

STATEMENT OF SCOPE

Department of Safety and Professional Services

Rule No.: Chapters SPS 85, 86, and 87

Relating to: Real Estate Appraisers

Rule Type: Permanent

1. Finding/nature of emergency (Emergency Rule only):

N/A

2. Detailed description of the objective of the proposed rule:

In consultation with the Real Estate Appraisers Board, the Department of Safety and Professional Services will conduct a comprehensive review and update of chs. SPS 85 to 87 to ensure the rules are consistent with current professional and licensing practices and applicable Wisconsin statutes and federal regulations.

3. Description of the existing policies relevant to the rule, new policies proposed to be included in the rule, and an analysis of policy alternatives:

Chapters SPS 85 to 87 currently contain all of the rules of the Department of Safety and Professional Services relating to real estate appraisers. The Department has identified the need for a comprehensive review and update of these rules to ensure they are consistent with current professional and licensing practices and applicable Wisconsin statutes and federal regulations.

The alternatives of either partially updating or not updating these rules would be less beneficial to affected entities.

4. Detailed explanation of statutory authority for the rule (including the statutory citation and language):

Section 458.03 (1) (b), Stats., requires the department to "...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., requires the department to promulgate rules establishing all of the following:

- Educational requirements for general and residential appraiser certification and for appraiser licensure under ch. 458, Stats.
- Experience requirements for general and residential appraiser certification and for appraiser licensure under ch. 458, Stats.
- Continuing education requirements for renewal of certificates issued under ch. 458, Stats.

Section 458.24, Stats., provides "[t]he 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'."

5. Estimate of amount of time that state employees will spend developing the rule and of other resources necessary to develop the rule:

120 hours

6. List with description of all entities that may be affected by the proposed rule:

Wisconsin credentialed real estate appraisers and individuals applying for a Wisconsin credential as a real estate appraiser

7. Summary and preliminary comparison with any existing or proposed federal regulation that is intended to address the activities to be regulated by the proposed rule:

The Federal 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 states that certify real estate appraisers for purposes of conducting appraisals in federally related transactions must assure compliance with the criteria established by the Appraiser Qualifications Board (AQB). The criteria established by the AQB are set forth in the *Real Property Appraiser Qualification Criteria and Interpretations of the Criteria* (Criteria). The AQB Criteria includes the minimum experience, examination, qualifying education, and continuing education requirements that must be satisfied by an individual in order to obtain and maintain a certified appraiser credential.

The regulations in the proposed rule will comply with the AQB Criteria.

8. Anticipated economic impact of implementing the rule (note if the rule is likely to have a significant economic impact on small businesses):

The proposed rule will have minimal to no economic impact on small businesses and the state's economy as a whole.

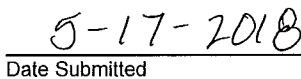
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Approved for publication:

Approved for implementation:


Authorized Signature

Authorized Signature


Date Submitted

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