

CHAPTER 458

REAL ESTATE APPRAISERS BOARD

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Cross-reference: See definitions in s. 440.01.

458.01 Definitions. In this chapter:

(1) “Appraisal” means an analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in or aspects of real estate.

(2) “Appraisal foundation” has the meaning given in 12 USC 3350 (9).

(3) “Appraisal report” means a written communication of an appraisal.

(4) “Appraiser” means a general appraiser or residential appraiser.

(5) “Board” means the real estate appraisers board.

(7) “Certified appraiser” means an appraiser who is certified as a general appraiser or as a residential appraiser under s. 458.06.

(8) “Certified general appraiser” means an individual who is certified as a general appraiser under s. 458.06.

(9) “Certified residential appraiser” means an individual who is certified as a residential appraiser under s. 458.06.

(9m) “Commercial real estate” means real estate other than residential real estate.

(10) “Federally related transaction” has the meaning given in 12 USC 3350 (4).

(11) “General appraiser” means an individual who conducts appraisals of commercial real estate, or of both commercial real estate, and residential real estate, without regard to transaction value.

(11m) “Licensed appraiser” means an individual who is licensed as an appraiser under s. 458.08.

(12) “Real estate” means an identified parcel or tract of land and any improvements to the land.

(13) “Residential appraiser” means an individual who conducts appraisals of residential real estate or of commercial real estate having a transaction value of not more than \$250,000.

(14) “Residential real estate” means real estate that, in the opinion of the appraiser who conducts an appraisal of the real estate, has the highest and best use as a residence of not more than 4 dwelling units.

History: 1989 a. 340; 1991 a. 39, 78.

Cross-reference: See definitions in s. 440.01.

458.02 Limitations and exceptions. Nothing in this chapter shall be construed to prohibit a person who is not a certified appraiser or licensed appraiser from appraising real estate or from cosigning an appraisal report with a certified appraiser or licensed appraiser if the person complies with s. 458.055.

History: 1989 a. 340; 1991 a. 39, 78.

458.03 General duties and powers of department and board. (1) In addition to the other duties and powers of the

department under this chapter, the department shall do all of the following:

(a) Grant and issue certificates to appraisers.

(b) Subject to the procedure under s. 458.05, 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).

(c) Submit to the board a copy of any legislation proposed by the department relating to appraisers or to the board, prior to introduction in the legislature.

(d) Transmit the annual registry fees paid to the department under s. 458.21 to the federal financial institutions examination council or its successor agency.

(e) Promulgate rules specifying the types of real estate that may be appraised by licensed appraisers.

(f) Promulgate rules specifying the manner in which certified appraisers and licensed appraisers shall place their titles, as described in s. 458.055, and certificate numbers on appraisal reports and written appraisal agreements.

(2) The department may do any of the following:

(a) Prepare letters and bulletins and conduct clinics disseminating information to appraisers.

(b) Promulgate rules specifying the types of experience that apply toward satisfying the experience requirements in ss. 458.06 (3) (c) and (4) (c) and 458.08 (3) (c).

(3) In addition to the other duties and powers of the board under this chapter, the board shall do all of the following:

(a) Advise the secretary on matters relating to appraisers or to the board.

(b) At least once each year, transmit to the appraisal subcommittee of the federal financial institutions examination council, or its successor agency, a roster listing the names and addresses of certified appraisers and licensed appraisers.

(4) The board does not have rule-making authority.

History: 1989 a. 340; 1991 a. 39, 78; 1993 a. 3.

458.04 Advisory committee. (1) If the secretary creates an advisory committee on examinations under s. 15.04 (1) (c), the advisory committee shall be chaired by an examination specialist, if an examination specialist is employed by the department, and shall report to the board and the secretary.

(2) If the secretary creates an advisory committee under s. 15.04 (1) (c), other than an advisory committee under sub. (1), to provide advice to the department on matters relating to appraisal practice, the advisory committee shall be chaired by a member of the board, if available, and shall report to the board and the secretary.

History: 1989 a. 340.

458.05 Rules; review of rules. (2) Before submitting any proposed rules relating to appraisals or to the board to the legislative council staff under s. 227.15, the department shall submit the proposed rules to the board for comment. The board shall have 30 days to submit comments on the proposed rules to the secretary.

(3) When promulgating emergency rules under s. 227.24, the department shall provide a copy of the rules to the board prior to publication of the rules in the official state newspaper.

(4) The chairperson of the board, or his or her designee from the board, may cochair with the secretary, or the secretary's designee, any public hearing held by the department on proposed rules relating to appraisers or to the board.

(5) The department shall submit to the board a copy of the report required under s. 227.19 (2) on any proposed final rules relating to appraisers or to the board. The board may prepare a dissenting report stating its recommendations on the proposed final rules. Any dissenting report shall be prepared within 10 days from the date of receipt of the department's report, attached to the department's report and sent to the presiding officer of each house of the legislature and distributed under s. 227.19 (2). The department shall publish a statement to appear in the Wisconsin administrative register indicating that a dissenting report of the board has been submitted to the presiding officer of each house of the legislature.

(6) The department shall provide staff to assist the board in the review of administrative rules and preparation of comments or dissenting reports.

History: 1989 a. 340; 1991 a. 78.

458.055 Prohibited conduct. Except as provided in s. 458.095, no person may do any of the following:

(1) Use the title "Wisconsin certified appraiser", "Wisconsin certified general appraiser", "Wisconsin certified residential appraiser" or any similar title unless the person holds an applicable appraiser certificate issued under s. 458.06.

(2) Describe or refer to an appraisal of real estate located in this state by the term "Wisconsin certified" or any similar term unless the person holds an applicable appraiser certificate issued under s. 458.06.

(3) Use the title "Wisconsin licensed appraiser" or any similar title unless the person is a certified appraiser or licensed appraiser.

(4) Describe or refer to an appraisal of real estate located in this state by the term "Wisconsin licensed" or any similar term unless the person is a certified appraiser or licensed appraiser.

History: 1991 a. 78 ss. 10m, 11s, 19m; 1993 a. 3.

458.06 Certification. (2) APPLICATION. All applications for certification under this section shall be submitted to the department on a form provided by the department. An applicant shall specify on the application whether he or she is applying for a general appraiser certificate or a residential appraiser certificate. No initial certificate may be issued under this section unless all of the following conditions are satisfied:

(a) The applicant is at least 18 years old.

(b) The applicant pays the fee specified in s. 440.05 (1), except as provided in sub. (4m).

(c) Subject to ss. 111.321, 111.322 and 111.335, the applicant submits evidence satisfactory to the department that he or she does not have an arrest or conviction record.

(d) The applicant attends an educational course that includes at least 15 hours of instruction in the professional standards and code of ethics applicable to appraisers and passes an examination conducted to test the applicant's knowledge of such standards. The course shall be approved by the department and the examination shall be approved or conducted by the department.

(3) GENERAL APPRAISER CERTIFICATION. The department shall grant and issue a general appraiser certificate to any individual who does all of the following:

(a) Satisfies the conditions in sub. (2).

(b) Submits evidence satisfactory to the department that he or she has successfully completed the applicable educational requirements specified in the rules promulgated under s. 458.085 (1).

(c) Submits evidence satisfactory to the department that he or she has at least 2 years of experience as a general appraiser.

(d) Passes an examination conducted by the department under s. 458.10 to determine fitness as a general appraiser.

(e) Satisfies any other requirements that the department determines, by rule, are necessary to ensure that a general appraiser is qualified to perform an appraisal in a federally related transaction.

(4) RESIDENTIAL APPRAISER CERTIFICATION. The department shall grant and issue a residential appraiser certificate to any individual who does all of the following:

(a) Satisfies the conditions in sub. (2).

(b) Submits evidence satisfactory to the department that he or she has successfully completed the applicable educational requirements specified in the rules promulgated under s. 458.085 (1).

(c) Submits evidence satisfactory to the department that he or she has at least 2 years of experience as a residential appraiser.

(d) Passes an examination conducted by the department under s. 458.10 to determine fitness as a residential appraiser.

(e) Satisfies any other requirements that the department determines, by rule, are necessary to ensure that a residential appraiser is qualified to perform an appraisal in a federally related transaction.

(4m) RECIPROCAL CERTIFICATION. Upon application and payment of the fee specified in s. 440.05 (2), the department shall grant and issue a certificate of certification as a general appraiser or as a residential appraiser, as appropriate, to any applicant to whom any of the following applies:

(a) The applicant holds a current appraiser certificate in another state or territory of the United States and the department determines that the requirements for obtaining the certificate in the other state or territory are substantially equivalent to the requirements under sub. (3) or (4).

(b) The applicant meets the requirements established in a reciprocal agreement under s. 458.12 between the department and the regulatory authority in the state or territory where the applicant holds the certificate.

History: 1989 a. 340; 1991 a. 39 ss. 3417t to 3419d, 3419i; 1991 a. 78.

458.08 Licensure. (2) APPLICATION. An application for licensure under this section shall be submitted to the department on a form provided by the department. No initial certificate of licensure may be issued under this section unless all of the following conditions are satisfied:

(a) The applicant is at least 18 years old.

(b) The applicant pays the fee specified in s. 440.05 (1), except as provided in subs. (3m) and (4).

(c) Subject to ss. 111.321, 111.322 and 111.335, the applicant submits evidence satisfactory to the department that he or she does not have an arrest or conviction record.

(d) The applicant attends the educational course and passes the examination described in s. 458.06 (2) (d).

(3) APPRAISER LICENSURE. The department shall grant and issue a certificate of licensure as an appraiser to any individual who does all of the following:

(a) Satisfies the conditions in sub. (2).

(c) Submits evidence satisfactory to the department that he or she has successfully completed the educational and experience requirements specified in the rules promulgated under s. 458.085 (1) and (2).

(d) Passes an examination conducted by the department under s. 458.10 to determine fitness to perform an appraisal of real estate described in the rules promulgated under s. 458.03 (1) (e).

(e) Satisfies any other requirements that the department determines, by rule, are necessary to ensure that he or she is qualified to perform an appraisal of real estate described in the rules promulgated under s. 458.03 (1) (e) in a federally related transaction.

(3m) LICENSURE OF CERTIFIED APPRAISERS. The department shall grant and issue a certificate of licensure as an appraiser to each certified appraiser at the same time that the department issues the certificate of certification to the certified appraiser under s. 458.06 (3) or (4). A certified appraiser may not be charged a fee for licensure under this subsection. The department may issue an appraiser license under this subsection that is separate from a residential appraiser certificate or general appraiser certificate, or may issue one certificate of licensure and certification.

(4) RECIPROCAL LICENSURE. Upon application and payment of the fee specified in s. 440.05 (2), the department shall grant and issue a certificate of licensure as an appraiser to any applicant to whom any of the following applies:

(a) The applicant holds a current appraiser certificate in another state or territory of the United States and the department determines that the requirements for obtaining the certificate in the other state or territory are substantially equivalent to the requirements under sub. (3).

(b) The applicant meets the requirements established in a reciprocal agreement under s. 458.12 between the department and the regulatory authority in the state or territory where the applicant holds the certificate.

(5) TRANSITIONAL LICENSURE. (a) Upon application and payment of the fee specified in s. 440.05 (1), the department shall grant and issue a transitional certificate of licensure as an appraiser to any individual who satisfies all of the requirements for licensure in sub. (3) (a), (d) and (e), but who satisfies only the experience or only the educational requirements in sub. (3) (c). Except as provided in par. (b), a transitional certificate granted under this paragraph is valid for 2 years from the date on which the transitional certificate is issued or until January 1, 1996, whichever occurs first, and may not be renewed.

(b) If the department grants and issues a transitional certificate of licensure under par. (a) to an individual who holds a certificate of licensure that was granted and issued under s. 458.08 (3) (b) 2. or (c) 2., 1991 stats., the transitional certificate is valid for 2 years less the period during which the individual held the certificate of licensure under s. 458.08 (3) (b) 2. or (c) 2., 1991 stats., or until January 1, 1996, whichever occurs first.

History: 1991 a. 39, 78; 1993 a. 3.

458.085 Appraiser educational and experience requirements; rules. The department shall promulgate rules establishing all of the following:

(1) Educational requirements for certification and for licensure under this chapter.

(2) Experience requirements for licensure under this chapter.

History: 1991 a. 39, 78.

458.09 Applicability of assessor experience and continuing education. (1) In this section, “assessor” means an individual who assesses or has assessed the value of real estate for property tax purposes for a town, village, city or county or the department of revenue.

(2) If an applicant for a certificate under s. 458.06 (3) or (4) or 458.08 (3) or (5) (a) or for renewal of that certificate under s. 458.11 is an assessor, all of the following apply:

(a) The period of experience required under s. 458.06 (3) (c) shall be reduced by the period that the applicant has been employed as an assessor of commercial real estate or of both commercial real estate and residential real estate and that the department determines is substantially equivalent to experience as a general appraiser.

(b) The period of experience required under s. 458.06 (4) (c) or 458.08 (3) (c) shall be reduced by the period that the applicant has been employed as an assessor of residential real estate or commercial real estate and that the department determines is substantially equivalent to experience as a residential appraiser.

(3) The number of hours of attendance at and completion of continuing education programs or courses of study required under s. 458.13 (1) shall be reduced by one hour for each hour of attendance at and completion of, within the 2 years immediately preceding the date on which the renewal application is submitted, continuing education programs or courses of study 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 continuing education programs or courses of study for certified general appraisers, certified residential appraisers or licensed appraisers, as appropriate.

History: 1991 a. 39 s. 3419d; 1991 a. 78; 1993 a. 3.

458.095 Temporary use of titles; appraisers certified or licensed in other states. A certificate under this chapter is not required for an appraiser who holds a current appraiser certificate in another state if all of the following apply:

(1) The appraisal is performed in a federally related transaction.

(2) The appraiser’s practice in this state is of a temporary nature, as determined by the department by rule.

(3) The appraiser is registered with the department.

(4) The appraiser meets all other requirements established in rules promulgated by the department for the regulation of temporary appraiser practice.

History: 1991 a. 78.

458.10 Examination. (1) The department shall conduct examinations for general appraiser certification, residential appraiser certification and appraiser licensure at least semiannually at times and places determined by the department. The department shall provide public notice of each examination at least 60 days before the date of the examination.

(2) Examinations shall consist of written tests that are consistent with and equivalent to the uniform state certification examination issued or endorsed by the appraisal qualifications board of the appraisal foundation.

(3) The department shall promulgate rules specifying the requirements for certification or licensure that an applicant must satisfy before he or she is eligible for examination.

(4) An applicant shall submit an application for examination to the department on a form provided by the department and pay the fee specified in s. 440.05 (1) at least 30 days before the date of examination.

History: 1989 a. 340; 1991 a. 39.

458.105 Certificate number. The department shall assign a certificate number to each individual who is certified or licensed under this chapter and shall place the number upon each certificate prior to its issuance.

History: 1991 a. 39 s. 3418e.

458.11 Expiration and renewal. Renewal applications shall be submitted to the department on a form provided by the department on or before the applicable renewal date specified under s. 440.08 (2) (a) and shall include the applicable renewal fee specified under s. 440.08 (2) (a). Renewal of an appraiser certificate automatically renews the individual’s appraiser license without payment of the renewal fee for the appraiser license or completion of any additional continuing education requirements that would otherwise be required for renewal of the appraiser license. Renewal applications shall be accompanied by proof of completion of the continuing education requirements in s. 458.13. Notwithstanding s. 458.06 (3) (b) 2. and (4) (b) 2., 1989 stats., and s. 458.08 (3) (b) 2. and (c) 2., 1991 stats., the department may not

renew a certificate that was granted under s. 458.06 (3) or (4) or 458.08 (3) before May 29, 1993, unless the holder of the certificate satisfies the requirement in s. 458.06 (3) (b) or (4) (b) or 458.08 (3) (c), as appropriate.

History: 1991 a. 39 s. 3419b; 1991 a. 78; 1993 a. 3.

458.12 Reciprocal agreements. The department may enter into reciprocal agreements with officials of other states or territories of the United States for certifying and licensing appraisers and issue certificates to applicants who hold certificates in those states or territories according to the terms of the reciprocal agreements.

History: 1989 a. 340; 1991 a. 39.

458.13 Continuing education requirements. (1) At the time of renewal of a certificate issued under this chapter, each applicant shall submit proof of attendance at and completion of, within the 2 years immediately preceding the date on which the renewal application is submitted, continuing education programs or courses of study approved for at least 20 hours of credit by the department.

(2) At the time of every 4th renewal, each applicant shall submit proof of attendance at and completion of, within the 2 years immediately preceding the date on which the renewal application is submitted, the educational course and examination described in s. 458.06 (2) (d). The number of hours of attendance at an educational course required under this subsection shall be applied to satisfy the renewal requirement under sub. (1).

History: 1991 a. 39 s. 3419c; 1991 a. 78.

458.16 Use of certificate number and title. (1) Each certified appraiser shall place his or her title, as described in s. 458.055, and certificate number on each appraisal report and each written appraisal agreement used by the certified appraiser in conducting appraisal activities. The title and certificate number shall be placed in a manner specified by the department in the rules promulgated under s. 458.03 (1) (f). The title “Wisconsin certified residential appraiser” or “WI certified residential appraiser” may be used only on an appraisal report or written appraisal agreement pertaining to commercial real estate having a transaction value of not more than \$250,000 or to residential real estate.

(2) Each licensed appraiser shall place his or her title, as described in s. 458.055, and certificate number on each appraisal report and each written appraisal agreement used by the licensed appraiser in conducting appraisal activities. The title and certificate number shall be placed in a manner specified by the department in the rules promulgated under s. 458.03 (1) (f). The title “Wisconsin licensed appraiser” or “WI licensed appraiser” may be used only on an appraisal report or written appraisal agreement pertaining to real estate described in the rules promulgated under s. 458.03 (1) (e).

History: 1989 a. 340; 1991 a. 39, 78; 1993 a. 3.

458.18 Maintenance of records. (1) Unless a longer period of retention is required under sub. (2), a certified appraiser or licensed appraiser shall retain for at least 5 years the originals or true copies of each contract for the employment of the appraiser’s professional services, each appraisal report prepared by the appraiser and all other records that, in the opinion of the appraiser, are material to each appraisal report prepared by the appraiser. The period of retention required under this subsection begins on the date on which the appraiser submits the appraisal report to the person for whom the appraisal report is prepared.

(2) A certified appraiser or licensed appraiser shall retain the records described in sub. (1) for at least 2 years after the termination of any litigation related to the transaction for which the appraisal report was prepared.

(3) A certified appraiser or licensed appraiser shall, upon reasonable notice, make the records described in sub. (1) available for inspection and copying by the department or the board.

History: 1989 a. 340; 1991 a. 39, 78.

458.19 Requirements for appraisal reports. An appraiser shall include all of the following in each appraisal report prepared by the appraiser:

(1) If the appraiser has not conducted an on-site inspection of the real estate for which the appraisal report is prepared, a statement that the appraiser has not done so.

(2) 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 that the appraiser has not done so.

(3) If the appraisal report pertains to residential real estate, the appraiser’s opinion of the highest and best use of the real estate.

History: 1989 a. 340; 1991 a. 78.

458.20 Contingent fees. No certified appraiser or licensed appraiser may accept a fee for conducting an appraisal that is contingent upon the appraiser reporting a predetermined estimate, analysis, opinion or conclusion or contingent upon the consequences resulting from the appraisal services.

History: 1989 a. 340; 1991 a. 39.

458.21 Appraisals in federally related transactions; annual registry fee required. Each certified appraiser or licensed appraiser who performs or desires to perform an appraisal in a federally related transaction shall pay to the department the annual registry fee required by the federal financial institutions examination council or its successor agency.

History: 1989 a. 340; 1991 a. 39.

458.22 Use of title restricted to individual. No firm, partnership, corporation or other group of individuals may use the title “Wisconsin certified appraisers”, “Wisconsin certified general appraisers”, “Wisconsin certified residential appraisers”, “Wisconsin licensed appraisers” or any similar title in connection with the name or signature of the firm, partnership, corporation or group of individuals.

History: 1989 a. 340; 1991 a. 39; 1993 a. 3.

458.24 Code of professional conduct. 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”.

History: 1989 a. 340; 1991 a. 39, 78.

458.26 Disciplinary proceedings and actions. (1) The department shall, upon motion of the board or upon its own determination, conduct investigations in regard to the action of any appraiser.

(2) The department shall present the findings of any investigation of an appraiser or an applicant for a certificate under this chapter to the board for its consideration. The department shall, upon motion of the board, and may, upon its own determination, commence disciplinary proceedings on any matter under investigation concerning a certified appraiser, licensed appraiser or applicant.

(3) Disciplinary proceedings shall be conducted by the board according to the rules promulgated under s. 440.03 (1). The department may deny any certificate under this chapter, and the board may limit, suspend or revoke any certificate under this chapter or reprimand or impose additional continuing education requirements on the holder of a certificate under this chapter, if the department or board finds that the applicant for or holder of the certificate has done any of the following:

- (a) Made a material misstatement in an application for the certificate or renewal of the certificate, or in any other information furnished to the board or department.
- (b) Engaged in unprofessional or unethical conduct in violation of rules promulgated under s. 458.24.
- (c) Engaged in conduct while practicing as an appraiser which evidences a lack of knowledge or ability to apply professional principles or skills.
- (d) Subject to ss. 111.321, 111.322 and 111.335, been arrested or convicted of an offense the circumstances of which substantially relate to the practice of an appraiser.
- (e) Advertised in a manner that is false, deceptive or misleading.
- (f) Advertised, practiced or attempted to practice as an appraiser under another's name.
- (g) Subject to ss. 111.321, 111.322 and 111.34, practiced as an appraiser while the individual's ability to practice was impaired by alcohol or other drugs.
- (h) Based the value of real estate in an appraisal report on the

racial composition of the area in which the real estate is located.

(i) Violated this chapter or any rule promulgated under this chapter.

(4) In addition to or in lieu of a reprimand or denial, limitation, suspension or revocation of a certificate under sub. (3), the board may assess against a certified appraiser, licensed appraiser or applicant for a certificate under this chapter a forfeiture of not less than \$100 nor more than \$1,000 for each violation enumerated under sub. (3).

(5) The department may seek judicial review under ch. 227 of any final decision of the board. The department shall be represented in such review proceedings by an attorney within the department. Upon request of the board, the attorney general may represent the board.

History: 1989 a. 340; 1991 a. 39, 78; 1993 a. 3.

458.30 Penalties. Any person who violates this chapter or any rule promulgated under this chapter may be fined not more than \$1,000 or imprisoned for not more than 6 months or both.

History: 1989 a. 340.