



Exempt Action Final Regulation Agency Background Document

Agency name	Real Estate Appraiser Board
Virginia Administrative Code (VAC) citation	18 VAC 130-20
Regulation title	Real Estate Appraiser Board Regulations
Action title	Amending regulations to incorporate federally mandated changes
Final agency action date	August 19, 2014
Document preparation date	September 9, 2014

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

§1116 [12 U.S.C. 3345] of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA – Real Estate Appraisal Reform) authorizes the Appraisal Qualifications Board (AQB) of The Appraisal Foundation (TAF) to set the minimum criteria for states to license and certify real estate appraisers. The AQB’s minimum qualification requirements are expressed in *The Real Property Appraiser Qualification Criteria (Criteria)*, which can be accessed [here](#).

The AQB amended the *Criteria*, and the new *Criteria* requirements must go into effect on January 1, 2015. The specific amendments to the *Criteria* can be reviewed at: [Upcoming Changes to Real Property Appraiser Qualifications](#). The following Real Estate Appraiser Board (Board) regulations must be amended to comply with the January 1, 2015, *Criteria* changes:

18 VAC 130-20-30.7 – (General Qualifications for Licensure) of the Board’s regulations is being amended to require that licensed residential real estate appraiser license applicants have an associate’s degree or complete 30 semester credit hours of accredited college-level education. Currently, there is no college-level education requirement for the licensed residential real estate appraiser license. The new changes

also require that both certified residential real estate appraiser and certified general real estate appraiser license applicants have a bachelor’s degree or higher. Currently, the certified residential real estate appraiser license applicant must have an associate’s degree or complete 21 semester credit hours of accredited college-level education, and the certified general real estate appraiser license applicant must have a bachelor’s degree or complete 30 semester credit hours of accredited college-level education.

18 VAC 130-20-60 – (Qualifications for Licensure as an Appraiser Trainee) of the Board’s regulations is being amended to eliminate the requirement that appraiser trainee license applicants pass the licensed residential real estate appraiser license examination. Also, new trainee license applicants and their supervising appraisers must complete an AQB-approved course specifically oriented to the requirements and responsibilities of supervising appraisers and appraiser trainees. In addition, new supervising appraisers must be state-certified for at least three years and have not been subject to any disciplinary action within the past three years (the current requirement is two years) that affects the supervising appraiser’s legal eligibility to engage in appraisal practice. Finally, this regulation is being amended to express clearly the details that must be included in the trainee’s “Experience Log.”

18 VAC 130-20-110.A - (Qualifications for Renewal) of the Board’s regulations is being amended to express clearly that, aside from completing the seven-hour National USPAP Update course, licensees cannot receive credit for completing the same continuing education course twice within one two-year licensure term.

18 VAC 130-20-220 – (Standards for the Approval of Appraisal Educational Offerings for Continuing Education Credit) of the Board’s regulations is being amended to add the following topics: 1) Developing opinions of real property value in appraisals that also include personal property and/or business value; 2) Seller concessions and impact on value; and 3) Energy efficient items and “green building” appraisals. It is also being amended to clarify that the 7-hour USPAP Update course must be taught by an AQB-certified instructor who is also a state-certified appraiser.

18 VAC 130-20-230 – (Procedures for Awarding Prelicensure and Continuing Education Credits) of the Board’s regulations is being amended to conform to the AQB requirement that licensees can only complete up to one-half of the continuing education requirement by teaching appraisal courses. This requirement is already expressed in 18 VAC 130-20-110.A.2 of the Board’s regulations.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

The Real Estate Appraiser Board reviewed and adopted the final regulations, entitled “Real Estate Appraiser Board Regulations,” on August 19, 2014.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

The proposed changes are not expected to have an impact on families.