



**VIRTUAL/TELECONFERENCE
REAL ESTATE APPRAISERS BOARD
Virtual, 4822 Madison Yards Way, Madison
Contact: Tom Ryan (608) 266-2112
September 2, 2025**

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 description of the actions of the Board.

AGENDA

10:00 A.M.

OPEN SESSION – CALL TO ORDER – ROLL CALL

- A. Adoption of Agenda (1-3)**
- B. Approval of Minutes of June 3, 2025 (4-5)**
- C. Reminders: Conflicts of Interest, Scheduling Concerns
- D. Introductions, Announcements, and Recognition
- E. Administrative Matters – Discussion and Consideration**
 - 1) Department, Staff, and Board Updates
 - 2) Board Members – Term Expiration Dates
 - a. Coates, Jennifer M. – 5/1/2019
 - b. Figurski, Daniel J. – 5/1/2026
 - c. Klanderman, Ryan R. – 5/1/2026
 - d. Krueger, Christopher D. – 5/1/2028
 - e. Myers, Dennis – 5/1/2021
 - f. Rubow, Richard L. – 5/1/2023
 - g. Wagner, David J. – 5/1/2026
- F. Administrative Rule Matters – Discussion and Consideration (6-20)**
 - 1) Final Rule Draft for SPS 85, Relating to Appraiser Experience Requirements (PAREA) **(7-13)**
 - 2) Final Rule Draft for SPS 85 to 87, Relating to USPAP **(14-19)**
 - 3) Pending or possible Rulemaking projects **(20)**
- G. Discussion and Consideration of Items Added After Preparation of Agenda**
 - 1) Introductions, Announcements and Recognition
 - 2) Administrative Matters
 - 3) Election of Officers
 - 4) Appointment of Liaisons and Alternates

- 5) Delegation of Authorities
- 6) Education and Examination Matters
- 7) Credentialing Matters
- 8) Practice Matters
- 9) Legislative and Policy Matters
- 10) Administrative Rule Matters
- 11) Public Health Emergencies
- 12) Liaison Reports
- 13) Board Liaison Training and Appointment of Mentors
- 14) Informational Items
- 15) Division of Legal Services and Compliance (DLSC) Matters
- 16) Presentations of Petitions for Summary Suspension
- 17) Petitions for Designation of Hearing Examiner
- 18) Presentation of Stipulations, Final Decisions and Orders
- 19) Presentation of Proposed Final Decisions and Orders
- 20) Presentation of Interim Orders
- 21) Petitions for Re-Hearing
- 22) Petitions for Assessments
- 23) Petitions to Vacate Orders
- 24) Requests for Disciplinary Proceeding Presentations
- 25) Motions
- 26) Petitions
- 27) Appearances from Requests Received or Renewed
- 28) Speaking Engagements, Travel, or Public Relation Requests, and Reports

H. Public Comments

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

I. Deliberation on Division of Legal Services and Compliance (DLSC) Matters

- 1) **Proposed Stipulations, Final Decision and Orders**
 - a. 22 APP 029, 23 APP 014, and 23 APP 067 – Paul M. De Angelis Jr. **(21-28)**
 - b. 22 APP 053 – Jeffrey M. Winter **(29-35)**
 - c. 22 APP 056, 23 APP 046, and 24 APP 045 – Kyle J. Broom **(36-48)**
 - d. 22 APP 057 – Patrick J. Perro **(49-55)**
 - e. 22 APP 063 – James H. Tiffany **(56-63)**
 - f. 22 APP 066 and 23 APP 051 – Paul A. Kuckuk **(64-71)**
 - g. 23 APP 009 – Andrew S. Gumina **(72-78)**
 - h. 23 APP 015 – Matthew P. Denoyer **(79-90)**
- 2) **Case Closings**
 - a. 23 APP 032 – T.P.B. **(91-97)**
 - b. 23 APP 052 – D.A.Q. **(98-102)**

J. Deliberation of Items Added After Preparation of the Agenda

- 1) Education and Examination Matters
- 2) Credentialing Matters

- 3) DLSC Matters
- 4) Monitoring Matters
- 5) Professional Assistance Procedure (PAP) Matters
- 6) Petitions for Summary Suspensions
- 7) Petitions for Designation of Hearing Examiner
- 8) Proposed Stipulations, Final Decisions and Orders
- 9) Proposed Interim Orders
- 10) Administrative Warnings
- 11) Review of Administrative Warnings
- 12) Proposed Final Decisions and Orders
- 13) Matters Relating to Costs/Orders Fixing Costs
- 14) Case Closings
- 15) Board Liaison Training
- 16) Petitions for Assessments and Evaluations
- 17) Petitions to Vacate Orders
- 18) Remedial Education Cases
- 19) Motions
- 20) Petitions for Re-Hearing
- 21) Appearances from Requests Received or Renewed

K. Consulting with Legal Counsel

RECONVENE TO OPEN SESSION IMMEDIATELY FOLLOWING CLOSED SESSION

L. Vote on Items Considered or Deliberated Upon in Closed Session if Voting is Appropriate

M. Open Session Items Noticed Above Not Completed in the Initial Open Session

ADJOURNMENT

NEXT MEETING: DECEMBER 2, 2025

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 virtually unless otherwise indicated. In-person meetings are typically conducted at 4822 Madison Yards Way, Madison, Wisconsin, unless an alternative location is listed on the meeting notice. In order to confirm a meeting or to request a complete copy of the board's agenda, please visit the Department website at <https://dsps.wi.gov>. The board may also consider materials or items filed after the transmission of this notice. Times listed for the commencement of any agenda item may be changed by the board for the convenience of the parties. The person credentialed by the board has the right to demand that the meeting at which final action may be taken against the credential be held in open session. Requests for interpreters for the hard of hearing, or other accommodations, are considered upon request by contacting the Affirmative Action Officer or reach the Meeting Staff by calling 608-267-7213.

**VIRTUAL/TELECONFERENCE
REAL ESTATE APPRAISERS BOARD
MEETING MINUTES
JUNE 3, 2025**

PRESENT: Daniel Figurski, Ryan Klanderman, Christopher Krueger, Dennis Myers

ABSENT: Jennifer Coates Richard Rubow, David Wagner

STAFF: Tom Ryan, Executive Director; Joseph Ricker, Legal Counsel; Jacob Pelegrin, Administrative Rule Coordinator; Tracy Drinkwater, Board Administrative Specialist; and other DSPS Staff

CALL TO ORDER

Daniel Figurski, Chairperson, called the meeting to order at 10:03 a.m. A quorum was confirmed with four (4) members present.

ADOPTION OF AGENDA

MOTION: Dennis Myers moved, seconded by Ryan Klanderman, to adopt the agenda as published. Motion carried unanimously.

APPROVAL OF MINUTES OF MARCH 4, 2025

MOTION: Dennis Myers moved, seconded by Christopher Krueger, to approve the minutes of March 4, 2025, as published. Motion carried unanimously.

APPRAISAL FOUNDATION UPDATES TO APPRAISAL QUALIFICATIONS AND STANDARDS – APPEARANCE – PETER FONTANA, TRUSTEE, THE APPRAISAL FOUNDATION

MOTION: Dennis Myers moved, seconded by Ryan Klanderman, to acknowledge and thank Peter Fontana, The Appraisal Foundation, for their appearance and presentation to the board. Motion carried unanimously.

CLOSED SESSION

MOTION: Dennis Myers moved, seconded by Christopher Krueger, to convene to Closed Session to deliberate on cases following hearing (s. 19.85(1)(a), Stats.); to consider licensure or certification of individuals (s. 19.85(1)(b), Stats.); to consider closing disciplinary investigations with administrative warnings (ss. 19.85(1)(b), and 440.205, Stats.); to consider individual histories or disciplinary data (s. 19.85(1)(f), Stats.); and to confer with legal counsel (s. 19.85(1)(g), Stats.). Daniel Figurski, Chairperson, read the language of the motion aloud for the record. The vote of each member was ascertained by voice vote. Roll Call Vote: Daniel Figurski-yes; Ryan Klanderman-yes; Christopher Krueger-yes; and Dennis Myers-yes. Motion carried unanimously.

The Board convened into Closed Session at 11:01 a.m.

DIVISION OF LEGAL SERVICES AND COMPLIANCE (DLSC) MATTERS

Proposed Stipulations and Final Decision and Orders

MOTION: Dennis Myers moved, seconded by Ryan Klanderman, to adopt the Findings of Fact, Conclusions of Law and Order in the matter of the following cases:

1. 22 APP 048 and 23 APP 033 – Kyle M. Hoffmann
2. 22 APP 049 and 22 APP 051 – Traci J. Fischer
3. 22 APP 052 – Rachel L. Pader

Motion carried unanimously.

22 APP 060 – Tami L. Hutto-Rollmann

MOTION: Daniel Figurski moved, seconded by Dennis Myers, to adopt the Findings of Fact, Conclusions of Law and Order in the matter of disciplinary proceedings against Tami L. Hutto-Rollmann, DLSC Case Number 22 APP 060. Motion carried unanimously.

RECONVENE TO OPEN SESSION

MOTION: Dennis Myers moved, seconded by Ryan Klanderman, to reconvene into Open Session. Motion carried unanimously.

The Board reconvened into Open Session at 11:07 a.m.

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

MOTION: Dennis Myers moved, seconded by Ryan Klanderman, 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.)

ADJOURNMENT

MOTION: Ryan Klanderman moved, seconded by Christopher Krueger, to adjourn the meeting. Motion carried unanimously.

The meeting adjourned at 11:09 a.m.

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

AGENDA REQUEST FORM

1) Name and title of person submitting the request: Jake Pelegrin Administrative Rules Coordinator		2) Date when request submitted: 8/20/25 <small>Items will be considered late if submitted after 12:00 p.m. on the deadline date which is 8 business days before the meeting</small>									
3) Name of Board, Committee, Council, Sections: Real Estate Appraisers Board											
4) Meeting Date: 9/2/25	5) Attachments: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6) How should the item be titled on the agenda page? Administrative Rule Matters – Discussion and Consideration 1. Final Rule Draft for SPS 85, Relating to Appraiser Experience Requirements (PAREA) 2. Final Rule Draft for SPS 85 to 87, Relating to USPAP 3. Pending or possible rulemaking projects									
7) Place Item in: <input checked="" type="checkbox"/> Open Session <input type="checkbox"/> Closed Session	8) Is an appearance before the Board being scheduled? <i>(If yes, please complete Appearance Request for Non-DSPS Staff)</i> <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: Attachments: -Reports to the legislature and final rule drafts -Rules progress chart											
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; border-bottom: 1px solid black; vertical-align: bottom;"> 11) <i>Jake Pelegrin</i> </td> <td style="width: 40%; border-bottom: 1px solid black; vertical-align: bottom; text-align: right;"> Authorization 8/20/25 </td> </tr> <tr> <td style="border-bottom: 1px solid black; vertical-align: bottom;"> Signature of person making this request </td> <td style="border-bottom: 1px solid black; vertical-align: bottom; text-align: right;"> Date </td> </tr> <tr> <td style="border-bottom: 1px solid black; vertical-align: bottom;"> Supervisor (if required) </td> <td style="border-bottom: 1px solid black; vertical-align: bottom; text-align: right;"> Date </td> </tr> <tr> <td colspan="2" style="border-bottom: 1px solid black; vertical-align: bottom;"> Executive Director signature (indicates approval to add post agenda deadline item to agenda) </td> </tr> </table>				11) <i>Jake Pelegrin</i>	Authorization 8/20/25	Signature of person making this request	Date	Supervisor (if required)	Date	Executive Director signature (indicates approval to add post agenda deadline item to agenda)	
11) <i>Jake Pelegrin</i>	Authorization 8/20/25										
Signature of person making this request	Date										
Supervisor (if required)	Date										
Executive Director signature (indicates approval to add post agenda deadline item to agenda)											
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 AND PROFESSIONAL SERVICES**

IN THE MATTER OF RULEMAKING	:	REPORT TO THE LEGISLATURE
PROCEEDINGS BEFORE THE	:	CR 25-025
DEPARTMENT OF SAFETY AND	:	
PROFESSIONAL SERVICES	:	

I. THE PROPOSED RULE:

The proposed rule, including the analysis and text, is attached.

II. REFERENCE TO APPLICABLE FORMS:

N/A

III. FISCAL ESTIMATE AND EIA:

The Fiscal Estimate and EIA are attached.

IV. DETAILED STATEMENT EXPLAINING THE BASIS AND PURPOSE OF THE PROPOSED RULE, INCLUDING HOW THE PROPOSED RULE ADVANCES RELEVANT STATUTORY GOALS OR PURPOSES:

The proposed rule implements the Practical Applications of Real Estate Appraisal (PAREA) program for partial experience credit for applicants seeking a credential to perform appraisals in Wisconsin. PAREA is designed to offer practical experience in a virtual environment combining appraisal theory and methodology in real-world simulations. This experience can be provided through a wide range of online and virtual reality technologies. PAREA provides an alternative to the traditional supervisor and trainee model for experience for credentialed appraisers which has been a barrier to entering this field. The Wisconsin Real Estate Appraisers Board, the national Appraiser Qualifications Board, and the Appraisal Institute are in support of allowing PAREA to be used in Wisconsin. It has been shown to remove barriers for entry to the field and help the industry grow, while still being a robust training methodology.

V. SUMMARY OF PUBLIC COMMENTS AND THE BOARD'S RESPONSES, EXPLANATION OF MODIFICATIONS TO PROPOSED RULES PROMPTED BY PUBLIC COMMENTS:

The Department of Safety and Professional Services held a public hearing on June 3, 2025. The Department received the following written and verbal comment from Scott DiBiasio, Director of Government Affairs at the Appraisal Institute:

“On behalf of the 16,000 members of the Appraisal Institute, I am writing to express our strong support for Clearinghouse Rule 25-025. This rulemaking would formally recognize the Practical Applications of Real Estate Appraisal, or PAREA, as a qualifying pathway to licensure under Wisconsin’s administrative code.

This written testimony reflects and reiterates comments I submitted during the drafting of this rule, as well as testimony the Appraisal Institute provided at the preliminary hearing. We appreciate the Department's and Board's openness to stakeholder engagement throughout this process. Clearinghouse Rule 25-025 proposes essential updates to SPS Chapter 85, including:

- SPS 85.120 (20m): Defining “PAREA” in accordance with Appraiser Qualifications Board (AQB) standards.
- SPS 85.700 (1) (cm): Allowing 33% of the required experience for the Certified General credential to be earned via a Licensed Residential PAREA program, and 50% via completion of a Certified Residential PAREA program.
- SPS 85.700 (1) (dg) and (dr): Allowing 100% of the required experience for the Licensed Residential credential to be completed through an AQB-approved Licensed Residential PAREA program; 67% of the experience for the Certified Residential credential—equivalent to 1,000 of the 1,500 required hours—to be earned through that same Licensed Residential PAREA program; and 100% of the experience for the Certified Residential credential to be satisfied through an AQB-approved Certified Residential PAREA program.

PAREA: An Innovative Pathway for Aspiring Appraisers

Under current licensing models, aspiring appraisers must complete months or even years of supervised experience. Yet many face steep challenges securing a supervisory appraiser—a hurdle that has become one of the greatest barriers to entering the profession.

PAREA, approved by the AQB as a formal update to the Real Property Appraiser Qualification Criteria (RPAQC), effective January 1, 2022, provides a modern, technology-driven solution. The program delivers practical appraisal experience through virtual simulations, integrating appraisal theory with real-world assignments and replicating the types of scenarios appraisers face in practice. Because it is delivered through flexible online platforms, PAREA is accessible to candidates regardless of geography or personal circumstances.

The Appraisal Institute is proud to offer both the Licensed Residential and Certified Residential PAREA modules, approved by the AQB in May and October 2023, respectively. The Licensed Residential PAREA program has been available in the marketplace since late 2023, and I'm pleased to report that the Certified Residential PAREA program is now in its pilot phase, with six actively enrolled participants.

I would also like to share some encouraging national data on PAREA participation and progress. To date, 34 aspiring appraisers have successfully completed the Appraisal Institute's Licensed Residential PAREA program. Of those, 23 have taken the National Uniform Licensed Residential Exam, and all 23 passed on their first attempt. This 100% first-time pass rate significantly outperforms the national average for candidates following the traditional supervisor-trainee model. Notably, one graduate completed an additional 500 hours of supervised experience and has since earned the Certified

Residential credential, demonstrating the program’s capacity to support advancement beyond the entry-level license.

Currently, there are 178 active participants in the Appraisal Institute’s Licensed Residential PAREA program. An additional 98 individuals have passed the Readiness Exam and are eligible to register, and 182 more have completed their qualifying education and are preparing to take the Readiness Exam.

As the results demonstrate, the AI PAREA program produces exceptionally well-prepared appraisers who are entering the profession with a strong foundation in both theory and practice. The outcomes speak for themselves. We respectfully urge the Board to finalize Clearinghouse Rule 25-025 and position Wisconsin at the forefront of appraiser licensure modernization nationwide.

Scott DiBiasio
Director of Government Affairs
Appraisal Institute”

Response: The department appreciates the Appraisal Institute’s support for the rule and looks forward to working together in the future.

VI. RESPONSE TO LEGISLATIVE COUNCIL STAFF RECOMMENDATIONS:

All Legislative Council comments except a part of comment 5e. have been accepted and incorporated into the proposed rules.

Comment: 5e. In SECTION 5, consider amending the first sentence to make the exception to the roster of appraisal experience depend on the experience hours being summarized within the coursework of the program. For example, consider stating that “...submitted to the department when the experience hours are summarized with the coursework of the program...”, rather than “...since these will be summarized...”. Also, consider inserting “who is” after “85.510” and replace “s.” with “ss.”.

Response: The department accepts all parts of the comment except the final part: “and replace “s.” with “ss.”” The department rejects this part of the comment because it goes contrary to the Administrative Rules Procedures Manual. [s. 1.15 (2) (d), Manual.] (Under the new numbering of the rule, SECTION 5 cited by the Clearinghouse Report in this comment is now SECTION 3.) In SECTION 3 of the rule, the three code sections cited are joined by an “or” statement, for which the Manual indicates the singular “s.” should be used. An applicant will most likely only be applying for one credential at a time. See also the current s. SPS 85.700 (3) as an example. All other parts of the comment have been accepted and incorporated into the proposed rules.

VII. REPORT FROM THE SBRRB AND FINAL REGULATORY FLEXIBILITY ANALYSIS:

N/A

STATE OF WISCONSIN
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : DEPARTMENT OF SAFETY
DEPARTMENT OF SAFETY AND : AND PROFESSIONAL SERVICES
PROFESSIONAL SERVICES : ADOPTING RULES
: (CLEARINGHOUSE RULE 25-025)

PROPOSED ORDER

A proposed order of the Department of Safety and Professional Services to **create** SPS 85.120 (20m), 85.700 (1) (cm), (dg), (dr), (em), and (4) relating to Appraiser Experience Requirements.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

Statutes interpreted: Sections 458.06 (3) (e) and (4) (e), and 458.08 (3) (e), Stats.

Statutory authority: Sections 458.03 (1) (b) and 458.085, Stats.

Explanation of agency authority:

Section 458.03 (1) (b), Stats., provides that the department shall "...promulgate rules establishing criteria for the approval of educational and continuing educational programs and courses of study for appraisers and establishing criteria for the approval of the courses required under ss. 458.06 (2) (d) and 458.08 (2) (d)."

Section 458.085 Stats., provides that "The department shall promulgate rules establishing all of the following: (1) Educational requirements for general and residential appraiser certification and for appraiser licensure under this subchapter. (2) Experience requirements for general and residential appraiser certification and for appraiser licensure under this subchapter. (3) Continuing education requirements for renewal of certificates issued under this subchapter."

Related statute or rule: N/A

Plain language analysis:

The proposed rule implements the Practical Applications of Real Estate Appraisal (PAREA) program for partial experience credit for applicants seeking a credential to perform appraisals in Wisconsin. PAREA is designed to offer practical experience in a virtual environment combining appraisal theory and methodology in real-world simulations. This experience can be provided through a wide range of online and virtual reality technologies. PAREA provides an alternative to the traditional supervisor and trainee model for experience for credentialed appraisers which has been a barrier to entering this field.

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

The Financial Institutions Reform, Recovery, and Enforcement Act, 12 U.S.C. 3331 et seq., (Title XI) was enacted in 1989. As outlined in Section 1116 or 12 U.S.C. 3345, every state certified appraiser must meet the minimum criteria for certification issued by the Appraisal Qualifications Board which is empowered by the Appraisal Subcommittee. The criteria and guide for PAREA were adopted by the Appraisal Qualification Board in October 2020. All PAREA programs must follow the PAREA Implementation Policies which were adopted by the Appraisal Qualification Board in December 2020.

Summary of public comments received on statement of scope and a description of how and to what extent those comments and feedback were taken into account in drafting the proposed rule: N/A**Comparison with rules in adjacent states:**

Illinois: Rules of the Illinois Department of Financial and Professional Regulation address the practice of real estate appraisal in Illinois (68 Ill. Adm. Code 1455). The rules do not currently include PAREA to count as experience for certification.

Iowa: Rules of the Iowa Real Estate Appraiser Examining Board address the practice of real estate appraisal in Iowa [193F IAC 1 to 17]. The rules include PAREA to be used as experience for certification as residential and general appraisers, under the criteria of the Appraisal Qualifications Board [193F IAC 5.8(543D) and 6.8(543D)].

Michigan: Rules of the Michigan Department of Licensing and Regulatory Affairs address the practice of real estate appraisal in Michigan [Mich. Admin. Code, R 339.23101 to R 339.23405]. The rules include PAREA to be used as experience for certification as appraisers [Mich. Admin. Code, R 339.23203 (b)].

Minnesota: The Minnesota Statutes, Sections 82B.021 to 82B.24, address the practice of real estate appraisal in Minnesota. The statutes adopt all education, examination, and experience requirements established by the Appraiser Qualifications Board to apply to certified appraisers in Minnesota (Minnesota Statutes, Section 82B.095, Subd. 3). PAREA is an option to be fully certified within those requirements. The applicant must complete the required qualifying education prior to starting the PAREA program and must also pass the national licensing and certification exam for the appropriate credential level.

Summary of factual data and analytical methodologies:

The proposed rules were developed, in consultation with the Real Estate Appraisers Board, by reviewing the education, examination, and experience requirements established by the Appraiser Qualifications Board as they relate to PAREA. SPS 85 to 87 were reviewed to determine the appropriate method to incorporate PAREA.

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

The proposed rules were posted for a period of 14 days to solicit public comment on economic impact, including how the proposed rules may affect businesses, local government units, and individuals. No comments were received.

Fiscal Estimate and Economic Impact Analysis:

The Fiscal Estimate and Economic Impact Analysis are attached.

Effect on small business:

These rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted at Jennifer.garrett@wisconsin.gov or (608) 266-2112.

Agency contact person:

Jake Pelegrin, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 4822 Madison Yards Way, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-267-0989; email at DSPSAdminRules@wisconsin.gov.

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

Comments may be submitted to Jake Pelegrin, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, 4822 Madison Yards Way, P.O. Box 8366, Madison, Wisconsin 53708-8366, or by email to DSPSAdminRules@wisconsin.gov. Comments must be received on or before the public hearing, scheduled for June 3, 2025, to be included in the record of rule-making proceedings.

TEXT OF RULE

SECTION 1. SPS 85.120 (20m) is created to read:

SPS 85.120 (20m) "PAREA" means Practical Applications of Real Estate Appraisal, a virtual educational training program approved by the AQB designed to offer practical experience in a simulated and controlled environment.

SECTION 2. SPS 85.700 (1) (cm), (dg), (dr), and (em) are created to read:

SPS 85.700 (1) (cm) For experience claimed under s. SPS 85.310, an applicant who has completed a Licensed Residential PAREA program may receive 33 percent of the required experience hours toward the certified general credential. For experience claimed under s. SPS 85.310, an applicant who has completed a Certified Residential PAREA program may receive 50 percent of the required experience hours toward the certified general credential. In both of these cases, these hours are not eligible toward the non-residential property experience hours required under s. [SPS 85.330 \(3\)](#).

SPS 85.700 (1) (dg) For experience claimed under s. SPS 85.410, an applicant who has completed a Licensed Residential PAREA program may receive 67 percent of the required experience hours toward the certified residential credential. For experience claimed under s. SPS 85.410, an applicant who has completed a Certified Residential PAREA program may receive 100 percent of the required experience hours toward the certified residential credential.

SPS 85.700 (1) (dr) For experience claimed under s. SPS 85.510, an applicant who has completed a Licensed Residential or Certified Residential PAREA program may receive 100 percent of the required experience hours toward the licensed appraiser credential.

SPS 85.700 (1) (em) Notwithstanding par. (e), a PAREA program may be claimed as experience hours that are either non-client or with a client.

SECTION 3. SPS 85.700 (4) is created to read:

SPS 85.700 (4) Notwithstanding sub. (3), experience hours claimed from a PAREA program do not need to be included in a roster of appraisal experience submitted to the department when the experience hours are summarized within the coursework of the program. An applicant applying for certification or licensure under s. SPS 85.310, 85.410, or 85.510 who is using experience hours from a PAREA program shall submit to the department the certificate of completion from each PAREA program.

SECTION 4. EFFECTIVE DATE. The rules adopted in this order shall take effect on the first day of the month following publication in the Wisconsin Administrative Register, pursuant to s. 227.22 (2) (intro.), Stats.

(END OF TEXT OF RULE)

This Proposed Order of the Department of Safety and Professional Services is approved for submission to the Governor and Legislature.

Dated _____

Agency _____

Secretary

Department of Safety and Professional Services

**STATE OF WISCONSIN
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES**

IN THE MATTER OF RULEMAKING	:	REPORT TO THE LEGISLATURE
PROCEEDINGS BEFORE THE	:	CR 25-026
DEPARTMENT OF SAFETY AND	:	
PROFESSIONAL SERVICES	:	

I. THE PROPOSED RULE:

The proposed rule, including the analysis and text, is attached.

II. REFERENCE TO APPLICABLE FORMS:

N/A

III. FISCAL ESTIMATE AND EIA:

The Fiscal Estimate and EIA are attached.

IV. DETAILED STATEMENT EXPLAINING THE BASIS AND PURPOSE OF THE PROPOSED RULE, INCLUDING HOW THE PROPOSED RULE ADVANCES RELEVANT STATUTORY GOALS OR PURPOSES:

Section SPS 85.115 is updated to incorporate by reference into chapters SPS 85 to 87 the Uniform Standards of Professional Appraisal Practice (USPAP), 2024, issued by the Appraisal Standards Board of The Appraisal Foundation. The 2024 edition of USPAP contains updates that do not significantly affect or change professional appraisal practice in Wisconsin. It contains updates that require that appraisers be knowledgeable about and follow federal laws that apply to the appraiser or the assignment. Language relating to supported and unsupported conclusions in the Conduct section was deleted. The words “and other transfers” were added in numerous places after the word “sales” to make clear that appraisers should analyze prior sales and transfers, even if the transfer is not considered a true sale. The 2024 edition of USPAP retires the definition of Assignment Elements, Misleading, and Relevant Characteristics. It modified the definition of Appraiser, Personal Inspection, and Workfile.

Adoption of the 2024 edition of USPAP is required to maintain compliance with the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), 12 U.S.C. 3331 et seq., (Title XI), described in the rule’s analysis section. Adoption of the 2024 edition is also important for the state’s appraisal industry to function in line with current standards and practices and without unnecessary confusion.

V. SUMMARY OF PUBLIC COMMENTS AND THE BOARD’S RESPONSES, EXPLANATION OF MODIFICATIONS TO PROPOSED RULES PROMPTED BY PUBLIC COMMENTS:

The Department of Safety and Professional Services held a public hearing on June 3, 2025. No written or verbal comments were received.

VI. RESPONSE TO LEGISLATIVE COUNCIL STAFF RECOMMENDATIONS:

All Legislative Council comments have been accepted and incorporated into the proposed rules.

VII. REPORT FROM THE SBRRB AND FINAL REGULATORY FLEXIBILITY ANALYSIS:

N/A

STATE OF WISCONSIN
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

IN THE MATTER OF RULEMAKING : PROPOSED ORDER OF THE
PROCEEDINGS BEFORE THE : DEPARTMENT
DEPARTMENT OF SAFETY AND : ADOPTING RULES
PROFESSIONAL SERVICES : (CLEARINGHOUSE RULE 25-026)

PROPOSED ORDER

A proposed order of the Department of Safety and Professional Services to **amend** SPS 85.115 and (Note), relating to the Uniform Standards of Professional Appraisal Practice.

Analysis prepared by the Department of Safety and Professional Services.

ANALYSIS

Statutes interpreted: Section 458.24, Stats.

Statutory authority: Section 458.24, Stats.

Explanation of agency authority:

Section 458.24, Stats.: “The department may promulgate rules establishing standards for appraisal practice. In promulgating rules under this section, the department shall consider including as part or all of the standards part or all of the “Uniform Standards of Professional Appraisal Practice” established by the appraisal standards board of the appraisal foundation. The department shall periodically review the “Uniform Standards of Professional Appraisal Practice” and, if appropriate, revise the rules promulgated under this section to reflect revisions to the “Uniform Standards of Professional Appraisal Practice.””

Related statutes or rules:

Section 458.19, Stats., provides requirements for appraisal practice. Specifically, an appraiser is required to include all of the following in each appraisal report prepared by the appraiser:

- If the appraiser has not conducted an on–site inspection of the real estate for which the appraisal report is prepared, a statement must be included that the appraiser has not done so.
- If any buildings or dwelling units are located on the real estate for which the appraisal report is prepared and the appraiser has not conducted an on–site inspection of both the exterior and the interior of each building or dwelling unit, a statement must be included that the appraiser has not done so.
- If the appraisal report pertains to residential real estate, the appraiser’s opinion of the highest and best use of the real estate must be included.

Plain language analysis:

Section SPS 85.115 is updated to incorporate by reference into chapters SPS 85 to 87 the Uniform Standards of Professional Appraisal Practice (USPAP), 2024, issued by the Appraisal Standards Board of The Appraisal Foundation. The 2024 edition of USPAP contains updates that do not significantly affect or change professional appraisal practice in Wisconsin. It contains updates that require that appraisers be knowledgeable about and follow federal laws that apply to the appraiser or the assignment. Language relating to supported and unsupported conclusions in the Conduct section was deleted. The words “and other transfers” were added in numerous places after the word “sales” to make clear that appraisers should analyze prior sales and transfers, even if the transfer is not considered a true sale. The 2024 edition of USPAP retires the definition of Assignment Elements, Misleading, and Relevant Characteristics. It modified the definition of Appraiser, Personal Inspection, and Workfile.

Adoption of the 2024 edition of USPAP is required to maintain compliance with the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), 12 U.S.C. 3331 et seq., (Title XI), described below. Adoption of the 2024 edition is also important for the state’s appraisal industry to function in line with current standards and practices and without unnecessary confusion.

Summary of, and comparison with, existing or proposed federal statutes and regulations:

The Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA), 12 U.S.C. 3331 et seq., (Title XI) was enacted in 1989. Under FIRREA, insured financial institutions and insured credit unions are required to obtain the services of a state certified or licensed appraiser for appraisals conducted in connection with “federally related transactions.”

Under FIRREA, all appraisals conducted in connection with federally related transactions must be written appraisals performed in accordance with generally accepted appraisal standards as evidenced by the appraisal standards promulgated by the Appraisal Standards Board of the Appraisal Foundation and subject to appropriate review for compliance with the Uniform Standards of Professional Appraisal Practice. The regulations in the proposed rule will comply with the provisions of FIRREA.

Comparison with rules in adjacent states:

Illinois:

Rules of the Illinois Department of Financial and Professional Regulation address the practice of real estate appraisal in Illinois [68 Ill. Adm. Code 1455]. The rules incorporate by reference with no later amendments or editions the 2020-2021 Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of The Appraisal Foundation [68 Ill. Adm. Code 1455.240].

Iowa:

Rules of the Iowa Real Estate Appraiser Examining Board address the practice of real estate appraisal in Iowa [193F IAC 1 to 17]. The rules adopt the Uniform Standards of Professional Appraisal Practice issued by The Appraisal Foundation [193F IAC 1.1(1)].

Michigan:

Rules of the Michigan Department of Licensing and Regulatory Affairs address the practice of real estate appraisal in Michigan [Mich Admin Code, R 339.23101 to R 339.23405]. The rules reference the Uniform Standards of Professional Appraisal Practice, and specifically provide [Mich Admin Code, R 339.23104] the following individuals are exempt from the appraisal review and development requirements of Standard 3:

- A member of the Board of Real Estate Appraisers who is performing an investigation or testifying at an adjudicatory hearing on behalf of the Department.
- A member of the Board of Real Estate Appraisers who is serving in the capacity of a reviewer while reviewing the work experience of an applicant for licensure.
- An investigator employed by or retained by the Department who is performing an investigation or testifying at an adjudicatory hearing.

Minnesota:

The Minnesota Statutes, Sections 82B.021 to 82B.24, address the practice of real estate appraisal in Minnesota. The statutes define “standards of professional practice” to mean the Uniform Standards of Professional Appraisal Practice of the Appraisers Standards Board of The Appraisal Foundation in effect as of January 1, 1991, or other versions of the standards designated by the Commissioner of the Department of Commerce [Minnesota Statutes, Section 82B.021, Subdivision 26].

Summary of factual data and analytical methodologies:

The proposed rules were developed, in consultation with the Real Estate Appraisers Board, by reviewing the 2024 edition of USPAP. Standards incorporated by reference in the proposed rule have been submitted to the Attorney General and approved pursuant to s. 227.21 (2), Stats.

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

The proposed rules were posted for a period of 14 days to solicit public comment on economic impact, including how the proposed rules may affect businesses, local government units, and individuals. No comments were received.

Fiscal Estimate and Economic Impact Analysis:

The Fiscal Estimate and Economic Impact Analysis are attached.

Effect on small business:

These rules do not have an economic impact on small businesses, as defined in s. 227.114 (1), Stats. The Department's Regulatory Review Coordinator may be contacted at Jennifer.Garrett@wisconsin.gov or (608) 266-2112.

Agency contact person:

Jake Pelegrin, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone 608-267-0989; email at DSPSAdminRules@wisconsin.gov.

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

Comments may be submitted to Jake Pelegrin, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, P.O. Box 8366, Madison, WI 53708-8366, or by email to DSPSAdminRules@wisconsin.gov. Comments must be received on or before the public hearing to be included in the record of rule-making proceedings.

TEXT OF RULE

SECTION 1. SPS 85.115 and (Note) are amended to read:

SPS 85.115 Adoption of standards. The Uniform Standards of Professional Appraisal Practice, ~~2020-2021~~2024, issued by the Appraisal Standards Board of The Appraisal Foundation, are incorporated by reference into chs. SPS 85 to 87.

Note: Copies of the standards are on file in the offices of the ~~department and the~~ legislative reference bureau. A copy of the standards may be purchased from the organization listed ~~or may be reviewed on the organization's website, at~~ www.appraisalfoundation.org, at no cost.

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

(END OF TEXT OF RULE)

This Proposed Order of the Department of Safety and Professional Services is approved for submission to the Governor and Legislature.

Dated _____

Agency _____

Secretary

Department of Safety and Professional Services

Real Estate Appraisers Board

Clearinghouse Rule Number	Scope #	Scope Expiration	Code Chapter Affected	Relating clause	Current Stage	Next Step
CR 25-025	072-23	4/2/2026	SPS 85	Appraiser Experience Requirements (PAREA)	Secretary's Office review and approval of final rule draft.	Submit final rule draft to Governor and then Legislature for their review.
CR 25-026	006-24	7/22/2026	SPS 85 to 87	Relating to the 2024 version of Uniform Standards of Professional Appraisal Practice (USPAP)	Secretary's Office review and approval of final rule draft.	Submit final rule draft to Governor and then Legislature for their review.