



REAL ESTATE APPRAISERS BOARD
Room N208, 4822 Madison Yards Way, Madison
Contact: Tom Ryan (608) 266-2112
August 7, 2018

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

9:00 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

A) Adoption of Agenda (1-3)

B) Approval of Minutes of June 19, 2018 (4-7)

C) Administrative Updates

- 1) Department and Staff Updates
- 2) Introductions, Announcements, and Recognitions
- 3) Board Members – Board Member Status
 - a) Carl Clementi – 5/1/2020
 - b) Jennifer Coates – 5/1/2019
 - c) Thomas Kneesel – 5/1/2018
 - d) Steven Miner – 5/1/2019
 - e) Dennis Myers – 5/1/2021
 - f) Lawrence Nicholson – 5/1/2018

D) Conflicts of Interest

E) Credentialing Matters

F) Legislative/Administrative Rule Matters (8-29)

- 1) Recommendations for SPS 85 to 87, Relating to Real Estate Appraisers
- 2) Recommendations for SPS 88, Relating to Real Estate Appraisal Management Companies
- 3) Update on Legislation and Pending or Possible Rulemaking Projects

G) Appraisal Qualifications Board’s Real Property Appraiser Qualification Criteria - Survey Request From North Carolina Attorney General’s Office (30)

H) Report from Real Estate Appraisers Application Advisory Committee

I) Speaking Engagement(s), Travel, or Public Relation Request(s), and Reports (31)

- 1) Consider Attendance at the 2018 Association of Appraiser Regulatory Officials (AARO) Fall Conference on October 19-22, 2018

J) Informational Items

K) Items Added After Preparation of Agenda:

- 1) Introductions, Announcements and Recognition
- 2) Nominations, Elections, and Appointments
- 3) Board Liaison Training and Appointment of Mentors
- 4) Administrative Updates
- 5) Education and Examination Matters
- 6) Credentialing Matters
- 7) Practice Matters
- 8) Legislation/Administrative Rule Matters
- 9) Liaison, Panel, and Committee Report(s)
- 10) Informational Item(s)
- 11) Disciplinary Matters
- 12) Presentations of Petition(s) for Summary Suspension
- 13) Presentation of Proposed Stipulation(s), Final Decision(s) and Order(s)
- 14) Presentation of Proposed Decisions
- 15) Presentation of Interim Order(s)
- 16) Petitions for Re-Hearing
- 17) Petitions for Assessments
- 18) Petitions to Vacate Order(s)
- 19) Petitions for Designation of Hearing Examiner
- 20) Requests for Disciplinary Proceeding Presentations
- 21) Motions
- 22) Petitions
- 23) Appearances from Requests Received or Renewed
- 24) Speaking Engagement(s), Travel, or Public Relation Request(s), and Reports

L) **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.).

M) **Deliberation on Division of Legal Services and Compliance (DLSC) Matters**

- 1) **Administrative Warning(s)**
 - a) 18 APP 011 – D.J.C. **(32-33)**
- 2) **Proposed Stipulation(s), Final Decisions and Orders**
 - a) 17 APP 030 – Thomas P. Phillips **(34-40)**
 - b) 18 APP 015 – Les Kiehnau **(41-46)**
 - c) 18 APP 021 – Weston J. Robertson **(47-52)**
- 3) **Case Closings**
 - a) 17 APP 028 – J.S.O. **(53-65)**

b) 17 APP 031 – A.R.S. (66-69)

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

O) Consulting with Legal Counsel

RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

P) Open Session Items Noticed Above Not Completed in the Initial Open Session

Q) Credentialing Liaison Training

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

ADJOURNMENT

NEXT SCHEDULED MEETING: NOVEMBER 13, 2018

MEETINGS AND HEARINGS ARE OPEN TO THE PUBLIC, AND MAY BE CANCELLED WITHOUT NOTICE.

Times listed for meeting items are approximate and depend on the length of discussion and voting. All meetings are held at 4822 Madison Yards Way, Madison, Wisconsin, unless otherwise noted. In order to confirm a meeting or to request a complete copy of the board's agenda, please call the listed contact person. The board may also consider materials or items filed after the transmission of this notice. Times listed for the commencement of disciplinary hearings may be changed by the examiner for the convenience of the parties. Interpreters for the hearing impaired provided upon request by contacting the Affirmative Action Officer, 608-266-2112.

REAL ESTATE APPRAISERS BOARD
TELECONFERENCE/VIRTUAL MEETING MINUTES
June 19, 2018

PRESENT: Carl Clementi, Jennifer Coates, Thomas Kneesel (*via GoToMeeting*), Steven Miner, Dennis Myers

EXCUSED: Lawrence Nicholson

STAFF: Tom Ryan, Executive Director; Dale Kleven, Rules Coordinator; Pete Anderson, Bureau Assistant, and other DSPS Staff

CALL TO ORDER

Carl Clementi, Chair, called the meeting to order at 9:04 a.m. A quorum of five (5) members was confirmed.

ADOPTION OF AGENDA

Amendments to the Agenda:

- Open Session – Under item “F. Legislative/Administrative Rule Matters”
 - **REMOVE:** “(1) Position Statements of the Real Estate Appraisers Board”
 - **ADD:** “(1) Appraisal Management Company Law – Board Discussion”
- Open Session (After reconvening from closed session) – Under item “N. Open Session Items Notice Above Not Completed in the Initial Open Session”
 - **ADD:** “(1) Appraisal Management Company Law – Board Discussion”
- Closed Session – Under item “K. Deliberation on Division of Legal Services and Compliance (DLSC) Matters” **REMOVE:** sub-item “(1) Monitoring; a) Richard Conrad – Requesting Removal of the Words “Limited License – See Order” from Physical License Copy”

MOTION: Dennis Myers moved, seconded by Steven Miner, to adopt the agenda as amended. Motion carried unanimously.

APPROVAL OF MINUTES

MOTION: Dennis Myers moved, seconded by Steven Miner, to approve the minutes of February 13, 2018 as published. Motion carried unanimously.

CLOSED SESSION

MOTION: Dennis Myers moved, seconded by Steven Miner, 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.). Carl Clementi, Chair, read the language of the motion aloud for the record. The vote of each member was ascertained by voice vote. Roll Call Vote: Carl Clementi-yes; Jennifer Coates-yes; Thomas Kneesel-yes; Steven Miner-yes; Dennis Myers-yes. Motion carried unanimously.

The Board convened into Closed Session at 10:03 a.m.

RECONVENE TO OPEN SESSION

MOTION: Dennis Myers moved, seconded by Steven Miner, to reconvene in Open Session. Motion carried unanimously.

The Board reconvened into Open Session at 10:16 a.m.

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

MOTION: Dennis Myers moved, seconded by Thomas Kneesel, to affirm all Motions made and Votes taken in Closed Session. Motion carried unanimously.

(Be advised that any recusals or abstentions reflected in the closed session motions stand for the purposes of the affirmation vote.)

DIVISION OF LEGAL SERVICES AND COMPLIANCE (DLSC) MATTERS

Administrative Warnings

17 APP 031 – A.R.S.

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to issue an Administrative Warning in the matter of A.R.S., DLSC case number 17 APP 031. Motion carried unanimously.

18 APP 014 – D.H.D.

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to issue an Administrative Warning in the matter of D.H.D., DLSC case number 18 APP 014. Motion carried unanimously.

18 APP 018 – M.M.M.

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to issue an Administrative Warning in the matter of M.M.M., DLSC case number 18 APP 018. Motion carried unanimously.

18 APP 023 – A.B.S.

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to issue an Administrative Warning in the matter of A.B.S., DLSC case number 18 APP 023. Motion carried unanimously.

Proposed Stipulations, Final Decisions and Orders

17 APP 013 – Ronald A. Wright

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Ronald A. Wright, DLSC case number 17 APP 013. Motion carried unanimously.

17 APP 024 – Scott M. Aussprung

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Scott M. Aussprung, DLSC case number 17 APP 024. Motion carried unanimously.

17 APP 025 – Robbin D. Erickson

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Robbin D. Erickson, DLSC case number 17 APP 025. Motion carried unanimously.

17 APP 029 – Eric J. Widman

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Eric J. Widman, case DLSC number 17 APP 029. Motion carried unanimously.

17 APP 039 – Kathy A. Kornowski

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Kathy A. Kornowski, DLSC case number 17 APP 039. Motion carried unanimously.

18 APP 008 – Cara E. Barton

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Cara E. Barton, case DLSC number 18 APP 008. Motion carried unanimously.

18 APP 009 – Vaughn H. Bauch

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Vaughn H. Bauch, DLSC case number 18 APP 009. Motion carried unanimously.

18 APP 010 – Douglas P. Brodzik

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Douglas P. Brodzik, DLSC case number 18 APP 010. Motion carried unanimously.

18 APP 012 – James M. Corcoran

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of James M. Corcoran, DLSC case number 18 APP 012. Motion carried unanimously.

18 APP 016 – David R. Langevin

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of David R. Langevin, DLSC case number 18 APP 016. Motion carried unanimously.

18 APP 019 – Carie A. Nachreiner

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Carie A. Nachreiner, DLSC case number 18 APP 019. Motion carried unanimously.

18 APP 020 – Mark D. Purcell

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Mark D. Purcell, DLSC case number 18 APP 020. Motion carried unanimously.

18 APP 022 – John L. Shirey

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of John L. Shirey, DLSC case number 18 APP 022. Motion carried unanimously.

18 APP 024 – Melvyn B. Wolf

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to adopt the Findings of Fact, Conclusions of Law, Stipulation and Order, in the matter of Melvyn B. Wolf, DLSC case number 18 APP 024. Motion carried unanimously.

Case Closings

18 APP 013 – M.S.D.

MOTION: Dennis Myers moved, seconded by Jennifer Coates, to close DLSC case number 18 APP 013, against M.S.D., for No Violation. Motion carried unanimously.

18 APP 017 – G.M.L.

MOTION: Dennis Myers moved, seconded by Tom Kneesel, to close DLSC case number 18 APP 017, against G.M.L., for No Violation. Motion carried unanimously.

ADJOURNMENT

MOTION: Steven Miner moved, seconded by Jennifer Coates, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 10:19 a.m.

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

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Dale Kleven Administrative Rules Coordinator		2) Date When Request Submitted: 7/26/18 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: Real Estate Appraisers Board			
4) Meeting Date: 8/7/18	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Legislation and Rule Matters – Discussion and Consideration 1. Recommendations for SPS 85 to 87 Relating to Real Estate Appraisers 2. Recommendations for SPS 88 Relating to Real Estate Appraisal Management Companies 3. Update on Pending Legislation and Pending and Possible Rulemaking Projects	
7) Place Item in: <input checked="" 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 (Fill out Board Appearance Request) <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required:
10) Describe the issue and action that should be addressed:			
11) Authorization			
Signature of person making this request <i>Dale Kleven</i>		Date <i>July 26, 2018</i>	
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.			

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 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 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 15th 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://dps.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.

Note: The Department will review any arrest or conviction in order to determine whether the circumstances of the arrest or conviction substantially relate to the practice of real estate appraisal.

(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 appraisal 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 (q), 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 (q), cr. (3) (r), 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 10-100: 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://dsps.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) (c), 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) (e) Register September 2014 No. 705, eff. 1-1-15; (title) renum. from 84.01 (am. (4) 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 15th Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, 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 15th Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, 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 15th Street, NW, Suite 1111, Washington, D.C. 20005, (202) 347-7722, 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.

Chapter SPS 86

RULES OF PROFESSIONAL CONDUCT

SPS 86.01 Standards.
SPS 86.02 Advertising.

SPS 86.03 Use of certificate number and title.

Note: Chapter RL 86 was renumbered chapter SPS 86 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671.

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

(2) All appraisals performed in conjunction with federally related transactions and non–federally related transactions shall conform to the uniform standards of professional appraisal practice (USPAP) in effect at the time the appraisals are performed.

(2a) No certified or licensed appraiser may sign any written appraisal report which was not prepared by the appraiser or under his or her supervision.

(3) A certified residential appraiser shall not use the title “Wisconsin certified residential appraiser” or “WI certified residential appraiser” on any appraisal report or written appraisal agreement pertaining to commercial real estate having a transaction value of more than \$250,000.

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

(5) Certified and licensed appraisers shall not knowingly omit, understate, misrepresent or conceal material facts in their appraisals.

(7) A certified or licensed appraiser shall avoid conflicts of interest. If a conflict arises, the certified or licensed appraiser shall immediately cease work on the appraisal and shall not continue work on the appraisal without the written consent of the party who authorized the appraisal.

(8) All certified and licensed appraisers shall maintain records as required in s. 458.18, Stats. Such records shall be made available to the department, board, or agents of the department or board upon request for purposes of investigation, review, or audit.

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

(10) After a request for information made by the board, a certified or licensed appraiser shall cooperate in a timely manner with the board’s investigation of a complaint filed against the licensed or certified appraiser or of a complaint filed against an individual who practiced real estate appraising under the supervision of the licensed or certified appraiser. There is a rebuttable presumption that a licensed or certified appraiser who takes longer than 10 business days to respond to a request for information by the board has not acted in a timely manner under this subsection.

(11) All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate appraising including, but not limited to, the financial institutions reform, recovery, and enforcement act of 1989, and all appraisal related federal regulations promulgated by the federal

financial institution regulatory agencies, as defined in s. SPS 85.120 (12).

(12) No certified or licensed appraiser may violate, or aid and abet the violation of any law, the circumstances of which substantially relate to the practice of a real estate appraiser.

(13) No certified or licensed appraiser may engage in conduct which reflects adversely on his or her fitness to practice as a real estate appraiser, including engaging in any unprofessional or unethical conduct in the course of any real estate or appraisal transaction.

(14) A certified copy of any order, consent agreement, or similar document issued by the regulatory authority of another jurisdiction which finds a violation of any law or administrative rule administered by that regulatory authority by any person who is certified or licensed as an appraiser in this state shall constitute conduct reflecting adversely on the appraiser’s fitness to practice as a real estate appraiser in this state.

History: Cr. Register, September, 1991, No. 429, eff. 10–1–91; emerg. am. (1), (2), (4) to (7), eff. 10–1–91; am. (1), (2), (4) to (7), Register, May, 1992, No. 437, eff. 6–1–92; am. (3), renum. (4) to (7) to be (5) to (8), cr. (4), Register, April, 1994, No. 460, eff. 5–1–94; am. (8), cr. (9), Register, June, 1996, No. 486, eff. 7–1–96; am. (2), cr. (2a), Register, January, 1998, No. 505, eff. 2–1–98; am. (2), Register, January, 1999, No. 517, eff. 2–1–99; CR 01–100: am. (4), r. (6), cr. (10), Register February 2002 No. 554, eff. 3–1–02; CR 06–033: am. (1), (2), (4) and (10), cr. (11) Register November 2006 No. 611, eff. 12–1–06; CR 10–135: am. (10), (11), cr. (12), (13), (14) Register August 2011 No. 668, eff. 9–1–11; correction in (1), (4), (9), (11) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14–016: am. (1), (4), (9), (11) Register September 2014 No. 705, eff. 1–1–15; correction in (11) made under s. 13.92 (4) (b) 7., Stats., Register September 2014.

SPS 86.02 Advertising. (1) Advertising by certified and licensed appraisers shall be truthful and may not deceive or mislead the public.

(2) A certified or licensed appraiser shall disclose the appraiser’s name as it is on file with the department in all advertising.

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; CR 01–100: am. (1), Register February 2002 No. 554, eff. 3–1–02.

SPS 86.03 Use of certificate number and title.

(1) Except as provided in subs. (2) and (3), each licensed and certified appraiser shall place his or her certificate number adjacent to or immediately below the title “Wisconsin certified general appraiser,” “Wisconsin certified residential appraiser,” or “Wisconsin licensed appraiser,” as appropriate, on each appraisal report and each written appraisal agreement used by the appraiser in conducting appraisal activities.

(2) An appraiser may use the following abbreviations when placing his or her title on a report or agreement in the manner specified in sub. (1):

- (a) “Appraiser” may be written as “app” or “appr.”
- (b) “Certified” may be written as “cer” or “cert.”
- (c) “General” may be written as “gen.”
- (d) “Licensed” may be written as “lic.”
- (e) “Residential” may be written as “res.”
- (f) “Wisconsin” may be written as “WI” or “Wis.”

(3) In lieu of placing a title on a report or agreement in the manner specified in sub. (1), an appraiser may place his or her certificate number adjacent to or immediately below the initials “WCGA,” “WCRA” or “WLA,” as appropriate, on a report or

agreement, in any instance in which he or she determines that it is impractical to comply with the requirement in sub. (1), because of space limitations on a report or agreement.

History: Cr. Register, April, 1994, No. 460, eff. 5-1-94.

Chapter SPS 87

CERTIFICATE RENEWAL

SPS 87.01 Renewal of certificate.

SPS 87.02 Late renewal.

Note: Chapter RL 87 was renumbered chapter SPS 87 under s. 13.92 (4) (b) 1., Stats., Register November 2011 No. 671.

SPS 87.01 Renewal of certificate. (1) Applications for renewal shall be submitted prior to the applicable renewal date specified under s. 440.08 (2) (a), Stats., on a form provided by the department, along with the renewal fee specified under s. 440.08 (2) (a) 11., 11m. and 12., Stats., as appropriate, and proof of completion of 28 hours of continuing education course work as required under s. 458.13, Stats.

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

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

History: Cr. Register, April, 1994, No. 460, eff. 5-1-94; am. (1), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. Register, February 2002 No. 554, eff. 3-1-02; CR 06-033: am. Register November 2006 No. 611, eff. 12-1-06; correction in (2), (3) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: am. (2), (3) Register September 2014 No. 705, eff. 1-1-15.

SPS 87.02 Late renewal. An appraiser who fails to renew a certificate by the renewal date may renew the certificate by sub-

mitting an application on a form provided by the department and satisfying the following requirements:

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

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

(a) Successful completion of educational course work.

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

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

History: Cr. Register, April, 1994, No. 460, eff. 5-1-94; am. (2) (intro.), (a) and (b), Register, January, 1998, No. 505, eff. 2-1-98; am. (1) and (2) (intro.), Register, January, 1999, No. 517, eff. 2-1-99; CR 01-100: am. (intro.), (2) (intro.) and (a), Register February 2002 No. 554, eff. 3-1-02; CR 06-033: am. (1), (2) (intro.) and (b), cr. (2) (c) Register November 2006 No. 611, eff. 12-1-06; correction in (1), (2) (intro.), (b), (c) made under s. 13.92 (4) (b) 7., Stats., Register November 2011 No. 671; CR 14-016: am. Register September 2014 No. 705, eff. 1-1-15.

State of Wisconsin



2017 Senate Bill 453

Date of enactment: **November 30, 2017**

Date of publication*: **December 1, 2017**

2017 WISCONSIN ACT 113

AN ACT *to amend* 15.405 (10r) (a) 3., 20.165 (1) (g), 440.03 (9) (a) (intro.), 458.03 (1) (c), 458.03 (2), 458.03 (3) (a), 458.03 (3) (b), 458.085 (1), 458.085 (2), 458.085 (3), 458.095 (intro.), 458.105, 458.13, 458.21, 458.26 (2), 458.26 (3) (intro.), 458.26 (3) (i), 458.26 (4) and 458.30; and *to create* 15.405 (10r) (a) 1m., 440.03 (13) (b) 5s., 440.08 (2) (a) 10m., subchapter I (title) of chapter 458 [precedes 458.01], 458.01 (2m), 458.01 (3m), 458.03 (1) (dm), 458.03 (3) (c), 458.04 (3), subchapter II (title) of chapter 458 [precedes 458.055] and subchapter III of chapter 458 [precedes 458.31] of the statutes; **relating to:** regulation of appraisal management companies, providing an exemption from emergency rule procedures, granting rule-making authority, and providing a criminal penalty.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 15.405 (10r) (a) 1m. of the statutes is created to read:

15.405 (10r) (a) 1m. One controlling individual, as defined in s. 458.31 (6). This subdivision does not apply if s. 458.48 applies.

SECTION 2. 15.405 (10r) (a) 3. of the statutes is amended to read:

15.405 (10r) (a) 3. ~~Three~~ Two public members or, if s. 458.48 applies, 3 public members.

SECTION 3. 20.165 (1) (g) of the statutes is amended to read:

20.165 (1) (g) *General program operations.* The amounts in the schedule for the licensing, rule making, and regulatory functions of the department, other than the licensing, rule-making, and credentialing functions of the medical examining board and the affiliated credentialing boards attached to the medical examining board and except for preparing, administering, and grading examinations. Ninety percent of all moneys received under chs. 440 to 480, except ch. 448 and ss. 440.03 (13), 440.05 (1) (b), 458.21, and 458.365, less \$10 of each

renewal fee received under s. 452.12 (5); all moneys transferred from the appropriation under par. (i); and all moneys received under s. 440.055 (2), shall be credited to this appropriation.

SECTION 4. 440.03 (9) (a) (intro.) of the statutes is amended to read:

440.03 (9) (a) (intro.) Subject to pars. (b) and (c) and s. 458.33 (2) (b) and (5), the department shall, biennially, determine each fee for an initial credential for which no examination is required, for a reciprocal credential, and for a credential renewal by doing all of the following:

SECTION 5. 440.03 (13) (b) 5s. of the statutes is created to read:

440.03 (13) (b) 5s. Appraisal management company.

SECTION 6. 440.08 (2) (a) 10m. of the statutes is created to read:

440.08 (2) (a) 10m. Appraisal management company: December 15 of each odd-numbered year.

SECTION 7. Subchapter I (title) of chapter 458 [precedes 458.01] of the statutes is created to read:

CHAPTER 458 **SUBCHAPTER I** **GENERAL PROVISIONS**

* Section 991.11, WISCONSIN STATUTES: Effective date of acts. "Every act and every portion of an act enacted by the legislature over the governor's partial veto which does not expressly prescribe the time when it takes effect shall take effect on the day after its date of publication."

SECTION 8. 458.01 (2m) of the statutes is created to read:

458.01 (2m) “Appraisal management company” has the meaning given in 12 CFR 34.211 (c).

SECTION 9. 458.01 (3m) of the statutes is created to read:

458.01 (3m) “Appraisal subcommittee” has the meaning given in 12 USC 3350 (2).

SECTION 10. 458.03 (1) (c) of the statutes is amended to read:

458.03 (1) (c) Submit to the board a copy of any legislation proposed by the department relating to appraisers or appraisal management companies or to the board, prior to introduction in the legislature.

SECTION 11. 458.03 (1) (dm) of the statutes is created to read:

458.03 (1) (dm) Transmit the annual registry fees paid to the department under s. 458.365 to the federal financial institutions examination council or its successor agency.

SECTION 12. 458.03 (2) of the statutes is amended to read:

458.03 (2) The department may prepare letters and bulletins and conduct clinics disseminating information to appraisers and appraisal management companies.

SECTION 13. 458.03 (3) (a) of the statutes is amended to read:

458.03 (3) (a) Advise the secretary on matters relating to appraisers or appraisal management companies or to the board.

SECTION 14. 458.03 (3) (b) of the statutes is amended to read:

458.03 (3) (b) At least once each year, transmit to the appraisal subcommittee ~~of the federal financial institutions examination council, or its successor agency,~~ a roster listing the names and addresses of certified appraisers and licensed appraisers.

SECTION 15. 458.03 (3) (c) of the statutes is created to read:

458.03 (3) (c) Transmit reports to the appraisal subcommittee on a timely basis of supervisory activities involving appraisal management companies or other 3rd-party providers of appraisals and appraisal management services, as defined in s. 458.31 (2), including investigations initiated and disciplinary actions taken.

SECTION 16. 458.04 (3) of the statutes is created to read:

458.04 (3) (a) If the secretary creates an advisory committee under s. 15.04 (1) (c), other than an advisory committee under sub. (1), to provide advice to the department on matters relating to appraisal management companies, the advisory committee shall consist of the following members:

1. One controlling individual, as defined in s. 458.31 (6).
2. One public member.

3. One member of the board who is an appraiser, who shall serve as chairperson of the advisory committee.

(b) An advisory committee under par. (a) shall report to the secretary and the board.

SECTION 17. Subchapter II (title) of chapter 458 [precedes 458.055] of the statutes is created to read:

CHAPTER 458

SUBCHAPTER II

REAL ESTATE APPRAISERS

SECTION 18. 458.085 (1) of the statutes is amended to read:

458.085 (1) Educational requirements for general and residential appraiser certification and for appraiser licensure under this ~~chapter~~ subchapter.

SECTION 19. 458.085 (2) of the statutes is amended to read:

458.085 (2) Experience requirements for general and residential appraiser certification and for appraiser licensure under this ~~chapter~~ subchapter.

SECTION 20. 458.085 (3) of the statutes is amended to read:

458.085 (3) Continuing education requirements for renewal of certificates issued under this ~~chapter~~ subchapter.

SECTION 21. 458.095 (intro.) of the statutes is amended to read:

458.095 Temporary use of titles; appraisers certified or licensed in other states. (intro.) A certificate under this ~~chapter~~ subchapter is not required for an appraiser who holds a current appraiser certificate in another state if all of the following apply:

SECTION 22. 458.105 of the statutes is amended to read:

458.105 Certificate number. The department shall assign a certificate number to each individual who is certified or licensed under this ~~chapter~~ subchapter and shall place the number upon each certificate prior to its issuance.

SECTION 23. 458.13 of the statutes is amended to read:

458.13 Continuing education requirements. At the time of renewal of a certificate issued under this ~~chapter~~ subchapter, each applicant shall submit proof that, within the 2 years immediately preceding the date on which the renewal application is submitted, he or she has satisfied the continuing education requirements specified in the rules promulgated under s. 458.085 (3).

SECTION 24. 458.21 of the statutes is amended to read:

458.21 Appraisals in federally related transactions; annual registry fee required. Each certified appraiser or licensed appraiser who performs or desires to perform an appraisal in a federally related transaction shall pay to the department the annual registry fee required by the ~~federal financial institutions examination council~~ appraisal subcommittee or its successor agency.

SECTION 25. 458.26 (2) of the statutes is amended to read:

458.26 (2) The department shall present the findings of any investigation of an appraiser or an applicant for a certificate under this ~~chapter~~ subchapter to the board for its consideration. The department shall, upon motion of the board, and may, upon its own determination, commence disciplinary proceedings on any matter under investigation concerning a certified appraiser, licensed appraiser or applicant.

SECTION 26. 458.26 (3) (intro.) of the statutes is amended to read:

458.26 (3) (intro.) Disciplinary proceedings shall be conducted by the board according to the rules promulgated under s. 440.03 (1). The department may deny any certificate under this ~~chapter~~ subchapter, and the board may limit, suspend or revoke any certificate under this ~~chapter~~ subchapter or reprimand or impose additional continuing education requirements on the holder of a certificate under this ~~chapter~~ subchapter, if the department or board finds that the applicant for or holder of the certificate has done any of the following:

SECTION 27. 458.26 (3) (i) of the statutes is amended to read:

458.26 (3) (i) Violated this ~~chapter~~ subchapter or any rule promulgated under this ~~chapter~~ subchapter.

SECTION 28. 458.26 (4) of the statutes is amended to read:

458.26 (4) In addition to or in lieu of a reprimand or denial, limitation, suspension or revocation of a certificate under sub. (3), the board may assess against a certified appraiser, licensed appraiser or applicant for a certificate under this ~~chapter~~ subchapter a forfeiture of not less than \$100 nor more than \$1,000 for each violation enumerated under sub. (3).

SECTION 29. 458.30 of the statutes is amended to read:

458.30 Penalties. Any person who violates this ~~chapter~~ subchapter or any rule promulgated under this ~~chapter~~ subchapter may be fined not more than \$1,000 or imprisoned for not more than 6 months or both.

SECTION 30. Subchapter III of chapter 458 [precedes 458.31] of the statutes is created to read:

CHAPTER 458

SUBCHAPTER III

REAL ESTATE APPRAISAL MANAGEMENT COMPANIES

458.31 Definitions. In this subchapter:

(1) "Appraisal management company" has the meaning given in [12 CFR 34.211](#) (c).

(2) "Appraisal management services" has the meaning given in [12 CFR 34.211](#) (d).

(3) (a) Except as provided in par. (b), "appraisal review" means the process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assign-

ment or appraisal review assignment related to the appraiser's data collection, analysis, opinions, conclusions, estimate of value, or compliance with the Uniform Standards of Professional Appraisal Practice described in s. 458.24.

(b) "Appraisal review" does not include any of the following:

1. A general examination for grammatical, typographical, mathematical, or other similar errors.

2. A general examination for completeness, including regulatory or client requirements as specified in the agreement process, that does not communicate an opinion of value.

(4) "Appraiser panel" has the meaning given in [12 CFR 34.211](#) (e).

(5) "Client" means a person that contracts with an appraisal management company for the performance of appraisal management services for the person.

(6) "Controlling individual" means any of the following:

(a) An owner, officer, or director of an appraisal management company.

(b) An individual who is authorized by an appraisal management company to do all of the following:

1. Contract with a client.

2. Contract with an independent appraiser to perform an appraisal service.

(c) An individual who has, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.

(7) "Federally regulated appraisal management company" has the meaning given in [12 CFR 34.211](#) (k).

(8) "Independent appraiser" means an appraiser who performs an appraisal service on an independent contractor basis.

(9) "Licensed appraisal management company" means an appraisal management company licensed under s. 458.33.

(10) "Person" has the meaning given in [12 CFR 34.211](#) (m).

458.32 Prohibited conduct. Except as provided under s. 458.34, no appraisal management company may do any of the following unless the company is a licensed appraisal management company:

(1) Perform appraisal management services for compensation.

(2) Advertise that the person is an appraisal management company; use the title "licensed appraisal management company," "appraisal management company," or other similar title; or otherwise hold itself out as an appraisal management company.

458.33 Licensure. (1) APPLICATION. A person applying for a license under sub. (2) shall submit an application to the department on a form prescribed by the department. The application shall include all of the following:

(a) The applicant's name, address, and telephone number.

(b) If the applicant is not a business domiciled in this state, the name, address, and telephone number of the applicant's agent for service of process in this state.

(c) The name, address, and telephone number of each person that owns more than 10 percent of the applicant.

(d) The name, address, and telephone number of the applicant's designated controlling individual under s. 458.36.

(e) A statement of the applicant in a form prescribed by the department that certifies all of the following:

1. That the applicant has in place a system to verify that each independent appraiser on the applicant's appraiser panel and any other appraiser that may perform an appraisal service for the applicant is a certified appraiser or licensed appraiser.

2. That the applicant requires all appraisers performing appraisal services for the applicant to perform appraisal services in accordance with the Uniform Standards of Professional Appraisal Practice described under s. 458.24.

3. That the applicant has in place a system to verify that all appraisal services performed for the applicant are conducted independently and free from inappropriate influence or coercion under s. 458.41 and under [15 USC 1639e](#) and rules promulgated under [15 USC 1639e](#).

4. That the applicant maintains a detailed record of each request for an appraisal service that it receives, including the identity of the appraiser that performs the appraisal service.

5. That the applicant satisfies s. 458.35 (2).

(f) The information and authorizations necessary to conduct a background investigation for all of the following:

1. Each person identified in par. (c).

2. The applicant's controlling individual designated under s. 458.36.

(2) APPRAISAL MANAGEMENT COMPANY LICENSE. The department shall, after an investigation, grant and issue an appraisal management company license to an appraisal management company that does all of the following:

(a) Complies with sub. (1).

(b) Pays the initial credential fee determined by the department under s. 440.03 (9) (a), but not to exceed \$4,000.

(c) Meets to the satisfaction of the department any other requirements for licensure under this subchapter and under rules promulgated by the department. The department shall promulgate rules under this paragraph that require an applicant for a license under this subsection to demonstrate that the applicant is qualified to competently perform appraisal management services in compliance with all applicable state and federal laws.

(3) INVESTIGATION. The department shall conduct a background investigation that satisfies [12 CFR 34.214 \(b\) \(2\)](#) on each person specified under sub. (1) (f) 1. and 2.

(4) DENIAL OF LICENSE OR RENEWAL. The department may not issue or renew an appraisal management company license if any of the following applies to any person that owns more than 10 percent of the appraisal management company:

(a) The person is determined by the department not to have good moral character.

(b) The person fails to submit to a background investigation under sub. (3).

(5) RENEWALS. A licensed appraisal management company shall submit a renewal application, along with the applicable renewal fee determined by the department under s. 440.03 (9) (a), but not to exceed \$2,000, to the department on a form prescribed by the department by the applicable renewal date specified under s. 440.08 (2) (a). A renewal under this subsection is subject to sub. (4).

458.34 Exemptions. (1) A license under s. 458.33 (2) is not required for any of the following:

(a) An appraiser that, in the ordinary course of business, contracts with an independent appraiser for the performance of an appraisal if upon completion of the appraisal the appraiser co-signs the appraisal report.

(b) A federally regulated appraisal management company.

(c) A department or unit within a financial institution that is subject to direct regulation by an agency of the United States government that is a member of the federal financial institutions examination council or its successor, or to regulation by an agency of this state, and receives a request for the performance of an appraisal from one employee of the financial institution, and another employee of the same financial institution assigns the request for the appraisal to an appraiser that is an independent contractor to the institution. An appraisal management company that is a wholly owned subsidiary of a financial institution shall not be considered a "department or unit within a financial institution" for purposes of this paragraph.

(d) An appraisal management company that does not contract with independent appraisers for the performance of appraisal services.

(2) An appraisal management company that is exempt from licensure under sub. (1) (b) may advertise as an appraisal management company but may not hold itself out as a licensed appraisal management company.

(3) An appraisal management company that is exempt from licensure under sub. (1) (b) shall be considered a licensed appraisal management company for purposes of, and shall comply with the provisions of, ss. 458.35, 458.365, 458.37, 458.38, 458.39, 458.41, 458.43, and 458.44.

458.35 Limitations. (1) No licensed appraisal management company may do any of the following:

(a) Contract with an appraiser for the performance of an appraisal service unless the appraiser is a certified appraiser or licensed appraiser.

(b) Employ any person in a position in which the person has the responsibility to request appraisal services from an appraiser or to review the results of completed appraisal services if the person has had a license or other credential to act as an appraiser in any state denied, canceled, revoked, or surrendered in lieu of revocation unless that license or other credential was later granted or reinstated.

(c) Contract with an appraiser for the provision of appraisal services if the appraiser has had a license or other credential to act as an appraiser in any state denied, canceled, revoked, or surrendered in lieu of revocation unless the license or other credential was later granted or reinstated.

(d) Contract with any person for the provision of appraisal services if the licensed appraisal management company knows or has reason to know that the person employs or is under contract with an independent appraiser or other person for the provision of appraisal services who, as a result of disciplinary action, has had a license or other credential to act as an appraiser in any state denied, canceled, revoked, or surrendered in lieu of revocation unless the license or other credential was later granted or reinstated.

(2) No licensed appraisal management company or applicant for a license under s. 458.33 may be owned in whole or in part, directly or indirectly, by any of the following:

(a) A person who, as a result of disciplinary action, has had a license or other credential to act as an appraiser in any state denied, canceled, revoked, or surrendered in lieu of revocation unless that license or other credential was later granted or reinstated.

(b) A person that is more than 10 percent owned by another person if that other person, as a result of disciplinary action, has had a license or other credential to act as an appraiser in any state denied, canceled, revoked, or surrendered in lieu of revocation unless that license or other credential was later granted or reinstated.

458.36 Designated controlling individuals. Each applicant for a license under s. 458.33 shall designate one controlling individual who will be the primary contact for all communications between the department and the appraisal management company. An individual may be designated as a controlling individual under this section only if he or she meets all of the following criteria:

(1) The individual is a certified appraiser.

(2) The individual remains in good standing in this state and in any other state that has at any time issued the controlling individual an appraiser license or certification.

(3) The individual has never had an appraiser license or certification in this state or any other state refused, denied, canceled, revoked, or surrendered in lieu of a pending disciplinary proceeding in any jurisdiction and not subsequently reinstated or granted.

(4) The individual is of good moral character.

(5) The individual submits to a background investigation under s. 458.33 (3).

458.365 Appraisal management services in federally related transactions; annual registry fee required. Each licensed appraisal management company that performs or desires to perform appraisal management services in a federally related transaction shall pay to the department the annual registry fee required by the appraisal subcommittee or its successor agency.

458.37 Appraiser competency. (1) (a) Before assigning an appraisal service to an appraiser, a licensed appraisal management company shall verify that the appraiser has the requisite license or certification, education, expertise, experience, and competency necessary to complete the appraisal assignment for the particular market and property type in accordance with the Uniform Standards of Professional Appraisal Practice described under s. 458.24, and that the independent appraiser is a certified appraiser or licensed appraiser in good standing with the board.

(b) A licensed appraisal management company that has reviewed the work of an appraiser under sub. (4) shall consider the review for the purposes of verifying the competency of an appraiser for future work.

(2) (a) At or before the time an appraiser accepts an appraisal services assignment from a licensed appraisal management company, the appraisal management company shall require the appraiser to confirm in writing that the appraiser satisfies all of the following:

1. The appraiser is competent, or will become competent, in the property type of the assignment.

2. The appraiser is competent, or will become competent, in the geographical area of the assignment.

3. The appraiser has, or will obtain, access to appropriate data sources for the assignment.

4. The appraiser will immediately notify the licensed appraisal management company in writing if the appraiser later determines that he or she is not qualified to complete the assignment under subd. 1., 2., or 3.

(b) An appraiser that intentionally misrepresents the information provided by the appraiser to the licensed appraisal management company under par. (a) shall be subject to disciplinary action by the board under s. 458.26 or removal from the appraiser panel.

(3) (a) Before an appraiser is added to an appraiser panel, a licensed appraisal management company shall require the appraiser to declare in writing the geographic areas where the appraiser is competent to appraise, the types of properties the appraiser is competent to appraise, and the methodologies the appraiser is competent to per-

form. The appraisal management company shall require the appraiser to update the information under this paragraph at least annually and shall retain copies of all such declarations for a period of 5 years from the date they are submitted.

(b) An appraiser that intentionally misrepresents the information provided by the appraiser to a licensed appraisal management company under par. (a) shall be subject to disciplinary action by the board under s. 458.26 or removal from the appraiser panel.

(4) A licensed appraisal management company shall regularly review the work of appraisers performing appraisal services for the appraisal management company to ensure that the services comply with the Uniform Standards of Professional Appraisal Practice described under s. 458.24 and with any standards prescribed by the department by rule.

(5) Before assigning to an appraiser an appraisal review of an appraisal of a subject property located in this state, a licensed appraisal management company shall verify that the appraiser performing the appraisal review holds a current appraiser license or certificate in this state that is at least equivalent to the license or certificate initially required for the subject property.

458.38 Compensation of appraisers. (1) A licensed appraisal management company shall compensate appraisers at a rate that is reasonable and customary for appraisal services being performed in the market area of the property being appraised in accordance with [15 USC 1639e](#) and rules promulgated under [15 USC 1639e](#).

(2) In any report or other written communication to a client, lender, or other person pertaining to the cost of a specific appraisal assignment, a licensed appraisal management company shall separately state the following fees:

(a) Any fee paid to the appraiser for the completion of the appraisal service.

(b) Any fee charged to the client for the licensed appraisal management company's appraisal management services.

(3) A licensed appraisal management company may not do any of the following:

(a) Fail, except in cases of breach of contract or for other good cause, to make payment to an appraiser for the completion of an appraisal service within 30 days after the date on which the appraisal management company receives the completed appraisal service. An appraisal service is complete under this paragraph when the scope of work has been completed and the work product has been delivered to the client with any required certification or other signed document.

(b) Include any fee for appraisal management services performed by the licensed appraisal management company in the amount the company reports as charges for the actual completion of an appraisal service by an appraiser.

(c) Prohibit an appraiser from showing in an appraisal report or other document the fee that the licensed appraisal management company paid to the appraiser for the appraisal service.

(d) Require an appraiser to state or affirm that any fees the licensed appraisal management company paid to the appraiser were reasonable and customary.

458.39 Record keeping. (1) A licensed appraisal management company shall maintain all of the following records for at least 5 years after the record is generated or 2 years after final disposition of any court proceeding concerning an appraisal service, whichever is later:

(a) A written record of each request for an appraisal service and appraisal management services the licensed appraisal management company receives.

(b) A written record of the identity of each appraiser who performs an appraisal service for the licensed appraisal management company.

(c) A written record of all substantive communications between a licensed appraisal management company and an appraiser concerning an appraisal service or an independent appraiser's inclusion on an appraiser panel of the appraisal management company.

(2) The department may audit the records of a licensed appraisal management company at any time to ensure compliance with this subchapter, rules promulgated under this subchapter, or the Uniform Standards of Professional Appraisal Practice described under s. 458.24.

458.41 Appraiser independence. (1) A licensed appraisal management company shall ensure that appraisals that are conducted for the company are conducted independently and free from inappropriate influence or coercion consistent with this section and [15 USC 1639e](#) and rules promulgated under [15 USC 1639e](#).

(2) No licensed appraisal management company or employee, controlling individual, or other agent of a licensed appraisal management company may inappropriately influence or coerce, or attempt to inappropriately influence or coerce, an appraiser conducting an appraisal service, contrary to this section or to [15 USC 1639e](#) or rules promulgated under [15 USC 1639e](#), including by doing any of the following:

(a) Withholding, or threatening to withhold, timely payment for an appraisal service.

(b) Withholding, or threatening to withhold, future business from an independent appraiser, or demoting or terminating, or threatening to demote or terminate, an appraiser.

(c) Expressly or impliedly promising future business, promotions, or increased compensation for an appraiser.

(d) Conditioning the assignment of an appraisal service or the payment of a fee or other compensation for an appraisal service on the opinion, conclusion, or valuation to be reached, or on a preliminary estimate or opinion requested from an appraiser.

(e) Requesting an appraiser to provide an estimated, predetermined, or desired valuation in an appraisal report, or to provide estimated values of comparable sales prior to the appraiser's completion of an appraisal service.

(f) Providing to an appraiser an anticipated, estimated, encouraged, or desired value for a subject property or a proposed or target amount to be loaned to the borrower, except that a licensed appraisal management company may provide to an appraiser a copy of a sales contract for purchase.

(g) Providing financial or nonfinancial benefits to an appraiser or to any person connected with the appraiser.

(h) Removing or threatening to remove an independent appraiser from an appraiser panel.

(i) Obtaining, using, or paying for a 2nd or subsequent appraisal or ordering an automated valuation model in connection with a mortgage financing transaction, unless there is a reasonable basis to believe that the initial appraisal was flawed and the basis is clearly noted in the loan file, or unless the appraisal or automated valuation model is performed as a bona fide prefunding or postfunding appraisal review or quality control process.

(j) Requiring that an appraiser indemnify or hold harmless the appraisal management company for liability for any damages, losses, or claims arising out of appraisal management services provided to a client by the appraisal management company.

(k) Any other act or practice that impairs, or attempts to impair, an appraiser's independence, objectivity, or impartiality.

(3) No licensed appraisal management company may do any of the following:

(a) Change an appraisal report or other results of an appraisal service submitted by an appraiser to the licensed appraisal management company.

(b) Require an appraiser to change an appraisal report or other results of an appraisal service.

(c) Require an appraiser to complete an appraisal service if the appraiser, in the appraiser's professional judgment, determines that he or she does not have necessary expertise concerning the geographic area of the subject property, if the appraiser notifies the licensed appraisal management company in writing of that determination.

(d) Require an appraiser to prepare an appraisal report or complete an appraisal service under a time frame that the appraiser, in the appraiser's professional judgment, determines will not allow the appraiser to satisfy the appraiser's relevant legal and professional obligations, if the appraiser notifies the licensed appraisal management company in writing of that determination.

(e) Interfere in any way with an appraiser's ability to obtain information that is relevant to an appraisal service.

(f) Require an appraiser to engage in any conduct that does not comply with the Uniform Standards of Profes-

sional Appraisal Practice described under s. 458.24 or with lawful conditions required by the client.

(4) This section does not prohibit a licensed appraisal management company from asking an appraiser to consider additional appropriate property information, including additional comparable sales, to make or support an appraisal; provide further detail, substantiation, or explanation for the independent appraiser's value conclusion; or correct errors in the appraisal report.

(5) This section does not prohibit the exchange of information or other communication between an appraiser and any person if the exchange of information or other communication does not inappropriately influence or coerce, or attempt to inappropriately influence or coerce, the appraiser contrary to this section or to 15 USC 1639e or rules promulgated under 15 USC 1639e.

458.42 License number. (1) The department shall assign a unique license number to each licensed appraisal management company. The license number shall appear on each certificate of licensure the department issues under s. 458.33 (2).

(2) The department shall publish a list of all current licensed appraisal management companies and their license numbers.

(3) A licensed appraisal management company shall display its license number on all print or electronic advertising, on each solicitation for engagement on the appraisal management company's appraiser panel, and on each engagement letter used in connection with an appraisal assignment in this state.

458.43 Department review of decisions concerning appraisers. (1) Except within the first 60 days after a licensed appraisal management company adds an independent appraiser to the licensed appraisal management company's appraiser panel, a licensed appraisal management company may not remove an independent appraiser from its appraiser panel unless the licensed appraisal management company does the following:

(a) If the independent appraiser is not being removed under par. (b), notifies the independent appraiser in writing of the reasons the independent appraiser is being removed from the appraiser panel.

(b) If the independent appraiser is being removed from the appraiser panel for conduct alleged to be any of the following, notifies the independent appraiser of the alleged conduct and provides the independent appraiser with an opportunity to respond before removal:

1. A violation of this subchapter or rules promulgated under this subchapter, other state or federal law, or the Uniform Standards of Professional Appraisal Practice described under s. 458.24.

2. Other good cause.

(2) (a) An independent appraiser who is removed from an appraiser panel under sub. (1) (b) may petition the department for review of that removal decision. The

department's review of a removal decision under this paragraph is limited to determining whether the licensed appraisal management company has complied with sub. (1) and whether the independent appraiser engaged in conduct described in sub. (1) (b) 1. or 2.

(b) If an independent appraiser petitions the department for review under par. (a), the department shall complete its review within 180 days after the department receives the petition.

(c) If, after opportunity for hearing, the department determines that a licensed appraisal management company did not comply with sub. (1) or that an independent appraiser did not engage in the conduct described in the notice under sub. (1) (b) 1. or 2., the department shall order the licensed appraisal management company to reinstate the independent appraiser on the appraiser panel. The licensed appraisal management company may not refuse to assign appraisal services to the appraiser or otherwise penalize or retaliate against the appraiser.

458.44 Disciplinary proceedings and actions. (1) The department shall, upon motion of the board or upon its own motion, or upon a complaint filed with the department or the board, conduct investigations concerning the conduct of a licensed appraisal management company or an applicant for a license under s. 458.33.

(2) The department shall present the findings of any investigation under sub. (1) to the board. The department shall, upon motion of the board or upon its own motion, commence disciplinary proceedings on any matter under investigation concerning a licensed appraisal management company or applicant for a license under s. 458.33.

(3) Disciplinary proceedings shall be conducted by the board according to the rules promulgated under s. 440.03 (1). The department may deny a license, and the board may conditionally or unconditionally limit, suspend, or revoke a license issued under s. 458.33 (2) or reprimand a licensed appraisal management company if the department or board determines that the applicant or licensed appraisal management company, or a controlling individual of the applicant or licensed appraisal management company, has done any of the following:

(a) Made a material misstatement in an application for a license or renewal of a license under s. 458.33 or in any other information provided to the board or department.

(b) Engaged in unprofessional or unethical conduct, as determined by the department by rule.

(c) Engaged in conduct in the course of conducting business as an appraisal management company that evidences a lack of knowledge or ability to apply professional principles or skills.

(d) Had a license or other credential to act as an appraiser in any state denied, refused, canceled, revoked, or surrendered in lieu of a revocation, unless that license or other credential was later granted or reinstated.

(e) Advertised in a manner that is false, deceptive, or misleading.

(f) Advertised, practiced, or attempted to practice as an appraisal management company under another person's name.

(g) Subject to ss. 111.321, 111.322, and 111.34, provided appraisal management services while the individual's ability to practice was impaired by alcohol or other drugs.

(h) Provided appraisal services or appraisal management services where the value of real estate provided in the appraisal report was based on the racial composition of the area in which the real estate is located.

(i) Violated this subchapter or any rule promulgated under this subchapter.

(4) In addition to or in lieu of a reprimand or denial, limitation, suspension, or revocation of a license under s. 458.33, the board may assess against a licensed appraisal management company or an applicant for a license under s. 458.33 a forfeiture of not less than \$100 nor more than \$10,000 for each violation enumerated under sub. (3).

(5) The department may seek judicial review under ch. 227 of any final decision of the board. The department shall be represented in any review proceedings by an attorney within the department. Upon request of the board, the attorney general may represent the board.

(6) The department shall report any violations of applicable appraisal-related laws, regulations, or orders by an appraisal management company and disciplinary and enforcement actions against an appraisal management company to the appraisal subcommittee.

458.45 Penalties. Any person who violates this subchapter or any rule promulgated under this subchapter may be fined not more than \$10,000.

458.46 Rules. The department shall promulgate rules to implement this subchapter, including, to the extent the department, in consultation with the board, deems necessary, rules establishing standards of professional conduct for licensed appraisal management companies exempt from licensure under s. 458.34 (2).

458.48 Nonapplicability. Notwithstanding ss. 458.32 to 458.46, ss. 458.32 to 458.46 do not apply if federal law is amended or repealed so as to allow appraisal management companies that are not federally regulated appraisal management companies to perform services related to a federally related transaction without being required to register with and be subject to supervision by a state appraiser certifying and licensing agency as required under [12 USC 3353](#).

SECTION 31. Nonstatutory provisions.

(1) Using the procedure under section 227.24 of the statutes, the department of safety and professional services may promulgate rules required under section 458.46 of the statutes for the period before the effective date of the permanent rule promulgated under section 458.46 of the statutes, but not to exceed the period autho-

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rized under section 227.24 (1) (c) of the statutes, subject to extension under section 227.24 (2) of the statutes. Notwithstanding section 227.24 (1) (a), (2) (b), and (3) of the statutes, the department is not required to provide evidence that promulgating a rule under this subsection as an emergency rule is necessary for the preservation of the public peace, health, safety, or welfare and is not required

to provide a finding of emergency for a rule promulgated under this subsection.

SECTION 32. Effective dates. This act takes effect on July 1, 2018, except as follows:

(1) SECTION 31 (1) takes effect on the day after publication.

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

AGENDA REQUEST FORM

1) Name and Title of Person Submitting the Request: Kate Stolarzyk on behalf of Tom Ryan, Executive Director		2) Date When Request Submitted: 8/1/18 Items will be considered late if submitted after 12:00 p.m. on the deadline date which is 8 business days before the meeting	
3) Name of Board, Committee, Council, Sections: Real Estate Appraisers Board			
4) Meeting Date: 8/7/18	5) Attachments: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6) How should the item be titled on the agenda page? APPRAISAL QUALIFICATIONS BOARD'S REAL PROPERTY APPRAISER QUALIFICATION CRITERIA – SURVEY REQUEST FROM NORTH CAROLINA ATTORNEY GENERALS OFFICE	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session	8) Is an appearance before the Board being scheduled? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required: N/A	
10) Describe the issue and action that should be addressed: North Carolina is considering whether to adopt some or all of the May 2018 AQB criteria. We are interested in finding out what your state has done or is planning to do. Would you please take a few minutes to respond to the following questions? 1. Do you plan to adopt all of the new AQB criteria? 2. If not, do you plan to adopt some of the changes? 3. Which ones will you adopt? 4. If you plan to make changes, when will they take effect? 5. If your criteria is greater than the AQB minimums, how will you handle reciprocity? Will you grant reciprocity to an applicant who is from a state that is AQB compliant, or will you require the applicant to meet your individual state's criteria?			
11) Authorization			
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

1) Name and Title of Person Submitting the Request: Kimberly Wood, Program Assistant Supervisor Adv.		2) Date When Request Submitted: 5/29/18 Items will be considered late if submitted after 12:00 p.m. on the deadline date which is 8 business days before the meeting	
3) Name of Board, Committee, Council, Sections: Real Estate Appraisers Board			
4) Meeting Date: 8/7/18	5) Attachments: <input type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Consider Attendance at the 2018 Association of Appraiser Regulatory Officials (AARO) Fall Conference on October 19-22, 2018	
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session	8) Is an appearance before the Board being scheduled? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	9) Name of Case Advisor(s), if required: N/A	
10) Describe the issue and action that should be addressed: Consider whether the Board will designate someone to attend the conference. Location and conference agenda are not yet available. MOTION LANGUAGE: To designate TRAVELER NAME (as the Board's delegate) to attend the AARO 2018 Fall Conference on October 19-22, 2018 in Washington D.C. and to authorize travel.			
11) Authorization			
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.			