

REAL ESTATE APPRAISER EXAMINING BOARD[193F]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 543D.5, the Real Estate Appraiser Examining Board hereby gives Notice of Intended Action to amend Chapter 3, “General Provisions for Examinations,” Chapter 4, “Associate Real Property Appraiser,” Chapter 5, “Certified Residential Real Property Appraiser,” and Chapter 6, “Certified General Real Property Appraiser,” Iowa Administrative Code.

The purpose of these amendments is to include requirements for individuals seeking to become associate appraisers or to upgrade their certifications on or after January 1, 2015, in accordance with the federal criteria set by the Appraiser Qualifications Board (AQB). Each of the proposed amendments to Chapters 5 and 6 is a direct result of the changes by the AQB made to the real property appraiser qualifications criteria effective January 1, 2015. For the state of Iowa to maintain an excellent compliance rating and to provide compliance with the federal requirements, the Real Estate Appraiser Examining Board proposes these amendments. These amendments establish uniform appraisal standards and appraiser certification requirements and update other rules.

The proposed amendment to subrule 3.2(5) removes verbiage that is no longer necessary.

The proposed amendments to rule 193F—3.4(543D) update language in subrule 3.4(2) and update requirements for initial certification as required under the January 1, 2015, AQB criteria.

The proposed amendments to rule 193F—4.1(543D) place a restriction on the length of time for which the required initial qualifying education to become an associate appraiser is valid. In addition, the amendments add the required training course and set forth the date on which mandatory criminal history background checks must begin. These changes are in keeping with January 1, 2015, federal criteria set by the AQB.

The proposed amendments to rule 193F—4.2(543D) clarify the rule.

The proposed amendments to rule 193F—4.4(543D) remove outdated references and improve consistency.

Proposed rule 193F—4.6(543D) is not a federal requirement, but it would push lapsed or inactive associate appraisers toward certification by requiring them to complete the education necessary to upgrade for certification rather than complete continuing education that could not be used to upgrade. The addition of this rule is consistent with the intent of current rules that an associate registration is not meant to be a permanent, long-term credential. Associate appraisers have the opportunity to use qualifying education in a “double fashion” for reinstating or reactivating and for upgrading to certification.

Proposed new subrule 5.1(3) sets forth the requirement that a certified residential appraiser must comply with the Uniform Standards of Professional Appraisal Practices (USPAP).

Proposed paragraph 5.2(1)“c” brings the Board’s rules into compliance with the change in formal education requirements. Proposed subrule 5.2(3) allows approved AQB degree programs to be used for the qualifying education. The Real Estate Education Program at the University of Northern Iowa is approved by the AQB and is an example of the degree programs that may be accepted.

The amendments to rule 193F—5.3(543D) clarify that, effective January 1, 2015, all criteria for an applicant to become certified must be met before the applicant may take the examination.

The amendments to rules 193F—5.4(543D) to 193F—5.6(543D) provide clarification and remove duplicative language.

The amendments in rule 193F—5.7(543D) improve clarity and set forth the date on which national criminal history checks will begin.

The proposed amendment to subrule 6.1(2) clarifies that an appraiser must comply with all of USPAP as stated in Iowa Code section 543D.18.

The proposed addition of paragraph 6.2(1)“c” and amendments to 6.2(2) bring the Board’s rules into compliance with the mandatory federal change in formal education requirements. The addition of subrule 6.2(3) allows approved AQB degree programs to be used for the qualifying education. The Real Estate Education Program at the University of Northern Iowa is approved by the AQB and is an example of the degree programs that may be accepted.

The amendments to rule 193F—6.3(543D) clarify that, effective January 1, 2015, all criteria for an applicant to become certified must be met before an applicant may take the examination.

The amendments to rules 193F—6.4(543D) to 193F—6.6(543D) provide clarification and remove duplicative language.

Proposed rule 193F—6.7(543D) sets forth the date on which national criminal history checks will begin in accordance with Iowa Code section 543D.22.

Consideration will be given to all written suggestions or comments received no later than 4:30 p.m. on October 7, 2014. Comments should be addressed to Toni Bright, Real Estate Appraiser Examining Board, 200 E. Grand Avenue, Suite 350, Des Moines, Iowa 50309. E-mail may be sent to RealEstateAppraiserBoard@Iowa.gov.

A public hearing will be held on October 7, 2014, at 9 a.m. in the Board Office, 200 E. Grand Avenue, Suite 350, Des Moines, Iowa, at which time persons may present their views on the proposed amendments either orally or in writing. At the hearing, any person who wishes to speak will be asked to give the person’s name and address for the record and to confine remarks to the subject of the proposed amendments.

These amendments have no fiscal impact to the state of Iowa.

These amendments are subject to waiver or variance pursuant to 193—Chapter 5.

After analysis and review, there could be a fiscal and jobs impact to associate appraisers who do not have a bachelor’s degree and who would need additional education beyond the current requirement of an associate’s degree or equivalent semester hours.

These amendments are intended to implement Iowa Code chapter 543D.

The following amendments are proposed.

ITEM 1. Amend subrule 3.2(5) as follows:

3.2(5) If an applicant who has passed an examination does not obtain the related appraiser credential within 24 months of passing the examination, that examination result loses its validity to support issuing the issuance of an appraiser credential. To regain eligibility for the credential, the applicant must retake and pass the examination. This requirement applies to individuals obtaining an initial certified credential or upgrading ~~from a lower-level credential to either the certified residential or certified general classification. Commencing January 1, 2008, the only examinations acceptable to the board are those prepared and graded using the AQB-adopted 2008 criteria. Applicants shall not be initially certified or upgraded on or after January 1, 2008, in reliance on examination results in connection with examinations completed prior to January 1, 2008. Applicants who successfully passed an examination prior to January 1, 2008, may only be certified or upgraded on or after January 1, 2008, if they are otherwise qualified and submit a completed application prior to January 1, 2008.~~

ITEM 2. Amend rule 193F—3.4(543D) as follows:

193F—3.4(543D) Application for certification. Applicants for certification ~~or associate registration~~ must successfully complete the appropriate examination.

3.4(1) No change.

3.4(2) A certificate or associate registration shall contain the applicant’s name, appraiser classification, Iowa certificate number and the signature of the board chairperson ~~and vice chairperson.~~

3.4(3) An initial certificate shall not be issued until the applicant has demonstrated compliance with all required appraiser qualifications for certification, which include examination, education, a bachelor's degree, and real property appraiser experience complying with pursuant to Iowa Code section 543D.9 and rules 193F—5.2(543D) and 193F—6.2(543D) Chapter 5 or 6.

ITEM 3. Amend rule 193F—4.1(543D) as follows:

193F—4.1(543D) Qualifications to register as an associate appraiser.

4.1(1) Education.

a. A person applying for registration as an associate appraiser shall, at a minimum, satisfactorily complete the following AQB-approved, qualifying education modules required under the educational standards applicable ~~on and after January 1, 2008,~~ for certification as a certified residential appraiser or certified general appraiser:

- ~~a.~~ (1) The 30-hour module on basic appraisal principles;
- ~~b.~~ (2) The 30-hour module on basic appraisal procedures; and
- ~~c.~~ (3) The 15-hour national USPAP course or its equivalent.

b. Beginning January 1, 2015, the initial qualifying education must be completed no more than five years prior to the date of application.

4.1(2) Training. Effective January 1, 2015, prior to registration as an associate, a person must complete a course that complies with the specifications for course content established by the AQB specifically oriented to the requirements and responsibilities of supervisory appraisers and associate appraisers. The course must be completed before the person can obtain an associate credential. This course cannot be applied toward the required hours of qualifying or continuing education.

4.1(3) Background check. Effective January 1, 2017, a national criminal history check as provided in Iowa Code section 543D.22 shall be performed on any new associate appraiser.

~~4.1(2)~~ **4.1(4) Application form.** After completing the education outlined in ~~subrule~~ subrules 4.1(1) and 4.1(2), a person applying for registration as an associate appraiser shall apply for registration on the form provided by the board. The form and the appropriate application fee shall be submitted to the board.

~~4.1(3)~~ **4.1(5) Registration denial.** The board may deny an application for registration as an associate appraiser on any ground upon which the board may impose discipline against an associate appraiser, as provided in 193F—Chapter 7.

ITEM 4. Amend rule 193F—4.2(543D) as follows:

193F—4.2(543D) Supervision of associate appraisers.

4.2(1) and 4.2(2) No change.

4.2(3) Logs. An associate appraiser shall maintain an appraisal experience log that includes all information required by the AQB as a precondition for certification and shall maintain the log contemporaneously with the performance of supervised real property appraisal services. Every log page shall have the signatures of the associate appraiser and supervisory appraiser, the state certification number of the supervisory appraiser, and the date of signature. Required log entries shall, at a minimum, include the following for each appraisal:

- a. Type of property;
- b. Date of report;
- c. Address of appraised property;
- d. Description of work performed by the associate appraiser and scope of review and supervision of the ~~supervising~~ supervisory appraiser; and
- e. Number of actual work hours; ~~and~~ by the associate on the assignment.
- ~~f. Signature of supervising appraiser and the date signed.~~

4.2(4) Monitoring of logs. The associate appraiser shall have the appraisal log reviewed and signed by the supervisory appraiser at least monthly. Upon written request by the board, the associate appraiser and the supervisory appraiser shall submit a copy of the associate appraiser's log by letter, ~~fax~~ or E-mail

within ten calendar days. The failure of an associate appraiser or supervisory appraiser to submit the requested log is a ground for disciplinary action. A separate appraisal log shall be maintained for each supervisory appraiser.

ITEM 5. Amend rule 193F—4.4(543D) as follows:

193F—4.4(543D) Progress toward certification as a certified residential appraiser or certified general appraiser.

4.4(1) ~~Trainee~~ Associate classification. The associate appraiser classification is intended for those persons training to become certified appraisers and is not intended as a long-term method of performing appraisal services under the supervision of a certified appraiser in the absence of progress toward certification. As a result, the board may impose deadlines for achieving certification, or for satisfying certain prerequisites toward certification, for those persons who apply to renew an associate appraiser registration more than two times ~~following January 1, 2008~~. Deadlines, if any, would be imposed as a condition for the third or subsequent renewal ~~after January 1, 2008~~.

4.4(2) Factors to consider.

a. The board may consider the following noninclusive list of factors when deciding whether to impose a deadline for achieving certification:

- (1) An associate appraiser's access to the educational courses required for certification;
- (2) Whether the associate appraiser had completed the ~~college-level coursework required~~ college requirement for certification in advance of registering as an associate appraiser or whether ~~such college~~ college coursework is in progress;
- (3) The associate appraiser's access to supervisory appraisers, the volume of the supervisory appraiser's practice, and the type of certification the associate is training to achieve; and
- ~~(4) The progress toward certification the associate appraiser had made prior to the imposition of new certification standards as of January 1, 2008; and~~
- ~~(5)~~ (4) Such additional factors as may be relevant to the board's determination as to whether the associate appraiser is making good-faith progress toward certification.

b. No change.

4.4(3) No change.

ITEM 6. Adopt the following new rule 193F—4.6(272C,543D):

193F—4.6(272C,543D) Reinstating or reactivating an associate registration. In order to reinstate or reactivate an associate registration that has lapsed or been placed in inactive status for longer than 12 months, the applicant must complete all continuing education required for reinstatement pursuant to 193F—subrule 11.2(5). For purposes of this rule, in addition to the most recent edition of a seven-hour USPAP course, the board shall allow for continuing education only those courses that have been AQB-approved as qualifying education required for certification, as outlined in rules 193F—5.2(543D) and 193F—6.2(543D). The purpose of this requirement is to ensure that those associates reinstating a lapsed or inactive registration are progressing toward certification. Any qualifying education course taken under this rule as continuing education shall also apply as qualifying education toward certification. If the applicant has completed all qualifying education prior to applying to reinstate a lapsed or inactive associate registration, the applicant may use any approved continuing education course as provided in 193F—Chapter 11, in addition to the required seven-hour USPAP update course, toward the continuing education required for reinstatement.

ITEM 7. Adopt the following new subrule 5.1(3):

5.1(3) All certified residential real property appraisers must comply with USPAP.

ITEM 8. Amend rule 193F—5.2(543D) as follows:

193F—5.2(543D) Education. Education requirements for an applicant to obtain a certificate as a certified residential real property appraiser shall be in compliance with the criteria as set forth by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation.

5.2(1) Formal education.

a. Applicants must hold an associate's degree or higher from an accredited college, junior college, community college, or university. In lieu of the associate's degree, an applicant shall successfully pass all of the following collegiate subject matter courses from an accredited college, junior college, community college, or university:

(1) to (7) No change.

b. Total hours of equivalent college courses in lieu of an associate's degree are 21 semester credit hours or equivalent. If an accredited college or university (accredited by the Commission on Colleges, by a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education) accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the examination(s) showing the college's or university's approval, the CLEP credit will be considered as credit for the college course.

c. Effective January 1, 2015, applicants must hold a bachelor's degree or higher from an accredited college or university.

5.2(2) Core criteria. In addition to the ~~associate's degree or 21 semester hours~~ formal education in subrule 5.2(1), an applicant must complete 200 creditable class hours before taking the AQB-approved examination. All courses must be AQB-approved ~~under 2008 current core~~ criteria to be considered creditable. The required courses and 200 hours consist of the following:

a. to j. No change.

5.2(3) Degree program. Credit toward core criteria qualifying education requirements may also be obtained via the completion of a degree in real estate from an accredited degree-granting college or university, provided that the college or university has had its curriculum reviewed and approved by the AQB.

ITEM 9. Amend rule 193F—5.3(543D) as follows:

193F—5.3(543D) Examination. The prerequisite for taking the AQB-approved examination is completion of 200 creditable course hours as specified in subrule 5.2(2). Effective January 1, 2015, the 200 creditable course hours, college or university degree, and all experience must be completed as specified in subrules 5.2(1) and 5.2(2) and rule 193F—5.4(543D) prior to the examination. For 5.2(2)“*c*,” equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB. USPAP qualifying education shall be awarded only when the class is instructed by at least one AQB-certified USPAP instructor who holds a state-issued certified residential or certified general appraiser credential in active status and good standing.

5.3(1) Qualification.

a. In order to qualify to sit for the certified residential real property appraiser examination, the applicant must:

~~*a.* (1)~~ Complete the board's application form and provide copies of documentation of completion of all courses claimed that qualify the applicant to sit for the examination.

~~*b.* (2)~~ Pay the fee specified in 193F—Chapter 12.

b. Effective January 1, 2015, the bachelor's degree, education and experience must be completed and the documentation submitted to the board at the time of application to sit for the examination.

5.3(2) to 5.3(5) No change.

ITEM 10. Amend subrules 5.4(1) and 5.4(2) as follows:

5.4(1) Acceptable experience. The board will accept as qualifying experience the documented experience attained while the applicant for initial certification was in an educational program recognized by the ~~Appraisal~~ Appraiser Qualifications Board and Appraisal Subcommittee as providing qualifying experience for initial certification, whether or not the applicant was registered as an associate real property appraiser at the time the educational program was completed. Such programs, if approved by federal authorities, will incorporate direct supervision by a certified real property appraiser and such additional program features as to satisfy the purpose of requiring that qualifying experience be attained by the applicant as an associate real property appraiser.

5.4(2) Exceptions.

a. Applicants for initial certification in Iowa who request that the board approve ~~unsupervised experience or~~ experience performed in the absence of registration as an associate real property appraiser may file an application for approval on a form provided by the board. The burden shall be on the applicant to establish by clear and convincing evidence all of the following:

(1) The experience is qualifying experience under the substantive and documentation standards of the ~~Appraisal~~ Appraiser Qualifications Board and Appraisal Subcommittee.

(2) to (5) No change.

b. No change.

ITEM 11. Amend subrules 5.5(1) and 5.5(2) as follows:

5.5(1) The applicant shall provide to the board an appraisal log that includes all information required by the AQB as a precondition for certification and shall maintain the log contemporaneously with the performance of supervised real property appraisal services. The appraisal log shall, at a minimum, include ~~the following for each appraisal:~~ all information as described in 193F—subrule 4.2(3).

~~a.—Type of property;~~

~~b.—Date of report;~~

~~c.—Address of appraised property;~~

~~d.—Description of work performed by the associate appraiser and of the supervising appraiser's scope of review and supervision;~~

~~e.—Number of actual work hours by the associate appraiser on the assignment; and~~

~~f.—Signature and state certification number of the supervising appraiser. Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.~~

5.5(2) The applicant shall accumulate a total of 2500 hours of appraisal experience in no fewer than 24 months while in active status, of which a minimum of 1500 hours must consist of residential appraisal experience. While the hours may be cumulative, the 24 months must have elapsed before the applicant can ~~be certified~~ apply to take the examination. Experience claimed must have been performed in compliance with USPAP in which the appraiser demonstrates proficiency in appraisal principles methodology, procedures and reporting conclusions. Acceptable appraisal experience includes, but is not limited to, the following:

a. to d. No change.

e. ~~Real estate~~ Appraisal consulting;

f. and g. No change.

ITEM 12. Amend rule 193F—5.6(543D) as follows:

193F—5.6(543D) Work product review.

5.6(1) An applicant shall submit ~~an a complete appraisal log for the six months immediately preceding the date of application~~ at the time of application for examination and work product review. The board will ~~then~~ select three appraisals ~~at random~~ for work product review and request that the applicant submit ~~a CD and~~ four paper copies of each report and four paper copies of each work file in addition to an electronic format requested by the board for each of the selected appraisals along with the appropriate form and fee. The fee for work product review of the appraisals is provided in 193F—Chapter 12. The board may select the appraisals at random from the entire log or within certain types of appraisals. The board reserves the right to request one or more additional appraisals if those submitted by the applicant raise issues concerning the applicant's competency or compliance with applicable appraisal standards or the degree to which the submitted appraisals are representative of the applicant's work product. Such additional appraisals may be selected at random from the applicant's log or may be selected specifically to provide an example of the applicant's work product regarding a particular type of appraisal. ~~Applicants may also be requested to submit their work files for one or more of the submitted appraisals.~~

5.6(2) No change.

5.6(3) An applicant seeking to upgrade to a certified ~~general~~ residential real property appraiser shall submit ~~one three~~ residential appraisal and ~~two commercial~~ appraisals for review.

5.6(4) ~~The board, or a committee of the board, will evaluate the submitted work product for USPAP compliance with applicable appraisal standards.~~ The board ~~may~~ will submit ~~one or more of~~ the appraisals to a peer review consultant for an opinion on the appraiser's compliance with applicable appraisal standards.

5.6(5) to 5.6(10) No change.

5.6(11) Upon successful completion of the work product review process, an applicant will have 60 days to submit an application. Any application filed on or after January 1, 2015, must meet 2015 AQB criteria.

ITEM 13. Amend rule 193F—5.7(543D) as follows:

193F—5.7(543D) Upgrade to a certified general real property appraiser. To upgrade from a certified residential real property appraiser to a certified general real property appraiser, an applicant must complete the following additional education, examination, and experience requirements and, effective January 1, 2017, a national criminal history check as provided in Iowa Code section 543D.22.

5.7(1) Education.

a. No change.

b. *Core criteria.* In addition to the ~~bachelor's degree or 30 semester hours~~ formal education, an applicant must complete 100 creditable class hours before taking the AQB-approved examination. All courses must be AQB-approved under ~~2008~~ current core criteria to be considered creditable. The required courses and 100 hours consist of the following:

- | | |
|--|----------|
| (1) General appraiser market analysis and highest and best use | 15 hours |
| (2) General appraiser sales comparison approach | 15 hours |
| (3) General appraiser site valuation and cost approach | 15 hours |
| (4) General appraiser income approach | 45 hours |
| (5) General appraiser report writing and case studies | 10 hours |

5.7(2) to 5.7(4) No change.

5.7(5) Background check. Effective January 1, 2017, a national criminal history check as provided in Iowa Code section 543D.22 shall be performed on any appraiser upgrading to a certified general real property appraiser.

ITEM 14. Amend **193F—Chapter 5**, implementation sentence, as follows:

These rules are intended to implement Iowa Code ~~section~~ sections 543D.5, 543D.8, and 543D.9.

ITEM 15. Amend subrule 6.1(2) as follows:

6.1(2) All certified general real property appraisers must comply with ~~the competency rule of~~ USPAP.

ITEM 16. Amend rule 193F—6.2(543D) as follows:

193F—6.2(543D) Education. Education requirements for an applicant to obtain a certificate as a certified general real property appraiser shall be in compliance with the criteria as set forth by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation.

6.2(1) Formal education.

a. and b. No change.

c. Effective January 1, 2015, applicants must hold a bachelor's degree or higher from an accredited college or university.

6.2(2) Core criteria. In addition to the ~~bachelor's degree or 30 semester hours~~ formal education in 6.2(1), an applicant must complete 300 creditable class hours before taking the AQB-approved examination. All courses must be AQB-approved under ~~2008~~ current core criteria to be considered creditable. The required courses and 300 hours consist of the following:

a. to j. No change.

6.2(3) Degree program. Credit toward core criteria qualifying education requirements may also be obtained via the completion of a degree in real estate from an accredited degree-granting college or university, provided that the college or university has had its curriculum reviewed and approved by the AQB.

ITEM 17. Amend rule 193F—6.3(543D) as follows:

193F—6.3(543D) Examination. The prerequisite for taking the AQB-approved examination is completion of 300 creditable course hours as specified in subrule 6.2(2). Effective January 1, 2015, the 300 core criteria hours, college or university degree, and all experience must be completed as specified in subrules 6.2(1) and 6.2(2) and rule 193F—6.4(543D) prior to the examination. For 6.2(2)“c,” equivalency shall be determined through the AQB course approval program or by an alternate method established by the AQB. USPAP qualifying education shall be awarded only when the class is instructed by at least one AQB-certified USPAP instructor who holds a state-issued certified residential or certified general appraiser credential in active status and good standing.

6.3(1) In order to qualify to sit for the certified general real property appraiser examination, the applicant must:

a. and b. No change.

c. Effective January 1, 2015, the degree, education and experience must be completed and documentation submitted to the board at the time of application to sit for the examination.

6.3(2) to 6.3(5) No change.

ITEM 18. Amend subrules 6.4(1) and 6.4(2) as follows:

6.4(1) Acceptable experience. The board will accept as qualifying experience the documented experience attained while the applicant for initial certification was in an educational program recognized by the ~~Appraisal~~ Appraiser Qualifications Board and Appraisal Subcommittee as providing qualifying experience for initial certification, whether or not the applicant was registered as an associate real property appraiser at the time the educational program was completed. Such programs, if approved by federal authorities, will incorporate direct supervision by a certified real property appraiser and such additional program features as to satisfy the purpose of requiring that qualifying experience be attained by the applicant as an associate real property appraiser.

6.4(2) Exceptions.

a. Applicants for initial certification in Iowa who request that the board approve ~~unsupervised experience or~~ experience performed in the absence of registration as an associate real property appraiser may file an application for approval on a form provided by the board. The burden shall be on the applicant to establish by clear and convincing evidence all of the following:

(1) The experience is qualifying experience under the substantive and documentation standards of the ~~Appraisal~~ Appraiser Qualifications Board and Appraisal Subcommittee.

(2) to (5) No change.

b. No change.

ITEM 19. Amend subrules 6.5(1) and 6.5(2) as follows:

6.5(1) The applicant shall provide to the board an appraisal log that includes all information required by the AQB as a precondition for certification and shall maintain the log contemporaneously with the performance of supervised real property appraisal services. The appraisal log shall, at a minimum, ~~include the following for each appraisal:~~ all information as described in 193F—subrule 4.2(3).

a. ~~Type of property;~~

b. ~~Date of report;~~

c. ~~Address of appraised property;~~

d. ~~Description of work performed by the associate appraiser and of the supervising appraiser’s scope of review and supervision;~~

e. ~~Number of actual work hours by the associate appraiser on the assignment; and~~

f. ~~Signature and state certification number of the supervising appraiser. Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.~~

6.5(2) The applicant shall accumulate a total of 3000 hours of appraisal experience in no fewer than 30 months while in active status, of which 1500 hours must consist of nonresidential appraisal experience. While the hours may be cumulative, the 30 months must have elapsed before an applicant can be certified. Experience claimed must have been performed in compliance with USPAP where the appraiser demonstrates proficiency in appraisal principles methodology, procedures and reporting conclusions. Acceptable appraisal experience includes, but is not limited to, the following:

- a. to d. No change.
- e. Real-estate Appraisal consulting;
- f. and g. No change.

ITEM 20. Amend rule 193F—6.6(543D) as follows:

193F—6.6(543D) Work product review.

6.6(1) An applicant shall submit ~~an~~ a complete appraisal log for the six months immediately preceding the date of application at the time of application for examination and work product review. The board will then select three appraisals ~~at random~~ for work product review and request that the applicant submit ~~a CD and~~ four paper copies of each report and four paper copies of each work file in addition to an electronic format requested by the board for each of the selected appraisals along with the appropriate form and fee. The fee for work product review of the appraisals is provided in 193F—Chapter 12. The board may select the appraisals at random from the entire log or within certain types of appraisals. The board reserves the right to request one or more additional appraisals if those submitted by the applicant raise issues concerning the applicant's competency or compliance with applicable appraisal standards or the degree to which the submitted appraisals are representative of the applicant's work product. Such additional appraisals may be selected at random from the applicant's log or may be selected specifically to provide an example of the applicant's work product regarding a particular type of appraisal. ~~Applicants may also be requested to submit their work files for one or more of the submitted appraisals.~~

6.6(2) No change.

6.6(3) An applicant seeking original or upgrade certification as a certified general real property appraiser shall submit one residential appraisal and two ~~commercial nonresidential~~ appraisals for review.

6.6(4) The board, or a committee of the board, will evaluate the submitted work product ~~for USPAP compliance with applicable appraisal standards.~~ The board ~~may~~ will submit ~~one or more of~~ the appraisals to a peer review consultant for an opinion on the appraiser's compliance with applicable appraisal standards.

6.6(5) to 6.6(10) No change.

6.6(11) Upon successful completion of the work product review process, an applicant will have 60 days to submit an application. Any application filed on or after January 1, 2015, must meet 2015 AQB criteria.

ITEM 21. Adopt the following new rule 193F—6.7(543D):

193F—6.7(543D) Background check. Effective January 1, 2017, a national criminal history check as provided in Iowa Code section 543D.22 shall be performed on any appraiser upgrading to a new credential.

ITEM 22. Amend **193F—Chapter 6**, implementation sentence, as follows:

These rules are intended to implement Iowa Code ~~section~~ sections 543D.5, 543D.8, 543D.9, and 543D.22.