue, Madison**  
**Contact: Tom Ryan (608) 266-2112**  
**November 12, 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**

**9:30 A.M.**

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

- A) Adoption of Agenda (1-3)**
- B) Welcome New Members
- C) Approval of Minutes of September 9, 2014 (4-7)**
- D) Administrative Updates**
  - 1) Staff Updates
  - 2) Appointments/Reappointments/Confirmations
- E) Appraisal Subcommittee Audit Follow-Up Review (8-9)**
- F) Real Estate Appraisers Application Advisory Committee Report Review Process (10)**
- G) Education and Examination Matters
- H) Legislative/Administrative Rule Matters**
  - 1) Status of Statute and Administrative Rule Matters
  - 2) Mandatory Appraiser Licensing Legislation
  - 3) Appraisal Management Company (AMC) Legislation
  - 4) Background Check Legislation
  - 5) CR 14-016/165-SPS 85 Education and Experience Requirements **(11-20)**
- I) AARO 23<sup>rd</sup> Annual Fall Conference, October 17-20, 2014, Washington, DC – Report from Carl Clementi (21-25)**
- J) Speaking Engagement(s), Travel, or Public Relation Request(s)
- K) Informational Items
- L) 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) Requests for Disciplinary Proceeding Presentations
- 19) Motions
- 20) Petitions
- 21) Appearances from Requests Received or Renewed
- 22) Speaking Engagement(s), Travel, or Public Relation Request(s)

M) Public Comments

**CONVENE TO CLOSED SESSION to deliberate on cases following hearing (§ 19.85 (1) (a), Stats.); to consider licensure or certification of individuals (§ 19.85 (1) (b), Stats.); to consider closing disciplinary investigations with administrative warnings (§ 19.85 (1) (b), Stats. and § 440.205, Stats.); to consider individual histories or disciplinary data (§ 19.85 (1) (f), Stats.); and to confer with legal counsel (§ 19.85 (1) (g), Stats.).**

N) **Monitoring Matters**

- 1) Felipe Maldonado – Consider Whether to Rescind Prior Motion for Full Licensure Based on Subsequent Voluntary Surrender **(26-34)**

O) **Presentation and/or Deliberation on Proposed Stipulations, Final Decisions and Orders by the Division of Legal Services and Compliance (DLSC):**

- 1) Donald J. Wergin – 12 APP 062 **(35-43)**
- 2) Janice M. Carter – 12 APP 088 **(44-52)**
- 3) Kasper Roth – 12 APP 075 and 13 APP 031 **(53-62)**
- 4) Anne E. M. Thorstenson – 14 APP 032 **(63-68)**

P) **Case Status Report (69-70)**

Q) **Case Closing(s)**

- 1) 13 APP 073 (M.D.D.) **(71-74)**

R) **Deliberation of Items Added After Preparation of the Agenda**

- 1) Education and Examination Matters
- 2) Credentialing Matters
- 3) Disciplinary Matters
- 4) Monitoring Matters

- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petition(s) for Summary Suspensions
- 7) Proposed Stipulations, Final Decisions and Orders
- 8) Administrative Warnings
- 9) Proposed Decisions
- 10) Matters Relating to Costs
- 11) Complaints
- 12) Case Closings
- 13) Case Status Report
- 14) Petition(s) for Extension of Time
- 15) Proposed Interim Orders
- 16) Petitions for Assessments and Evaluations
- 17) Petitions to Vacate Orders
- 18) Remedial Education Cases
- 19) Motions
- 20) Petitions for Re-Hearing
- 21) Appearances from Requests Received or Renewed

S) Consulting with Legal Counsel

**RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION**

T) Open Session Items Noticed Above not Completed in the Initial Open Session

U) Vote on Items Considered or Deliberated Upon in Closed Session, if Voting is Appropriate

V) Ratification of Licenses and Certificates

**ADJOURNMENT**

**REAL ESTATE APPRAISERS BOARD  
TELECONFERENCE MEETING MINUTES  
September 9, 2014**

**PRESENT:** Scott Brunner (via phone), Carl Clementi (via phone), Lawrence Nicholson, Henry Simon, Linda Steinke (via phone)

**EXCUSED:** Marla Britton

**ABSENT:** Jose Perez

**STAFF:** Tom Ryan, Executive Director; Pam Stach, Legal Counsel; Taylor Thompson, Bureau Assistant; and other Department staff

**CALL TO ORDER**

Lawrence Nicholson, Chair, called the meeting to order at 9:34 A.M. A quorum of five (5) members was confirmed.

**ADOPTION OF AGENDA**

**MOTION:** Henry Simon moved, seconded by Scott Brunner, to adopt the agenda as published. Motion carried unanimously.

**APPROVAL OF MINUTES**

**MOTION:** Henry Simon moved, seconded by Carl Clementi, to approve the minutes of May 7, 2014 as published. Motion carried unanimously.

**EXECUTIVE ORDER 61**

**MOTION:** Henry Simon moved, seconded by Linda Steinke, to note that the review of Executive Order 61 has been conducted and no changes will be made. Motion carried unanimously.

**LEGISLATIVE/ADMINISTRATIVE RULE MATTERS**

**MOTION:** Scott Brunner moved, seconded by Linda Steinke, to review the final rule SPS 80 to 87 CR14 016 at the next meeting. Motion carried unanimously.

**SPEAKING ENGAGEMENT(S), TRAVEL, OR PUBLIC RELATION REQUEST(S)**

**AARO FALL 2014 CONFERENCE, OCTOBER 17-20, 2014, WASHINGTON, DC**

**MOTION:** Henry Simon moved, seconded by Scott Brunner, to designate Carl Clementi to attend the AARO 2014 Conference on October 17-20, 2014 in Washington, D.C. as the Board's Delegate and to authorize travel. Motion carried unanimously.

## **CLOSED SESSION**

**MOTION:** Henry Simon moved, seconded by Carl Clementi, to convene to Closed Session to deliberate on cases following hearing (§ 19.85(1) (a), Stats.); to consider licensure or certification of individuals (§ 19.85 (1) (b), Stats.); to consider closing disciplinary investigations with administrative warnings (§ 19.85 (1) (b), Stats. and § 440.205, Stats.); to consider individual histories or disciplinary data (§ 19.85 (1) (f), Stats.); and to confer with legal counsel (§ 19.85 (1) (g), Stats.). The Chair read the language of the motion aloud for the record. The vote of each member was ascertained by voice vote. Roll Call Vote: Scott Brunner - yes; Carl Clementi - yes; Lawrence Nicholson - yes; Henry Simon - yes; Linda Steinke - yes. Motion carried unanimously.

The Board convened into Closed Session at 10:51 A.M.

## **RECONVENE TO OPEN SESSION**

**MOTION:** Henry Simon moved, seconded by Carl Clementi, to reconvene in Open Session at 11:39 A.M. Motion carried unanimously.

## **MONITORING MATTERS**

### **JAMES GARGULAK – REQUEST FOR FULL LICENSE**

**MOTION:** Scott Brunner moved, seconded by Linda Steinke, to grant the request of James Gargulak for Full Licensure. Motion carried unanimously.

**MOTION:** Carl Clementi moved, seconded by Scott Brunner, to refer the three appraisal reports by James Gargulak pursuant to the order of DLSC for screening. Motion carried unanimously.

### **FELIPE MALDONADO – REQUEST FOR FULL LICENSE**

**MOTION:** Henry Simon moved, seconded by Carl Clementi, to grant the petition of Felipe Maldonado for Full Licensure. Motion carried unanimously.

## **PROPOSED STIPULATIONS, FINAL DECISIONS AND ORDERS**

### **11 APP 044**

#### **MELANIE J. HORKMAN**

**MOTION:** Carl Clementi moved, seconded by Scott Brunner, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 11 APP 044 – Melanie J. Horkman. Motion carried unanimously.

### **13 APP 106**

#### **CHARLES W. TEEL**

**MOTION:** Carl Clementi moved, seconded by Linda Steinke, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 13 APP 106 – Charles W. Teel. Motion carried unanimously.

**14 APP 013  
CLINTON J. ACKER**

**MOTION:** Linda Steinke moved, seconded by Henry Simon, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 14 APP 013 – Clinton J. Acker. Motion carried unanimously.

**14 APP 016  
MICHAEL J HAUSER**

**MOTION:** Linda Steinke moved, seconded by Scott Brunner, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 14 APP 016 – Michael J. Hauser. Motion carried unanimously.

**14 APP 023  
HOWARD B. RICHTER**

**MOTION:** Linda Steinke moved, seconded by Carl Clementi, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 14 APP 023 – Howard B. Richter. Motion carried unanimously.

**14 APP 026  
HENRY P. SCHNEIDER**

**MOTION:** Carl Clementi moved, seconded by Henry Simon, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 14 APP 026 – Henry P. Schneider. Motion carried unanimously.

**13 APP 028 AND 14 APP 010  
FELIPE J. MALDONADO**

**MOTION:** Henry Simon moved, seconded by Linda Steinke, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of 13 APP 028 and 14 APP 010 – Felipe J. Maldonado. Motion carried unanimously.

**CASE CLOSINGS**

**13 APP 079**

**MOTION:** Scott Brunner moved, seconded by Carl Clementi, to close case 13 APP 079, against C.N.P., for no violation (NV). Motion carried unanimously.

**14 APP 017**

**MOTION:** Henry Simon moved, seconded by Linda Steinke, to close case 14 APP 017, against J.A.B., for prosecutorial discretion (P3). Motion carried unanimously.

**VOTE ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION,  
IF VOTING IS APPROPRIATE**

**MOTION:** Linda Steinke moved, seconded by Henry Simon, to affirm all Motions made and Votes taken in Closed Session. Motion carried unanimously.

## ADJOURNMENT

**MOTION:** Henry Simon moved, seconded by Carl Clementi, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 11:46 A.M.

DRAFT

□   □   □   □   □

# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

October 27, 2014

Mr. Thomas Ryan, Executive Director  
Real Estate Appraisers Board  
Department of Safety and Professional Services  
1400 East Washington Street  
Madison, WI 53703

RE: Appraisal Subcommittee Staff Follow-Up Review

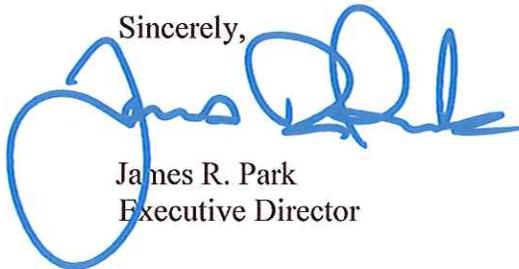
Dear Mr. Ryan:

Thank you for your cooperation and your staff's assistance in the October 8, 2014, Appraisal Subcommittee (ASC) staff Follow-up Review. This was a Follow-up Review of the August 19-21, 2013, ASC Compliance Review of the Wisconsin appraiser regulatory program.

As detailed in the attached Follow-up Report, Wisconsin resolved the two concerns identified in the August 19-21, 2013 Compliance Review Report. We commend the Wisconsin Program for its efforts and the progress made.

This letter and the attached Follow-up Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



James R. Park  
Executive Director

Attachment

cc: Mr. Dave Ross, Secretary, Department of Safety and Professional Services

**ASC Staff Follow-Up Report: 2013 Compliance Review**

<b>Wisconsin Appraiser Regulatory Program (Program)</b>						
<b>Real Estate Appraisers Board (Board) / Advisory/Decision Making</b>			<b>Follow-Up Review Date: October 8, 2014</b>		<b>Follow-Up Report Issue Date: October 27, 2014</b>	
<b>Umbrella Agency: Department of Safety and Professional Services (Department)</b>			<b>ASC Compliance Review Date: August 19-21, 2013</b>		<b>PM: N. Fenochietti</b>	
Requirement/Guidance	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the August 19-21, 2013 Compliance Review	Status as of October 8, 2014 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
<b>Application Process:</b>	X					
States are required to take remedial action when it is determined that more than ten percent of audited appraiser's affidavits for continuing education (CE) credit claimed fail to meet the minimum AQB Criteria. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 4.)				By April 30, 2014, the Department must submit to the ASC staff a sortable list of credentials audited for the 2011-2013 Continuing Education (CE) audit and the results for each. During the Follow-up Review, files of all individuals audited must be available for review.	On April 15, 2014, the Department submitted to the ASC staff a sortable list of credentials audited for the 2011-2013 CE audit and the results for each.  The Department performed a CE audit on 209 credential holders. While on site ASC staff reviewed the files of the 18 credential holders that failed the CE audit and a random sampling of 50 files of credential holders that did not fail. Of the 18 that failed, 3 were credentialed for less than 185 days and 2 completed real estate appraiser CE that was approved in another jurisdiction's appraiser certification and licensing program.  ASC staff determined that 6% of the 2011-2013 audited appraisers' CE failed to meet AQB Criteria.	<b>Further Required Actions:</b> None  <b>Comments:</b> None
<b>Enforcement:</b>	X					
States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner. (Title XI § 1118 (a), 12 U.S.C. § 3347; ASC Policy Statement 7.)				The Department must provide, within 60 days of issuance of this Report, a plan on how they will:  (1) handle cases involving a potential false statement regarding CE completed on a renewal application; and  (2) ensure that statements made by respondents are investigated for support or contradiction and that documentation will be maintained in the case file for the aggravating or mitigating circumstances.	On April 15, 2014, the Department submitted to the ASC staff a plan as required.  While on site ASC staff reviewed all of the complaint cases involving potential false statements regarding CE completion. The files were sufficiently documented.	<b>Further Required Actions:</b> None  <b>Comments:</b> None

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

**AGENDA REQUEST FORM**

1) Name and Title of Person Submitting the Request:  <b>Taylor Thompson, Bureau Assistant on behalf of Thomas Ryan, Executive Director</b>		2) Date When Request Submitted:  <b>9/24/2014</b>  Items will be considered late if submitted after 12:00 p.m. on the deadline date: ▪ 8 business days before the meeting	
3) Name of Board, Committee, Council, Sections:  <b>Real Estate Appraisers Board</b>			
4) Meeting Date:  <b>11/12/14</b>	5) Attachments: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6) How should the item be titled on the agenda page?  <b>REA APP CTTE REPORT REVIEW PROCESS</b>	
7) Place Item in: <input type="checkbox"/> Open Session <input type="checkbox"/> Closed Session <input type="checkbox"/> Both	8) Is an appearance before the Board being scheduled?  <input type="checkbox"/> Yes ( <a href="#">Fill out Board Appearance Request</a> ) <input type="checkbox"/> No	9) Name of Case Advisor(s), if required:	
10) Describe the issue and action that should be addressed:  .			
11) Authorization			
<b>Taylor Thompson</b>		<b>9/24/14</b>	
Signature of person making this request		Date	
Supervisor (if required)		Date	
Executive Director signature (indicates approval to add post agenda deadline item to agenda)    Date			
Directions for including supporting documents: 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 Policy Development Executive 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 & Professional Services**

**AGENDA REQUEST FORM**

<b>1) Name and Title of Person Submitting the Request:</b>  <b>Shawn Leatherwood, Administrative Rules Coordinator</b>		<b>2) Date When Request Submitted:</b>  <b>October 31, 2014</b>  <small>Items will be considered late if submitted after 4:30 p.m. and less than:</small> <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> <b>Real Estate Appraisers Board</b>			
<b>4) Meeting Date:</b>  <b>November 12, 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> Legislative and Administrative Rule Matters <ul style="list-style-type: none"> <li>• <b>CR 14-016 /165-SPS 85 Education and Experience Requirements</b></li> </ul>	
<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 regarding the proofs of the final rule.</p>			
<b>11)</b> <b>Shawn Leatherwood</b> <hr/> <small>Signature of person making this request</small>		<b>Authorization</b>  <b>October 31, 2014</b> <hr/> <small>Date</small>	
<hr/> <small>Supervisor (if required)</small>		<hr/> <small>Date</small>	
<hr/> <small>Bureau Director signature (indicates approval to add post agenda deadline item to agenda)</small>			
<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.			

## Chapter SPS 85

### REAL ESTATE APPRAISERS

#### Subchapter I — Authority, Intent, Definitions

SPS 85.100 Authority.  
SPS 85.110 Intent.  
SPS 85.120 Definitions.

#### Subchapter II — Application

SPS 85.200 Prerequisite to submitting credential application.  
SPS 85.210 Applications for certified and licensed appraisers.  
SPS 85.220 Temporary registration.  
SPS 85.230 Reciprocal licensure and certification.  
SPS 85.240 Background checks.

#### Subchapter III — Certified General Real Estate Appraiser

SPS 85.300 Certified general appraiser.  
SPS 85.310 Proof of experience for certified general appraisers.  
SPS 85.320 Certified general appraiser course requirements.  
SPS 85.330 Prerequisite for examination.

#### Subchapter IV — Certified Residential Real Estate Appraiser

SPS 85.400 Certified residential appraiser.  
SPS 85.410 Proof of experience for certified residential appraisers.  
SPS 85.420 Certified residential appraiser course requirements.  
SPS 85.430 Prerequisite for examination.

#### Subchapter V — Licensed Real Estate Appraiser

SPS 85.500 Licensed appraiser.  
SPS 85.510 Proof of experience for licensed appraisers.  
SPS 85.520 Licensed appraiser course requirements.  
SPS 85.530 Prerequisite for examination.

#### Subchapter VI — Examination

SPS 85.600 Examination.  
SPS 85.610 Examination procedures.  
SPS 85.620 Reexamination.  
SPS 85.630 Claim of examination error.

#### Subchapter VII — Experience

SPS 85.700 Proof of Experience.  
SPS 85.710 Verification of appraisal experience.

#### Subchapter VIII — Education

SPS 85.800 Course approval.  
SPS 85.820 Distance Education.  
SPS 85.830 Approved providers.  
SPS 85.840 College degree acceptance.

#### Subchapter IX — Continuing Education

SPS 85.900 Continuing education.  
SPS 85.910 Approval of continuing education courses.

#### Subchapter I — Authority, Intent, Definitions

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

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; am. Register, April, 1994, No. 460, eff. 5-1-94; correction made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR. 14-016: renum. from section SPS 80.01 and am. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.110 Intent.** The intent of the department in adopting chs. SPS 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.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. eff. 10-1-91; am. Register, May, 1992, No. 437, eff. 6-1-92; am. Register, April, 1994, No. 460, eff. 5-1-94; am. Register, June, 1996, No. 486, eff. 7-1-96; am. Register, January, 1998, No. 505, eff. 2-1-98; correction made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR. 14-016: renum. from section SPS 80.02 and am. Register September 2014 No. 705.

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

(1) "Accredited college or university" means an institution which is accredited by a regional or national accrediting agency recognized by the U.S. department of education.

(2) "Appraiser experience" means experience obtained by the performance of appraisals, appraisal reviews, appraisal consulting assignments or mass appraisals in accordance with the uniform standards of professional appraisal practice.

(3) "AQB" means the appraiser qualifications board of the appraisal foundation.

**Note:** The Appraiser Qualifications Board of the Appraisal Foundation may be contacted at 1155 15<sup>th</sup> Street, NW, Suite 1111, Washington, DC 20005, (202) 347-7722, www.appraisalfoundation.org.

(4) "Board" means the real estate appraisers board.

(5) "Class hour" means 60 minutes, of which at least 50 minutes are instruction attended by the student.

(6) "CLEP" means college level examination program.

(7) "Complex 1-to-4 family residential property appraisal" means an appraisal of 1-to-4 family residential property in which the property to be appraised, the form of ownership, or market conditions are atypical.

(8) "Cosign" means the act of a noncertified or unlicensed appraiser signing a written appraisal in conjunction with a certified or licensed appraiser.

(9) "Department" means the department of safety and professional services.

(10) "Distance education" means any education process based on the geographical separation of student and instructor.

(11) "Dwelling unit" means a structure or that part of a structure that is used or intended to be used as a residence.

(12) "Federal financial institutions regulatory agencies" means the board of governors of the federal reserve system, the federal deposit insurance corporation, the office of the comptroller of the currency, the office of thrift supervision and the national credit union administration.

(13) "Federally related transaction" means any real estate related financial transaction which a federal financial institutions regulatory agency engages in, contracts for or regulates and requires the services of an appraiser.

(14) "Fee and staff appraisal" means a real property appraisal developed and reported in accordance with Standards 1 and 2 of the uniform standards of professional appraisal practice.

(15) "FIRREA" means the financial institutions reform, recovery, and enforcement act of 1989.

(16) "Highest and best use" means the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

(17) "Hour of appraisal experience" means 60 minutes of verifiable time spent performing tasks as identified in s. SPS 85.700 (1) (b) in accordance with the uniform standards of professional appraisal practice, in effect at the time the tasks were performed.

(18) "Mass appraisal" means an appraisal performed in accordance with Standard 6 of the USPAP.

(19) "Non-complex 1-to-4 family residential property appraisal" means an appraisal of 1-to-4 family residential property in which the property to be appraised, the form of ownership, or market conditions are typical.

(20) "Non-federally related transaction" means any real estate related transaction other than a federally related transaction.

(21) "Practice of a temporary nature" means the performance by an appraiser of one or more appraisals conducted for purposes of completing a specific appraiser assignment.

(22) "Real estate broker's market analysis" means a market analysis performed by a real estate broker or a real estate salesperson prepared in conformity with Standards 1 and 2 of the uniform standards of professional appraisal practice, which demonstrates the use of techniques similar to those employed by appraisers to value real property, and which effectively utilizes the appraisal process.

(23) "Real estate consulting" means the performance of consulting services in accordance with Standards 4 and 5 of the uniform standards of professional appraisal practice.

(24) "Supervision" means direct, personal and active oversight by a certified or licensed appraiser of employees or associates who assist in the preparation of appraisals.

(25) "Transaction value" means one of the following:

(a) For loans or other extensions of credit, the amount of the loan or extension of credit.

(b) For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved.

(c) For the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property.

(26) "Uniform standards of professional appraisal practice" (USPAP) means the standards promulgated by the appraisal standards board of the appraisal foundation for the performance of real estate appraisals.

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

History: Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (4), (7) and (9), renum. (10) and (11) to be (12) and (13), cr. (10) and (11), eff. 10-1-91; am. (4), (7) and (9), renum. (10) and (11) to be (11) and (12), cr. (10), Register, May, 1992, No. 437, eff. 6-1-92; am. (intro.), renum. (2) to (12) to be (3), (4), (6) to (10), (14), (16) to (18) and am. (16), cr. (2), (5), (11) to (13) and (15), Register, April, 1994, No. 460, eff. 5-1-94; renum. (1) to be (1a), cr. (1), (2a), (8a), (8b), (8c), (8d), am. (3), (8), (9), (17), r. (16), Register, June, 1996, No. 486, eff. 7-1-96; am. (3), (13), (15) (intro.), (a), and (b), renum. (1) to (1a) to be (1a) and (1b), cr. (1), (10a), r. (17), Register, January, 1998, No. 505, eff. 2-1-98; cr. (8ag), (8ar) and (10r), renum. (10a) to be (10g), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. (1a), (2), (3), (8a), (8b), (8d), (9), (12), (13) and (14), r. (2a), cr. (7g) and (8bg), r. and recr. (10r), Register February 2002 No. 554, eff. 3-1-02; CR 06-033: r. (1a), (1b), (7g) (a) and (b), am. (3), (9) and (13), r. and recr. (4m) and (10), renum. (7g) (intro.) to (7g) and am. Register November 2006 No. 611, eff. 12-1-06; CR 10-135: am. (10) Register August 2011 No. 668, eff. 9-1-11; correction in (7) under s. 13.92 (4) (b) 6., Stats., Register August 2011 No. 668; correction in (intro.), (9) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: SPS 85.120 renum. from SPS 80.03; as renumbered, am. (intro.), r. (2), renum. (3) to (8) to (2), (4), (5), (7), (8), (9), (10), (11), cr. (3), (6) renum. from SPS 84.001 and am., r. (8), renum. (8ag) to (8c) to (12) to (16), r. (8) (d), renum. (9) to (18) to (17) to (26) and am. (17); cr. (27) Register September 2014 No. 705, eff. 1-1-15; correction in (17) made under s. 13.92 (4) (b) 7., Stats., Register September 2014 No. 705.

## Subchapter II — Application

**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 education and experience hours required under s. SPS 85.310, 85.410, 85.510, 85.320, 85.420, 85.520 as appropriate.

History: CR 04-007: cr. Register August 2004 No. 584, eff. 9-1-04; CR 06-033: am. Register November 2006 No. 611, eff. 12-1-06; correction made under s. 13.92

(4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: renum. from SPS 81.01 and am. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.210 Applications for certified and licensed appraisers.** An applicant for certification or licensure shall apply on a form provided by the department. Any applicant who files an application for certification or licensure, but does not comply with a request for information related to the application within 120 calendar days from the date of the request, shall file a new application and fee if certification or licensure is sought at a later date. A qualified applicant with a disability shall be provided with reasonable accommodations. The application shall include:

(1) A fee as established by the department plus the annual registry fees required under s. 458.21, Stats.

(2) A statement relating to any pending criminal charge or conviction record 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.

(3) Evidence of successful completion of the educational course work required in ss. SPS 85.320, 85.420, and 85.520 for licensure or certification.

(5) Evidence of successful completion of the national and state examinations as specified in s. SPS 85.600.

(7) The roster of appraisal experience under s. SPS 85.700 (3).

Note: Applications are available from the Department of Safety and Professional Services, Division of Professional 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>.

History: Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. intro., (3), (6) and (7), eff. 10-1-91; am. (intro.), (3), (6), (7), Register, May, 1992, No. 437, eff. 6-1-92; am. (intro.), (2) to (4), (6) and (7), cr. (8), Register, April, 1994, No. 460, eff. 5-1-94; am. (intro.) and (1) to (7), Register, June, 1996, No. 486, eff. 7-1-96; am. (3), Register, January, 1998, No. 505, eff. 2-1-98; CR 02-067: am. (3), r. (4) Register November 2002 No. 563, eff. 12-1-02; CR 04-007: renum. from RL 81.01 Register August 2004 No. 584, eff. 9-1-04; CR 06-033: am. (intro.), (3) and (7), r. (6) Register November 2006 No. 611, eff. 12-1-06; correction in (3), (5), (7), (8) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: SPS 85.210 renum. from SPS 81.02, am. (3), (5), (7), r. (8) Register September 2014 No. 705, eff. 1-1-15; correction in (7) made under s. 13.92 (4) (b) 7., Stats., Register September 2014 No. 705.

**SPS 85.220 Temporary registration.** (1) REQUIREMENTS. An appraiser who holds a current appraiser certificate in another state, which is not currently limited, suspended or revoked, may use the titles described under s. 458.055, Stats., when performing an appraisal in this state, if all of the following apply:

(a) The appraisal is performed in a federally related transaction.

(b) The appraiser's practice in this state is practice of a temporary nature.

(c) The appraiser completes an application and pays the fee specified in s. 440.05 (1) and (6), Stats.

(2) APPLICATION. An appraiser seeking a temporary registration shall apply on a form provided by the department. An applicant who fails to comply with a request for information related to the application for registration within 120 calendar days from the date of the request, shall submit a new application and fee if registration is sought at a later date. The application shall include all of the following:

(a) The fee specified in s. 440.05 (1) and (6), Stats.

(b) A description of the appraisal assignment in this state including, but not limited to, information pertaining to the type of property being appraised, the location and approximate size of the property, the anticipated completion date and the name and address of the lender requesting the appraisal.

(c) A statement relating to any pending criminal charge or conviction record, 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 informa-

tion necessary for the department to determine whether the circumstances of the pending charge or conviction substantially relate to the practice of appraisal.

(d) A written statement identifying each state in which the applicant practices as an appraiser.

Note: Applications are available from the Department of Safety and Professional Services, Division of Professional 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>.

History: Cr. Register, April, 1994, No. 460, eff. 5-1-94; am. Register, June, 1996, No. 486, eff. 7-1-96; am. (2) (intro.), (d), Register, June, 1996, No. 486, eff. 7-1-96; am. (1) (c), (2), (a), (b) and (c), Register, January, 1998, No. 505, eff. 2-1-98.; am. (2) (b), cr. (2) (e), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. (1) (c), r. (2) (b), renum. (2) (c) to (e) to be (2) (b) to (d) and am. (2) (d), Register February 2002 No. 554, eff. 3-1-02; CR 06-033: am. (1) (intro.), (c), (2) (intro.) and (a) Register November 2006 No. 611, eff. 12-1-06; CR 14-016: SPS 85.220 (1), (2) renum. from SPS 81.03 (1), (2) Register September 2014 No. 705, eff. 1-1-15; SPS 85.220 (title) renum. from 81.03 (title) under s. 13.92 (4) (b) 1. Register September 2014 No. 705.

#### SPS 85.230 Reciprocal licensure and certification.

(1) An individual applying for licensure or certification as an appraiser on the basis of a license or certification in another state or territory of the United States shall do all of the following:

(a) Submit an application on a form provided by the department.

Note: Application forms are available on request to the Department of Safety and Professional Services, Division of Professional Credentialing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935 or from the department's website at: <http://dsps.wi.gov>.

(b) Pay the fee specified in s. 440.05 (2), Stats.

(c) Submit evidence satisfactory to the department that he or she has satisfied all of the following:

1. Holds a current appraiser license or certification in another state or territory of the United States, which is not currently limited, suspended or revoked and which was granted in accordance with the requirements set forth under the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, 12 USC 3331 et seq.

2. Has passed the examination on Wisconsin statutes and rules governing appraisers, as provided under s. SPS 85.600.

3. Subject to ss. 111.321, 111.322, and 111.335, Stats., does not have an arrest or conviction record.

(2) In determining whether to grant a reciprocal license or certification, the department shall consider whether the current requirements for a license or certification in the other state or territory meet or exceed the requirements for licensure or certification as an appraiser in this state.

History: Cr. Register, January, 1999, No. 517, eff. 2-1-99; CR 06-033: am. (1) (c) (intro.) and 1. Register November 2006 No. 611, eff. 12-1-06; CR 10-135: cr. (1) (c) 4. Register August 2011 No. 668, eff. 9-1-11; correction in (1) (c) 2., 4. made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; EmR1307: emerg. r. (1) (c) 3., 4., am. (2), eff. 6-18-13; CR 13-053: r. (1) (c) 3., 4., am. (2) Register February 2014 No. 698, eff. 3-1-14; CR 14-016: SPS 85.230 renum. from SPS 81.04, am. (1) (c) 2., cr. (1) (c) 3. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.240 Background checks.** (1) All candidates for licensed or certified appraiser credentials shall undergo background screening in accordance with s. 440.03 (13) (c), Stats. The board may not issue a licensed or certified appraiser credential if any of the following applies:

(a) The applicant has had an appraiser license or certification revoked, or surrendered for cause, in any governmental jurisdiction within the 5 year period immediately preceding the date of application.

(b) 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.

(c) 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.

(2) 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.

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

### Subchapter III — Certified General Real Estate Appraiser

**SPS 85.300 Certified general appraiser.** A certified general appraiser may conduct appraisals of 1-to-4 family residential real estate and commercial real estate without regard to transaction value.

History: CR 14-016: renum. from SPS 81.05 (1) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.310 Proof of experience for certified general appraisers.** An applicant seeking certification as a general appraiser shall submit evidence satisfactory to the department that the applicant has at least 3,000 hours of appraisal experience obtained over a period of not less than 30 months.

History: CR 14-016: renum. from SPS 83.01 (title), (1), am. (title) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.320 Certified general appraiser course requirements.** (1) An individual who applies for certification as a certified general appraiser shall submit evidence satisfactory to the department that he or she has successfully completed all of the following:

(a) The required 300 class hour core curriculum established by the appraiser qualifications board of the appraisal foundation that consists of all of the following subject areas and corresponding class hours:

1. Basic appraisal principles — 30 hours.
2. Basic appraisal procedures — 30 hours.
3. The 15-hour national USPAP course or its equivalent — 15 hours.
4. General appraisal market analysis and highest and best use — 30 hours.
5. Statistics, modeling and finance — 15 hours.
6. General appraiser sales comparison approach — 30 hours.
7. General appraisal site valuation and cost approach — 30 hours.
8. General appraiser income approach — 60 hours.
9. General appraiser report writing and case studies — 30 hours.
10. Appraisal subject matter electives that may include the minimum required in the subject areas described in subs. 1. to 9. — 30 hours.

(b) A bachelor's degree, or higher, in any field of study, from an accredited college or university. 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.

(2) A licensed appraiser who applies for a certified general appraiser credential shall complete all of the following 150 hour course work, which is identified in the core curriculum under sub. (1) (a), and the college-level educational requirements under sub. (1) (b):

- (a) General appraiser market analysis and highest and best use — 15 hours.
- (b) Statistics, modeling and finance — 15 hours.
- (c) General appraiser sales comparison approach — 15 hours.

(d) General appraiser site valuation and cost approach — 15 hours.

(e) General appraiser income approach — 45 hours.

(f) General appraiser report writing and case studies — 15 hours.

(g) Appraisal subject matter electives as provided in par. (a) — 30 hours.

(3) A certified residential appraiser who applies for a certified general appraiser credential shall complete all of the following 100 hour course work, which is identified in the core curriculum under sub. (1) (a), and the college-level educational requirements under sub. (1) (b):

(a) General appraiser market analysis and highest and best use — 15 hours.

(b) General appraiser sales comparison approach — 15 hours.

(c) General appraiser site valuation and cost approach — 15 hours.

(d) General appraiser income approach — 45 hours.

(e) General appraiser report writing and case studies — 10 hours.

*History:* Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1), (2) and (3) (intro.), eff. 10-1-91; am. (1), (2) (intro.) and (3) (intro.), Register, May, 1992, No. 437, eff. 6-1-92; am. (2) (a), (3) (intro.), Register, June, 1996, No. 486, eff. 7-1-96; am. (1), (2) (intro.), (3) (a), (b), (c) 1., to 4. c., and (d) to (g), Register, January, 1998, No. 505, eff. 2-1-98; CR 01-100: am. (2) (a), Register February 2002 No. 554, eff. 3-1-02; CR 02-067: am. (1), (2) (intro.) and (a) Register November 2002 No. 563, eff. 12-1-02; CR 06-033: renum. from s. RL 84.03 and am. Register November 2006 No. 611, eff. 12-1-06; CR 10-135: r. and recr. Register August 2011 No. 668, eff. 9-1-11; CR 14-016: SPS 85.320 renum. from SPS 84.04; as renumbered, renum. (1) (b) (intro.) to (b) and am., r. (1) (b) 1. to 9. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.330 Prerequisite for examination.** In order to obtain a certified general appraiser credential an applicant must complete the AQB-approved certified general real property appraiser examination. The prerequisite for taking the AQB-approved examination is the completion of all of the following:

(1) Three hundred creditable class hours as specified in the course requirements found in s. 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.

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

(3) Three thousand hours of qualifying experience obtained in 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.

*History:* CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

#### Subchapter IV — Certified Residential Real Estate Appraiser

**SPS 85.400 Certified residential appraiser.** A certified residential appraiser may conduct appraisals of 1-to-4 family residential real estate without regard to transaction value and of commercial real estate having a transaction value of not more than \$250,000.

*History:* CR 14-016: renum. from SPS 81.05 (2) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.410 Proof of experience for certified residential appraisers.** An applicant seeking certification as a residential appraiser shall submit evidence satisfactory to the department that the applicant has at least 2,500 hours of appraisal experience obtained over a period of not less than 24 months.

*History:* CR 14-016: renum. from SPS 83.01 (1a), cr. (title) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.420 Certified residential appraiser course requirements.** (1) An individual who applies for certification as a certified residential appraiser shall submit evidence satisfactory to the department that he or she has successfully completed all of the following:

(a) The required 200 class hour core curriculum established by the appraiser qualifications board of the appraisal foundation that consists of the following subject areas and corresponding class hours:

1. Basic appraisal principles — 30 hours.

2. Basic appraisal procedures — 30 hours.

3. The 15-hour national USPAP course or its equivalent — 15 hours.

4. Residential market analysis and highest and best use — 15 hours.

5. Residential appraiser site valuation and cost approach — 15 hours.

6. Residential sales comparison and income approaches — 30 hours.

7. Residential report writing and case studies — 15 hours.

8. Statistics, modeling and finance — 15 hours.

9. Advanced residential applications and case studies — 15 hours.

10. Appraisal subject matter electives that may include hours over the minimum required in the subject areas described in subs. 1. to 9. — 20 hours.

(b) A bachelors degree or higher in any field of study from an accredited college or university. 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.

(2) A licensed appraiser who applies for a certified residential appraiser credential shall complete all of the following class hour courses identified under par. (a) and the college-level educational requirements under sub. (1) (b):

(a) Statistics, modeling and finance — 15 hours.

(b) Advanced residential applications and case studies — 15 hours.

(c) Appraisal subject matter electives, as provided in par. (a) — 20 hours.

*History:* Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1), (2) and (3) (intro.), eff. 10-1-91; am. (1) to (3) (intro.), Register, May, 1992, No. 437, eff. 6-1-92; am. (1) and (2), Register, April, 1994, No. 460, eff. 5-1-94; am. (1), (3) (intro.), Register, June, 1996, No. 486, eff. 7-1-96; am. (2) and (3) (a) to (g), cr. (3) (f), Register, January, 1998, No. 505, eff. 2-1-98; CR 01-100: am. (2), Register February 2002 No. 554, eff. 3-1-02; CR 02-067: am. (1), renum. (2) to be (2) (intro.) and am., cr. (2) (a) and (b) Register November 2002 No. 563, eff. 12-1-02; CR 06-033: renum. from s. RL 84.02 and am. Register November 2006 No. 611, eff. 12-1-06; CR 10-135: r. and recr. Register August 2011 No. 668, eff. 9-1-11; CR 14-016: renum. SPS 85.420 from SPS 84.03; as renumbered, renum. (1) (b) (intro.) to (b) and am., r. (1) (b) 1. to 6. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.430 Prerequisite for examination.** (1) An applicant for a certified residential appraiser credential must successfully complete the AQB-approved certified residential real property appraiser examination. The prerequisite for taking the AQB-approved examination is completion of all of the following:

(a) Two hundred creditable class hours as specified in the course requirements found in SPS 85.420 (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.

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

(c) Two thousand five hundred 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.

(2) The only alternative to successful completion of the certified residential examination is the successful completion of the certified general examination.

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

### Subchapter V — Licensed Real Estate Appraiser

**SPS 85.500 Licensed appraiser.** A licensed appraiser may conduct appraisals of complex 1-to-4 family residential property having a transaction value of not more than \$250,000; non-complex 1-to-4 family residential property having a transaction value of not more than one million dollars, and commercial real estate having a transaction value of not more than \$250,000.

Note: Under federal law, a financial institution is responsible for making the final determination of whether an appraisal is complex. A financial institution may presume that appraisals of 1-to-4 family residential properties are not complex, unless the institution has readily available information that a given appraisal will be complex. If during the course of the appraisal a licensed appraiser identifies factors that would result in the property, form of ownership, or market conditions being considered atypical, the financial institution must either ask the licensed appraiser to complete the appraisal and have a certified appraiser approve and cosign the appraisal, or engage a certified appraiser to complete the appraisal. 12 CRF 225.63.

History: CR 14-016: renum. from SPS 81.05 (3) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.510 Proof of experience for licensed appraisers.** An applicant seeking licensure as an appraiser shall submit evidence satisfactory to the department that the applicant has at least 2,000 hours of appraisal experience obtained over a period of not less than 12 months.

History: CR 14-016: renum. from SPS 83.01 (2), cr. (title) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.520 Licensed appraiser course requirements.** An individual who applies for a license as an appraiser shall submit evidence satisfactory to the department that he or she has successfully completed the required 150 class hour core curriculum established by the Appraiser Qualifications Board of the Appraisal Foundation that consists of all of the following subject areas and corresponding class hours:

- (1) Basic appraisal principles — 30 hours.
- (2) Basic appraisal procedures — 30 hours.
- (3) The 15-hour national USPAP course or its equivalent — 15 hours.
- (4) Residential market analysis and highest and best use — 15 hours.
- (5) Residential appraiser site valuation and cost approach — 15 hours.
- (6) Residential sales comparison and income approaches — 30 hours.
- (7) Residential report writing and case studies — 15 hours.
- (8) 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 in sub. (8).

History: Cr. Register, May, 1992, No. 437, eff. 6-1-92; am. (1), Register, April, 1994, No. 460, eff. 5-1-94; am. (3) (intro.), Register, June, 1996, No. 486, eff. 7-1-96; am. (1), (2) and (3) (a) to (p), cr. (3) (r), Register, January, 1998, No. 505, eff. 2-1-98; CR 02-067: am. (1), renum. (2) to be (2) (intro.) and am., cr. (2) (a) and (b), Register November 2002 No. 563, eff. 12-1-02; CR 06-033: renum. from s. RL

84.04 and am. Register November 2006 No. 611, eff. 12-1-06; CR 10-135: r. and recr. Register August 2011 No. 668, eff. 9-1-11; CR 14-016: SPS 85.520 renum. from SPS 84.02, cr. (8), (9) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.530 Prerequisite for examination.** (1) An applicant for a licensed appraiser credential must successfully complete the AQB-approved licensed residential real property appraiser examination. The prerequisite for taking the AQB-approved examination are all of the following:

(a) One hundred and fifty creditable class hours as specified in the course requirements found in s. SPS 85.520.

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

(c) Two thousand hours of qualifying experience in no fewer than 12 months.

(2) The only alternative to successful completion of the licensed residential examination is the successful completion of the certified residential or certified general examinations.

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

### Subchapter VI — Examination

**SPS 85.600 Examination.** (1) In order to obtain a residential or general appraiser certification or a certificate of licensure as an appraiser, an applicant shall pass the national examination required for certification as a residential appraiser or general appraiser or for licensure, as appropriate, and the state examination on Wisconsin statutes and rules governing appraisers.

Note: The examination on Wisconsin statutes and rules is administered by the Department of Safety and Professional Services. The national examination is administered by a provider approved by the department.

(2) The national examination required for appraiser certification or licensure shall be consistent with and equivalent to the uniform state certification examination issued or endorsed by the appraiser qualifications board of the appraisal foundation.

(3) A score determined by the department to represent minimum competence to practice is required to pass each examination. The department may adopt the passing grade on the national examination recommended by the examination provider. Following consultation with subject matter experts who have reviewed a representative sample of the examination questions and available candidate performance statistics, the department shall make a determination of the passing grade on the Wisconsin statutes and rules examination and shall set the passing score for the examination at that point which represents minimum acceptable competence in the profession.

(4) Individuals who apply for licensed and certified appraiser credentials have up to 24 months, after receiving authorization to sit for the examinations from the department, to take and pass the state and national examinations required under sub. (1).

(5) Successful completion of the state and national examinations required under sub. (1) is valid for a period not to exceed 24 months. An applicant who does not complete all requirements for a credential within 24 months after successful completion of the national examination shall do all of the following:

- (a) Submit a new application for the appropriate credential.
- (b) Pay the fees required under s. SPS 85.210 (1).
- (c) Retake and pass the state and national examinations required under sub. (1).

(7) A new applicant not currently licensed or certified and in good standing in another jurisdiction, shall have up to 24 months, after receiving authorization to sit for the examination, to take and pass an AQB approved qualifying examination for the credential as required by s. SPS 85.600 (1). Successful scores are valid for a period of 24 months.

History: Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1) and (2), eff. 10-1-91; am. (1) and (2), Register, May, 1992, No. 437, eff. 6-1-92; am. Register, June, 1996, No. 486, eff. 7-1-96; CR 04-007: am. (1), cr. (4), (5) and (6) Register August 2004 No. 584, eff. 9-1-04; CR 06-033: am. (6) Register November 2006 No. 611, eff. 12-1-06; CR 10-135: am. (1), (6) Register August 2011 No. 668, eff. 9-1-11; correction in (5) (b), (6) made under s. 13.92 (4) (b) 7., Stats., Register

November 2011 No. 671; CR 14-016: SPS 85.600 renum. from SPS 82.01, am. (5) (b), r. (6), cr. (7) Register September 2014 No. 705, eff. 1-1-15; SPS 85.600 (title) renum. from 82.01 (title) under s. 13.92 (4) (b) 1. Register September 2014 No. 705.

**SPS 85.610 Examination procedures.** (1) An applicant shall not practice any deception or fraud with respect to his or her identity in connection with the taking of an examination.

(2) An applicant shall not cheat or attempt to cheat on an examination by any means, including but not limited to, any one of the following:

- (a) Giving or receiving answers to examination questions.
- (b) Attempting to obtain, receive or communicate to other persons examination questions.
- (c) Using unauthorized materials during any portion of the examination.
- (d) Failing to comply with additional written instructions provided at the time of examination relating to cheating other than those specified in pars. (a) to (c).

(4) Silent cordless calculators may be used by the applicant when taking the examination.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; r. (1), renum. (2) and (3) to be (1) and (2) and r. and recr. (2) (d), Register, June, 1996, No. 486, eff. 7-1-96; am. (2) (intro.), (a), (b) and (c), Register, January, 1998, No. 505, eff. 2-1-98; CR 01-100: am. (1), Register February 2002 No. 554, eff. 3-1-02; CR 14-016: SPS 85.610 renum. from SPS 82.02 Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.620 Reexamination.** Upon payment of the required fee, an applicant may retake an examination.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; CR 01-100: r. (2), renum. (1) to be RL 82.03, Register February 2002 No. 554, eff. 3-1-02; CR 14-016: renum. from SPS 82.03 Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.630 Claim of examination error.** (1) To claim an error on the Wisconsin statutes and rules examination, an applicant shall file a written request with the department within 30 days of the date the applicant reviews the examination. The request shall include all of the following:

- (a) The applicant's name and address.
- (b) The type of certificate for which the applicant applied.
- (c) A description of the mistakes the applicant believes were made in the examination content, procedures, or scoring, including the specific questions or procedures claimed to be in error.
- (d) The facts which the applicant intends to prove, including reference text citations or other supporting evidence for the applicant's claim.

(2) The department shall review the claim, make a determination of the validity of the objections and notify the applicant in writing of the decision and any resulting score changes.

(3) If the decision does not result in a passing grade, the applicant may retake the examination.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (3), eff. 10-1-91; am. (3), Register, May, 1992, No. 437, eff. 6-1-92; am. (1) (intro.), (3), Register, June, 1996, No. 486, eff. 7-1-96; am. (1) (intro.), (a), (b) and (c), Register, January, 1998, No. 505, eff. 2-1-98; CR 14-016: SPS 85.630 renum. from SPS 82.04 Register September 2014 No. 705, eff. 1-1-15.

## Subchapter VII — Experience

**SPS 85.700 Proof of Experience.** (1) The work claimed under 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:

(a) Be in compliance with the uniform standards of professional appraisal practice, in effect at the time the appraisals were prepared.

(b) Include one or more of the following types of appraisal experience: appraisal, appraisal review, appraisal consulting or mass appraisal.

(c) Include, in the case of general appraisers, no more than 50% residential appraisal experience.

(d) Include, in the case of licensed appraisers and certified residential appraisers, no more than 25% commercial appraisal experience.

(e) Include no more than 50% of appraisal experience gained for appraisal work performed without a client. Case studies or practicum courses that are approved by the appraiser qualifications board of the appraisal foundation may be claimed to satisfy non-client experience. All non-client appraisal experience may be reviewed by the department for compliance with the USPAP.

(f) Demonstrate the same level of proficiency in appraisal principles, techniques and skills as that demonstrated by appraisers practicing under Standard 1 of the USPAP.

(2) All experience required under ss. SPS 85.310, 85.410 and 85.510, as appropriate, must be acquired after January 30, 1989.

(3) An applicant applying for certification or licensure under ss. SPS 85.310, 85.410 and 85.510 shall submit on forms provided by the department a roster of appraisal experience that contains all of the following:

- (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.

**Note:** Application forms may be obtained from the Department of Safety and Professional Services, Division of Professional Credential Processing, 1400 East Washington Avenue, P.O. Box 8935, Madison, WI 53708-8935 or from the department's website at: <http://dps.wi.gov>.

**History:** CR 14-016: (1), (2), (3) renum. from SPS 83.01 (3), (3m), (4); as renumbered, am. (1) (intro.), r. (1) (e), am. (2), consol. (3) (intro.), (b) into (3) (intro.) and am., r. (3) (e), cr. (title), (3) (a) to (f) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.710 Verification of appraisal experience.** For purposes of verifying appraisal experience claimed under this chapter, the department may require an applicant to submit any of the following:

(1) Business records, including tax records, which clearly demonstrate the practice of residential or commercial appraising claimed by the applicant.

(2) Employment records provided by an employer which verify the applicant's experience as an appraiser or assessor. Employment records shall verify the number of hours employed, the type of experience, and a description of the applicant's duties.

(3) Employment records provided by an official of a lending institution, insurance company, or similarly regulated agency, which verifies the applicant's experience as a review appraiser.

(4) Copies of any appraisal listed in the documentation of experience required under s. SPS 85.700 (3). The department may contact any person listed on the application to obtain additional information about the experience of the applicant.

(5) Records of the department of revenue or a local governmental body which document the applicant's experience as an assessor, including but not limited to:

(a) A job description which identifies the job components relevant to practice as an assessor and the number of hours spent performing each component.

(b) Documents that demonstrate the applicant's performance of the following components of the mass appraisal process in accordance with Standard 6 of the uniform standards of professional appraisal practice:

- 1. Highest and best use study.
- 2. Model specification.
- 3. Model calibration.

(6) Any additional information the department deems necessary to evaluate the applicant's experience.

**History:** Cr. Register, April, 1994, No. 460, eff. 5-1-94; am. (2), (3), renum. (6) to be (7), cr. (6), Register, June, 1996, No. 486, eff. 7-1-96; CR 01-100: r. (2), renum. (3) to (7) to be (2) to (6) and am. (2) and (5) (b) (intro.), Register February 2002 No. 554, eff. 3-1-02; CR 06-033: am. (2) Register November 2006 No. 611, eff. 12-1-06; CR 10-135: cr. (7) Register August 2011 No. 668, eff. 9-1-11; correction in (4) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: SPS 85.710 renum. from SPS 83.02, am. (4), r. (7) Register September 2014 No. 705, eff. 1-1-15; correction in (4) made under s. 13.92 (4) (b) 7., Stats., Register September 2014 No. 705.

### Subchapter VIII — Education

**SPS 85.800 Course approval.** (1) Except as provided in sub. (9), all educational courses designed to meet the requirements in s. 458.06 (2) (d), (3) (b) or (4) (b), Stats., s. 458.08 (3) (c), Stats., and this chapter, shall be submitted to the department for approval.

**Note:** Information relating to course approval is available from the Department of Safety and Professional Services, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935.

(2) Credit toward the course requirement may be granted only if the length of the educational course is at least 15 hours of instruction and the individual successfully completes an examination pertinent to that course.

(3) Credit may be granted for a distance education course that satisfies all requirements for a continuing education course established by the appraiser qualifications board of the appraisal foundation that are in effect at the time the course is completed.

**Note:** The Appraiser Qualifications Board of the Appraisal Foundation may be contacted at 1155 15th Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, www.appraisalfoundation.org.

(4) Course instructors shall be approved by the department. An instructor whose appraiser certificate has been limited, suspended or revoked may not instruct in approved courses while the disciplinary action is in effect. An approved instructor shall possess at least one of the following qualifications:

(a) Be an instructor of appraisal courses who teaches or has taught appraisal courses at an accredited college or university.

(b) Be a licensed or certified appraiser who practices in the aspects of appraising being taught such as, appraisal, appraisal review, appraisal consulting or mass appraisal, and who has engaged in the practice for at least 5 years.

(c) Be an instructor of assessor education courses who is approved by the department of revenue to teach assessor education programs that are relevant to appraisal practice.

(d) Be an instructor who teaches appraisal courses approved by the appraiser qualifications board of the appraisal foundation.

(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.

(f) Be an instructor who teaches an appraiser or assessor course approved by another state of the United States that is relevant to appraisal practice.

(g) Be an instructor who, in the judgment of the department, is qualified to teach course work that is relevant to appraisal practice.

(5) Credit may be granted for teaching an approved appraisal course.

(6) The course provider shall retain records of attendance of qualifying education programs for a period of 5 years that shall include all of the following:

(a) The name of the course.

(b) The date the course was offered.

(c) The names and addresses of individuals who completed the course.

(d) The number of hours of instruction in each required subject area.

(e) The examination results for each individual.

(7) The course provider shall monitor attendance by requiring each participant to sign an attendance sheet at the beginning and end of each program and shall furnish each participant with written evidence of having completed the course.

(8) The licensed and certified residential appraiser programs of study are expected to provide all appraisers with a foundation of knowledge. The courses that satisfy the requirements for appraiser licensure and residential appraiser certification may be acceptable towards satisfying the course work requirement for general appraiser certification.

(9) An appraisal course approved by the appraiser qualifications board of the appraisal foundation shall be approved by the department without receipt of an application for course approval from the course provider.

(10) An appraisal course approved by another state or territory of the United States, which complies with the real property appraiser qualification criteria established by the appraiser qualifications board of the appraisal foundation, shall be approved by the department without receipt of an application for course approval from the other state or territory.

(11) Credit awarded for the class hour requirement when a licensed appraiser seeks a certified appraiser certification, or a certified residential appraiser seeks a certified general appraiser certification, may also be awarded for the continuing education requirement of the license or certification held.

**Note:** To obtain information about courses approved by the Appraiser Qualifications Board of the Appraisal Foundation write to: 1155 15th Street, NW, Suite 1111, Washington, D.C. 20005.

**History:** Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1) and (6), eff. 10-1-91; am. (1) and (6), Register, May, 1992, No. 437, eff. 6-1-92; am. (1), renum. (6) to be (9), cr. (6) to (8), Register, April, 1994, No. 460, eff. 5-1-94; am. (6) (intro.), Register, June, 1996, No. 486, eff. 7-1-96; am. (6) (intro.), (a), (b), (c), (7) (a) and (9), Register, January, 1998, No. 505, eff. 2-1-98; am. (1) and (6) (intro.), cr. (7) (c) and (d) and (10), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. (1), r. and recr. (6), cr. (7) (e), (7g), (9), (10), and (13), r. (8), renum. (9) and (10) to be (11) and (12), Register February 2002 No. 554, eff. 3-1-02; CR 02-067: cr. (6) (c), renum. (7g) to be (8), am. (11) Register November 2002 No. 563, eff. 12-1-02; CR 06-033: am. (1), (7) (b), (c), (9) (d), (e) and (12), r. (2), (5), (6) (a) to (c) and (13), renum. (6) (intro.) to be (6) and am., r. and recr. (7) (e) Register November 2006 No. 611, eff. 12-1-06; CR 10-135: am. (1), cr. (7) (f), (g), (13), (14) Register August 2011 No. 668, eff. 9-1-11; CR 14-016: SPS 85.800 renum. from section SPS 84.01; as renumbered, renum. (2) to (3), r. (4), renum. (6) to (14) to (3) to (11) and am. (4) Register September 2014 No. 705, eff. 1-1-15; (title) renum. from 84.01 (title) and correction in numbering (10), (11) under s. 13.92 (4) (b) 1., Stats., and correction in (1) made under s. 13.92 (4) (b) 7., Stats., Register September 2014 No. 705.

**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) The content for the distance education course has been approved by any of the following:

(a) The Appraiser Qualification Board of the Appraisal Foundation.

(b) A state appraiser regulatory jurisdiction.

(c) An accredited college, community college, or university that offers distance education programs and is approved or accredited by the commission on colleges.

(d) A regional or a national accreditation association.

(e) An accrediting agency that is recognized by the U.S. secretary of education.

(f) Non-academic credit college courses provided by a college shall be approved by the AQB or the state appraiser regulatory jurisdiction.

(3) One of the following approves the course delivery:

(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) The course includes a written, closed-book final examination, proctored by an official approved by the college or university, or by the sponsoring organization. The examination may take place at a library, testing center, college, university, or junior college.

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.830 Approved providers.** Credit for the class hour requirement under ss. 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.

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15.

**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 s. SPS 85.700 (1) (e).

History: CR 14-016: cr. Register September 2014 No. 705, eff. 1-1-15; correction in (2) made under s. 13.92 (4) (b) 7., Stats., Register September 2014 No. 705.

### Subchapter IX — Continuing Education

**SPS 85.900 Continuing education.** (1) Every certified and licensed appraiser shall complete at least 28 class hours of continuing education in each biennial period which shall include successful completion of the 7-hour national USPAP update course or its equivalent that is approved by the appraiser qualifications board (AQB) of the appraisal foundation. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

(1m) Appraisers initially licensed or certified within a biennium shall complete 14 class hours of continuing education for each year or part year of licensure or certification, which shall include, of the total number of hours completed within the biennium, the 7-hour national USPAP update course or its equivalent that is approved by the appraiser qualifications board (AQB) of the appraisal foundation. Course equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB.

(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.

(3) To obtain credit for continuing education class hours, a licensed or certified appraiser shall sign a statement on the renewal application certifying that he or she has completed, within the 2 years immediately preceding the date on which the application is submitted, 28 hours of continuing education approved by the department.

Note: Renewal applications are provided by the department prior to each renewal date.

(4) The number of hours of attendance at and completion of continuing education courses required under s. 458.13, Stats., shall be reduced by one hour for each hour of attendance and completion of, within the 2 years immediately preceding the date on which the renewal application is submitted, continuing education courses that the applicant has attended and completed in order to continue to qualify for employment as an assessor and that the department determines is substantially equivalent to attendance at and completion of continuing education courses for certified general appraisers, certified residential appraisers, or licensed appraisers, as appropriate.

(5) Up to 14 class hours may be claimed for teaching approved appraisal courses. Credit for instructing any given course or seminar may be claimed once during a continuing education renewal period.

(6) To audit for compliance, the department may require any certified or licensed appraiser to submit evidence of completion of 28 hours of continuing education for the biennium preceding the renewal. Every certified and licensed appraiser shall retain records of continuing education credits for at least 5 years.

(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.

History: Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (1), (3) to (5), eff. 10-1-91; am. (1), (3) to (5), Register, May, 1992, No. 437, eff. 6-1-92; renum. (5) to be (6), cr. (5), Register, April, 1994, No. 460, eff. 5-1-94; am. (4), Register, June, 1996, No. 486, eff. 7-1-96; am. (1), (2) and (5), r. (3), Register, January, 1998, No. 505, eff. 2-1-98; cr. (3), am. (1) and (6), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. (4) and (5), Register February 2002 No. 554, eff. 3-1-02; correction in (4) made under s. 13.93 (2m) (b) 7., Stats., Register February 2002 No. 554; CR 02-067: am. (1), cr. (1m) Register November 2002 No. 563, eff. 12-1-02; CR 04-007: am. (1) Register August 2004 No. 584, eff. 9-1-04; CR 06-033: am. (1), (1m), (2), (3) and (5) Register November 2006 No. 611, eff. 12-1-06; CR 10-135: am. (6) Register August 2011 No. 668, eff. 9-1-11; CR 14-016: SPS 85.900 renum. from SPS 85.01, am. (2), cr. (7) Register September 2014 No. 705, eff. 1-1-15.

**SPS 85.910 Approval of continuing education courses.** (1) Except as provided in sub. (10), to obtain approval of a continuing education course, the course provider shall submit an application on forms provided by the department at least 45 days prior to the first date the course is offered. The course provider shall include a general description of the subject, name, and outline, name and qualifications of the instructor, date, time segments, and location. The department shall notify the provider whether the course has been approved or denied within 20 business days from the date the application is received.

Note: Applications for course approval are available from the Department of Safety and Professional Services, Division of Professional Credentialing, 1400 East Washington Avenue, P.O. Box 8935, Madison, Wisconsin 53708-8935.

(2) A continuing education course shall relate to one or more real property related appraisal topics that include the following:

- (a) Ad valorem taxation.
- (b) Arbitration, dispute resolution.
- (c) Courses related to the practice of real estate appraisal or consulting.
- (d) Development cost estimating.
- (e) Ethics and standards of professional practice, USPAP.
- (f) Land use planning, zoning.
- (g) Real estate management, leasing, timesharing.
- (h) Property development, partial interests.
- (i) Real estate law, easements, and legal interests.
- (j) Real estate litigation, damages, condemnation.
- (k) Real estate financing and investment.
- (L) Real estate appraisal related computer applications.
- (m) Real estate securities and syndication.
- (n) Developing opinions of real property value in appraisals that also include personal property of business value.
- (o) Sell concessions and impact value.

(p) Energy efficient items and "green building" appraisals.

(3) The course shall be available to all certified and licensed appraisers regardless of membership in any organization.

(4) The course shall be at least 2 hours in length.

(5) The course provider shall monitor attendance by requiring each participant to sign an attendance sheet at the beginning and end of each course and shall furnish each participant with written evidence of having completed the course.

(6) Course providers may repeat a previously approved course without reapplication, provided that the subject matter and instructor have not changed.

(7) (a) Credit may be granted for a distance education course that satisfies all requirements for a continuing education course established by the appraiser qualifications board of the appraisal foundation that are in effect at the time the course is offered.

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

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

2. Successful completion of prescribed course material required to demonstrate knowledge of the subject matter.

Note: To obtain information about the course approval process established by the Appraiser Qualifications Board of the Appraisal Foundation write to: 1155 15<sup>th</sup> Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, [www.appraisalfoundation.org](http://www.appraisalfoundation.org)

(8) Course instructors shall be approved by the department. An instructor whose appraiser certificate has been limited, suspended or revoked may not instruct in approved courses while the disciplinary action is in effect. An approved instructor shall possess at least one of the following qualifications:

(a) Be an instructor of appraisal courses who teaches or has taught appraisal courses at an accredited college or university.

(b) Be a licensed or certified appraiser who practices in the aspects of appraising being taught such as, appraisal, appraisal review, appraisal consulting or mass appraisal, and who has engaged in the practice for at least 5 years.

(c) Be an instructor of assessor education courses who is approved by the department of revenue to teach continuing assessor education programs that are relevant to appraisal practice.

(d) Be an instructor who teaches appraisal courses approved by the appraiser qualifications board of the appraisal foundation.

Note: To obtain information about courses approved by the Appraiser Qualifications Board of the Appraisal Foundation write to: 1155 15<sup>th</sup> Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

(e) If applying to teach the 7-hour national USPAP update 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.

(f) Be an instructor who teaches an appraiser or assessor course approved by another state of the United States that is relevant to appraisal practice.

(g) Be an instructor who, in the judgment of the department, is qualified to teach course work that is relevant to appraisal practice.

(9) The course provider shall retain records of attendance of qualifying education programs for a period of 5 years that shall include all of the following:

(a) The name of the course.

(b) The date the course was offered.

(c) The names and addresses of individuals who completed the course.

(d) The number of hours of instruction.

(e) If administered, the examination results for each individual.

(10) An appraisal course approved by the appraiser qualifications board of the appraisal foundation shall be approved by the department, without receipt of an application for course approval from the course provider.

(11) An appraisal course approved by another state or territory of the United States, which complies with the real property appraiser qualification criteria established by the appraiser qualifications board of the appraisal foundation, shall be approved by the department without receipt of an application for course approval from the other state or territory.

(12) Credit awarded for the classroom hour requirement when a licensed appraiser seeks a certified appraiser certification, or a certified residential appraiser seeks a certified general appraiser certification, may also be awarded for the continuing education requirement of the license or certification held.

Note: To obtain information about courses approved by the Appraiser Qualifications Board of the Appraisal Foundation write to: 1155 15<sup>th</sup> Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

History: Cr. Register, September, 1991, No. 429, eff. 10-1-91; emerg. am. (2) and (3), eff. 10-1-91; am. (2) and (3), Register, May, 1992, No. 437, eff. 6-1-92; renum. (7) to be (10), cr. (7) to (9), Register, April, 1994, No. 460, eff. 5-1-94; am. (2), (8) (intro.), (9) (a), cr. (9) (c), Register, June, 1996, No. 486, eff. 7-1-96; am. (8) (intro.), (a), (b), (c) and (9) (a), Register, January, 1998, No. 505, eff. 2-1-98; am. (1) and (8) (intro.), cr. (9) (d) and (11), Register, January, 1999, No. 517, eff. 2-1-99, eff. 2-1-99; CR 01-100: am. (1) to (4) and (6), r. and recr. (5) and (7), r. (8), renum. (9) to (11) to be (8) to (10) and am. (9), cr. (11), Register February 2002 No. 554, eff. 3-1-02; CR 02-067: cr. (7) (d) and (8) (e) Register November 2002 No. 563, eff. 12-1-02; CR 06-033: am. (1), (6), (8) (b), (c) and (10), renum. (2) and (7) (intro.) to be (2) (intro.) and (7) and am., cr. (2) (a) to (m), r. (7) (a) to (d) and (11), r. and recr. (8) (e), Register November 2006 No. 611, eff. 12-1-06; CR 10-135: cr. (8) (f), (g), (11), (12) Register August 2011 No. 668, eff. 9-1-11; CR 14-016: SPS 85.910 renum. from SPS 85.02, cr. (2) (n) to (p), cr. (7) (a) Register September 2014 No. 705, eff. 1-1-15; correction in numbering of (7) made under s. 13.92, (4) (b) 1., Stats., Register September 2014 No. 705.

### AMC Advisory Council (AARO Meeting, Washington DC – Oct. 19, 2014)

- **Competency Agreements** – AMC's are making panel appraiser sign these. States must have a 'test of reasonableness'.
- **Compliance** - AMC's must ensure panel appraiser abide by USPAP. How? AMC's are looking for federal requirements/guidance. If a panel appraisal does not abide by USPAP, should they be considered an accomplice?
- Top 3 Complaints:
  1. What are they? Number of appraisers, order only (web-system), review process, etc. Firms are not AMC's although a number of AMC's were started for one client. Can be confusing.
  2. How do regulators handle AMC's complaints?
  3. Should an AMC representative be on the State Board?
- 38 states have laws in place. Some are already looking to make changes.
- Iowa has a law drafted but put it on the back burner until a final Dodd-Frank Rule is established. Iowa feels 'minimalist' approach is the best approach when it comes to regulation.
- AMC's have been a 'cash cow' for at least one state who has a large fund established by AMC registration.
- Should a Banker be on the State Appraiser Board? Could give perspective to use of AMC's.
- Working to finalize Dodd-Frank AMC regs this year

#### Auditing AMC's

- 4 Types of audits:
  1. Mandated (random 10% at renewal) – Montana, New Mexico
  2. Investigative – state can audit upon complaint – Arkansas, Virginia
  3. Discretionary – to ensure compliance – California, Nevada
  4. Other – use?; voluntary?

**Road Blocks to Complaint Referrals** – (AARO Conference, Washington DC – Oct. 20, 2014)

- Banks state there are road blocks:
  1. Inconsistent state processes
  2. Recommendation – do not accept anonymous complaints
  3. Some states require complaints to be notarized (overkill?)
  4. Some states require the complainant to list the USPAP violation (?)

Is a universal form needed? AARO is in process of putting something together

- Observations:
  1. Firms are not AMC's
  2. Reviews can be a new form of 'appraiser pressure'
  3. FNMA guidelines are misunderstood
  4. UAD moves the review up front of the transaction. 12,000,000 appraisals / 50-60Mil comps

**NMLS** – AARO Meeting (Washington DC – Oct. 19, 2014)

- **National Multistate Licensing System**

Used nationwide for Mortgage Loan Originator background checks, tracking, monitoring

Suggestions:

Talk with state bank regulators if interested in using for appraisers / AMC's

Use for criminal background checks – FBI checks – they have 1000 fingerprinting stations around the country

**Appraisal Qualifications Board – CAP (Course Approval Program)**

- Magdalene Vasquez – Qualifications Administrator

There is a checklist for course approval they offer – Like Wisconsin's?  
Distance Education is a concern – [idecc.org](http://idecc.org) approved?

Three types of education: QE, CE and DE

Calypso – Virtual Proctoring

**Appraisal Subcommittee** (AARO Meeting, Washington DC – Oct. 19, 2014)

- **National Registry**

Brian Kelly is the go to guy: [brian@asc.gov](mailto:brian@asc.gov)/[webmaster@acs.gov](mailto:webmaster@acs.gov) (202) 595-7585

Who in Wisconsin can access the 'Extranet'?

Can be added or changed by the state.

- **SOAP** - Simple Object Access Protocol

Let's databases talk to eliminate double entry

States can update or query

California is the only state active (9 in process of looking into it)

Call Brian to set-up or to discuss if interested

## **Enforcement Hearing Preparation** (AARO Meeting, Washington DC, Sat. Oct. 18, 2014)

- 57 page power point presentation. May be a link at the AARO web-site in the near future.
- Main topic: Investigator as a witness (presented by the an investigator and state attorney In North Carolina)
- Flow of Events

Complaint  
Response  
Investigation  
Findings  
Hearing  
Decision  
Action

### **Due process is 'key'**

- Who would our State employed USPAP expert?
- C Cap – Appraisal Foundation approved course list. Has our state list been updated?

<https://appraisalfoundation.sharefile.com/download.aspx?id=s606d046f5ba439e9>

- What level of disciplinary actions do we report to the National Registry? Major infractions only?
- Recommendation: Minor infractions: education, fines, etc. – Spell Out to consequences: 'as long as you abide by..... this minor disciplinary action will not be sent to the National Registry. If you do not abide by..... this will result in disclosure to the National Registry and may affect your ability to do appraisal work in Wisconsin.