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**TITLE 876 INDIANA REAL ESTATE
COMMISSION**

Proposed Rule
LSA Document #02-148

DIGEST

Amends 876 IAC 3-2-4 to revise the procedures to reactivate an inactive license. Amends 876 IAC 3-2-5 to revise the fees charged to reinstate an expired license. Amends 876 IAC 3-2-7 to revise the fee schedule for the real estate appraiser licensure and certification program and to add an issuance and renewal fee for precicensure real estate appraiser schools and courses under 876 IAC 3-4 and real estate appraiser continuing education course providers under 876 IAC 3-5. Amends 876 IAC 3-3-22 to allow an Indiana licensed trainee appraiser who has not associated with a licensed or certified appraiser to hold an inactive license either upon initial issuance of the license or upon the ending of a previous association with a licensed or certified appraiser and to establish a time period during which an Indiana licensed trainee appraiser license may be held in an inactive status before it becomes void. Amends 876 IAC 3-6-9 to revise the requirements for the use and supervision of Indiana licensed trainee appraisers by licensed or certified appraisers. Effective 30 days after filing with the secretary of state.

876 IAC 3-2-4 **876 IAC 3-3-22**
876 IAC 3-2-5 **876 IAC 3-6-9**
876 IAC 3-2-7

SECTION 1. 876 IAC 3-2-4 IS AMENDED TO READ AS FOLLOWS:

876 IAC 3-2-4 Expiration of licenses

Authority: IC 25-34.1-3-8

Affected: IC 25-34.1

Sec. 4. (a) Licenses issued under this article shall expire January 1 of every even-numbered year.

(b) To renew a license, an individual must do the following:

- (1) Pay the fee required by section 7(b)(2) of this rule.
- (2) Complete an application for renewal on a form provided by the board.
- (3) Satisfactorily complete the continuing education required by 876 IAC 3-5.
- (4) Sign a statement under penalty of perjury that:
 - (A) the hours submitted are correct;
 - (B) the licensee attended and completed courses taken; and
 - (C) to the best of the licensee's knowledge, the courses completed meet the requirements of 876 IAC 3-5.

(c) When renewing a license, a licensee may apply for and receive an inactive license. Such an individual is exempt from the continuing education requirements stated in subsection (b)(3) and 876 IAC 3-5. The holder of an inactive license may not appraise real estate.

(d) To reactivate an inactive license, a licensee must ~~apply to the board~~ **complete an application for reactivation** and have obtained the number of qualifying continuing education hours required by the provisions of 876 IAC 3-5-1 within the two (2) years preceding the filing of the application. *(Indiana Real Estate Commission; 876 IAC 3-2-4; filed Sep 24, 1992, 9:00 a.m.: 16 IR 736; filed Jan 8, 1993, 4:00 p.m.: 17 IR 771; filed Apr 10, 1995, 10:00 a.m.: 18 IR 2113; filed Jun 14, 1995, 11:00 a.m.: 18 IR 2790; errata filed Jul 3, 1995, 12:00 p.m.: 18 IR 2796; filed Dec 24, 1997, 11:00*

a.m.: 21 IR 1758; readopted filed May 29, 2001, 10:00 a.m.: 24 IR 3238)

SECTION 2. 876 IAC 3-2-5 IS AMENDED TO READ AS FOLLOWS:

876 IAC 3-2-5 Reinstatement of expired license

Authority: IC 25-34.1-3-8; IC 25-34.1-3-9; IC 25-1-8-2

Affected: IC 25-34.1

Sec. 5. (a) An expired license may be reinstated within one hundred twenty (120) days after its expiration by complying with section 4(b) of this rule and paying a reinstatement fee of twenty dollars (\$20).

(b) If the license is renewed within one (1) year, but more than one hundred twenty (120) days after expiration, the licensee must comply with section 4(b) of this rule and pay ~~an additional~~ a reinstatement fee of one hundred **twenty-five** dollars ~~(\$100): (\$125)~~.

(c) If the license is renewed within eighteen (18) months, but more than one (1) year after expiration, the licensee must comply with section 4(b) of this rule and pay ~~an additional~~ a reinstatement fee of ~~seventy-five~~ **two hundred** dollars ~~(\$75): (\$200)~~.

(d) If a licensee fails to reinstate a license within eighteen (18) months after expiration, the license may not be reinstated. To be licensed again, the individual must obtain a new license following the requirements of this article. *(Indiana Real Estate Commission; 876 IAC 3-2-5; filed Sep 24, 1992, 9:00 a.m.: 16 IR 737; filed Dec 24, 1997, 11:00 a.m.: 21 IR 1758; readopted filed May 29, 2001, 10:00 a.m.: 24 IR 3238)*

SECTION 3. 876 IAC 3-2-7 IS AMENDED TO READ AS FOLLOWS:

876 IAC 3-2-7 Fee schedule

Authority: IC 25-34.1-3-8; IC 25-34.1-3-9; IC 25-1-8-2

Affected: IC 25-34.1

Sec. 7. (a) This section establishes the fee schedule for the real estate appraiser licensure and certification program. The fees stated in subsection (b) apply to Indiana licensed trainee appraisers, Indiana licensed residential appraisers, Indiana certified residential appraisers, and Indiana certified general appraisers. However, the fee for licensed trainee appraisers under ~~subsections~~ **subsection** (b)(2), (b)(3), (b)(5), and (b)(6) shall be ~~fifty one hundred~~ **one hundred** dollars ~~(\$50): (\$100)~~, because there is not a requirement under federal law to transmit these amounts for licensed trainee appraisers.

(b) The fee schedule is as follows:

- (1) Application for admittance to the examination ~~\$50~~ **\$100**
 - (2) Fee for license or certificate (after passing the examination) during an even-numbered year ~~\$100~~ **\$150**
(including fifty dollars (\$50) required by federal law to be transmitted to the federal government)
 - (3) Fee for license or certificate (after passing the examination) during an odd-numbered year ~~\$75~~ **\$125**
(including twenty-five dollars (\$25) required by federal law to be transmitted to the federal government)
 - (4) Application for licensure by reciprocity ~~\$50~~ **\$100**
 - (5) Fee for license or certificate by reciprocity ~~\$100~~ **\$150**
(after approval by the board) during an even-numbered year (including fifty dollars (\$50) required by federal law to be transmitted to the federal government)
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- (6) Fee for license or certificate by reciprocity ~~\$75~~
(after approval by the board) during an odd-numbered year (including twenty-five dollars (\$25) required by federal law to be transmitted to the federal government) **\$125**
- (7) Application for the renewal of a license or certification (including fifty dollars (\$50) required by federal law to be transmitted to the federal government) ~~\$100~~ **\$150**
- (8) Duplicate license or certificate ~~\$5~~ **\$10**
- (9) Duplicate pocket card ~~\$5~~ **\$10**
- (10) Certification of license to another state ~~\$10~~ **\$10**
- (11) Application by a holder of an Indiana trainee appraiser license to be approved for a regular license ~~\$15~~ **\$25**
- (12) Application for the issuance of a permit for temporary practice ~~\$10~~ **\$50**
- (13) Fee for issuance and renewal of approvals for (prelicensure) real estate appraiser schools and courses under 876 IAC 3-4 \$500**
- (14) Fee for issuance and renewal of approval for real estate appraiser continuing education course providers under 876 IAC 3-5 \$250**

(c) All fees are nonrefundable and nontransferable. (*Indiana Real Estate Commission; 876 IAC 3-2-7; filed Sep 24, 1992, 9:00 a.m.: 16 IR 737; filed Dec 8, 1993, 4:00 p.m.: 17 IR 772, eff Jan 2, 1994 [IC 4-22-2-36 suspends the effectiveness of a rule document for thirty (30) days after filing with the secretary of state. LSA Document #93-130 was filed Dec 8, 1993.]; filed Jun 14, 1995, 11:00 a.m.: 18 IR 2791; filed Jun 21, 1996, 10:00 a.m.: 19 IR 3111; filed Apr 12, 2001, 12:30 p.m.: 24 IR 2697; readopted filed May 29, 2001, 10:00 a.m.: 24 IR 3238*)

SECTION 4. 876 IAC 3-3-22 IS AMENDED TO READ AS FOLLOWS:

876 IAC 3-3-22 Indiana licensed trainee appraiser; examination; licensure procedures

Authority: IC 25-34.1-3-8

Affected: IC 25-34.1

Sec. 22. (a) An applicant for an Indiana licensed trainee appraiser license shall be required to pass the Indiana licensed residential appraiser examination.

(b) After an applicant passes the examination and pays the fee required by 876 IAC 3-2-7(b)(2) or 876 IAC 3-2-7(b)(3), the board shall do the following:

- (1) Issue a wall certificate in the name of the Indiana licensed trainee appraiser to a licensed or certified appraiser who certifies the Indiana licensed trainee appraiser's association with the licensed or certified appraiser.
- (2) Issue to the Indiana licensed trainee appraiser an identification card which:
 - (A) certifies that the Indiana licensed trainee appraiser is licensed; and
 - (B) indicates the expiration date of the license and the name of the licensed or certified appraiser with whom the licensed trainee appraiser is associated.

(c) If the Indiana licensed trainee appraiser has not associated with a licensed or certified appraiser, the trainee may be issued an inactive license (either upon initial issuance of the license or upon the ending of a previous association with a licensed or certified appraiser). However, the license shall become void if the Indiana trainee appraiser is not associated with a licensed or certified appraiser described in subsection (b)(1) within

three (3) years after issuance of the inactive license.

~~(e)~~ **(d)** Upon termination of an Indiana licensed trainee appraiser's association with a licensed or certified appraiser described in subsection (b)(1), the trainee's license shall be returned to the Indiana professional licensing agency within five (5) working days. The Indiana professional licensing agency shall reissue the license to any licensed or certified appraiser upon application as described in subsection (b)(1). (*Indiana Real Estate Commission; 876 IAC 3-3-22; filed Dec 8, 1993, 4:00 p.m.: 17 IR 778; filed Jun 14, 1995, 11:00 a.m.: 18 IR 2792; errata filed Nov 13, 1995, 10:00 a.m.: 19 IR 675; filed Dec 24, 1997, 11:00 a.m.: 21 IR 1764; readopted filed May 29, 2001, 10:00 a.m.: 24 IR 3238*)

SECTION 5. 876 IAC 3-6-9 IS AMENDED TO READ AS FOLLOWS:

876 IAC 3-6-9 Indiana licensed trainee appraisers; supervision

Authority: IC 25-34.1-3-8

Affected: IC 25-34.1

Sec. 9. (a) This section establishes requirements for the use and supervision of Indiana licensed trainee appraisers.

(b) Indiana licensed trainee appraisers shall be subject to direct supervision (including inspection of all properties except as allowed by subsection ~~(h)~~ **(i)**) by a supervising appraiser who shall be licensed or certified in Indiana.

(c) The supervisor shall be responsible for the direct supervision of the Indiana licensed trainee appraiser by signing and certifying the report as in compliance with the Uniform Standards of Professional Appraisal Practice.

(d) The Indiana licensed trainee appraiser is permitted to have more than one (1) supervising appraiser in the office of the licensed or certified appraiser holder of record with whom the Indiana licensed appraiser has associated under 876 IAC 3-3-22.

(e) Effective January 1, 2004, a certified or licensed appraiser may not be the supervising appraiser for more than two (2) trainees.

~~(e)~~ **(f)** An appraisal log shall be maintained by the Indiana licensed trainee appraiser and supervising appraiser and shall, at a minimum, include the following for each appraisal:

- (1) Client name and address.
- (2) Address of appraised property.
- (3) Description of work performed.
- (4) Number of work hours.

~~(f)~~ **(g)** The supervising appraiser shall review and sign the appraisal log annually and provide the log to the trainee. It is the responsibility of the trainee to retain the log for submission to the board with any future application for license certification. **The trainee shall be entitled to copies of appraisals, including appraisal reports and any work files, which the trainee completes.**

~~(g)~~ **(h)** Separate appraisal logs shall be maintained by each supervising appraiser.

~~(h)~~ **(i)** The Indiana licensed trainee appraiser shall be subject to direct supervision until the Indiana licensed trainee appraiser is competent in accordance with the Competency Provision of the Uniform Standards of Professional Appraisal Practice, as adopted in section 2 of this rule, to perform appraisals for the specific property type. After the Indiana licensed trainee appraiser demonstrates competency, the supervising appraiser is not required to inspect the properties. However, the supervising appraiser must continue to sign and accept full responsibility for all appraisals performed by the Indiana licensed trainee appraiser.

(j) In addition to the requirements in subsection (i), the supervising appraiser shall accompany the Indiana licensed trainee appraiser, and inspect the subject and comparable properties, on the following appraisal assignments:

(1) The first fifty (50) assignments performed by the trainee.

(2) During the first year the trainee holds an active license, all assignments located more than fifty (50) miles from the supervising appraiser's office.

(Indiana Real Estate Commission; 876 IAC 3-6-9; filed Dec 8, 1993, 4:00 p.m.: 17 IR 782; filed Apr 10, 1995, 10:00 a.m.: 18 IR 2124; readopted filed May 29, 2001, 10:00 a.m.: 24 IR 3238)

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on October 24, 2002 at 10:30 a.m., at the Indiana Government Center-South, 402 West Washington Street, Conference Center Room 2, Indianapolis, Indiana the Indiana Real Estate Commission will hold a public hearing on proposed amendments to revise the procedures to reactivate an inactive license, to revise the fees charged to reinstate an expired license, to revise the fee schedule for the real estate appraiser licensure and certification program and to add an issuance and renewal fee for pre-licensure real estate appraiser schools and courses under 876 IAC 3-4 and real estate appraiser continuing education course providers under 876 IAC 3-5, to allow an Indiana licensed trainee appraiser who has not associated with a licensed or certified appraiser to hold an inactive license either upon initial issuance of the license or upon the ending of a previous association with a licensed or certified appraiser and to establish a time period during which an Indiana licensed trainee appraiser license may be held in an inactive status before it becomes void, to revise the requirements for the use and supervision of Indiana licensed trainee appraisers by licensed or certified appraisers. Copies of these rules are now on file at the Indiana Government Center-South, 302 West Washington Street, Room E012 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

Gerald H. Quigley
Executive Director
Indiana Professional Licensing Agency