

REAL ESTATE APPRAISER EXAMINING BOARD[193F]

Notice of Intended Action

Proposing rule making related to real property appraisers and reciprocity and providing an opportunity for public comment

The Real Estate Appraiser Examining Board hereby proposes to amend Chapter 5, “Certified Residential Real Property Appraiser,” Chapter 6, “Certified General Real Property Appraiser,” and Chapter 10, “Reciprocity,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code chapter 543D.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapter 543D.

Purpose and Summary

The proposed amendments implement changes recommended and required by 2021 Iowa Acts, House File 682.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

Licensees who have had a background check completed within 24 months of their associate registration application will be positively impacted by not having to provide, and submit, for a second background check. References in the rule to Iowa Code section 543D.22 should be understood to include the amendments to that section in 2021 Iowa Acts, House File 682.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Board for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the Board no later than 4:30 p.m. on August 17, 2021. Comments should be directed to:

Brandy March
Real Estate Appraiser Examining Board
East Grand Office Park
200 East Grand Avenue, Suite 350
Des Moines, Iowa 50309
Phone: 515.725.9025
Email: brandy.march@iowa.gov

Public Hearing

A public hearing at which persons may present their views orally or in writing will be held as follows:

August 17, 2021
9 to 10 a.m.

Small Conference Room, Third Floor
200 East Grand Avenue
Des Moines, Iowa

Persons who wish to make oral comments at the public hearing may be asked to state their names for the record and to confine their remarks to the subject of this proposed rule making.

Any persons who intend to attend the public hearing and have special requirements, such as those related to hearing or mobility impairments, should contact the Board and advise of specific needs.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Rescind rule 193F—5.7(543D) and adopt the following **new** rule in lieu thereof:

193F—5.7(543D) Background check. A state and national criminal history check shall be performed on any appraiser upgrading to a new credential consistent with Iowa Code section 543D.22.

ITEM 2. Amend rule 193F—6.7(543D) as follows:

193F—6.7(543D) Background check. A state and national criminal history check shall be performed on any appraiser upgrading to a new credential consistent with Iowa Code section 543D.22. ~~The applicant shall authorize release of the results of the criminal history check to the board. If the criminal history check was not completed within 180 calendar days prior to the date the license application is received by the board, the board may perform a new state and national criminal history check or may reject and return the application to the applicant.~~

ITEM 3. Adopt the following **new** rule 193F—6.8(543D):

193F—6.8(543D) Upgrade from a certified residential real property appraiser 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, supervision, and experience requirements and a state and national criminal history check as provided in Iowa Code section 543D.22. For all intents and purposes, a certified residential real property appraiser seeking to upgrade to a certified general status will be considered an associate appraiser as it relates to differences between the scope of practice of the two licensure categories, and the upgrade process will generally follow the same registration requirements, supervisory identification and maintenance requirements, and processes and procedures generally applicable to associate appraisers set forth in 193F—Chapter 4.

6.8(1) Education.

a. Collegiate education. Certified residential real property appraisers must satisfy the college-level education requirements as specified in rule 193F—6.2(543D).

b. Core criteria. In addition to the formal education and core criteria educational requirements originally required to obtain a certified residential credential, an applicant must complete the following additional 100 creditable core criteria class hours before taking the AQB-approved examination. All

courses must be AQB-approved under 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 |

6.8(2) Examination. An applicant must satisfy the examination requirements as specified in rule 193F—6.3(543D).

6.8(3) Supervision and experience.

a. Experience. An applicant must satisfy all of the experience requirements as specified in rules 193F—6.4(543D) and 193F—6.5(543D). In obtaining and documenting the 3,000 total experience hours required by subrule 6.5(2), as is the case for initial licensure, such hours must be accumulated in no fewer than 18 months while in active status as, in effect, a registered associate appraiser pursuing an upgrade pursuant to this rule and subject to the supervision of an Iowa-certified appraiser. Notwithstanding the foregoing:

(1) To the extent residential appraisal experience may be counted toward licensure in accordance with subrule 6.5(2), residential appraisal experience obtained as a certified residential appraiser prior to initiating the upgrade process may be included on the appraisal log and, subject to the work product review process, counted toward the experience-hours requirement for purposes of upgrading from a certified real property appraiser to a certified general real property appraiser; provided that such residential appraisal experience obtained prior to initiating the upgrade process shall not apply toward the 18-month requirement.

(2) Applicants may request that the board approve experience hours performed in the absence of registration as an associate real property appraiser by filing an application for approval on a form provided by the board, which application will be subject to and governed by the same processes and standards set forth in rule 193F—6.4(543D).

b. Supervision. Subject to applicable exceptions, all nonresidential experience obtained and applied toward obtaining a certified general credential as part of the upgrade process shall be performed under the direct supervision of a certified general real property appraiser pursuant to the provisions of 193F—Chapter 15 and shall be subject to the identification, notification, maintenance, approval, scope-of-practice, log, and monitoring requirements set forth in 193F—Chapter 4. Both the applicant and the applicant’s supervisor(s) must complete a supervisor/trainee course within the five years prior to the board’s receipt of the associate registration application identifying a supervisor with the board or prior to the applicant’s obtaining or claiming any experience hours under the supervision of that supervisor.

6.8(4) Work product review. An applicant must satisfy the work product review requirements as specified in rules 193F—6.5(543D) and 193F—6.6(543D).

6.8(5) Background check. A state and national criminal history check shall be performed on any appraiser upgrading to a new credential consistent with Iowa Code section 543D.22.

ITEM 4. Amend subrule 10.2(7) as follows:

10.2(7) An appraiser holding a license to practice as a real estate appraiser in another jurisdiction may practice in Iowa without applying for a temporary practice permit or paying any fees as long as the appraiser does not perform appraisal services in Iowa for federally regulated transactions or for which certification is required by state or federal law, rule or policy.

ITEM 5. Amend subrule 10.2(8) as follows:

10.2(8) The board must receive and approve an application for a temporary practice permit before the applicant is eligible to practice in Iowa under a temporary practice permit. ~~Applicants are encouraged to submit applications by email or facsimile to avoid the possible delays of mail service, because the board will not approve an application with a retroactive start date.~~ The board shall grant or deny all applications for temporary practice permits as quickly as reasonably feasible and no later than five days of receipt of

a completed application. Applicants shall use the form prescribed by the board. Applicants disclosing discipline or criminal convictions shall attach documentation from which the board can determine if the discipline or criminal history would be a ground to deny the application. Falsification of information or failure to disclose material information shall be a ground to deny the application and may form the basis to deny any subsequent application or an application to reinstate a lapsed or inactive Iowa certificate.