

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date December 11, 2018
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) SPS 88	
4. Subject Real estate appraisal management companies	
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected 20.165(1)(g)
7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule Current rules do not provide for the regulation of real estate appraisal management companies. The proposed rules create a new chapter, ch. SPS 88, to provide for the regulation of real estate appraisal management companies in accordance with the provisions of subch. III of ch. 458, Stats., as created by 2017 Wisconsin Act 113. Specifically, the proposed rules provide the requirements for licensure as a real estate appraisal management company and identify acts that constitute unprofessional or unethical conduct for purposes of conducting disciplinary proceedings and taking action against a license.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. The proposed rule was posted on the Department of Safety and Professional Services' website for 14 days in order to solicit comments from businesses, representative associations, local governmental units, and individuals that may be affected by the rule. No comments were received.	
13. Identify the Local Governmental Units that Participated in the Development of this EIA. No local governmental units participated in the development of this EIA.	
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) The proposed rule will not have a significant impact on specific businesses, business sectors, public utility rate payers, local governmental units, or the state's economy as a whole. The Department estimates one-time administrative costs of \$80.67. These costs may be absorbed in the agency budget.	
15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The benefit to implementing the rule is the statutorily required regulation of real estate appraisal management companies. The alternatives of either partially updating or not updating these rules would be less beneficial to real estate appraisal management companies and their clients.	

ADMINISTRATIVE RULES

Fiscal Estimate & Economic Impact Analysis

16. Long Range Implications of Implementing the Rule

The long range implication of implementing the rule is the statutorily required regulation of real estate appraisal management companies.

17. Compare With Approaches Being Used by Federal Government

None

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

Illinois:

The Illinois Administrative Code [68 Ill. Adm. Code 1452] implements the Appraisal Management Company Registration Act [225 ILCS 459] and provides for the regulation of appraisal management companies. The rules, which are administered by the Illinois Department of Financial and Professional Regulation, include the requirements for an application for original registration [68 Ill. Adm. Code 1452.20] and identify acts that constitute dishonorable, unethical, or unprofessional conduct for purposes of disciplinary and non-disciplinary action against a registration [68 Ill. Adm. Code 1452.190].

Iowa:

The Iowa Administrative Code [187 IAC 25] implements the Iowa Appraisal Management Company Registration and Supervision Act [Iowa Code chapter 543E] and provides for the regulation of appraisal management companies. The rules, which are administered by the Division of Banking of the Iowa Department of Commerce, include the requirements for an application for registration [187 IAC 25.2] and identify acts that constitute grounds for disciplinary sanctions against a registration [187 IAC 25.11].

Michigan:

The Michigan Statutes [MCL 339.2661 to 339.2677, as created by Public Act 505 of 2012] provide for the regulation of appraisal management companies. The statutes, which are administered by the Michigan Department of Licensing and Regulatory Affairs, include the requirements for an application for licensure [MCL 339.2665] and identify conduct subject to penalties [MCL 339.2675].

Minnesota:

The Minnesota Statutes, Chapter 82C, provides for the regulation of appraisal management companies. The statutes, which are administered by the Minnesota Department of Commerce, include the requirements for an application for licensure [Minnesota Statutes, Section 82C.03] and identify unlawful conduct [Minnesota Statutes, Section 82C.14].

19. Contact Name

Dale Kleven

20. Contact Phone Number

(608) 261-4472

This document can be made available in alternate formats to individuals with disabilities upon request.

ADMINISTRATIVE RULES
Fiscal Estimate & Economic Impact Analysis

ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
-