

STATEMENT OF SCOPE

Department of Safety and Professional Services

Rule No.: SPS 85 to 87

Relating to: Uniform Standards of Professional Appraisal Practice (USPAP)

Rule Type: Permanent

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

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

The objective of the proposed rule is to incorporate by reference into chs. SPS 85 to 87 the *Uniform Standards of Professional Appraisal Practice, 2024*, issued by the Appraisal Standards Board of The Appraisal Foundation.

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:

The *Uniform Standards of Professional Appraisal Practice (USPAP), 2020–2021*, issued by the Appraisal Standards Board of The Appraisal Foundation, are incorporated by reference into chs. SPS 85 to 87. Due to the COVID-19 pandemic, the 2020-2021 edition of USPAP is effective January 1, 2020 through December 31, 2023, at which time it will be superseded by the 2024 edition. The proposed rule will update chs. SPS 85 to 87 to incorporate by reference the 2024 edition of USPAP.

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

Section 458.24, Stats., provides that “[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:

80 hours

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

Wisconsin credentialed real estate appraisers.

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 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 that are 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 that are subject to appropriate review for compliance with the Uniform Standards of Professional Appraisal Practice.

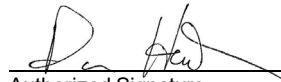
The regulations in the proposed rule will comply with the provisions of FIRREA.

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 is anticipated to have minimal to no economic impact on small businesses and the state's economy as a whole.

Contact Person: Jake Pelegrin, (608) 267-0989, DSPSAdminRules@wisconsin.gov

Approved for publication:

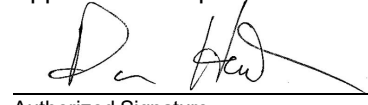


Authorized Signature

11/27/2023

Date Submitted

Approved for implementation:



Authorized Signature

03/15/2024

Date Submitted