

STATE OF WISCONSIN  
DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES

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IN THE MATTER OF RULEMAKING: PROCEEDINGS BEFORE THE DEPARTMENT OF SAFETY AND PROFESSIONAL SERVICES	:	ORDER OF THE DEPARTMENT ADOPTING RULES (CLEARINGHOUSE RULE 18-104)
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ORDER

An order of the department to **repeal** SPS 85.120 (22), 85.230 (Note), 85.420 (2) (a) to (c), 85.520 (8) and (9), 85.530 (1) (b), 85.820 (2) (d) and (e), and 85.900 (7); to **renumber** SPS 87.02 (2) (a) to (c); to **renumber and amend** SPS 85.120 (23), 85.210 (intro.), (1), (2), (3), (5), and (7), 85.230 (1) (c) 3., 85.420 (2) (intro.), 85.700 (1) (b), 85.820 (2) (f), 85.900 (4), 85.910 (1), and 87.02 (1); to **amend** subch. I (title) of ch. SPS 85, 85.110, 85.120 (1), (2), (3), (Note), (6), (14), (15), (17), (18), (24), and (26), 85.200, 85.210 (Note), 85.220 (1) (intro.) and (2) (intro.), (b), (c), and (Note), 85.230 (1) (a) (Note) and (c) (intro.), 1., and 2., 85.240 (1) (a) and (b), subch. III (title) of ch. SPS 85, 85.310, 85.320 (title) and (1) (intro.), (a) (intro.) and 3., and (b), 85.330 (intro.), (1), and (3), subch. IV (title) of ch. SPS 85, 85.400, 85.410, 85.420 (title) and (1) (intro.), (a) (intro.) and 3., and (b), 85.430 (1), subch. V (title) of ch. SPS 85, 85.500, 85.510, 85.520 (intro.) and (3), 85.530 (1) (intro.), (a), and (c), 85.600 (1) and (Note), (2), and (3), 85.610 (1) and (2) (intro.), (a), and (b), 85.630 (1) (d) and (2), 85.700 (1) (intro.), (a), (c) to (f), (2), (3) (intro.), and (Note), 85.710 (5) (intro.) and (b) (intro.), 85.800 (1) (Note), (3) and (Note), (4) (intro.), (b), (d), and (e), (9), and (10) and (Note), 85.820 (1), (2) (intro.), (a), and (c), and (3) (a), (b), and (c), 85.830 (7), 85.840 (1) and (2), 85.900 (1) to (3), (5), and (6), 85.910 (1) (Note), (2) (intro.) and (c), (7) (a), (b) (intro.), and (Note), (8) (intro.), (d), (Note), and (e), (9) (intro.), (10), (11), and (12) (Note), 86.01 (1) to (7), (9), (11), and (13), 86.03 (3), and 87.02 (intro.) and (2) (intro.); and to **create** SPS 85.115, 85.210 (2m) and (3m), 85.220 (3) and (4), 85.230 (3) and (4), 85.425, 85.700 (1) (b) 1. to 4., 85.900 (4) (a) to (c), 85.910 (1) (a) 1. to 4. and (b), 87.01 (Note), and 87.02 (1) (a) to (c) and (2) (am), (bm), (cm), (d) (intro.), (e), and (Note), relating to real estate appraisers.

Analysis prepared by the Department of Safety and Professional Services.

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ANALYSIS

**Statutes interpreted:**

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

**Statutory authority:**

Sections 458.03 (1) (b), 458.085, and 458.24, Stats.

**Explanation of agency authority:**

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’.”

#### **Related statutes or rules:**

None.

#### **Plain language analysis:**

In consultation with the Real Estate Appraisers Board, the Department of Safety and Professional Services conducted 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. As a result, the following updates have been made:

- Section SPS 85.115 is created to incorporate by reference into chs. SPS 85 to 87 the 2020-2021 Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of The Appraisal Foundation.
- The minimum requirements for certification as a general appraiser under subch. III of ch. SPS 85, certification as a residential appraiser under subch. IV of ch. SPS 85, and licensure as an appraiser under subch. V of ch. SPS 85 have been revised to adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation.
- Sections SPS 85.400, 85.500, and 86.01 have been revised to reflect that the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency have issued a final rule that increases the threshold for commercial real estate transactions requiring an appraisal from \$250,000 to \$500,000 (Federal Register Vol. 83, No. 68).
- Section SPS 85.900 (5) is revised to clarify that continuing education credit may be claimed for teaching a continuing education course that is approved by the Department of Safety and Professional Services.
- The provisions for renewal under s. SPS 87.02 are revised to specify the requirements for late renewal or reinstatement of a certification or license include completion of the most current edition of the 7-Hour National USPAP Update Course.
- Other provisions throughout chs. SPS 85 to 87 have been revised to update notes, provide clarity, and conform to current drafting standards.

#### **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 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 rules will comply with the AQB Criteria.

Title XI also directs each federal financial institutions regulatory agency (the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of the Comptroller of Currency, and National Credit Union Association) to publish appraisal regulations for federally related transactions within its jurisdiction.

The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency have recently issued final regulations that increase the threshold for commercial real estate transactions requiring an appraisal from \$250,000 to \$500,000 (Federal Register Vol. 83, No. 68). The regulations in the rules have been revised to reflect the increased threshold.

#### **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 the 2018-2019 Uniform Standards of Professional Appraisal Practice issued by the Appraisal Standards Board of The Appraisal Foundation (68 Ill. Adm. Code 1455.240). The rules do not currently adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation.

**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 provide that the Board has adopted the Uniform Standards of Professional Appraisal Practice issued by The Appraisal Foundation [193F IAC 1.1(1)]. The rules do not currently adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation.

**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) that the following individuals are exempt from the requirements of Standard 3 (Appraisal Review, Development):

- 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.

The Michigan Statutes, Section 339.2610, adopts the minimum education, examination, and experience requirements contained in the qualifications for real property appraisers established by the Appraiser Qualifications Board of The Appraisal Foundation.

**Minnesota:** The Minnesota Statutes, Sections 82B.02 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 version of the standards designated by the Commissioner of the Department of Commerce (Minnesota Statutes, Section 82B.021, Subdivision 26). The statutes do not currently adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation.

**Summary of factual data and analytical methodologies:**

The rules were developed by, in consultation with the Real Estate Appraisers Board, reviewing the provisions 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.

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

The 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 document is 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, Dan Hereth, may be contacted by calling (608) 267-2435.

**Agency contact person:**

Dale Kleven, Administrative Rules Coordinator, Department of Safety and Professional Services, Division of Policy Development, P.O. Box 8366, Madison, Wisconsin 53708-8366; telephone (608) 261-4472; email at DSPSAdminRules@wisconsin.gov.

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

Comments may be submitted to Dale Kleven, 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 at or before the public hearing to be held at 9:00 a.m. on February 12, 2019, to be included in the record of rule-making proceedings.

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TEXT OF RULE

SECTION 1. Subchapter I (title) of ch. SPS 85 is amended to read:

SUBCHAPTER I  
AUTHORITY, INTENT, ADOPTION OF STANDARDS, AND DEFINITIONS

SECTION 2. SPS 85.110 is amended to read:

**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 that~~ are consistent with the ~~uniform standards~~ Uniform Standards of professional appraisal practice promulgated Professional Appraisal Practice issued by the Appraisal Standards Board of ~~the~~ 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.

SECTION 3. SPS 85.115 is created to read:

**SPS 85.115 Adoption of standards.** The Uniform Standards of Professional Appraisal Practice, 2020-2021, 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, [www.appraisalfoundation.org](http://www.appraisalfoundation.org), at no cost.

SECTION 4. SPS 85.120 (1), (2), (3), (Note), (6), (14), (15), (17), and (18) are amended to read:

**SPS 85.120 (1)** ~~"Accredited college or university"~~ means ~~an institution which is accredited by a regional or national~~ the Commission on Colleges, a national or regional accreditation association, or an accrediting agency recognized by the U.S. department of education.

**(2)** ~~"Appraiser Appraisal experience"~~ means experience obtained by the performance of appraisals, appraisal reviews, appraisal consulting assignments, or mass appraisals in accordance with the ~~uniform standards~~ Uniform Standards of professional appraisal practice Professional Appraisal Practice in effect at the time the experience is obtained.

**(3)** ~~"AQB" means the appraiser qualifications board~~ Appraiser Qualifications Board of the appraisal foundation The Appraisal Foundation.

**(Note)** The Appraiser Qualifications Board of ~~the~~ The Appraisal Foundation may be contacted at ~~1155 15th Street, NW, Suite 1111, Washington, DC 20005, (202) 347-7722, info@appraisalfoundation.org, or www.appraisalfoundation.org.~~

**(6)** ~~"CLEP" means college level examination program~~ College Level Examination Program.

**(14)** ~~"Fee and staff appraisal" means a real property appraisal developed and reported in accordance with Standards 1 and 2 of the uniform standards~~ Uniform Standards of professional appraisal practice Professional Appraisal Practice.

**(15)** ~~"FIRREA" means the financial institutions reform, recovery, and enforcement act~~ Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

**(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~~ appraisal experience.

**(18)** ~~"Mass appraisal" means an appraisal of a universe of properties performed in accordance with Standard 6 of the USPAP~~ Uniform Standards of Professional Appraisal Practice.

SECTION 5. SPS 85.120 (22) is repealed.

SECTION 6. SPS 85.120 (23) is renumbered SPS 85.120 (1m) and amended to read:

**SPS 85.120 (1m)** ~~"Real estate Appraisal consulting" means the performance of consulting services in accordance with Standards 4 and 5 of the uniform standards~~ Uniform Standards of professional appraisal practice Professional Appraisal Practice.

SECTION 7. SPS 85.120 (24) and (26) are amended to read:

**SPS 85.120 (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.

**(26)** "~~Uniform standards~~ Standards of professional appraisal practice ~~Professional Appraisal Practice~~ or ("~~USPAP~~") means the standards ~~promulgated~~ issued by the ~~appraisal standards board~~ Appraisal Standards Board of the ~~appraisal foundation~~ The Appraisal Foundation for the performance of real estate appraisals.

SECTION 8. SPS 85.200 is amended to read:

**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. ss. SPS 85.310 and 85.320, 85.410 and 85.420, or 85.510 and, 85.320, 85.420, 85.520,~~ as appropriate.

SECTION 9. SPS 85.210 (intro.), (1), (2), (3), (5), and (7) are renumbered SPS 85.210 (1) (intro.) and (a) to (e) and amended to read:

**SPS 85.210 (1) (intro.)** 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 all of the following:

(a) ~~A~~ The application fee as established by the department ~~plus~~ and the annual registry fees required under s. 458.21, Stats.

(b) ~~A~~ Subject to ss. 111.321, 111.322, and 111.335, Stats., 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.

(c) Evidence of successful completion of the educational course work required ~~in~~ ss. under s. SPS 85.320, 85.420, and or 85.520 for licensure or certification.

(d) Evidence of successful completion of the national and state examinations ~~as specified in~~ under s. SPS 85.600.

(e) The roster of appraisal experience required under s. SPS 85.700 (3).

SECTION 10. SPS 85.210 (Note) is amended to read:

**SPS 85.210 (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>.~~

SECTION 11. SPS 85.210 (2m) and (3m) are created to read:

**SPS 85.210 (2m)** The department may request additional information to determine if an applicant is qualified for certification or licensure. Failure by an applicant to comply with a request for additional information within 120 days from the date of the request shall void the application and require the applicant to reapply for certification or licensure.

(3m) The department shall provide an applicant with a disability reasonable accommodations for completing an application.

SECTION 12. SPS 85.220 (1) (intro.) and (2) (intro.), (b), (c), and (Note) are amended to read:

**SPS 85.220 (1) (intro.) 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:

(2) (intro.) 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:

(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 Subject to ss. 111.321, 111.322, and 111.335, Stats., 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.

(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>.~~

SECTION 13. SPS 85.220 (3) and (4) are created to read:

**SPS 85.220 (3) REQUEST FOR ADDITIONAL INFORMATION.** The department may request additional information to determine if an applicant is qualified for a temporary registration. Failure by an applicant to comply with a request for additional information within 120 days from the date of the request shall void the application and require the applicant to reapply for temporary registration.

(4) ACCOMODATIONS. The department shall provide an applicant with a disability reasonable accommodations for completing an application.

SECTION 14. SPS 85.230 (1) (a) (Note) and (c) (intro.), 1., and 2. are amended to read:

**SPS 85.230 (1) (a) (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>.~~

(c) (intro.) Submit evidence satisfactory to the department that ~~he or she has satisfied the~~ applicant meets all of the following requirements:

1. Holds The applicant 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~~ that 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~~ of FIRREA.

2. ~~Has passed~~ Successful completion of the examination under s. SPS 85.600 on Wisconsin statutes and rules of this state governing appraisers, as provided under s. SPS 85.600.

SECTION 15. SPS 85.230 (1) (c) 3. is renumbered SPS 85.230 (1) (d) and amended to read:

**SPS 85.230 (1) (d)** Subject to ss. 111.321, 111.322, and 111.335, Stats., ~~does not have an arrest~~ provide a statement relating to any pending criminal charge or conviction record. An applicant who has a pending criminal charge or 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.

SECTION 16. SPS 85.230 (Note) is repealed.

SECTION 17. SPS 85.230 (3) and (4) are created to read:

**SPS 85.220 (3)** The department may request additional information to determine if an applicant is qualified for reciprocal licensure or certification. Failure by an applicant to comply with a request for additional information within 120 days from the date of the request shall void the application and require the applicant to reapply for reciprocal licensure or registration.

**(4)** The department shall provide an applicant with a disability reasonable accommodations for completing an application.

SECTION 18. SPS 85.240 (1) (a) and (b) are amended to read:

**SPS 85.240 (1) (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,~~ substantially related to the practice of real estate appraisal. This paragraph does not apply if such the felony involved an act of other than fraud, dishonesty, or a breach of trust, or money laundering and the conviction or plea occurred before the 5-year period immediately preceding the date of application. The felony must be substantially related to the practice of certified or licensed real estate appraiser.

SECTION 19. Subchapter III (title) of ch. SPS 85 is amended to read:

### SUBCHAPTER III CERTIFIED GENERAL ~~REAL ESTATE~~ APPRAISER

SECTION 20. SPS 85.310 is amended to read:

**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~~ 18 months.

SECTION 21. SPS 85.320 (title) and (1) (intro.), (a) (intro.) and 3., and (b) are amended to read:

**SPS 85.320 (title)** ~~Certified general appraiser course~~ Core curriculum and educational requirements.

**(1) (intro.)** An individual who applies for certification as a certified general appraiser shall submit evidence satisfactory to the department that ~~he or she~~ the individual has successfully completed all of the following:



(a) ~~(intro.)~~ The required 300 class hour core curriculum established by the ~~appraiser qualifications board of the appraisal foundation AQB.~~ The required curriculum consists of all of the following subject areas and corresponding class hours:

3. The ~~15-hour national~~ 15-Hour National USPAP course Course or its AQB-approved equivalent — 15 hours.

(b) A bachelor's degree, or higher, in any field of study, from an accredited, degree-granting 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.~~

SECTION 22. SPS 85.330 (intro.), (1), and (3) are amended to read:

**SPS 85.330 (intro.) Prerequisite for examination.** In order to obtain a certified general appraiser credential, an applicant ~~must~~ shall 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~~ 15-Hour National USPAP course Course or its AQB-approved equivalent, and the corresponding examination.

(3) Three thousand hours of qualifying experience obtained in no fewer than ~~30~~ 18 months, ~~where~~ a minimum of 1,500 hours ~~must~~ of which shall be obtained in non-residential appraisal work. While the hours may be cumulative, the required number of months ~~must~~ shall accrue before an individual ~~can~~ may be certified.

SECTION 23. Subchapter IV (title) of ch. SPS 85 is amended to read:

#### SUBCHAPTER IV CERTIFIED RESIDENTIAL ~~REAL ESTATE~~ APPRAISER

SECTION 24. SPS 85.400 and 85.410 are amended to read:

**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~~ 500,000.

**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~~ 1,500 hours of appraisal experience obtained over a period of not less than ~~24~~ 12 months.

SECTION 25. SPS 85.420 (title) and (1) (intro.), (a) (intro.) and 3., and (b) are amended to read:

**SPS 85.420 (title) ~~Certified residential appraiser course~~ Core curriculum and educational requirements.**

(1) ~~(intro.)~~ An individual who applies for certification as a certified residential appraiser shall submit evidence satisfactory to the department that ~~he or she~~ the individual has successfully completed all of the following:

(a) ~~(intro.)~~ The required 200 class hour core curriculum established by the ~~appraiser qualifications board of the appraisal foundation AQB.~~ The required curriculum consists of all of the following subject areas and corresponding class hours:

3. The ~~15-hour national~~ 15-Hour National USPAP course Course or its equivalent — 15 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~~ College-level education meeting the requirements under s. SPS 85.425.

SECTION 26. SPS 85.420 (2) (intro.) is renumbered SPS 85.420 (2) and amended to read:

**SPS 85.420 (2)** A licensed appraiser who applies for a certified residential appraiser credential shall complete all of the ~~following~~ class ~~hour~~ ~~courses identified~~ hours under ~~par. sub. (1) (a) 8. to 10. and the college-level educational~~ education meeting the requirements under ~~sub. (1) (b): s. SPS 85.425.~~

SECTION 27. SPS 85.420 (2) (a) to (c) are repealed.

SECTION 28. SPS 85.425 is created to read:

**SPS 85.425 Qualifying college-level education. (1)** Except as provided under sub. (2), an applicant shall satisfy one of the following requirements:

(a) A bachelor's degree or higher in any field of study from an accredited, degree-granting college or university.

(b) An associate's degree from an accredited, degree-granting college or university in a field of study related to one of the following:

1. Business administration.
2. Accounting.
3. Finance.
4. Economics.
5. Real estate.

(c) Successful completion of 30 semester hours of college-level courses from an accredited, degree-granting college or university. The 30 semester hours shall include all of the following:

1. Three semester hours in English composition.
2. Three semester hours in microeconomics.
3. Three semester hours in macroeconomics.
4. Three semester hours in finance.
5. Three semester hours in algebra, geometry, or higher mathematics.
6. Three semester hours in statistics.
7. Three semester hours in computer science.
8. Three semester hours in business law or real estate law.

9. Two elective courses of 3 semester hours each. Each course shall be in the subject area of accounting, geography, agricultural economics, business management, real estate, or one of the subject areas under subs. 1. to 8.

(d) Successful completion of all of the following CLEP examinations:

1. College Algebra.
2. College Composition.

3. College Composition Modular.

4. College Mathematics.

5. Principles of Macroeconomics.

6. Principles of Microeconomics.

7. Introductory Business Law.

8. Information Systems.

(e) Successful completion of any combination of the college-level courses and examinations under pars. (c) and (d) that is equivalent to at least 30 semester hours and applicable to all of the subject matter under par. (c). For purposes of this paragraph, all of the following shall apply:

1. The examination under par. (d) 1. is equivalent to 3 semester hours and applicable to algebra, geometry, statistics, or higher mathematics.

2. The examination under par. (d) 2. is equivalent to 6 semester hours and applicable to English composition.

3. The examination under par. (d) 3. is equivalent to 3 semester hours and applicable to English composition.

4. The examination under par. (d) 4. is equivalent to 6 semester hours and applicable to algebra, geometry, statistics, or higher mathematics.

5. The examination under par. (d) 5. is equivalent to 3 semester hours and applicable to macroeconomics or finance.

6. The examination under par. (d) 6. is equivalent to 3 semester hours and applicable to microeconomics or finance.

7. The examination under par. (d) 7. is equivalent to 3 semester hours and applicable to business law or real estate law.

8. The examination under par. (d) 8. is equivalent to 3 semester hours and applicable to computer science.

(2) The department shall consider an applicant to meet the requirements under sub. (1) if, during the 5 years immediately preceding the date of application, the applicant has been a licensed appraiser and has not been subject to any adverse, final, and non-appealable disciplinary action affecting eligibility to engage in appraisal practice.

SECTION 29. SPS 85.430 (1) is amended to read:

**SPS 85.430 (1) (intro.)** An applicant for a certified residential appraiser credential ~~must~~ shall 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~~ The 200 class hours as specified in the course requirements found in under s. SPS 85.420 (1) (a). As part of the 200 required hours, applicants shall successfully complete the ~~15-hour national~~ 15-Hour National USPAP ~~course~~ 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~~ college-level education meeting the requirements under s. SPS 85.425.

(c) ~~Two~~ One thousand five hundred hours of qualifying experience obtained in no fewer than ~~24~~ 12 months. While the hours may be cumulative, the required number of months ~~must~~ shall accrue before an individual ~~can~~ may be certified.

SECTION 30. Subchapter V (title) of ch. SPS 85 is amended to read:

SUBCHAPTER V  
LICENSED REAL ESTATE APPRAISER

SECTION 31. SPS 85.500 and 85.510 are amended to read:

**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~~ 500,000.

**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~~ 1,000 hours of appraisal experience obtained over a period of not less than ~~42~~ 6 months.

SECTION 32. SPS 85.520 (intro.) and (3) are amended to read:

**SPS 85.520 (intro.) ~~Licensed appraiser course~~ Core curriculum requirements.** An individual who applies for a license as an appraiser shall submit evidence satisfactory to the department that ~~he or she~~ the individual has successfully completed the required 150 class hour core curriculum established by the ~~Appraiser Qualifications Board of the Appraisal Foundation AQB~~. ~~that~~ The required curriculum consists of all of the following subject areas and corresponding class hours:

(3) ~~The 15-hour national~~ 15-Hour National USPAP course Course or its equivalent — 15 hours.

SECTION 33. SPS 85.520 (8) and (9) are repealed.

SECTION 34. SPS 85.530 (1) (intro.) and (a) are amended to read:

**SPS 85.530 (1) (intro.)** An applicant for a licensed appraiser credential ~~must~~ shall successfully complete the AQB-approved licensed residential real property appraiser examination. The prerequisite for taking the AQB-approved examination ~~are all~~ is completion of all of the following:

(a) ~~One hundred and fifty creditable~~ The 150 class hours as specified in the course requirements found in under s. SPS 85.520.

SECTION 35. SPS 85.530 (1) (b) is repealed.

SECTION 36. SPS 85.530 (1) (c) is amended to read:

**SPS 85.530 (1) (c)** ~~Two~~ One thousand hours of qualifying experience in no fewer than ~~42~~ 6 months.

SECTION 37. SPS 85.600 (1) and (Note), (2), and (3) are amended to read:

**SPS 85.600 (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 of this state governing appraisers.

(Note) The examination on Wisconsin statutes and rules is administered by the ~~Department of Safety and Professional Services~~ department. 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~~ AQB.

(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~~ determine the passing grade ~~on for the Wisconsin examination on~~ for the Wisconsin examination on statutes and rules ~~of this state.~~ examination and ~~The department shall set the passing score for the statutes and rules examination at that point which represents to represent minimum acceptable competence in the profession.~~

SECTION 38. SPS 85.610 (1) and (2) (intro.), (a), and (b) are amended to read:

**SPS 85.610 (1)** An applicant ~~shall~~ may not practice any deception or fraud with respect to ~~his or her~~ the applicant's identity in connection with ~~the~~ taking of an examination.

(2) (intro.) An applicant ~~shall~~ may 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~~ attempting to give examination questions or answers to examination questions to another person.

(b) ~~Attempting to obtain, receive~~ Receiving or communicate to other persons attempting to receive examination questions or answers to examination questions from another person.

SECTION 39. SPS 85.630 (1) (d) and (2) are amended to read:

**SPS 85.630 (1) (d)** The facts ~~which~~ the applicant intends to prove, including ~~reference~~ text citations to references or other supporting evidence for the applicant's claim.

(2) The department shall ~~review the claim,~~ make a determination ~~of~~ as to the validity of the ~~objections~~ claim and notify the applicant in writing of the decision and any resulting score changes.

SECTION 40. SPS 85.700 (1) (intro.) and (a) are amended to read:

**SPS 85.700 (1) (intro.)** 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~~ meet all of the following requirements:

(a) Be in compliance with the ~~uniform standards~~ Uniform Standards of professional appraisal practice, Professional Appraisal Practice in effect at the time the appraisals were prepared.

SECTION 41. SPS 85.700 (1) (b) is renumbered SPS 85.700 (1) (b) (intro.) and amended to read:

**SPS 85.700 (1) (b) (intro.)** Include one or more of the following types of appraisal experience: ~~appraisal, appraisal review, appraisal consulting or mass appraisal.~~

SECTION 42. SPS 85.700 (1) (b) 1. to 4. are created to read:

**SPS 85.700 (1) (b) 1.** Appraisal.

**2.** Appraisal review.

**3.** Appraisal consulting.

**4.** Mass appraisal.

SECTION 43. SPS 85.700 (1) (c) to (f), (2), (3) (intro.), and (Note) are amended to read:

**SPS 85.700 (1) (c)** ~~Include, in the case of general appraisers~~ For experience claimed under s. SPS 85.310, include no more than 50% percent residential appraisal experience.

~~(d) Include, in the case of licensed appraisers and certified residential appraisers~~ For experience claimed under s. SPS 85.410 or 85.510, include no more than 25% percent commercial appraisal experience.

~~(e) Include no more than 50% percent 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~~ AQB 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~~ shall be acquired after January 30, 1989.

~~(3) (intro.) An applicant applying for certification or licensure under ss. s. SPS 85.310, 85.410, and or 85.510 shall submit on forms provided by the department a roster of appraisal experience that contains all of the following:~~

~~(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>.~~

SECTION 44. SPS 85.710 (5) (intro.) and (b) (intro.) are amended to read:

**SPS 85.710 (5) (intro.)** Records of the department of revenue or a local governmental body ~~which that~~ document the applicant's experience as an assessor, including ~~but not limited to~~ all of the following:

~~(b) (intro.) Documents that demonstrate the applicant's performance of the following components of the mass appraisal process in accordance with Standard Standards 5 and 6 of the uniform standards~~ Uniform Standards of professional appraisal practice Professional Appraisal Practice:

SECTION 45. SPS 85.800 (1) (Note), (3) and (Note), (4) (intro.), (b), (d), and (e), (9), and (10) and (Note) are amended to read:

**SPS 85.800 (1) (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~~ department's website at [dsps.wi.gov](http://dsps.wi.gov).

~~(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~~ AQB that are in effect at the time the course is completed.

~~(Note) The Appraiser Qualifications Board of the Appraisal Foundation~~ AQB may be contacted at 1155 15th Street, NW, Suite 1111, Washington, D.C. 20005 [info@appraisalfoundation.org](mailto:info@appraisalfoundation.org), (202) 347-7722, or [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

~~(4) (intro.) 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:

(b) Be a licensed or certified appraiser who ~~practices in the aspects of appraising~~ has engaged in appraisal practice relevant to the subject matter being taught such as, appraisal, appraisal review, appraisal consulting or mass appraisal, and who has engaged in the practice for at least 5 years.

(d) Be an instructor who teaches appraisal courses approved by the ~~appraiser qualifications board of the appraisal foundation~~ AQB.

(e) If applying to teach the ~~15-hour national~~ 15-Hour National USPAP course ~~Course~~, or its equivalent, be a certified residential or general appraiser, and be certified by the ~~appraiser qualifications board of the appraisal foundation~~ AQB 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.

(9) An appraisal course approved by the ~~appraiser qualifications board of the appraisal foundation~~ AQB 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~~ AQB, shall be approved by the department without receipt of an application for course approval from the other state or territory.

(Note) ~~To obtain information about~~ A list of courses approved by the ~~Appraiser Qualifications Board of the Appraisal Foundation~~ write to: 1155 15th Street, NW, Suite 1111, Washington, D.C. 20005 AQB is available from The Appraisal Foundation's website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

SECTION 46. SPS 85.820 (1), (2) (intro.), (a), and (c) are amended to read:

**SPS 85.820 (1)** The course provides ~~interaction~~. ~~Interaction is a reciprocal environment where the student has verbal or written communication~~ interaction with the instructor.

(2) (intro.) ~~The~~ Except as provided under sub. (2m), the content for the distance education course has been approved by any of the following:

(a) ~~The Appraiser Qualification Board of the Appraisal Foundation~~ AQB.

(c) An accredited college, community college, or university that offers distance education programs ~~and is approved or accredited by the commission on colleges~~.

SECTION 47. SPS 85.820 (2) (d) and (e) are repealed.

SECTION 48. SPS 85.820 (2) (f) is renumbered SPS 85.820 (2m) and amended to read:

**SPS 85.820 (2m)** ~~Non-academic~~ A non-academic credit college ~~courses~~ course provided by a college shall be approved by the AQB or ~~the~~ a state appraiser regulatory jurisdiction.

SECTION 49. SPS 85.820 (3) (a), (b), and (c) are amended to read:

**SPS 85.820 (3) (a)** ~~An AQB-approved organizations~~ organization providing approval of course design and delivery.

(b) ~~A~~ An accredited college or university that ~~qualifies for content approval~~ offers distance education programs and ~~that~~ awards academic credit for the distance education course.

(c) ~~A qualifying~~ An accredited college or university ~~for content approval~~ with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

SECTION 50. SPS 85.830 (7) is amended to read:

**SPS 85.830 (7)** The ~~appraisal foundation~~ Appraisal Foundation or its boards.

SECTION 51. SPS 85.840 (1) and (2) are amended to read:

**SPS 85.840 (1)** Credit toward qualifying education requirements may ~~also~~ be obtained ~~via the~~ by completion of a degree in real estate from an accredited, degree-granting college or university approved by the ~~association~~ Association to advance collegiate schools Advance Collegiate Schools of business Business, or a regional or national accreditation agency recognized by the U.S. ~~Secretary department of Education~~ 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~~ under s. SPS 85.700 (1) (e).

SECTION 52. SPS 85.900 (1) to (3) are amended to read:

**SPS 85.900 (1)** ~~Every~~ Except as provided under sub. (1m), every certified and licensed appraiser shall complete at least 28 class hours of continuing education in each biennial renewal period, ~~which shall include~~ including successful completion of the ~~7-hour national~~ 7-Hour National USPAP update course Update Course or its AQB-approved 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~~ If an appraiser is initially licensed or certified within a biennium biennial renewal period, the appraiser shall complete 14 class hours of continuing education for each remaining year or ~~part~~ partial year of licensure or certification, ~~which shall include, of the total number of hours completed within the biennium in that renewal period, including successful completion of the 7-hour national~~ 7-Hour National USPAP update course Update Course or its AQB-approved 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~~ Credit for completing any given continuing education course ~~offering within~~ shall be claimed only once during a continuing education cycle biennial renewal period.

(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~~ completion, within the ~~2-years~~ biennial renewal period immediately preceding the date on which the application is submitted, ~~28 hours~~ of continuing education approved by the department.

SECTION 53. SPS 85.900 (4) is renumbered SPS 85.900 (4) (intro.) and amended to read:

**SPS 85.900 (4) (intro.)** The number of hours of attendance at and completion of continuing education courses required under s. 458.13, Stats., sub. (1) or (1m) 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 the applicant attends a continuing education courses for certified general appraisers, certified residential appraisers, or licensed appraisers, as appropriate. course meeting all of the following requirements:~~

SECTION 54. SPS 85.900 (4) (a) to (c) are created to read:

**SPS 85.900 (4) (a)** The course is completed during the biennial renewal period immediately preceding the date the application for renewal is submitted.

**(b)** The course is attended by the applicant in order to continue to qualify for employment as an assessor.

**(c)** The department determines the course is substantially equivalent to a continuing education course that is relevant to the category of license or certification to which the application pertains.

SECTION 55. SPS 85.900 (5) and (6) are amended to read:

**(5)** Up to 14 class hours may be claimed for teaching ~~approved appraisal continuing education~~ courses that are approved under s. SPS 85.910. Credit for instructing any given continuing education course or seminar ~~may~~ shall be claimed only once during a ~~continuing education biennial~~ 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 during the biennium~~ preceding the biennial renewal period, of continuing education that meets the requirements of this section. Every certified and licensed appraiser shall retain records of continuing education credits for at least 5 years.

SECTION 56. SPS 85.900 (7) is repealed.

SECTION 57. SPS 85.910 (1) is renumbered SPS 85.910 (1) (a) (intro.) and amended to read:

**SPS 85.910 (1) (a) (intro.)** Except as provided ~~in~~ under 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 application 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.~~ all of the following:

SECTION 58. SPS 85.910 (1) (a) 1. to 4. and (b) are created to read:

**SPS 85.910 (1) (a) 1.** The name, date, and location of the course.

**2.** A general description of the subject matter.

**3.** An outline of the content of the course, including time segments for each subject.

**4.** The name and qualifications of the course instructor.

**(b)** The department shall notify the course provider whether the course has been approved or denied within 20 business days from the date the application is received.

SECTION 59. SPS 85.910 (1) (Note), (2) (intro.) and (c), (7) (a), (b) (intro.), and (Note), (8) (intro.), (d), (Note), and (e), (9) (intro.), (10), (11), and (12) (Note) are amended to read:

**SPS 85.910 (1) (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~~ department's website at [dps.wi.gov](http://dps.wi.gov).

(2) (intro.) A continuing education course shall relate to one or more real property related appraisal topics, ~~that include~~ including any of the following:

(c) Courses related to the practice of real estate appraisal or appraisal consulting.

(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~~ AQB that are in effect at the time the course is offered.

(b) (intro.) A distance education course intended for use as continuing education ~~must~~ shall include at least one of the following:

(Note) ~~To obtain information about~~ Information concerning 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, AQB is available at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

(8) (intro.) 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:

(d) Be an instructor who teaches appraisal courses approved by the ~~appraiser qualifications board of the appraisal foundation~~ AQB.

(Note) ~~To obtain information about~~ Information concerning 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, AQB is available at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

(e) If applying to teach the ~~7-hour national~~ 7-Hour National USPAP update course Update Course or its equivalent, be a certified residential or general appraiser, and be certified by the ~~appraiser qualifications board of the appraisal foundation~~ AQB as an instructor to teach that course.

(9) (intro.) The course provider shall retain records of attendance of qualifying education programs for a period of 5 years. ~~that~~ The records shall include all of the following:

(10) An appraisal course approved by the ~~appraiser qualifications board of the appraisal foundation~~ AQB 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~~ AQB, shall be approved by the department without receipt of an application for course approval from the other state or territory.

(12) (Note) ~~To obtain information about~~ Information concerning 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, AQB is available at [www.appraisalfoundation.org](http://www.appraisalfoundation.org).

SECTION 60. SPS 86.01 (1) to (7), (9), (11), and (13) are amended to read:

**SPS 86.01 (1)** Certified and licensed appraisers shall comply with the standards of practice established by ch. 458, Stats., chs. SPS 85- and 86, and the ~~uniform standards~~ Uniform Standards of professional appraisal practice 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~~ Uniform Standards of professional appraisal practice 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 that~~ was not prepared by the appraiser or under ~~his or her~~ the appraiser's supervision.

(3) A certified residential appraiser ~~shall~~ may 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~~ 500,000.

(4) A licensed appraiser who is not certified under s. 458.06, Stats., ~~shall~~ may 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~~ under s. SPS 85.500.

(5) Certified and licensed appraisers ~~shall~~ may 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~~ may not continue work on the appraisal without the written consent of the party who authorized the appraisal.

(9) A certified or licensed appraiser ~~shall~~ may 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.

(11) All certified and licensed appraisers shall comply with Wisconsin and federal laws that substantially relate to the practice of real estate ~~appraising appraisal~~, including, ~~but not limited to, the financial institutions reform, recovery, and enforcement act of 1989 FIRREA~~, and all appraisal-related federal regulations promulgated by the federal financial institution regulatory agencies, as defined in s. SPS 85.120 (12).

(13) No certified or licensed appraiser may engage in conduct ~~which that~~ reflects adversely on ~~his or her~~ the appraiser's 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.

SECTION 61. SPS 86.03 (3) is amended to read:

**SPS 86.03 (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~~ the appraiser determines ~~that~~ it is impractical to comply with the requirement in sub. (1); because of space limitations on a report or agreement.

SECTION 62. SPS 87.01 (Note) is created to read:

**SPS 87.01 (Note)** An application for renewal may be obtained from the department's website at [dps.wi.gov](http://dps.wi.gov).

SECTION 63. SPS 87.02 (intro.) is amended to read:

**SPS 87.02 (intro.) Late renewal.** An appraiser who fails to renew a certificate by the renewal date may renew or reinstate the certificate by submitting an application on a form provided by the department and satisfying one of the following requirements:

SECTION 64. SPS 87.02 (1) is renumbered SPS 87.02 (1) (intro.) and amended to read:

**SPS 87.02 (1) (intro.)** If applying ~~less than~~ within 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.~~ all of the following:

SECTION 65. SPS 87.02 (1) (a) to (c) are created to read:

**SPS 87.02 (1) (a)** Verification of completion of the continuing education course work required in each biennial period under s. SPS 85.900.

**(b)** Verification of completion of the most recent edition, as of the date the application is filed, of the 7-Hour National USPAP Update Course or its AQB-approved equivalent.

**(c)** The renewal fee under s. 440.08 (2) (a) 11., 11m., or 12., Stats., and the late renewal fee under s. 440.08 (3), Stats.

SECTION 66. SPS 87.02 (2) (intro.) is amended to read:

**SPS 87.02 (2) (intro.)** If applying ~~5 or more~~ 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; 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~~ all of the following:

SECTION 67. SPS 87.02 (2) (a) to (c) are renumbered SPS 87.02 (2) (d) 1. to 3.

SECTION 68. SPS 87.02 (2) (am), (bm), (cm), (d) (intro.), (e), and (Note) are created to read:

**SPS 87.02 (2) (am)** Verification of completion of the continuing education course work required in each biennial period under s. SPS 85.900.

**(bm)** Verification of completion of the most recent edition, as of the date the application is filed, of the 7-Hour National USPAP Update Course or its AQB-approved equivalent.

**(cm)** The renewal fee under s. 440.08 (2) (a) 11., 11m., or 12., Stats., and the late renewal fee under s. 440.08 (3), Stats.

**(d) (intro.)** Verification of one or more of the following required by the department to ensure protection of the public health, safety, and welfare:

**(e)** If the applicant has unmet disciplinary requirements, or if the applicant's certificate has been denied at renewal, revoked, or surrendered, verification of all of the following:

1. Completion of disciplinary requirements, if applicable.

2. Rehabilitation or change in circumstances warranting reinstatement of the certificate.

**(Note)** An application for late renewal or reinstatement may be obtained from the department's website at [dps.wi.gov](http://dps.wi.gov).

SECTION 69. 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.

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(END OF TEXT OF RULE)

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Dated \_\_\_\_\_

Agency \_\_\_\_\_

Secretary

Department of Safety and Professional Services