

TITLE 876 INDIANA REAL ESTATE COMMISSION

Economic Impact Statement

LSA Document # 24-631

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

The proposed rule does not impose new requirements or costs on small businesses under IC 4-22-2.1-5. The goal of the proposed rule is to remove barriers for real estate appraiser applicants to obtain experience in an alternative method to satisfy the experience requirements for the Indiana certified appraiser and Indiana certified general appraiser licenses. Allowing individuals to go through a structured, AQB-approved PAREA program assures consistent and accurate training (something that is not always the result of some individual supervisor/trainee arrangements) and directly impacts the future services provided to the public. The rule will impact approximately 142 applicants, including approximately 84 certified general appraiser applications and 58 certified residential appraiser applications.

The proposed rule will assist applicants who are seeking licensure specifically in rural and less-densely populated communities where supervisory oversight opportunities are not widely available. With an alternative path to acquiring the requisite licensure experience available, applicants in under-served communities will not need to move or wait for a supervisor to become available to secure a license. In the long term, applicants in under-served communities will not face the current obstacles to licensure. The proposed rule will also benefit the public by allowing more competition between practitioners which should remove upward pressures on professional fees. Providing this alternative path to acquiring the requisite license experience could help with any appraiser labor shortages in rural areas.

The proposed rule will remove unnecessary barriers to entry into the appraisal profession. The benefits of the proposed rule outweigh any costs. The proposed rule will likely have a small, if any, fiscal impact on small businesses.