

## Proposed Rules

### State of Tennessee Real Estate Appraiser Commission

#### Chapter 1255-01 Qualifications for General Certification

Presented herein is a proposed amendment to the rules of the Tennessee Real Estate Appraiser Commission submitted pursuant to T.C.A. §4-5-202 in lieu of a rulemaking hearing. It is the intent of the Tennessee Real Estate Appraiser Commission to promulgate this amendment without a hearing unless a petition requesting such hearing is filed within thirty (30) days of the publication date of the issue of the Tennessee Administrative Register in which the proposed rules are published. Such petition to be effective must be filed in the Tennessee Real Estate Appraiser Commission, 500 James Robertson Parkway, Davy Crockett Tower, 6th Floor, Nashville, Tennessee 37243, and in the Department of State, Eighth Floor, Tennessee Tower, William Snodgrass Building, 312 8<sup>th</sup> Avenue North, Nashville, Tennessee 37243, and must be signed by twenty-five (25) persons who will be affected by the amendment, or submitted by a municipality which will be affected by the amendment, or an association of twenty-five (25) or more members, or any standing committee of the General Assembly.

For a copy of this notice of the proposed amendment, contact the Tennessee Real Estate Appraiser Commission, attention Nikole Avers, 500 James Robertson Parkway, Davy Crockett Tower, 6th Floor, Nashville, Tennessee 37243 at (615) 741-1831.

The text of the proposed amendments as follows:

#### Amendment

Subdivision 1. of subparagraph (c) of paragraph (1) of Rule 1255-01-.08 Qualifications for General Certification is amended by deleting the current language in its entirety and substituting instead the following language, so that, as amended, the subdivision shall read:

- (1)(c)1. An applicant shall complete three thousand (3,000) hours of appraisal experience over a period of at least thirty (30) months preceding the date of the applicant's application to the Commission and the Commission shall treat the hours as cumulative. A registered trainee applicant shall complete the minimum of thirty (30) months of appraisal experience under the direct supervision of an appraiser certified by a real estate appraiser commission or board in any state. The experience must be sufficient to indicate to the Commission that the applicant is competent in the Uniform Standards of Professional Appraisal Practice. Acceptable appraisal experience includes, but is not limited to the following: fee and staff appraisal, ad valorem tax appraisal, condemnation appraisal, technical review appraisal, appraisal analysis, real estate consulting, highest and best use analysis, and feasibility analysis/study.

Authority: T.C.A. §§ 62-39-203, 62-39-204, 62-39-311, 62-39-312, 62-39-313, 62-39-329, 62-39-333 and 62-39-337.

The proposed rules set out herein were properly filed in the Department of State on the 14th day of April, 2008 and pursuant to the instructions set out above, and in the absence of the filing of an appropriate petition calling for a rulemaking hearing, will become effective on the 28th day of August, 2008. (FS 04-08-08; DBID 2861)

### **Economic Impact Statement:**

1. Types and estimated number of small businesses directly affected:

All small businesses that are attempting to obtain a certified general appraiser license will be affected.

2. Projected reporting, recordkeeping, and other administrative costs:

Projected reporting and recordkeeping costs are negligible.

3. Probable effect on impacted small businesses and consumers:

The changes will have little impact on small businesses. This requirement was included in the notice for rulemaking hearing filed March 30, 2007 by the Tennessee Real Estate Appraiser Commission. A typographical error made while preparing the adopted rules for filing with the Secretary of State inadvertently changed the minimum period of supervised experience which an applicant for a state certified general real estate appraiser license must have from thirty (30) to twenty four (24) months. This amendment is to correct this error and restore the requirement that was adopted by the Tennessee Real Estate Appraiser Commission on May 16, 2007, in order for the Commission to comply with the minimum criteria of the Appraisal Qualifications Board.

4. Less burdensome, intrusive, or costly alternative methods:

Because Congress has mandated that the state appraiser regulatory agencies must use the criteria adopted by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation, there are no alternative means available to accomplish the objectives stated.

5. Comparison with federal and state counterparts:

On February 20, 2004, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the Real Property Appraiser Qualification Criteria that became effective January 1, 2008. These changes represent the minimum national requirements that each state must implement for individuals applying for a real estate appraiser license or certification as of January 1, 2008.

6. Effect of possible exemption of small businesses:

Nearly all of licensees are small businesses and any exemption given to small businesses would be detrimental to the consumers of Tennessee, would be in violation of the federally mandated appraiser qualification criteria and would jeopardize federal recognition of Tennessee's Real Estate Appraiser licensing program. In order to ensure the health, safety and welfare of the consumers of Tennessee, it is imperative that small businesses are held to the same standards as those larger businesses providing the same services.