

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected</p>	<p>2. Date December 2, 2020</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) SPS 85</p>	
<p>4. Subject Real estate appraisers</p>	
<p>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</p>	<p>6. Chapter 20, Stats. Appropriations Affected 20.165 (1) (g)</p>
<p>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</p>	
<p>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)</p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0</p>	
<p>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</p>	
<p>11. Policy Problem Addressed by the Rule The proposed rule creates s. SPS 85.230 (2m) to implement s. 440.09, Stats., as created by 2019 Wisconsin Act 143. Section 440.09, Stats., specifies the requirements for issuing reciprocal credentials to service members, former service members, and the spouses of service members and former service members.</p> <p>The proposed rule also revises the Licensed Appraiser classification under s. SPS 85.500 to reflect a May 15, 2020 change to the real property appraiser classifications within the Appraiser Qualifications Board's Real Property Appraiser Qualification Criteria. Specifically, the Licensed Residential Real Property Appraiser classification in the Criteria was changed from applying to complex one-to-four residential units having a transaction value of less than \$250,000 to those having a transaction value of less than \$400,000.</p>	
<p>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.</p>	
<p>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.</p>	
<p>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 \$122.53. These costs may be absorbed in the agency budget.</p>	

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15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

The benefit to implementing the rule is reflecting s. 440.09, Stats., as created by 2019 Wisconsin Act 143, and current classifications within the Appraiser Qualifications Board's Real Property Appraiser Qualification Criteria. If the rule is not implemented, it will not reflect current requirements for issuing reciprocal credentials to service members, former service members, and the spouses of service members and former service members or current real property appraiser classifications.

16. Long Range Implications of Implementing the Rule

The long range implication of implementing the rule is reflecting the requirements for issuing reciprocal credentials to service members, former service members, and the spouses of service members and former service members and current real property appraiser classifications.

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:

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 adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation, and do not currently reflect the May 15, 2020, change to the applicability of the Licensed Residential Real Property Appraiser classification (68 Ill. Adm. Code 1455.10).

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 adopt the minimum qualifications for real property appraisers established May 1, 2018 by the Appraiser Qualifications Board of The Appraisal Foundation, and do not currently reflect the May 15, 2020, change to the applicability of the Licensed Residential Real Property Appraiser classification (193F IAC 1.19).

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 provide for 3 classes of license for real estate appraisers, including a State Licensed Real Estate Appraiser classification (Mich Admin Code, R 339.23403). This classification does not currently reflect the May 15, 2020, change by the AQB to the applicability of the Licensed Residential Real Property Appraiser classification.

Minnesota:

The Minnesota Statutes, Sections 82B.02 to 82B.24, address the practice of real estate appraisal in Minnesota. The statutes adopt the minimum education, examination, and experience requirements established by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation and published in the most recent version of the Real Property Appraiser Qualification Criteria (2019 Minnesota Statutes, Section 82B.095, Subd. 3.). The statutes also provide for 5 classes of license for real estate appraisers, including a Licensed Residential Real Property Appraiser classification (2019 Minnesota Statutes, Section 82B.11, Subd. 3.). This classification does not currently reflect the May 15, 2020, change by the AQB to the applicability of the Licensed Residential Real Property Appraiser classification.

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.

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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
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