

STATE OF WISCONSIN
DEPARTMENT OF REGULATION AND LICENSING

IN THE MATTER OF RULE-MAKING : ORDER OF THE
PROCEEDINGS BEFORE THE : DEPARTMENT OF REGULATION AND
DEPARTMENT OF REGULATION : LICENSING ADOPTING RULES
AND LICENSING : (CLEARINGHOUSE RULE 02-067)

ORDER

An order of the Department of Regulation and Licensing to repeal RL 81.01 (4); to renumber RL 84.01 (7g); to renumber and amend RL 84.02 (2) and 84.04 (2); to amend RL 81.01 (3), 84.01 (11), 84.02 (1), 84.03 (1), (2) (intro.) and (a), 84.04 (1) and 85.01 (1); and to create RL 84.01 (6) (c), 84.02 (2) (a) and (b), 84.04 (2) (a) and (b), 85.01 (1m), 85.02 (7) (d) and (8) (e), relating to applications, examinations, experience, education, renewal requirements and unprofessional conduct with regard to real estate appraisers.

Analysis prepared by the Department of Regulation and Licensing.

ANALYSIS

Statutes authorizing promulgation: ss. 227.11 (2), 458.03 (1) (b) and 458.085, Stats.

Statutes interpreted: ss. 458.06 (3) (b), 458.06 (4) (b), 458.08 (3) (c) and 458.13, Stats.

Section RL 81.01 (4) is being repealed because the 15 hours of instruction in professional standards and code of ethics course referred to in the rule is also included in the 90, 120 and 180 hours of instruction required under sub. (3).

Sections RL 84.01 (6) (c) and RL 85.02 (7) (d) are created to state that credit may be granted for a distance education course that is approved by the International Distance Education Certification Center for the course design and delivery mechanism; provided the course is approved by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation or by the licensing or certifying jurisdiction where the course is offered.

Sections RL 84.02, RL 84.03 and RL 84.04 are being revised to clarify that, as provided in s. RL 81.01 (3), an applicant must submit evidence of completion of an approved program of study. In addition, an approved program of study must include the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) Course and examination 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.

Section RL 85.01 (1) is being revised to state that credential holders must complete the 7-hour AQB-approved USPAP Update Course or its equivalent. Appraisers initially licensed or certified within a biennium shall complete 14 hours of continuing education for each year of licensure or certification, 7 of which shall include the AQB-approved USPAP Update Course or

its equivalent. The 7-hour USPAP Update Course is approved by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB.

Sections RL 84.01 (6) (b) and 85.02 (7) (c) provide that credit may be granted for a distance education course that is approved for college credit by the American Council on Education if certain requirements are met. Paragraph (e) of s. RL 85.02 (8), is being created to clarify that an individual who teaches appraisal courses approved for college credit by the American Council on Education may be approved as a course instructor. Note that this language is already contained in paragraph (e) of s. RL 84.01 (7).

TEXT OF RULE

SECTION 1. RL 81.01 (3) is amended to read:

RL 81.01 (3) A transcript or proof of completion of 90, 120 or 180 hours of instruction as ~~provided for~~ required in ss. RL 84.02, 84.03 and 84.04.

SECTION 2. RL 81.01 (4) is repealed.

SECTION 3. RL 84.01 (6) (c) is created to read:

RL 84.01 (6) (c) The course is approved by the international distance education certification center for the course design and delivery mechanism and is approved for the course content by one of the following bodies:

1. The appraiser qualifications board through its course approval program.
2. The licensing or certifying jurisdiction where the course is offered.

SECTION 4. RL 84.01 (7g) is renumbered RL 84.01 (8).

SECTION 5. RL 84.01 (11) is amended to read:

RL 84.01 (11) The licensed and certified residential appraiser programs of study are expected to provide all appraisers with a foundation of knowledge. The courses ~~which that~~ satisfy the requirements for appraiser licensure and residential appraiser certification may be acceptable towards satisfying the course work requirement for general appraiser certification.

SECTION 6. RL 84.02 (1) is amended to read:

RL 84.02 Certified residential appraiser course requirements. (1) ~~A program of study for certified residential appraisers shall include at least 120 hours of instruction. An applicant seeking certification as a certified residential appraiser shall submit evidence~~

satisfactory to the department that the applicant has completed an approved program of study for certified residential appraisers that consists of at least 120 hours of instruction.

SECTION 7. RL 84.02 (2) is renumbered 84.04 (2) (intro.) and amended to read:

RL 84.02 (2) (intro.) Any approved program of study for certified residential appraisers shall include ~~not less than 15 hours of instruction in the uniform standards of professional appraisal practice and not less than 20 hours of instruction in commercial income approach as described in sub. (3) (r).~~ all of the following:

SECTION 8. RL 84.02 (2) (a) and (b) are created to read:

RL 84.02 (2) (a) The 15-hour uniform standards of professional appraisal practice course and examination 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.

(b) Not less than 20 hours of instruction in commercial income approach as described in sub. (3) (r).

SECTION 9. RL 84.03 (1), (2) (intro.) and (a) are amended to read:

RL 84.03 Certified general appraiser course requirements. (1) ~~A program of study for certified general appraisers shall include at least 180 hours of instruction.~~ An applicant seeking certification as a certified general appraiser shall submit evidence satisfactory to the department that the applicant has completed an approved program of study for certified general appraisers that consists of at least 180 hours of instruction.

(2) (intro.) Any approved program of study for certified general appraisers shall include ~~within the 180 hours~~ all of the following:

(a) ~~Not less than 15 hours of instruction in the~~ The 15-hour uniform standards of professional appraisal practice course and examination 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.

SECTION 10. RL 84.04 (1) is amended to read:

RL 84.04 Licensed appraiser course requirements. (1) An applicant seeking licensure as an appraiser shall submit evidence satisfactory to the department that the applicant has completed a an approved program of study for licensed appraisers that consists of at least 90 hours of instruction.

SECTION 11. RL 84.04 (2) is renumbered 84.04 (2) (intro.) and amended to read:

RL 84.04 (2) (intro.) Any approved program of study for licensed appraisers shall include, ~~within the 90 hours, not less than 15 hours of instruction in the uniform standards of professional appraisal practice and not less than 20 hours of instruction in commercial income approach as described in sub. (3) (r).~~ all of the following:

SECTION 12. RL 84.04 (2) (a) and (b) are created to read:

RL 84.04 (2) (a) The 15-hour uniform standards of professional appraisal practice course and examination 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.

(b) Not less than 20 hours of instruction in commercial income approach as described in sub. (3) (r).

SECTION 13. RL 85.01 (1) is amended to read:

RL 85.01 Continuing education. (1) Every certified and licensed appraiser shall complete at least 28 hours of continuing education in each biennial period ~~at least 4 of which shall include instruction in the uniform standards of professional appraisal practice~~ successful completion of the 7-hour uniform standards of professional appraisal practice course and examination 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.

SECTION 14. RL 85.01 (1m) is created to read:

RL 85.01 (1m) Appraisers initially licensed or certified within a biennium shall complete 14 hours of continuing education for each year of licensure or certification, which shall include, of the total number of hours completed within the biennium, the 7-hour uniform standards of professional appraisal practice course and examination 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.

SECTION 15. RL 85.02 (7) (d) is created to read:

RL 85.02 (7) (d) The course is approved by the international distance education certification center for the course design and delivery mechanism and is approved for the course content by one of the following bodies:

1. The appraiser qualifications board through its course approval program.

2. The licensing or certifying jurisdiction where the course is offered.

SECTION 16. RL 85.02 (8) (e) is created to read:

RL 85.02 (8) (e) Be an instructor who teaches appraisal courses approved for college credit by the American council on education.

(END OF TEXT OF RULE)

The proposed revisions in ch. RL 84 that relate to the 15-hour AQB-approved USPAP course first apply to credential qualifications received by the department on or after January 1, 2003. The proposed revisions in ch. RL 85 that relate to the 7-hour AQB-approved USPAP course first apply to renewal applications received by the department in conjunction with the January 1, 2006 renewal date. All other proposed revisions will become effective on the first day of the month following publication in the Wisconsin administrative register pursuant to s. 227.22 (2) (intro.), Stats.

Dated _____

Agency _____

Oscar Herrera, Secretary
Department of Regulation and Licensing

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10/10/02