REAL ESTATE APPRAISER EXAMINING BOARD[193F]

Adopted and Filed

Rulemaking related to associate real estate appraiser

The Real Estate Appraiser Examining Board hereby rescinds Chapter 4, "Associate Real Property Appraiser," and adopts a new Chapter 4, "Associate Real Estate Appraiser," Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code section 543D.5.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 543D and Executive Order 10 (January 10, 2023).

Purpose and Summary

Chapter 4 establishes the pathway for those seeking an associate real estate appraiser license in Iowa. This gives individuals an avenue to provide services to Iowans if the individuals either convert to a certified real estate appraiser or provide services with the assistance of a supervisor. The chapter guides individuals as required by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation (TAF).

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on January 24, 2024, as **ARC 7260C**. Public hearings were held on February 13, 2024, and February 14, 2024, at 10:40 a.m. at 6200 Park Avenue, Des Moines, Iowa, and virtually. No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Board on March 19, 2024.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Department of Inspections, Appeals, and Licensing for a waiver of the discretionary provisions, if any, pursuant to 481—Chapter 6.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking 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).

Effective Date

This rulemaking will become effective on May 22, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 193F—Chapter 4 and adopt the following new chapter in lieu thereof:

CHAPTER 4

ASSOCIATE REAL ESTATE APPRAISER

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

4.1(1) *Education.* A person applying for registration as an associate appraiser will, at a minimum, satisfactorily complete all AQB-approved, qualifying education courses needed under the AQB criteria specifying educational standards applicable for registration as an associate appraiser.

4.1(2) Background check. A state and national criminal history check will be performed on any new associate appraiser applicant. The applicant will 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.

4.1(3) Application process. After completing the AQB associate appraiser obligations, a person applying as an associate appraiser can then access the application through the board's online system. A sufficient application within the meaning of Iowa Code section 17A.18(2) will include all information as outlined in the board's online system and be accompanied by the applicable fee.

4.1(4) Registration denial. The board may deny an application for registration as an associate appraiser on any ground identified in 193F—subrule 3.4(1) or on any ground upon which the board may impose discipline against an associate appraiser, as provided in 193F—Chapter 6.

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

4.2(1) *Direct supervision.* An associate appraiser is subject to the direct supervision obligations set by the AQB criteria.

4.2(2) Supervisor registration. An associate appraiser, other than a PAREA associate, will identify all supervisors by whom the associate will be supervised through the board's online system and will promptly notify the board in the event of any change in supervisors. An associate appraiser, other than a PAREA associate, who does not have at least one approved active supervisor meeting the supervision obligations will be placed in inactive status until such time as the associate finds a supervisor. Associate appraisers wishing to maintain an inactive license have to continue to renew on a biennial basis in accordance with rule 193F—4.3(543D).

4.2(3) Scope of practice. The scope of practice for an associate appraiser is set by the AQB criteria.

4.2(4) Logs. An associate appraiser will maintain an appraisal experience log consistent with the AQB criteria.

193F—**4.3(543D)** Renewal of associate appraiser registration. An associate appraiser registration has to be renewed on a biennial basis as more fully described in 193F—Chapter 8. An associate appraiser is subject to the same continuing education obligations applicable to a certified appraiser as a precondition for renewal. Continuing education obligations are outlined in 193F—Chapter 10.

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

4.4(1) 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.

4.4(2) *Progress reports.* In order to assess an associate appraiser's progress toward certification, the board may request periodic progress reports from the associate appraiser and from the associate appraiser's supervisory appraiser or appraisers.

193F—**4.5(543D)** Applying for certification as a certified residential appraiser or certified general appraiser. An associate appraiser may apply for certification as a certified residential real estate appraiser or as a certified general real estate appraiser as set by the AQB criteria and consistent with Iowa Code chapter 543D and the rules of the board.

193F—4.6(272C,543D) Reinstating or reactivating an associate registration.

4.6(1) In order to reinstate or reactivate an associate registration that has lapsed or been placed in inactive or retired status, the applicant has to complete all continuing education obligations for reinstatement as required by board rule and the AQB criteria. Any qualifying education course taken under this rule as continuing education will also apply as qualifying education toward certification. If the applicant has completed all qualifying education prior to applying to reinstate a lapsed, retired, or inactive associate registration, the applicant may use any approved continuing education course as required by board rule and the AQB criteria.

4.6(2) If an appraiser's registration is placed in inactive status as a result of the appraiser's failure to maintain at least one approved active supervisor meeting the obligations of this chapter pursuant to subrule 4.2(2), the applicant will complete the continuing education in accordance with subrule 4.6(1) in order to reinstate the associate registration but is not obligated to pay any reinstatement fee otherwise due so long as the associate has not renewed the registration to inactive status or allowed the registration to lapse prior to reinstating or reactivating the registration.

193F—**4.7(543D)** Supervisory appraiser requirements. Iowa follows the AQB criteria and USPAP concerning supervisory appraiser requirements.

These rules are intended to implement Iowa Code chapters 543D and 272C.

[Filed 3/27/24, effective 5/22/24] [Published 4/17/24] EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 4/17/24.