

**Notice of Public Hearing**

LSA Document #06-95

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Under [IC 4-22-2-24](#), notice is hereby given that on May 23, 2007, at 10:30 a.m., at the Indiana Government Center-South, 402 West Washington Street, Room W064, Indianapolis, Indiana, the Indiana Real Estate Commission will hold a public hearing on amended rules concerning requirements for licensure as an appraiser in Indiana.

The Indiana Real Estate Commission has the authority to promulgate rules. This proposed rule change addresses the federal requirements for state appraiser licensing boards to comply with Title XI. This rule seeks to make the necessary changes to the Appraiser Licensure and Certification Board's rules to comply with new federal guidelines that govern the necessary requirements to obtain an appraiser license. LSA Document #06-95 also makes changes not required by federal mandate, but are being made to remove barriers to practice.

*Justification of Requirements or Costs Where Rule Is Not Expressly Required by Law: Supporting Data, Studies, or Analyses: The Real Estate Appraiser Licensure and Certification Board and the Indiana Real Estate Commission consulted with education providers and other states in estimating the costs associated with reviewing educational material.*

1. The federal changes allow for the new requirements to be adopted either through a "Firm" or "Segmented" implementation process.

*The board will be adopting the new requirements using a "Segmented Implementation Date" and is less restrictive than a "Firm Implementation Date".*

*The new requirements will be adopted under a segmented implementation process to the extent that applicants who meet the old requirements and apply before January 1, 2008, will be allowed to take the examination after December 31, 2007.*

*The Firm Implementation is one where any credential issued by a state appraiser regulatory body on or after January 1, 2008, must be in compliance with all components of the new AQB criteria*

2. The Real Estate Appraiser Licensure and Certification Board has made the decision not to issue new Licensed Residential Licenses after 1/1/2008. The continued issuance of Licensed Residential licenses has caused a significant number of consumer complaints and a negative economic impact on the state's economy.

3. Requiring courses to be approved by the Appraisal Qualifications Board. LSA Document #06-95 requires that all preclicensing education will need to be approved by the Appraisal Qualification Board (AQB). The AQB is a division of the Appraisal Foundation, which is authorized by Congress as the source of appraisal standards and appraiser qualifications. The Appraisal Foundation is the architect of the education requirement changes. By requiring all courses to be approved by the AQB, the state of Indiana will deflect a significant cost. If the state had to review and approve courses, the state would need to hire an education consultant, most likely one with a Ph.D. This would require the state to increase application fees.

4. Permitting distance education is not required by law. Currently, distance education is prohibited for appraisers. LSA Document #06-95 removes this barrier to practice to allow distance education.

Copies of these rules are now on file at the Indiana Government Center-South, 402 West Washington Street, Room W072 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

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