



MREAC Update

DIRECTOR OMMEN CALL FOR SPECIAL MORTGAGE FRAUD TASK FORCE

Task force supports legislation that makes participation in such fraud a criminal act

Thursday, March 1, 2007

JEFFERSON CITY, MO - Director Doug Ommen today formally announced the formation of a department mortgage fraud task force.

The task force, led by Richard Weaver, deputy director for the Division of Finance, consists of personnel from the Insurance Consumer Affairs Division, the Real Estate Commission and the Real Estate Appraisers Commission.

“Mortgage fraud affects lenders, mortgage brokers, realtors, appraisers and, most important, consumers,” said Doug Ommen, director of the Missouri Department of Insurance, Financial Institutions & Professional Registration. “I have asked this task force to look at this issue from all sides to come up with common-sense solutions to prevent consumers from being stripped of their equity or facing foreclosure.”

The committee is reviewing ways to educate lenders, brokers, realtors, appraisers and consumers to recognize mortgage fraud and hold wrongdoers accountable. They are also reviewing a bill in the Missouri Senate that would criminalize the act of participating in mortgage fraud.

“Currently, Missouri is ranked sixth in the nation for the number of mortgage fraud cases,” said Sen. Charles Shields, R-St. Joseph, sponsor of the bill. “This is totally unacceptable and we must create strict penalties to prevent this unlawful behavior.” Shields is the sponsor of legislation that would make mortgage fraud a specific crime.

Mortgage fraud may be aimed at unsuspecting consumers. A common scheme often involves a speculator who, with the aid of an unethical appraiser and realtor, makes a series of false sales transactions to inflate the price of a home. The unsuspecting consumer ends up paying far more for the property than what it is worth, and the lender may ultimately take a loss in the event of foreclosure.

Sometimes, the consumer or purchaser may be involved in the fraud. Consumers may want a home

CONTINUED TO NEXT PAGE...

INSIDE THIS ISSUE:

Ommen Calls for Special Task Force.....	1-2
Land Value Importance.....	2
Message from the Division Director	3
New Administrative Staff	3
Mission Statement.....	3
USPAP Q&A.....	4-9
Complaints and Disciplinary Action	10-12
Complaint Statistics.....	12
Renewal Statistics	12
Competency and Scope of Practice Standards	13
Implementation of the 2008 AQB Criteria.....	14
Overview of Rule Changes.....	15-40
Moving?.....	40

badly enough that they are willing falsify their income and expense figures on the loan application to mislead the lender.”

“It is especially troubling that some persons – even consumers, believe that falsifying documentation in a real estate sale or financing is an acceptable practice,” Weaver said.

Another common scheme involves both a seller and a buyer. In these cases, a seller or realtor may suggest that the seller carry back a “dummy” second deed of trust agreeing to destroy it after closing. The sales price is artificially increased by the amount of the second deed of trust, which appears to be a down payment. The deal closes and, as agreed, the seller throws away the second deed while the lender has been tricked into lending 100% or more of the actual purchase price of the property.

“Educating consumers and real estate professionals combined with strict criminal sanctions may provide the change needed to protect consumers and to assure Missouri citizens access to honest and affordable real estate and mortgage markets,” Ommen said.

LAND VALUE IMPORTANCE

By Daryl “Skip” Knopf

The land value is of great importance to a residential appraisal. Many times it gives us the first clue the value might not be correct. Obviously highest and best use comes into play. However, it many times gives us the insight to the rest of the appraisal. You need the land value to get a grip on the age adjustment and the square footage difference adjustment. You need the land value to deduct it from comparables to get an improved, depreciated square footage. In the cost approach, appraisers are just saying they are using an abstraction to get land value. What we’re finding is problem appraisals indicate the appraiser did not have a clue how to abstract a value from the market place nor even try to find land values. If a new home goes up in a community, most of the time a site was sold. If you get some good land comparables in your community they can be of service for many appraisals completed. So, even if Fannie says the cost approach is not required; you probably need land value for other sections of the appraisal.

Governor

The Honorable Matt Blunt

Department of Insurance, Financial Institutions and Professional Registration

Douglas M. Ommen, Director

Division of Professional Registration

David Broeker, Director

Missouri Real Estate Appraisers Commission

Darryl “Skip” Knopf, Member
St Louis, MO

Glenn Polete, Member
Farmington, MO

Gail McCann Beatty, Member
Kansas City, MO

Philip Treacy, Public Member
Fenton, MO

Shawn Ordway, Member
Jefferson City, MO

Julie Molendorp, Member
Belton, MO

Administrative Staff

Vanessa Beauchamp, Executive Director
Sandy Stuenkel, Licensing Technician II
Patty Morrow, Administrative Assistant

3605 Missouri Boulevard, PO Box 1335
Jefferson City, Missouri 65102

(573) 751-0038

(573) 526-3489 Fax

(800) 735-2966 TTY

URL: <http://pr.mo.gov/appraisers.asp>

E-mail: reacom@pr.mo.gov



STATE OF MISSOURI
Division of Professional Registration

This is an official publication of the Division of Professional Registration. Submit articles to: REAC, P.O. Box 1335, Jefferson City, MO 65102.

MESSAGE FROM DIVISION DIRECTOR



My sincere appreciation to Governor Blunt for having appointed me the Director of the Division of Professional Registration beginning July 2. It is certainly a pleasure to serve in this position.

For the last 14+ years I owned and operated my own business in Jefferson City. Prior to that, I spent 17 ½ years in state government; in the Governor's Office, State Auditor's Office, and the

Department of Agriculture.

As you probably know, the Governor issued Executive Order 06-04 on February 1, 2006, that created the Department of Insurance, Financial Institutions, and Professional Registration. By a Type III transfer our division became a part of this new department on August 28. A type III transfer is the transfer of a department,

division, agency, board, commission, unit, or program to the new department with only such supervision by the head of the department for budgeting and reporting. The Division of Professional Registration was previously a division within the Department of Economic Development.

I am most grateful to the Division's and Boards' staff for the support, advice, and counsel they have given me. This is truly a great group of people.

I look forward to working with all my associates in Professional Registration and continuing the excellent service the entire division has given the approximately 400,000 Missourians who are licensed and regulated and who represent 240 different trades and professions.

Please feel free to contact me if I can be of assistance to you. I look forward to working with you in the years to come.

NEW ADMINISTRATIVE STAFF

We are here to assist you with questions regarding licensure and look forward to working with the certified/licensed real estate appraisers in Missouri.



Sandy Stuenkel, Licensing Technician II



Patty Morrow, Administrative Assistant



Vanessa Beauchamp, Executive Director

MISSOURI REAL ESTATE APPRAISERS COMMISSION MISSION STATEMENT

PURPOSE:

To regulate real estate appraisers in accordance with federal and state laws, rules and policies in the State of Missouri.

MISSION:

To protect the public interest through examining candidates, issuing certificates, approving continuing education courses, investigating complaints, and administering disciplinary actions to persons in violation of rules, statutes, and uniform standards.

VISION:

To remain the premier regulatory commission operating at maximum efficiency, providing exemplary consumer protection, and enhanced quality improvement of licensees, recognizing that these are changing times and that the nature of professional services must change accordingly.

APPRAISAL STANDARDS BOARD



THE APPRAISAL FOUNDATION
*Authorized by Congress as the Source of Appraisal
Standards and Appraiser Qualifications*

USPAP Q&A

Vol. 8, No. 12**December 2006**

This communication by the Appraisal Standards Board (ASB) does not establish new standards or interpret existing standards. The ASB USPAP Q&A is issued to inform appraisers, regulators, and users of appraisal services of the ASB responses to questions raised by regulators and individuals; to illustrate the applicability of the Uniform Standards of Professional Appraisal Practice (USPAP) in specific situations; and to offer advice from the ASB for the resolution of appraisal issues and problems.

The Q&A's shown below appear in our 2006 *Frequently Asked Questions* publication. They have been reprinted here because they are questions which continue to be asked on a regular basis. Additional questions may be reprinted in future months. The 2006 *Frequently Asked Questions* publication is available for purchase from The Appraisal Foundation at a cost of \$20.00 for a hard copy or \$14.95 for an electronic PDF file.

1. CONFLICTS OF INTEREST

Question: The principals of a local mortgage company propose to acquire an appraisal firm and have the appraisal firm complete assignments for the mortgage company. Is this a conflict of interest for the appraisers completing assignments for the mortgage company?

Response: An appraiser should review the ETHICS RULE and Standards Rule 2-3 when completing appraisal assignments in situations where the appraisal company that engages (by employment or contract) the appraiser is owned by the client.

It is important to note that USPAP does not prohibit the acceptance of an assignment in this specific situation. In an appraisal assignment developed under STANDARD 1 and reported under STANDARD 2, an appraiser must specify the particulars in a situation where he or she has any present or prospective interest with respect to the parties involved in the property that is the subject of the report.

The engagement of an appraiser by an appraisal company that is owned by the client or by owners of the client does not, in and of itself, mean that the appraiser has an interest or bias with respect to the property or properties involved. If the appraiser has an interest but could provide the service in an ethical, unbiased manner then the appraiser could accept the assignment as long as the appraiser

Vol. 8, No. 12**December 2006**

was competent and properly disclosed the interest in accordance with Standards Rule 2-3.

If the appraiser's interest in the property or the parties involved in the assignment prevented the appraiser from providing an unbiased service, then the appraiser should not accept the assignment for it would be in violation of the ETHICS RULE and parts of the appraiser's certification in Standards Rule 2-3.

2. SAMPLE APPRAISALS AND THE ETHICS RULE

Question: I am a fee appraiser currently seeking to get on the approved list for a local mortgage company. In order to be considered for approval, this lender requires appraisers to provide sample appraisal reports performed within the past year. Is there a way that I can accomplish this without violating USPAP?

Response: In order to provide this information an appraiser must satisfy the Confidentiality section of the ETHICS RULE. This section states:

An appraiser must protect the confidential nature of the appraiser-client relationship.

An appraiser must act in good faith with regard to the legitimate interests of the client in the use of confidential information and in the communication of assignment results.

An appraiser must be aware of, and comply with, all confidentiality and privacy laws and regulations applicable in an assignment.

An appraiser must not disclose confidential information or assignment results prepared for a client to anyone other than the client and persons specifically authorized by the client; state enforcement agencies and such third parties as may be authorized by due process of law; and a duly authorized professional peer review committee except when such disclosure to a committee would violate applicable law or regulation.

The Comment further explains that if all essential elements of confidential information are removed through redaction or the process of aggregation, client authorization is not required for the disclosure of the remaining information, as modified.

The appraiser in this case has three options:

1. Turn down the request to provide the information, or
2. Secure a release from the client of each sample appraisal report, or
3. Provide sample reports, but redact all information that should not be provided to anyone other than the client, such as confidential information or assignment results.

3. RESPONSIBILITY FOR WORKFILE RETENTION

Questions: a) **Jim, an independent contractor, works for my appraisal company on a regular basis. I have always kept all appraisal file documentation (including hard copies of appraisal reports, field notes, drawings, etc.) at my office. Now Jim wants to keep the files relating to his work in his own possession. Under USPAP, which appraiser should keep the workfile?**

b) **Is the Record Keeping section of the ETHICS RULE upheld if an institutionally employed appraiser ensures that his organization retains copies of his appraisal work for five years? Or, must the appraiser also maintain a personal file of all work performed?**

c) **A client's attorney requested that I supply all of my files/records regarding an assignment. Can I do this and still be in compliance with the record keeping requirements for USPAP? Also, what must I retain in my files as proof that the files are now the responsibility of the attorney? Will a simple letter from the client be sufficient?**

Response: According to USPAP, the **appraiser**, not the appraiser's employer or client, is ultimately responsible for the retention of the workfile for the prescribed period. (See Record Keeping section of the ETHICS RULE.)

An appraiser who is employed by, or works in conjunction with, another party must make arrangements with that party to protect and preserve the workfile, and to allow the appraiser to make the workfile available to other parties (e.g., State Appraisal Boards and such representatives) when required by due process of law.

There are a number of ways an appraiser who works for or with another party can ensure that files are retained so that the appraiser can have access to the files to meet the requirements of the ETHICS RULE. For example, an appraiser and his employer or colleague may agree that the files will remain in the employer's or colleague's custody for the duration of the requisite retention period and that the appraiser will have access to those files, if needed.

USPAP does not dictate the form or format of workfile documentation. It is not necessary to include original documents in the file; photocopies and electronic files are acceptable as "true copies." Because there have been cases where employers and others have denied appraisers access to workfiles, an appraiser may wish to make and retain copies of workfiles. However, USPAP does not address any specific manner by which an employer or contractor and appraiser should handle record retention. This is a business matter, which should be arranged in the context of the employer- or contractor-appraiser relationship.

By the same token, providing the workfile to a duly authorized party, such as a client's attorney, is permitted by USPAP. However, this does not relieve the appraiser of the responsibility for that workfile. At no time may an appraiser abdicate his or her responsibility for a workfile. Therefore, when an appraiser relinquishes possession of a file to a client or the client's representative, the

appraiser should retain either a copy of the workfile or a written reference to an agreement with the client that the appraiser will have access to the workfile, if the need arises.

4. APPRAISAL MANAGEMENT COMPANY AS AUTHORIZED AGENT FOR A CLIENT

Question: I accept assignments from an Appraisal Management Company (AMC) that has informed me they are an authorized agent for the lenders they represent. The AMC does not want me to list their name as the client, and asks that I only list the name of the lender they are representing. USPAP says the appraiser's client is the party who engages the appraiser. Is it ethical to omit the AMC's name as the client on my reports?

Response: Yes. If the AMC is acting as a duly authorized agent for a lender, identifying only the lender's name as your client is acceptable.

5. SUBSEQUENT USER REQUESTS A "RELIANCE LETTER"

Question: I delivered an appraisal report to my client. A week later, an entity other than one of the identified intended users contacted me and asked that I provide a "reliance letter," enabling them to rely on the appraisal report for their own investment use. My client says they have no problem with my doing that. Can I provide this entity with such a letter, even though I had not originally identified them as an intended user?

Response: No. You cannot add what is in effect a new "intended user" after the completion of an assignment, no matter what terminology you use.

USPAP defines Intended User as:

*The client and any other party as identified, by name or type, as users of the appraisal, appraisal review, or appraisal consulting report by the appraiser on the basis of communication with the client **at the time of the assignment.** (Bold added for emphasis)*

The proper way to handle this is to initiate a new assignment with this entity as the client and provide them an appraisal, being careful to develop an appropriate scope of work consistent with their own intended use.

This new assignment could be based on virtually the same data and analysis, and the value conclusion might be the same. However, in the new assignment you must consider the assignment elements most appropriate to the scope of work for that client and the assignment, which could well be different from those of your prior client.

6. PURCHASE CONTRACT IS NOT PROVIDED TO THE APPRAISER

Question: I was recently engaged to conduct a market value appraisal of a one-to-four unit residential property. The intended use of this appraisal is to assist the client in analyzing the loan collateral associated with the property's purchase. I requested a copy of the purchase contract from the client, but they refused to provide it although they acknowledged that a contract for purchase of the property in fee simple exists. They did, however, provide a sale price orally. Can I continue this assignment, without the purchase contract, and comply with USPAP?

Response: Yes, you can complete the assignment in compliance with USPAP. However, you will need to ensure compliance with Standards Rule 1-5(a) in developing the appraisal, and with Standards Rule 2-2(a)(viii), (b)(viii), or (c)(viii), as applicable to the type of appraisal report determined most appropriate, given the intended users, in reporting the assignment results.

Standards Rule 1-5(a) states:

When the value opinion to be developed is market value, an appraiser must, if such information is available to the appraiser in the normal course of business:

(a) analyze all agreements of sale, options, or listings of the subject property current as of the effective date of the appraisal;

The Comment to Standards Rule 1-5 states:

See the Comments to Standards Rules 2-2(a)(viii), 2-2(b)(viii), and 2-2(c)(viii) for corresponding reporting requirements relating to the availability and relevance of information.

For example, the corresponding reporting requirements in Standards Rule 2-2(a)(viii), in the Comment, are, in part:

...If such information is unobtainable, a statement on the efforts undertaken by the appraiser to obtain the information is required.

Complying with these Standards Rules ensures that the existence and unavailability of the purchase contract is appropriately disclosed, and intended users will not be misled as to how this situation was handled in the analysis and report.

7. UPDATE OF AN APPRAISAL COMPLETED BY ANOTHER APPRAISER

Question: I was recently asked to update an appraisal performed by another appraiser who works for a different appraisal company. Can I prepare an update if the original appraisal was performed by another appraiser?

Response: Yes. Advisory Opinion 3, *Update to a Prior Assignment*, provides advice on how such an assignment can be performed in conformance with USPAP.

**For further information regarding
USPAP Q&A, please contact:**

John S. Brennan, Director of
Research and Technical Issues

The Appraisal Foundation
1155 15th Street, NW, Suite 1111
Washington, DC 20005

(202) 624-3044
(202) 347-7727 fax

COMPLAINTS AND DISCIPLINARY ACTIONS

All complaints received by the Commission are numbered and tracked on the complaint log. A complaint may be based upon personal knowledge or information received from other sources. The complaint must be made in writing. Verbal or telephone communications are not acceptable, but you may request a complaint form by telephone, fill it out and mail back to the Commission. In general, the complaint is considered to be a closed record and is not accessible to the public.

Any complaint that is received by the Commission is acknowledged in writing. The complainant will be notified of the final outcome. Any disciplinary action taken by the Commission is a matter of public record. The Commission believes publication of disciplinary actions to be in the public interest and has included such in this newsletter. If you have any questions, please contact Vanessa Beauchamp, Executive Director at our office.

The following disciplinary actions were taken by the Commission since the last newsletter and will be maintained as open records, according to the terms of the action:

REX ACKER - 1999148148
Suspended: 1/27/2005 - 4/13/2005

DARIN ADAM - RA003176
Suspended: 1/27/2005 - 7/6/2006

PETER BARNETT - RA002360
Suspended: 6/21/2005 - 6/20/2006
Probation: 6/21/2006- 6/20/2010

SHARON BINGHAM - RA001966
Suspended: 1/27/2005-

THOMAS BLALOCK - 2003019197
Suspended: 1/27/2005-

DANIEL BRADY- RA001620
Suspended: 7/12/1004- 7/12/2006
Probation: 1/13/2006-11/12/2011

KIMBERLY BRADY - RA003100
Suspended: 1/27/2005-

JAMES BRIDGES - RA001931
Suspended: 1/27/2005-

AARON BROWN - RA003145
Suspended: 1/27/2005

ROGER BUELTER - RA001779
Probation: 12/14/2005-12/14/2006

MATTHEW BURGHOFF - RA001016
Suspension: 1/10/2007 - 2/8/2007
Probation: 2/9/2007 - 1/10/2009

JAMES CISSNA - RA001454
Probation:5/15/2006-5/14/2009

W. ROBERT COMP JR. - RA002147
Revocation: 8/16/2006

CRAIG CONNELLY - RA003169
Probation: 11/30/2006 - 11/30/2007

KEVIN CONWAY - RA001196
Suspended: 1/27/2005- 5/25/2005

MICHELLE CROMWELL - 2001011737
Suspended: 1/27/2005 - 2/28/2005

SHALONN CURLS - 2001003334
Suspended: 1/27/2005 - 1/31/2005

THOMAS CURRAN - RA003212
Suspended: 1/27/2005- 3/3/2005

PATRICIA DALTON - RA001777
Suspended: 1/27/2005

ANDREW DICKSON - RA001020
Suspended: 1/27/2005

TERRY DUNCAN - 2004003521
Suspended: 1/27/2005- 3/1/2005

JOHN ECTON - 1999136995
Probation: 1/2/2007- 1/2/2008

JAMES EFTIMOFF - RA001583
Suspended: 1/27/2005 - 5/25/2005

CHRISTOPHER FAUBION -
2000160656
Suspended: 1/27/2005 - 2/1/2005

MICHAEL FITCH - 2007000946
Probation: 1/17/2007- 1/17/2009

JOHN FLETCHER - 2001003065
Probation: 8/9/2005- 8/9/2007

LOUIS FRILLMAN - RA003258
Suspended: 1/27/2005- 8/23/2005

PHILIP GARDNER - RA001494
Suspended: 1/27/2005-

STEVE GOLDMAN - RA001763
Suspension: 4/7/2006- 7/6/2006
Probation: 7/7/2006- 7/6/2011

LESLIE GRUENLOH - 2005007717
Probation: 6/13/2006 - 6/13/2007

ROCKY HANAN - RA001001
Suspended: 1/27/2005- 3/21/2005

DAVID HAND - 2002009489
Probation: 5/26/2006- 5/26/2007

GARY HANGER - 2006015560
Probation: 6/7/2006 - 6/7/2007

MICHAEL HARMON - RA003170
Suspended: 1/27/2005- 3/31/2005

RANDY HEATH - RA002969
Suspension: 7/6/2005- 7/6/2007
Probation: 7/7/2007 - 7/6/2012

LARRY HEWLETT - 2001000908
Suspended: 1/27/2005

RAYMOND HILDEBRAND -
RA002659
Probation: 9/16/2004 - 3/16/2005

COMPLAINTS AND DISCIPLINARY ACTIONS

JOYCE JOHNSON-HILTON - RA002515
Suspended: 1/27/2005 - 1/11/2006

KEITH HODGES - RA003239
Probation: 2/25/2005 - 2/28/2008

MICHELLE HOLLINGSWORTH
- 2006039200
Probation: 12/28/2006 - 12/28/2007

ROY HOLSTUN - 2000165499
Suspended: 1/27/2005

VIRGIL HULEN - RA002223
Probation: 5/15/2006- 5/14/2009

DANIEL HULL - 2006031522
Probation: 10/05/2006 - 10/05/2008

JACK HUNSTEIN - RA001796
Suspended: 1/27/2005

PATTY JACKSON - 2007000164
Probation: 1/3/2007 - 1/3/2009

LORI JOHNSON - 1999142315
Suspended: 1/27/2005

GEOFFREY JONES - 2006028935
Probation: 9/15/2006 - 9/14/2008

JAMES KAESTNER - RA001754
Suspended: 1/27/2005- 2/18/2005

MICHAEL KEITHLEY - 2002028146
Suspended: 1/27/2005

STEVEN KENNEDY - RA001913
Suspended: 1/27/2005

STEVEN KENNICUTT - RA002168
Suspended: 1/27/2005

STEVEN KITTLE - 1999134732
Suspended: 1/27/2005 - 2/9/2005

ROBERT KOUNTZMAN - RA002653
Suspended: 8/12/2005 - 8/12/2007

KRAIG KOWALSKI - RA001916
Suspended: 1/27/2005

DAVID LAVINGTON - RA001234
Probation: 6/30/2005 - 12/30/2005

JAMES LESKY - RA002721
Probation: 5/12/2006 - 11/12/2006

JAMIE LUX - 2003007948
Probation: 12/20/2005 - 6/20/2007

JOSEPH MARSHALL - 2003002581
Probation: 8/24/2005 - 11/23/2005

REGINALD MAYS - RA001789
Probation: 6/20/2006- 6/19/2008

MILTON MCDONALD - RA001911
Probation: 4/20/2005 - 4/20/2007

DOUGLAS MCGOWAN - 2004011115
Suspended: 1/27/2005 - 2/16/2005

ROBERT MITTON - RA001580
Probation: 12/28/2005 - 12/28/2007

BRANDON MONSANTO - 2006018305
Probation: 6/27/2006 - 6/27/2007

MARK MURPHY - RA002333
Suspended: 1/27/2005 - 2/7/2005

PAUL MURPHY - RA002162
Suspended: 1/27/2005

ROBERT NEWSOME - RA001878
Probation: 2/23/2005 - 2/23/2010

MICHAEL NUGENT - 2006029470
Probation: 9/20/2006 - 9/20/2007

JASON PARSONS - 2003028932
Probation: 6/16/2006 - 6/16/2007

KENNETH PASEK - 2003025994
Suspended: 1/27/2005 - 11/21/2005

PATRICK PETERS - 200152955
Suspended: 1/27/2005 - 9/8/2005

DAN PETERSON - RA002948
Probation: 12/15/2004 - 6/15/2005

CYNTHIA POLITTE - RA002647
Probation: 7/21/2006 - 7/21/2007

JOSEPH POPE - RA002744
Suspended: 1/27/2005 - 2/7/2005

LEE PRICE - RA001526
Probation: 9/18/2006 - 3/17/2007

HARVINDER PUJJI - RA003327
Probation: 2/16/2007 - 2/16/2007

MICHAEL RANNEY - 2002015726
Suspended: 1/27/2005

RUSSELL REDMOND - RA001822
Probation: 5/12/2005 - 5/12/2008

BRIAN REED - 2000148749
Suspended: 1/27/2005 - 3/23/2005

RICHARD RICKERT - RA003008
Suspended: 1/27/2005

SUSAN RODERICK-JONES -
2001018658
Suspended: 1/27/2005 - 3/29/2005

JANE SANSON - RA002720
Revocation: 2/3/2005

MATTHEW SCHILLILING -
2007000483
Probation: 1/9/2007 - 1/9/2009

ROGER SCHONE - 2003026491
Probation: 1/17/2007 - 1/17/2009

DANA SCOTT - 2004003522
Probation: 8/28/2006- 8/28/2008

TOM SHOOK - RA002184
Suspended: 1/27/2005

LEE SIMMS - RA001598
Suspended: 1/27/2005

ELWOOD SMITH - RA002194
Suspended: 1/27/2005

JEFFERY STEPHENS - RA003004
Suspended: 1/27/2005 - 2/10/2005

JOAN STIPANOVICH - 2006030068
Probation: 9/26/2006 - 9/25/2007

COMPLAINTS AND DISCIPLINARY ACTIONS

CHAD STITES - 2003019579
Suspension: 5/17/2006 - 6/16/2006

ANDREA STORMS - 2003019714
Censure: 2/15/2007

CHRISTY TAYLOR - RA002734
Suspended: 1/27/2005

ANDREW TEGETHOFF - RA001783
Suspension: 5/30/2006 - 11/29/2006
Probation: 11/30/2006 - 11/29/2011

CHARLES THOMAS - 2002029525
Probation: 2/2/2005 - 2/2/2007

PHILLIP THOMAS - RA003092
Revocation: 9/9/2005

WILLIAM THOMAS - RA002372
Revocation: 3/27/2006

LUTHER TIDWELL - RA002740
Suspended: 1/27/2005 - 2/9/2005

CATHERINE TURNER - RA002195
Suspended: 1/27/2005 - 3/8/2005

STEVEN THITNEY - RA003316
Suspended: 1/27/2005

SCOTT WILLIAMS - RA001874
Suspended: 1/27/2005- 4/7/2005

MICHAEL WILSON - 2003019057
Suspended: 1/27/2005

STEVEN WITHINGTON - RA001178
Probation: 11/30/2006 - 5/30/2007

MATTHEW WOODS - 2005090012
Suspended: 1/27/2005- 7/8/2005

ANDREW YOUNT - RA003244
Suspended: 1/27/2005 - 4/8/2005

COMPLAINTS STATISTICS

FY 2005 (July 1, 2004 – June 30, 2005)
135 new complaints

FY2006 (July 1, 2005- June 30, 2006)
110 new complaints

FY2007 (July 1, 2006 – June 30, 2007)
104 new complaints at the publishing of this newsletter

ACTIONS TAKEN BY COMMISSION

FY 2005 (July 1, 2004 – June 30, 2005)
39 No Further Actions
10 Probation
60 Suspension (includes failure to pay and/or file state income taxes)
3 Revocations

FY 2006 (July 1, 2005 – June 30, 2006)
64 No Further Actions
15 Probation
7 Suspension
2 Surrenders
2 Revocations

**FY 2007 (July 1, 2006 –
at the time of publishing this newsletter)**
6 No Further Actions
17 Probation
1 Suspension
3 Revocations

RENEWAL STATISTICS

2004
2125 renewals mailed
1958 renewed
92% renewal rate

2006
2457 renewal mailed
2257 renewed
92% renewal rate



COMPETENCY AND SCOPE OF PRACTICE STANDARDS

THIS RULE BECAME EFFECTIVE FEBRUARY 28, 2005

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

Division 2245—Real Estate Appraisers

Chapter 9—Competency and Scope of Practice Standards

20 CSR 2245-9.010 Competency and Scope of Practice Standards

PURPOSE: This rule sets the scope of practice standards for the development and communication of real estate appraisals by state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed real estate appraisers.

(1) Prior to accepting an assignment or entering into an agreement to perform any assignment, an appraiser shall properly identify the problem to be addressed and have the knowledge and experience to complete the assignment competently; or alternatively, must:

- (A) Disclose the lack of knowledge and/or experience to the client before accepting the assignment;
- (B) Take all steps necessary or appropriate to complete the assignment competently; and
- (C) Describe the lack of knowledge and/or experience and the steps taken to complete the assignment competently in the report.

(2) If an appraiser discovers during the course of an appraisal assignment that he or she lacks the required knowledge or experience to complete the assignment competently, at the point of such discovery, the appraiser shall notify the client and comply with subsections (1)(B) and (1)(C) of this rule.

(3) Notwithstanding the requirements and allowances of sections (1) and (2) of this rule, state-certified and state-licensed real estate appraisers shall limit their practice to the development and communication of real estate appraisals as follows:

(A) State-certified general real estate appraisers may perform appraisals on all types of real estate regardless of complexity or transaction value and may perform appraisal consulting, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment;

(B) State-certified residential real estate appraisers may perform appraisals on residential real estate of one to four (1–4) residential units without regard to transaction value or complexity and may perform appraisal consulting in the area of residential real estate, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. This designation permits the appraisal of vacant or unimproved land that may be utilized for one- to four- (1–4) family purposes. This certification does not permit the appraisal of subdivisions or of agricultural real estate. Individual parcels of property located within a residential subdivision shall be considered residential real estate. For all other appraisals, the appraisal report shall be signed by the state-certified residential real estate appraiser and a state-certified general real estate appraiser. For the purposes of this rule, “agricultural real estate” shall be defined as improved or unimproved land with a highest and best use and primary purpose devoted to income production by crops, livestock and other products of the soil (fruit, pasture, timberland, etc).

(C) State-licensed real estate appraisers may perform appraisals of real property consisting of one (1) residential unit, if, and only if, performed in compliance with all state and federal laws, rules and regulations pertaining to the appraisal assignment. For all other appraisals, the appraisal report shall be signed by the state-licensed real estate appraiser and a state-certified real estate appraiser.

(4) A state-licensed or state-certified real estate appraiser shall be exempt from the provisions of section (3) of this rule if providing valuation services in a setting for which licensure or certification would not be required under section 339.501.5, RSMo. In all other instances, a real estate appraiser must comply fully with sections (1), (2) and (3) of this rule. Sections (1), (2) and (3) shall not be interpreted so as to except a real estate appraiser from compliance with the other sections.

(5) Prior to July 1, 2007, the provisions of section (3) of this rule shall not apply to any person that was certified or licensed as a real estate appraiser before the effective date of this rule.

AUTHORITY: section 339.509(5), RSMo 2000. This rule originally filed as 4 CSR 245-9.010. Original rule filed June 25, 2004, effective Feb. 28, 2005. Moved to 20 CSR 2245-9.010, effective Aug. 28, 2006.*

**Original authority: 339.509, RSMo 1990, amended 1998.*

IMPLEMENTATION OF THE 2008 AQB CRITERIA

The Missouri Real Estate Appraisers Commission will accept applications for examination from those individuals meeting the current 2003 AQB education criteria until June 30, 2007. Those applicants will then have to pass the examination by December 31, 2007, for their education and examination to qualify under the 2003 criteria. If an applicant does not have the application for examination submitted to the Commission by June 30, 2007 and/or does not pass the examination by December 31, 2007 he/she will be required to meet the new 2008 AQB criteria. No exceptions. For more information please call the Missouri Real Estate Appraisers Commission at 573-751-0038.

SEE A SUMMARY OF THE CHANGES TO APPRAISER QUALIFICATIONS BELOW.

On February 20, 2004, the Appraiser Qualifications Board of The Appraisal Foundation adopted changes to the Real Property Appraiser Qualification Criteria that will become effective on 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. The changes include increased required education, which is summarized as follows:

- 1) Hours required include completion of the 15-hour National USPAP Course (or its equivalent).
- 2) Hours required include specific core curriculum courses and hours – please see the Real Property Appraiser Qualification Criteria for details.
- 3) College-level courses and degrees must be obtained from an accredited college or university.

Please note that individual states may adopt requirements more stringent than the national requirements, and may opt to impose those requirements prior to January 1, 2008. Therefore, applicants for a real estate appraisal license or certification should always check with their state for individual requirements.

Copies of the Real Property Appraiser Qualification Criteria (contains the current and 2008 Criteria) as well as guidance such as A Guide for Understanding the 2008 Criteria are available from The Appraisal Foundation. To receive your complimentary copies, please visit www.appraisalfoundation.org. Questions regarding the national requirements can be directed to The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005; online at www.appraisalfoundation.org; or, via phone at 202.347.7722.

	Current Requirements ₁	1/1/08 Requirements _{1, 2}	1/1/08 College-Level Course Requirements ₃
License	90 hours	150 hours	None
Certified Residential	120 hours	200 hours	Associate degree or higher. In lieu of the required degree, Twenty-one (21) semester credit hours covering the following subject matter courses: English Composition; Principles of Economics (Micro or Macro); Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; and Business or Real Estate Law.
Certified General	180 hours	300 hours	Bachelors degree or higher. In lieu of the required degree Thirty (30) semester credit hours covering the following subject matter courses: English Composition; Micro Economics; Macro Economics; Finance; Algebra, Geometry or higher mathematics; Statistics; Introduction to Computers – Word Processing/Spreadsheets; Business or Real Estate Law; and two (2) elective courses in accounting, geography, ag-economics, business management, or real estate

OVERVIEW OF RULE CHANGES

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
 Division 2245—Real Estate Appraisers
 Chapter 1—Organization and Description of Commission

PROPOSED AMENDMENT

20 CSR 2245-1.010 General Organization. The Commission is proposing to amend sections (1) and (5).

PURPOSE: Pursuant to Executive Order 06-04 the title of the department is being amended. This amendment also corrects the commission's address and phone number and adds section (7) which was previously included in 20 CSR 2245-5.020.

- (1) The Missouri Real Estate Appraisers Commission, an agency of the Division of Professional Registration of the Department of **[Economic Development, created by section 339.507, RSMo] Insurance, Financial Institutions and Professional Registration**, is responsible for the examination, licensing and regulation of persons who engage in real estate appraisal business as set out in sections 339.500–339.547, RSMo.
- (2) The commission consists of seven (7) members who, except one (1) voting public member, **[must] shall** have had at least v e (5) years of experience as a real estate appraiser. The members are appointed by the governor with the advice and consent of the senate. Each member is appointed to a term of three (3) years and one (1) of the members acts as chairman as appointed by the governor.
- (3) The commission may do all things necessary to carry into effect the provisions of sections 339.500–339.547, RSMo and from time-to-time may promulgate necessary regulations compatible with the provisions of those sections.
- (4) The commission shall hold regular meetings as determined by the commission to consider and act upon applications for certi cation and licensure, complaints regarding licensees and to transact the business as may come properly before it. The commission shall meet at least once each calendar quarter to conduct its business.
- (5) Requests for general information, applications for examination and for certi cates or licenses, complaint forms or copies of regulations may be directed to the Missouri Real Estate Appraisers Commission, P.O. Box **[202] 1335**, Jefferson City, MO 65102, telephone **[(314)] (573) 751-0038**.
- (6) The Missouri Real Estate Appraisers Commission shall not discriminate against an applicant for the state-certi ed general, state-certi ed residential or state license by virtue of membership or lack of membership of the applicant in any particular real estate appraisal organization.

- (7) **The commission shall transmit to the Appraisal Subcommittee, at least monthly, a roster listing individuals who have received a state certificate or license and are eligible to perform appraisals in federally-related transactions. The commission shall transmit to the Federal Financial Institutions Examination Council (FFIEC) a monthly registry fee as determined by the Appraisal Subcommittee for those individuals who are listed on the roster provided to the Appraisal Subcommittee. The registry fee is included in the fees in section (2).**

AUTHORITY: sections 339.507 and 339.509, RSMo Supp. **[1990] 2000**.* Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Blvd., P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
 Division 2245—Real Estate Appraisers
 Chapter 1—Organization and Description of Commission

PROPOSED RESCISSION

20 CSR 2245-1.020 Commission Compensation. This rule ed the compensation for the members of the Missouri Real Estate Appraisers Commission in compliance with the mandates of section 339.507, RSMo.

PURPOSE: This rule is being rescinded because board member compensation and reimbursement is established by statute, therefore, rule language is not necessary.

AUTHORITY: sections 339.507 and 339.509, RSMo Supp. 1990.* Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April

14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991.

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 2-General Rules**

PROPOSED AMENDMENT

20 CSR 2245-2.020 Commission Action. The commission is proposing to add new language in section (4).

PURPOSE: The proposed amendment allows the commission to investigate anonymous complaints.

- (1) Any act to be taken by the commission pursuant to the license law or these rules may be performed by the number of commission members or by those of clerks, employees, agents or representatives of the commission as is permitted by law and authorized by a majority of the commission's membership. The commission may take authorized action by a mail ballot, fax ballot, email ballot or by a conference telephone call and any action so taken shall be recorded in the minutes of the commission.
- (2) Neither the executive director nor any other employee or agent of the commission, except the commissioners, contracted investigators or review appraisers during the period of his/her employment by the commission, shall engage in any act for which a certificate or a license is required under the provisions of the license law or receive or become entitled to receive any fee or compensation of any kind, in any capacity whatsoever, either directly or indirectly, in connection with any real estate appraisal transaction.
- (3) Upon receipt of a complaint in proper form, the commission may investigate the actions of the licensee against whom the complaint is made. In conducting an investigation, the com-

mission, at its discretion, may request the licensee under investigation to answer the charges made against him/her in writing and to produce relevant documentary evidence and may request him/her to appear before the commission. A copy of any written answer of the licensee may be furnished to the complainant. Upon its own motion, the commission may initiate an inquiry or investigation against an applicant or a licensee.

(4) The commission, may at its discretion, investigate anonymous complaints.

AUTHORITY: section 339.509, RSMo [(Cum. Supp. 1990).] **2000*** Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Sept. 2, 1993, effective April 9, 1994.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 2-General Rules**

PROPOSED RESCISSION

20 CSR 2245-2.040 Appraiser's Seal. This rule required the use of a seal.

PURPOSE: With the advancement of technology (digital signature, etc.) requiring the use of seal is burdensome on licensed and certified appraiser; therefore, the rule is being rescinded.

AUTHORITY: section 339.509, RSMo (Cum. Supp. 1990).* Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed July 21, 1992, effective April 8, 1993.

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 2—General Rules

PROPOSED AMENDMENT

20 CSR 2245-2.050 Appraiser's Assignment Log. The commission is proposing to amend section (1).

PURPOSE: The proposed amendment clarifies what must be contained in appraiser's assignment log.

- (1) Every licensee shall maintain a summarized listing of the real estate appraisal assignments which the licensee is required to retain under section 339.537, RSMo. This summarized listing shall include, at a minimum, the following information:
 - (A) Date **[of]** the appraisal **report is signed**;
 - (B) **Specific** Location **[identification] or address** of the property appraised;
 - (C) Client's name;
 - (D) Appraiser(s) involved in the appraisal;
 - (E) Property type; **[and]**
 - (F) Appraised value **[.]**; **and**
 - (G) Type of form used, if any.**
- (2) The records shall be made available for inspection by the commission and its authorized agents at all times during usual business hours at the licensee's regular place of business.

*AUTHORITY: section 339.509, RSMo (1994). * Original rule filed Sept. 12, 1996, effective March 30, 1997.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 3—Applications for Certification and Licensure

PROPOSED RULE

20 CSR 2245-3.005 – Trainee Real Estate Appraiser Registration

Purpose: This rule prescribes the process for an individual to register as a Trainee Real Estate Appraiser and the rules governing the practice of real estate appraising by a Trainee Real Estate Appraiser.

- (1) For purposes of this rule, “registrant” shall mean a “Trainee Real Estate Appraiser” and “registration” shall mean the registration with the commission of a “Trainee Real Estate Appraiser.”
- (2) An applicant for licensure or certification shall only receive credit for appraisal experience earned after the applicant has registered as a Trainee Real Estate Appraiser with the Commission.
- (3) A person may register as a trainee real estate appraiser by submitting the following to the commission:
 - (A) An application on a form prescribed by the commission, including, but not limited to, the name and license number of each certified appraiser under which the registrant will provide appraisal services;
 - (B) An affidavit signed by each supervising appraiser acknowledging the supervisory relationship on a form prescribed by the commission, and;
 - (C) The prescribed fee.
- (4) No real estate appraisal experience is required as a prerequisite for registration.
- (5) Training:
 - (A) The registrant shall be subject to direct supervision by a supervising appraiser(s) in good standing, who shall be state-certified.
 - (B) The supervising appraiser(s) shall be responsible for the training, guidance, and direct supervision of the registrant by:
 1. Accepting responsibility for the appraisal report

by signing and certifying that the report complies with the Uniform Standards of Professional Appraisal Practice, 2006 Edition [or in effect when the appraisal report is signed and certified]. The USPAP, 2006 Edition, is incorporated herein by reference and can be obtained from The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005, by calling (202) 3477722 or at www.appraisalfoundation.org.

2. Reviewing and signing the appraisal report(s) for which the registrant has provided appraisal services; and
 3. Personally inspecting each appraised property with the registrant until the supervising appraiser determines the registrant trainee is competent, in accordance with the Competency Rule of USPAP.
- (C) The registrant is permitted to have more than one (1) supervising appraiser, but a supervising appraiser may not supervise more than three (3) registrants at one (1) time.
- (D) The registrant and a supervising appraiser shall notify the commission of a newly created supervisory relationship and submit an affidavit from the supervising appraiser acknowledging the supervisory relationship prior to the registrant performing appraisal services under the supervising appraiser. A registrant shall not receive credit for appraisal experience under a certified appraiser unless the registrant has first notified the commission of the certified appraiser's name and license number. Within ten (10) days of the termination of a supervisory relationship, the registrant and the supervising appraiser shall notify the commission that the supervisory relationship has been terminated.
- (E) The registrant and each supervising appraiser shall maintain an appraisal log. This appraisal log may be maintained jointly, but each shall be individually responsible to assure the completion and availability of the appraisal log regardless of the agreement or practice of the registrant and the supervising appraiser regarding its maintenance. Separate appraisal logs shall be maintained for each supervising appraiser. The registrant and the supervising appraiser shall provide a copy of the appraisal log to the commission upon request. At a minimum, the appraisal log shall include the information required by 20 CSR 2245-2.050 and the following:
1. Description of work performed by the trainee and scope of the review and supervision of the supervising appraiser;
 2. Number of actual work hours by the trainee on the assignment; and
 3. The name and state certification number of the supervising appraiser.
- (F) The Missouri certification of the supervising appraiser shall be in good standing and not subject to revocation

or suspension within the last two (2) years. "Subject to revocation or suspension within the last two (2) years" shall mean that any term of revocation or suspension shall be terminated more than two (2) years prior to a licensee serving as supervising appraiser. Anyone subject to probation cannot supervise trainees during the probationary period, unless otherwise ordered by the commission.

- (G) A non-licensee will be given credit for appraisal experience accrued prior to July 1, 2008, and which was accrued without the non-licensee having been registered as a trainee real estate appraiser until June 30, 2010. After June 30, 2010, all appraisal experience credit earned by a non-licensee prior to being registered as a trainee real estate appraiser shall be forfeited. For the purpose of this rule, "non-licensee" shall mean any person who is not state licensed or certified.

AUTHORITY: Section 339.509 (8), RSMo 2000.

PUBLIC ENTITY COST: The proposed amendment will cost public entities an increase of approximately twenty thousand twenty dollars and forty eight cents (\$20,020.48) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE ENTITY COST: The proposed amendment will cost private entities an increase of approximately twenty two thousand seven hundred twenty two dollars (\$22,722) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by fax at (573) 526-3489 or via email to reacom@mail.state.mo.us. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION

Division 2245—Real Estate Appraisers

Chapter 3—Applications for Certification and Licensure

PROPOSED AMENDMENT

20 CSR 2245-3.010 Applications for Certification and Licensure. The Commission is proposing to amend sections (2) and (5), add a new section (6), renumber the remaining sections, amend the newly numbered section (7) and add a new section (9).

PURPOSE: This rule informs applicants of the requirements, pro-

cedures and qualifications necessary for obtaining a certificate or license.

- (1) The commission shall pass upon the granting of all certificates and licenses with due regard to the paramount interest of the public as to the honesty, integrity, fair dealing and competency of applicants.
- (2) All applications for certification, licensure, renewal and examination shall be made on forms provided by the commission and completed and signed by the applicant, with the signature acknowledged before a notary public. **All original applications shall include proof of submission of fingerprints to the Missouri State Highway Patrol's approved vendor for both a Missouri State Highway Patrol and Federal Bureau of Investigation fingerprint background check. Any fees due for fingerprint background checks shall be paid by the applicant directly to the Missouri State Highway Patrol or its approved vendor.** All applications shall include the appropriate fees **as established pursuant to 20 CSR 2245-5.020 and physical work and home addresses for the applicant.** The commission will not consider an application which is incomplete or with which the correct fees have not been submitted.
- (3) The commission may require each applicant for a certificate or license to furnish, at his/her expense, any information deemed necessary by the commission to determine the applicant's qualifications for a certificate or license.
- (4) The commission reserves the right, at its discretion, to hold, for a reasonable length of time for investigation, the application of any applicant who has not been previously certified or licensed, before issuing a certificate or license to that applicant.
- (5) **Prerequisite for Certification.**
 - (A) **State-Certified General Real Estate Appraiser.**
 1. As a prerequisite for certification as a state-certified general real estate appraiser, an applicant shall present satisfactory evidence to the commission that the applicant possesses three thousand (3,000) hours of appraisal experience obtained continuously over a period of not less than thirty (30) months. **The applicant must have at least fifty percent (50%) of the required experience hours in the state of Missouri.** Hours may be treated as cumulative in order to achieve the necessary three thousand (3,000) hours of appraisal experience, and there are no limitations on the number of hours which may be awarded in any year. The applicant, for experience credit, **[must]** shall have accumulated a total of three thousand (3,000) hours of appraisal experience of which at least fifty percent (50%) one thousand five hundred (1,500) hours **[must]** shall be

in non-residential appraisal work and **under the supervision of a state certified general real estate appraiser.** *[Resident is defined as one to four (1-4) residential units.]*

(B) State Certified Residential Appraiser.

1. The prerequisite for certification as a state certified residential appraiser shall be two thousand five hundred (2,500) hours of appraisal experience obtained continuously over a period of not less than twenty-four (24) months **under the supervision of a state certified real estate appraiser. The applicant must have at least fifty percent (50%) of the required experience hours in the state of Missouri.** Hours may be treated as cumulative in order to achieve the necessary two thousand five hundred (2,500) hours of appraisal experience and there is no limitation on the number of hours *[,]* which may be awarded in any year. Each applicant for certification shall furnish, under oath, a detailed listing of the real estate appraisal reports or file memoranda for each year for which experience is claimed by the applicant. Upon request, the applicant shall make available to the commission a sample of appraisal reports which the applicant has prepared in the course of the applicant's appraisal practice. For the purposes of this section, "prepared" means the participation in any function of the real estate appraisal report. **Education may not be substituted for experience except as allowed in section (8) of this rule. All experience shall have been obtained after January 30, 1989, and shall be Uniform Standards of Professional Appraisal Practice (USPAP) compliant. The USPAP, 2006 Edition, is incorporated herein by reference and can be obtained from The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005, by calling (202) 3477722 or at www.appraisalfoundation.org.** Acceptable appraisal experience as defined by the Appraiser Qualifications Board (**AQB**) includes, but is not limited to, the following (this should not be construed as limiting credit to only those individuals who are state-certified or state-licensed):
 - [(A)]* a. Fee and staff appraisal;
 - [(B)]* b. Ad valorem tax appraisal;
 - [(C)]* c. Technical review appraisal;
 - [(D)]* d. Appraisal analysis;
 - [(E)]* e. Real estate consulting;
 - [(F)]* f. Highest and best use analysis;
 - [(G)]* g. Feasibility analysis/study; and
 - [(H)]* h. Condemnation appraisal.

[(6)](C) State-Licensed Real Estate Appraiser.

1. As a prerequisite for licensure as a state-licensed

real estate appraiser, an applicant shall present satisfactory evidence to the commission that the applicant possesses the equivalent of two thousand (2000) hours of appraisal experience **obtained over a period of not less than twelve (12) months under the supervision of a state certified real estate appraiser and supported by adequate written reports or 1e memoranda. The applicant must have at least fifty percent (50%) of the required experience hours in the state of Missouri.** Hours may be treated as cumulative in order to achieve the necessary two thousand (2,000) hours of appraisal experience.

(D) All Applicants.

1. Each applicant for licensure shall furnish, under oath, a summarized listing of the real estate appraisal reports or 1e memoranda for each year for which experience is claimed by the applicant. Upon request, the applicant shall make available to the commission a sample of the appraisal reports **[which] that** the applicant has prepared in the course of the applicant’s appraisal practice. For the purposes of this section, “prepared” means the participation in any functions of the real estate appraisal report.
2. **Education may not be substituted for experience except as allowed in section (9) of this rule. All experience shall have been obtained after January 30, 1989, and shall be USPAP compliant.** Acceptable appraisal experience as defined by the **[Appraiser Qualifications Board] AQB** includes, but is not limited to, the following (this should not be construed as limiting credit to only those individuals who are state-certified or state-licensed):
 - [(A)] a.** Fee and staff appraisal;
 - [(B)] b.** Ad valorem tax appraisal;
 - [(C)] c.** Technical review appraisal;
 - [(D)] d.** Appraisal analysis;
 - [(E)] e.** Real estate consulting;
 - [(F)] f.** Highest and best use analysis;
 - [(G)] g.** Feasibility analysis/study; and
 - [(H)] h.** Condemnation appraisal.

[(7)](6)Maximum number of hours that shall be awarded for various types of appraisal and other experience is as follows with exceptions noted in subsection (7)(M):

(A) R1=single family, condo.,or similar*	10 hrs
(B) R2=2, 3, or 4 unit family dwellings	15 hrs
(C) R3=vacant residential sites (up to 40 acres)	5 hrs
(D) G1=apartments 5—12 units	20 hrs
(E) G2=apartments 13 and more units	35 hrs
(F) G3=vacant land (other than single family)**	10 hrs
(G) G4=industrial	35 hrs
(H) G5=office space	35 hrs
(I) G6=retail space	35 hrs

- (J) G7=special use property (provide explanation) 35 hrs
- (K) G8=operating or special useagriculture*** 35 hrs
- (L) G9=other (provide detailed explanation)
- *1. Includes homes on acreage, hobby farms, etc.
- **2. Includes non-crop acreage, commercial land, etc.
- ***3. If operating, primary income [must] shall come from property. Some explanation relating to type of use should be provided.
- (M) Additional Hours May be Credited for Appraisals. Experience hours listed in subsection (7)(A) through (L) are considered typical. If an applicant feels more hours should be awarded for an appraisal, s/he **[must] shall** list the hours requested and attach a written justification to the appraisal log. The commission will consider the additional hours based upon the applicant justification statement and may request a **[photo]copy** of the appraisal(s) to assist in the decision. Experience credit will be awarded on time spent in the development of the appraisal and preparation of the report. Travel and clerical time will not be considered.

[(8)](7) Include the signature of the individual responsible for the analysis, opinions and conclusions contained in the report. The applicant seeking experience credit shall have signed the report or shall be listed in the report as an individual who provided a significant contribution. An affidavit of significant contribution shall be considered by the commission if it is signed by the appraiser who signed the report or by an official of the organization, government, firm or other entity who was responsible for causing the appraisal to be prepared.

(8) Effective January 1, 2008, there need not be a client in order for an appraisal to qualify for experience, but experience gained for work without a client cannot exceed fifty percent (50%) of the total experience requirement. Case study or practicum courses that are approved by the AQB course approval program or by an alternate method established by the AQB, can satisfy the non-client experience requirement. A case study or practicum course shall include the generally applicable methods of appraisal practice for the credential category. A real estate appraisal assignment from a case study or practicum course shall require actual problem solving skills for a variety of property types for the credential category. Credit shall be granted for a maximum of thirty (30) classroom hours of instruction and a maximum of ninety (90) hours of experience credit per course. Content of case study or practicum courses shall include, but not-be limited to:

- (A) Requiring the student to produce credible appraisals that utilize an actual subject property;**
- (B) Performing actual market research containing actual sales analysis; and**
- (C) Applying and reporting the applicable appraisal approaches in conformity with USPAP.**

AUTHORITY: sections 339.509, [339.515 and 339.517,] RSMo

2000 [Supp. 1998] and 339.515, 339.517 and RSMo Supp. 2005. *Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Amended: Filed July 21, 1992, effective April 8, 1993. Amended: Filed March 14, 1996, effective Sept. 30, 1996. Emergency amendment filed Sept. 1, 1998, effective Sept. 11, 1998, expired March 9, 1999. Amended: Filed Sept. 1, 1998, effective Feb. 28, 1999.

PUBLIC ENTITY COST: The proposed amendment will cost public entities an increase of approximately six hundred ten dollars (\$610) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

PRIVATE ENTITY COST: The proposed amendment will cost private entities an increase of approximately six hundred ten dollars (\$610) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 3—Applications for Certification and Licensure**

PROPOSED AMENDMENT

20 CSR 2245-3.020 Certification and Licensure Examinations. The commission is proposing to amend sections (4) and (6).

PURPOSE: This amendment will allow the commission to waive the six (6) month requirement for an applicant to wait after failing an examination for the third time.

(1) The form, content, method of administration, passing standards and schedule of written certification and licensure examinations shall be determined by the commission and the date and place of examinations shall be announced as far in advance as is practicable. In conducting examinations, the commission may utilize professional computerized testing services.

- (2) Oral examinations will be administered only in exceptional cases involving blindness, extreme physical impairment or other unusual and extenuating circumstances as may be approved by the commission.
- (3) Fees payable by applicants for certification and licensure examinations shall be those established from time-to-time by the agency or testing service administering the examination. The amounts of those fees shall be subject to the approval of the commission but shall be separate and apart from any other fee required to be paid under the provisions of these rules and the license law. Payment of an examination fee will allow an applicant to be scheduled for only one (1) examination. Any applicant who fails to appear after being notified to take an examination shall forfeit the fee paid for the examination.
- (4) Every certification and licensure application **[must] shall** be accompanied by proof acceptable to the commission that the applicant successfully has completed the prescribed courses in a school approved by the commission.
- (5) No applicant shall be permitted to take any memoranda, pamphlet, book or paper into an examination room and otherwise shall be subject to the rules imposed by the administrator of the examination. If any applicant **[shall] gives** or receives any assistance while taking an examination or copy any part of any examination paper, this act shall be reason to deny issuance of a certificate or license to the applicant(s) involved.
- (6) Any applicant for certification and licensure who fails an examination for the third time shall wait at least six (6) months prior to taking an examination for the fourth time and an additional six (6) months for each subsequently failed examination **unless otherwise authorized by the commission.**
- (7) Any applicant for certification and licensure who fails to take an examination within one (1) year from the original date the application was submitted shall reapply to the commission and pay all appropriate fees. The commission may waive these requirements as deemed necessary.
- (8) After failing an examination, any applicant for certification and licensure who does not reapply to take the examination and pay the applicable examination fee within ninety (90) days shall be required to apply for the certificate or license from the beginning, including the application fee.

AUTHORITY: sections 339.509, **RSMo 2000 and 339.515 and 339.517, RSMo Supp. [1990]2005.** *Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed July 21, 1992, effective April 8, 1993.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dol-

lars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 4—Certificates and Licenses

PROPOSED AMENDMENT

20 CSR 2245-4.040 Individual License; Business Name; Pocket Card. The commission is proposing to amend section (1).

PURPOSE: This amendment corrects a reference for compliance when making a change in a business name. Additionally, pursuant to Executive Order 06-04 the Division of Professional Registration was transferred from the Department of Economic Development, Title 4, to the Department of Insurance, Financial Institutions and Professional Regulation, Title 20. Effective September 30, 2006 the chapters of the rules were re-numbered in the Code of State Regulations to implement this transfer. This amendment corrects the reference to 4 CSR within the text of the rule.

- (1) A licensee shall not conduct his/her business under any other name or at any other address than the one for which his/her individual certificate or license is issued unless s/he first complies with **[4 CSR 245-4.020] 20 CSR 2245-4.020**. If a licensee changes his/her name or business address, s/he shall notify the commission in writing within thirty (30) days after the change becomes effective.
- (2) In addition to the individual certificate or license to be issued to each licensee, the commission shall furnish a pocket card to each individual licensee, which shall certify that the person whose name appears on the pocket card is a state-certified general real estate appraiser, a state-certified residential real estate appraiser or a state-licensed real estate appraiser as the case may be.
- (3) Each licensee shall carry his/her pocket card upon his/her person at all times when conducting any real estate appraisal-related activity and shall exhibit it upon demand.

AUTHORITY: sections 339.509 and 339.529, RSMo **[Supp. 1990]**

2000.* Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 4—Certificates and Licenses

PROPOSED AMENDMENT

20 CSR 2245-4.050 Nonresident Certification or Licensure; Reciprocity. The commission is proposing to amend section (2) and (4).

PURPOSE: The amendment is to ensure that non-resident applicants who are not certified or licensed in their state of domicile have some real estate appraisal experience in the State of Missouri.

- (1) A nonresident person seeking a certificate or license to engage in the real estate appraisal business in Missouri first shall apply for an appropriate certificate or license on a form provided by the commission and shall sign the application before a notary public and submit the same with the required fee to the commission.
- (2) The commission may issue a certificate or license to an individual who is certified or licensed in his/her state of domicile, provided the commission is furnished verification that the appraiser is in good standing with his/her state of domicile and any other state that he/she has held licensure or certification. An individual applicant for a certificate or license who is not certified or licensed in his/her state of domicile may be granted a certificate or **license as long as the applicant has at least fifty percent (50%) of the required experience hours in the state of Missouri and** upon meeting all other requirements of a resident for that certificate or license.

- (3) After certification or licensure, a nonresident licensee shall be subject to and shall comply with all provisions of the license law and these regulations.
- (4) The commission may exempt the examination, application process, application and/or fees, as prescribed by the certification or licensure law a nonresident individual duly certified or licensed in any other state under the laws of which a similar exemption is extended to licensees of Missouri, provided a written agreement for reciprocal certification or licensure exists between the licensing authorities of the states involved. A nonresident applicant may petition the commission to waive the examination when a written agreement for reciprocal certification or licensure does not exist between Missouri and the nonresident's state of domicile. A nonresident applicant **[must] shall** provide the commission with a letter from the licensing authority of his/her state of domicile indicating that the nonresident applicant successfully passed an examination approved by the Appraisal Qualifications Board of the Appraisal Foundation.

AUTHORITY: sections 339.509 [and] 339.523, [RSMo Supp. 1998.] and 339.521, RSMo [1994] 2000. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Amended: Filed Sept. 2, 1993, effective April 9, 1994. Amended: Filed Jan. 17, 1995, effective June 30, 1995. Amended: Filed June 22, 1999, effective Dec. 30, 1999.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 4—Certificates and Licenses**

PROPOSED AMENDMENT

20 CSR 2245-4.060 Temporary Nonresident Certificate or Li-

ense. The commission is proposing to amend section (1).

PURPOSE: This amendment will allow temporary permits to request an extension of time at no charge. Additionally, pursuant to Executive Order 06-04 the Division of Professional Registration was transferred from the Department of Economic Development, Title 4, to the Department of Insurance, Financial Institutions and Professional Regulation, Title 20. Effective September 30, 2006 the chapters of the rules were re-numbered in the Code of State Regulations to implement this transfer. This amendment corrects the reference to 4 CSR within the text of the rule.

- (1) A nonresident applicant, who is certified or licensed and in good standing under the laws of another state, may obtain a Missouri temporary appraiser certification or license for a maximum of six (6) months for the purpose of completing a particular appraisal assignment. To obtain a temporary certification or license, the applicant shall make application on a form prescribed by the commission requesting the specific term of the certificate up to six (6) months, setting forth the particular assignment for which the temporary certificate or license is requested, and paying the prescribed fees as outlined in **[4 CSR 245-5.020] 20 CSR 2245-5.020**. The commission may grant an extension **for an additional three (3) months, at no charge**, if made in writing and for just cause.
- (2) The commission may refuse to issue a certificate or license for one (1) or any combination of causes set forth in section 339.532, RSMo. The scope of the temporary appraiser certification or license shall be limited to the particular appraisal assignment described in the application.

AUTHORITY: sections 339.503, 339.509 and 339.521, RSMo 2000. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed March 14, 1996, effective Sept. 30, 1996. Amended: Filed June 25, 2004, effective Feb. 28, 2005.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 5-Fees

PROPOSED AMENDMENT

20 CSR 2245-5.010 Payment. The commission is proposing to amend sections (1) and (2).

PURPOSE: This amendment updates the rule to allow the commission to accept credit cards and deletes obsolete language.

- (1) All fees shall be **[paid by cashier's check, money order or personal check made]** payable to the Missouri Real Estate Appraisers Commission and delivered to the commission.
- (2) **[Beginning January 1, 2000, a]**All certificates and licenses will expire on June 30 of even-numbered years. The commission may prorate continuing education and fees in order to put all licensees on a biennial renewal. Initial certificates and licenses may be prorated on a quarterly basis. The prorated fee shall not be less than one hundred dollars (\$100). That proration shall not apply to expired certificates and license renewal. All renewal applications and fees **[must] shall** be delivered to the commission of ce or be postmarked prior to June 30 of even-numbered years.
- (3) No certificate or license fee, or portion of the fee, will be refunded should any certificate or license be surrendered, suspended or revoked during the term for which the certificate or license is issued.
- (4) To renew a current, valid real estate appraiser certificate or license the licensee shall file an application on a form approved by the commission and pay the prescribed renewal fee to the commission not earlier than one hundred twenty (120) days prior to the expiration date of the certificate or license. Each application for renewal shall be accompanied by evidence in the form prescribed by the commission of having completed the continuing education requirements for renewal specified in this rule.

*AUTHORITY: sections 339.509 and 339.513, RSMo 2000. * Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Amended: Filed July 21, 1992, effective April 8, 1993. Amended: Filed Jan. 3, 1994, effective June 6, 1994. Amended: Filed Sept. 30, 1994, effective March 30, 1995. Amended: Filed June 22, 1999, effective Dec. 30, 1999. Amended: Filed April 13, 2001, effective Oct. 30, 2001.*

PUBLIC ENTITY COST: This proposed amendment will not cost

public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 5-Fees

PROPOSED AMENDMENT

20 CSR 2245-5.020 Application, Certificate and License Fees. The commission proposes to amend section (1) and delete section (3)

PURPOSE: This proposed amendment establishes various fees for the commission and moves section (3) of this rule to 20 CSR 2245-1.010.

- (1) An application fee of one hundred twenty-five dollars (\$125) shall be paid upon original application for certification or licensure to defray the expense of processing and investigating the application.
- (2) The following fees shall be paid for original issuance and renewal of certificates or licenses:
 - (A) Initial Certified General Real Estate Appraiser Fee \$400.00
 - (B) Initial Certified Residential Real Estate Appraiser Fee \$400.00
 - (C) Initial-Licensed Real Estate Appraiser Fee \$400.00
 - (D) Certified General Real Estate Appraiser Renewal Fee \$400.00
 - (E) Certified Residential Real Estate Appraiser Renewal Fee \$400.00
 - (F) Licensed Real Estate Appraiser Renewal Fee \$400.00
 - (G) Delinquent **Renewal** Fee (per month not to exceed a maximum of \$600) \$ 50.00
 - (H) Reissuance of a Certificate or License, or Replacement of a Lost, Destroyed or Stolen Certificate or License Fee **[\$25.00] 5.00**
 - (I) **Reissuance of a wallhanging certificate, or replacement of a lost, destroyed or stolen wallhanging cer-**

tificate..... \$ 15.00

(J) Six (6)-Month Extension Fee \$100.00

[[J](K) Temporary Practice Permit (valid for six (6) months) \$150.00

[K](L) Letter of Good Standing (per letter)..... \$ 10.00

(M) **Fingerprint Background Check Fee – Determined by the Missouri State Highway Patrol (MSHP) or its approved vendor**

(N) **Continuing Education Course Approval Fee**
..... \$25.00 per course

(O) **Continuing Education Course Renewal Fee.....**
..... \$10.00 per course

[[3) *The commission shall transmit to the Appraisal Subcommittee, at least annually, a roster listing individuals who have received a state certificate or license and are eligible to perform appraisals in federally-related transactions. The commission shall transmit to the Federal Financial Institutions Examination Council (FFIEC) an annual registry fee as determined by the Appraisal Subcommittee for those individuals who are listed on the roster provided to the Appraisal Subcommittee. The registry fee is included in the fees in section (2).]*

[[4)] (3) All fees are nonrefundable.

*AUTHORITY: sections 339.509, 339.513, and 339.525.5, RSMo 2000. * Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 15, 1991, effective Jan. 13, 1992. For intervening history, please consult the Code of State Regulations.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 6—Educational Requirements

PROPOSED RULE

20 CSR 2245-6.015 Examination & Education Requirements

PURPOSE: Effective July 1, 2007, this rule defines the examination and education requirements for each level of registration, licensure and certification.

- (1) Examination & Education Requirements.
 - (A) State-Certified Real Estate Appraiser.
 - 1. To obtain certification as a state-certified general real estate appraiser, an applicant shall successfully complete the Appraisers Qualifications Board (AQB)-approved State Certified General Real Property Appraiser Examination. There is no alternative to successful completion of the examination. On or after July 1, 2007, to qualify for taking the AQB-approved Uniform State Certified General Real Property Appraiser Examination, an applicant shall satisfy the educational requirements set forth under subsection (2)(A) of this rule. Prior to July 1, 2007, an applicant for examination as a state-certified general real estate appraiser may either satisfy the educational requirements set forth in this rule or in 20 CSR 2245-6.010.
 - (B) State-Certified Residential Real Estate Appraiser.
 - 1. To obtain a certification as a state-certified residential real estate appraiser, an applicant shall successfully complete the AQB-approved Certified Residential Real Property Appraiser Examination. There is no alternative to successful completion of the examination. The Certified General Real Property Appraiser Examination is not equivalent to the Certified Residential Real Property Appraiser Examination. On and after July 1, 2007, to qualify for taking the AQB-approved Certified Residential Real Property Appraiser Examination, an applicant shall satisfy the educational requirements set forth in subsection (2)(B) of this rule. Prior to July 1, 2007, an applicant for examination as a state-certified residential real estate appraiser may either satisfy the educational requirements set forth in this rule or in 20 CSR 2245-6.010.
 - (C) State-Licensed Real Estate Appraiser.
 - 1. To obtain a license as a state-licensed real estate appraiser, an applicant shall successfully complete the AQB-approved Licensed Residential Real Property Appraiser Examination. There is no alternative to successful completion of the examination. On and after July 1, 2007, to qualify for taking the AQB-approved Licensed Residential Real Property Appraiser Examination, an applicant shall satisfy the educational requirements

set forth in subsection (2)(C) of this rule. Prior to July 1, 2007, an applicant for licensure as a state-licensed real estate appraiser may either satisfy the examination requirements set forth in this rule or in 20 CSR 2245-6.010.

(D) Trainee Real Estate Appraiser.

1. There is no examination requirement for registration as a trainee real estate appraiser other than as is required to earn credit for completion of the prerequisite educational courses.

(2) Qualifying Education.

(A) State-Certified General Real Estate Appraiser.

1. Applicants for the certified general certification shall hold a bachelor's degree or higher from a college or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools, unless the requirements of the following paragraph (2)(A)(2) are satisfied.
2. In lieu of the bachelor's degree, an applicant for the certified general certification shall successfully pass thirty (30) semester credit hours, or its equivalent, including each of the following collegiate subject matter courses from a college, junior college, community college or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools:
 - a. English Composition;
 - b. Micro Economics;
 - c. Macro Economics;
 - d. Finance;
 - e. Algebra, Geometry, or higher Mathematics;
 - f. Statistics;
 - g. Introduction to computers, word processing, and spreadsheets;
 - h. Business Law or Real Estate Law; and
 - i. Two (2) elective courses in accounting, geography, ag-economics, business management or real estate.
3. If a college or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools, accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam showing its approval, it will be considered as credit for the college course.
4. The applicant shall submit verification of completion of three hundred (300) creditable class hours from the core curriculum, including passage of the approved closed-book examination for each

course, as follows:

a.	Basic Appraisal Principles	30 Hours
b.	Basic Appraisal Procedures	30 Hours
c.	The 15-Hour National Uniform Standards of Professional Appraisal Practice (USPAP;) Course or its Equivalent	15 Hours
d.	General Appraiser Market Analysis and Highest and Best Use	30 Hours
e.	Statistics, Modeling and Finance	15 Hours
f.	General Appraiser Sales Comparison Approach	30 Hours
g.	General Appraiser Site Valuation and Cost Approach	30 Hours
h.	General Appraiser Income Approach	60 Hours
i.	General Appraiser Report Writing and Case Studies	30 Hours
j.	Appraisal Subject Matter Electives	30 Hours
	(Electives may include hours over minimum shown above in other modules)	
	Total	300 Hours

5. Applicants shall demonstrate that their education includes the core courses listed in these criteria, with particular emphasis on non-residential properties.

(B) State-Certified Residential Real Estate Appraiser.

1. Applicants for the certified residential certification shall hold an associate degree or higher from a college, junior college, community college, or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools, unless the requirements of paragraph (2)(B)(2) of this rule are satisfied.
2. In lieu of the Associate degree, an applicant for the certified residential certification shall successfully pass twenty-one (21) semester credit hours, or its equivalent, of college courses, including each of the following subject matter courses from a college, junior college, community college, or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools:
 - a. English Composition;
 - b. Principles of Economics (Micro or Macro);
 - c. Finance;
 - d. Algebra, Geometry, or higher mathematics;
 - e. Statistics;
 - f. Introduction to computers, word process-

- ing, and spreadsheets; and
- g. Business Law or Real Estate Law.
- 3. If a college or university accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools accepts the College-Level Examination Program® (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.
- 4. The applicant shall submit verification of completion of two hundred (200) creditable class hours from the core curriculum, including passage of the approved closed-book examination for each course, as follows:
 - a. Basic Appraisal Principles 30 Hours
 - b. Basic Appraisal Procedures 30 Hours
 - c. The 15-Hour National USPAP Studies 15 Hours
 - d. Residential Market Analysis and Highest And Best Use 15 Hours
 - e. Residential Appraiser Site Valuation and Cost Approach 15 Hours
 - f. Residential Sales Comparison and Income Approaches 30 Hours
 - g. Residential Report Writing and Case Studies 15 Hours
 - h. Statistics, Modeling and Finance 15 Hours
 - i. Advanced Residential Applications and Case Studies 15 Hours
 - j. Appraisal Subject Matter Electives 20 Hours
(Electives may include hours over the minimum shown above in other modules)
- Total 200 Hours

Total

150 Hours

AUTHORITY: sections 339.509 and 339.517, RSMo 2000. Original rule filed:2005.

PUBLIC ENTITY COST: This proposed rule will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rule will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by fax at (573) 526-3489 or via email to reacom@mail.state.mo.us.. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 6—Educational Requirements**

PROPOSED RESCISSION

20 CSR 2245-6.020 Correspondence Courses. This rule validated correspondence courses and proclaimed attendance requirements.

PURPOSE: This rule is being rescinded because the commission will no longer be approving pre-license education courses.

AUTHORITY: sections 339.509, RSMo Supp. 1990 and 339.517, RSMo Supp. 1993. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.*

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

- (C) State-Licensed Real Estate Appraiser.
 - 1. The applicant shall submit verification of completion of one hundred fifty (150) creditable class hours from the core curriculum, including passage of the approved closed-book examination for each course, as follows:
 - a. Basic Appraisal Principles 30 Hours
 - b. Basic Appraisal Procedures 30 Hours
 - c. The 15-Hour National USPAP Course or its Equivalent 15 Hours
 - d. Residential Market Analysis and Highest And Best Use 15 Hours
 - e. Residential Appraiser Site Valuation and Cost Approach 15 Hours
 - f. Residential Sales Comparison and Income Approaches 30 Hours
 - g. Residential Report Writing and Case Studies 15 Hours

Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 6—Educational Requirements

PROPOSED RESCISSION

20 CSR 2245-6.030 Distance Education. This rule validated distance education and proclaimed attendance requirements.

PURPOSE: This rule is being rescinded because the commission will no longer be approving pre-license education courses.

AUTHORITY: sections 339.509 and 339.517, RSMo Supp. 1998. Original rule filed Sept. 1, 1998, effective Feb. 28, 1999.*

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 6—Educational Requirements

PROPOSED RULE

20 CSR 2245-6.040 Case Study Courses.

PURPOSE: This rule establishes the criteria for real estate appraising education providers to obtain approval of case study courses that can be offered for both education and experience credit towards licensure and/or certification.

(1) General.

- (A) The case study course is an educational offering which shall be designed to investigate the intellectual development and practical application of constructing and reporting a real property appraisal. Any such course shall include both classroom and on-site instruction and experience, including the passage of a national examination for pre-licensure education credit, and the submission of one (1) or more acceptable appraisal reports

for experience credit.

- (B) Case study courses shall be at least thirty (30) hours of instruction. For each case study course, experience credit hours may not exceed three (3) times the education credit granted, and in no event shall the experience credit granted for a single course exceed ninety (90) hours. An applicant for licensure or certification may receive thirty (30) hours of pre-licensure education credit upon passage of an examination approved by the Appraiser Qualifications Board (AQB) course approval program or by an alternate method established by the AQB. A licensee may receive twenty-eight (28) hours of continuing education credit for a case study course as allowed pursuant to 20 CSR 2245-8.010. An applicant for licensure or certification will receive the experience credit upon completing one (1) or more **Uniform Standards of Professional Appraisal Practice (USPAP)** compliant appraisal reports for the course. **The USPAP, 2006 Edition, is incorporated herein by reference and can be obtained from The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005, by calling (202) 3477722 or at www.appraisalfoundation.org.** The amount of education and experience credit available from a case study course will be determined at the time it is approved by the AQB course approval program or by an alternate method established by the AQB.
- (C) A course provider may offer case study courses in the following areas:
1. Residential, including but not limited to, single family, modular, condominium, two (2) to four (4) family residential, manufactured, and other unique residences;
 2. Commercial, including but not limited to, the following uses: office, retail, shopping center, hotel or motel, convenience store, restaurant, apartments (five (5) or more units), subdivisions, or any combination thereof;
 3. Industrial, including but not limited to, warehouses;
 4. Special uses, including but not limited to, houses of worship;
 5. Agricultural, including but not limited to, farms (row crop and/or pasture), and timberland;
 6. Review appraisals in any of the areas listed above in this subsection;
 7. Appraisal consulting, including but not limited to, feasibility studies or marketability studies in any of the areas listed above in this subsection;
 8. Appraisal management, including but not limited to, 1) supervisory appraiser responsibilities, functions and liabilities, and 2) management of an appraisal office including but not limited to staff management and supervision, databank, and plant set-up;
 9. Miscellaneous, including but not limited to, con-

demnation appraisals in any of the areas listed above in this subsection; and

10. Any other area approved by the AQB.
- (D) A case study course shall require completion of one (1) or more appraisal reports of the type of property to which the course pertains. The appraisal report(s) may value any real property interest, including, but not limited to, fee simple, leased-fee, leasehold, sub-leasehold, fractional interest, physical segment or partial holding. Personal property and business valuation issues shall be addressed if related to the appraisal of real property, but shall not be the primary focus of the course.
- (E) The provider shall assure that the course includes review of the appraisal process, including an in-depth review of the methods and techniques used in the three (3) approaches that pertain to the type of property appraised and the development and reporting requirements of the USPAP. The instruction regarding USPAP principles should include, at a minimum, discussion regarding the scope of work, the type of report used (self-contained, summary, restricted-use, or oral) and the other specific methods and techniques required in the report. Other appraisal report preparation issues that shall be discussed in the course include report format (narrative or form), grammar and syntax issues, quality control, and details relating to pertinent addendum for the type of property or report. The instructor or other approved USPAP reviewer shall be available to answer questions from and provide input to the students as to the deficiencies in the submitted appraisal report(s).
- (F) A case study course shall include substantial time with the instructor in the field as well as in classroom instruction. The case study course shall include the following for each appraisal report completed, if applicable: inspect the subject property and neighborhood, view and photograph the comparable sales and rental properties used in the three (3) approaches, research and analyze data to apply the three (3) approaches to value, and reconcile the estimated values from each valuation approach to develop a final value opinion. The class may visit the courthouse, use data accessible via the internet (MLS, sales/listings, public information, demographic websites, etc.), and other sources, to collect the necessary data to perform the appraisal. To obtain experience credit from the course, an applicant for certification or licensure shall write a USPAP compliant appraisal report(s) reviewed and found acceptable by the course instructor or other approved USPAP reviewer. Before experience credit will be granted to an applicant for certification or licensure, the instructor or other approved USPAP reviewer shall certify to the commission that the appraisal report(s) required for the case study course are compliant with USPAP.
- (G) A case study course regarding residential real property shall include completion of a written complete summary appraisal report of the subject property. A case study course regarding non-residential real property shall include completion of a written complete self-contained appraisal report of the subject property. The appraisal report(s) shall be submitted to the course provider within thirty (30) days after taking the course final examination. The course instructor or other approved USPAP reviewer will identify USPAP reporting deficiencies in the appraisal report. The provider will notify the student of any deficiencies noted in the appraisal report. The student shall correct all deficiencies to the satisfaction of the instructor or other approved USPAP reviewer.
- (H) All audio or visual teaching aids used in the course shall be used under the personal supervision of the instructor approved to conduct the course and may not exceed twenty percent (20%) of the total presentation. Guest speakers may not be used for more than ten percent (10%) of a course presentation and such guest speakers do not have to possess instructor credentials.
- (I) Upon submitting a statement from the provider of successful completion of a case study course, including passage of the course examination and completion of the required appraisal(s), an applicant for certification or licensure or a licensee shall receive the number of education and experience hours for which the case study course is approved, not to exceed thirty (30) hours of pre-licensure education credit, twenty-eight (28) hours of continuing education credit or ninety (90) hours of experience credit.
- (2) Course Approval Application Process.
- (A) Any course provider desiring to provide a case study course to licensed and/or certified real estate appraisers and/or to applicants for licensure or certification as real estate appraisers shall obtain from the AQB or by an alternate method established by the AQB, approval of each case study course, its instructor(s), and any other USPAP reviewer(s), if any, prior to enrolling any students in the case study course. A course provider shall submit verification to the commission that a case study course has been approved by the AQB.
- (3) Course administration requirements.
- (A) Prior to enrolling a person for a particular case study course, the course provider shall require each prospective student to provide documentation of satisfactory completion of all course work required to obtain the license or certificate that is required under 20 CSR 2245-9.010(3) for an appraiser to perform the type of appraisal that is the subject of the case study course.
1. If a student is not licensed or certified when enrolled in a case study course, the documentation shall include completion certificates for all pre-licensure courses required for licensure or certification.
 2. If a student is already licensed or certified when

applying for a case study course, the documentation shall include a copy of the student's state license or certificate and, if the course is for a type of appraisal which is outside of the scope of practice of the student's current certification as defined by 20 CSR 2245-9.010, the documentation shall include completion certificates for any additional pre-licensure courses required for the different certification.

- (B) All course providers shall maintain a list of case study curriculum classes offered with the following information on record and available for audit by the commission:
1. Course title;
 2. The name, address, and business phone number for each instructor and USPAP reviewer, if any;
 3. Class location, including facility name and city;
 4. Class dates;
 5. Student roster, including student name, address, phone number;
 6. Student registration, license or certification number, if any;
 7. Type of credit student earned (e.g., pre-licensure education, continuing education, and/or number of experience credits); and
 8. Documentation of AQB approval.
- (C) Upon successful completion of each case study course, the course provider shall provide each student with a certificate specifying the type and number of education hours (pre-licensure or continuing education) and the number of experience hours he/she has earned.
- (4) Course Objectives. Each case study course shall include the following objectives:
- (A) Cognitive. After completing an appraisal case study course, an individual should be able to:
1. Recall verbally or in writing the controlling steps and sequences in the appraisal process;
 2. Demonstrate verbally or in writing the elements of problem identification;
 3. Demonstrate verbally or in writing the steps for proper scope of work decisions;
 4. Recall verbally or in writing relevant USPAP & advisory references;
 5. Recall verbally or in writing the appraiser's ethical obligations;
 6. Demonstrate verbally or in writing appraisal competency requirements;
 7. Demonstrate verbally or in writing the binding requirements for appraisal development;
 8. Recall verbally or in writing the binding requirements for appraisal reporting; and
 9. Distinguish verbally or in writing between the various classifications of appraisals and appraisal reports.
- (B) Affective. After completing an appraisal case study course, an individual should develop an understanding of:
1. Competency as it relates to the scope of work decision;
 2. The kind of information that shall be identified and considered regarding the client's intended use of an appraisal;
 3. Relevant characteristics;
 4. How to analyze the effect of assignment conditions on the appraisal process;
 5. The relationship between intended use and a credible solution;
 6. How the standard of value affects the scope of work decision;
 7. Reasonable exposure time;
 8. How the appraiser's work file preserves evidence of all applicable data that supports the appraiser's opinions and conclusions; and
 9. The appraiser's responsibility to demonstrate proper judgment and execution.
- (C) Skills. After completing a real property appraisal case study course the student should be able to do the following:
1. Identify the appraisal problem;
 2. Make a proper scope of work decision;
 3. Conduct a market analysis;
 4. Identify the subject property's neighborhood and conduct a neighborhood analysis;
 5. Identify relevant real property characteristics;
 6. Discern assignment conditions;
 7. Describe site improvements;
 8. Describe real property improvements;
 9. Collect and analyze cost construction data;
 10. Collect and analyze sales comparison data;
 11. Collect and analyze income approach data;
 12. Reconcile data into final value opinion; and
 13. Prepare a written real property appraisal report in compliance with USPAP.
- (5) Unit Titles. The following is a sample of possible unit titles and time allocations that might be used for a case study course curriculum.
- (A) Problem Identification & Scope of Work Decision (4 Hours).
1. The appraisal process defined
 2. The eleven (11) basic controlling steps and their sequence;
 3. Ethics and Competency;
 4. Prohibitions and Exhortations;
 5. Judgment and Execution;
 6. Intended Use and Intended Users Interview;
 7. Work Order;
 8. Problem Identification;
 9. Departure Possibilities;
 10. Scope of Work;
 11. Preliminary Survey and Appraisal Plan; and

12. Appraisal Contract.
- (B) Data Collection and Analysis - General Data (5 Hours).
1. Market Analysis;
 2. Financial Analysis;
 3. Economic Base;
 4. Market Trends;
 5. Forecasts;
 6. Neighborhood Analysis; and
 7. Measures of Central Tendency.
- (C) Data Collection and Analysis - Specific Data (7 Hours).
1. Property Rights;
 2. Physical Characteristics of the Site and Improvements;
 3. Environmental Issues;
 4. Conformity;
 5. Cost and Depreciation Data;
 6. Comparative Properties;
 7. Elements of Comparison;
 8. Units of Comparison; and
 9. Income analysis.
- (D) Appraisal Development (9 Hours).
1. Identify the Client and Other Intended Users;
 2. Identify the Intended Use of the Appraiser's Opinions and Conclusions;
 3. Identify the Purpose of the Assignment - Standard of Value;
 4. Identify the Effective Date of the Appraiser's Opinions and Conclusions;
 5. Identify the Characteristics of the Property that are Relevant to the Purpose and Intended Use of the Appraisal;
 6. Identify the Scope of Work Necessary to Complete the Assignment;
 7. Identify any Extraordinary Assumptions Necessary in the Assignment;
 8. Identify any Hypothetical Conditions Necessary in the Assignment;
 9. When Applicable, Develop an Opinion of Highest and Best Use;
 10. Analyze and Collate Site Data;
 11. Analyze and Collate Cost Construction Data;
 12. Analyze and Collate Sales Comparison Data;
 13. Analyze and Collate Income Data;
 14. Analyze all Agreements of Sale, Options, or Listings of the Subject Property that are Current as of the Effective Date of the Appraisal;
 15. Analyze all Sales of the Subject Property that Occurred Within the Three Years Prior to the Effective Date of the Appraisal;
 16. Reconcile the Quality and Quantity of Data Available and Analyzed Within the Approaches Used; and
 17. Reconcile the Applicability or Suitability of the Approaches Used to Arrive at the Value Conclusion.
- (E) Appraisal Reporting (5 Hours).
1. Review Competency Requirements for Reporting;
 2. Review Reporting Formats;
 3. Report the Identity of the Client and any Intended User by Name or by Type;
 4. Report the Intended Use of the Appraisal;
 5. Describe Information Sufficient to Identify the Real Estate Involved;
 6. Report the Real Property Interest Appraised;
 7. Report the Purpose of the Appraisal, Including the Type and Definition of Value and its Source;
 8. State the Effective Date of the Appraisal and Date of the Report;
 9. Report Sufficient Information to Disclose the Scope of Work;
 10. State all Assumptions, Hypothetical Conditions, and Limiting Conditions;
 11. Report the Information Analyzed, the Appraisal Procedures Followed, and the Reasoning that Supports the Analyses, Opinions, and Conclusions;
 12. Address the Use of the Property that is the Subject of the Appraisal;
 13. Report and Explain any permitted Departures;
 14. Include a Signed Certification; and
 15. Discuss Work File Requirements.
- (F) Appraisal Practicum.
1. All case study students will demonstrate appraisal development and reporting skills by submitting an acceptable appraisal on an assigned property. The appraisal will be a culminating activity performed in partial fulfillment of the requirements for the "Case Study Course" related to appraisal licensure or certification;
 2. Appraisal reports may be submitted in sections for instructor review and approval. When all sections are completed satisfactorily, the entire report accompanied by the appraisal work file shall be presented to the instructor or other approved USPAP reviewer.

AUTHORITY: section 339.509(3 and 4), RSMo 2000.

PUBLIC ENTITY COST: This proposed rule will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rule will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard.

ward, P. O. Box 1335, Jefferson City, MO 65102, by fax at (573) 526-3489 or via email to reacom@mail.state.mo.us. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 7—Prelicense Course Approval

PROPOSED AMENDMENT

20 CSR 2245-7.010 Standards for Prelicense Course Approval.

The commission is proposing to delete section (1), renumbering the remaining sections accordingly, amend the newly renumbered section (1), and add new language in section (2).

PURPOSE: This rule requires all applications for prelicense education course approval be submitted to the Appraisal Qualifications Board to obtain approval for courses offered in the State of Missouri.

[(1) For the purposes of this section, the term prelicense course is defined as course title.]

[(2)](1) Until July 1, 2007, providers of prelicense real estate appraisal courses, [which are not included under section 339.517.5., RSMo, for certification and licensure examinations in Missouri may be approved by] shall obtain approval of each course from the commission, [upon] that will be granted upon proof of compliance with the following requirements:

- (A) The prelicense courses of study offered by the course provider shall include the subjects set forth in the one hundred eighty (180) classroom hours for state-certified general real estate appraisers, the one hundred twenty (120) classroom hours for state-certified residential real estate appraisers, the ninety (90) classroom hours for state-licensed real estate appraisers, or **[both] any combination of;**
- (B) Each area of study shall be conducted and supervised by an instructor who shall be present in the classroom at all times. Each instructor shall be qualified by specialized preparation, training and experience to ensure competent instruction. The qualifications of each instructor **[must] shall** be approved by the commission prior to **[his/her]** participation in a course of study. As a minimum requirement, each instructor shall—
1. Be a certified or licensed Missouri real estate appraiser with at least two (2) years of real estate appraisal experience acquired within a period of five (5) years immediately preceding the filing for approval. The commission may waive the certification or licensure requirements **for good cause;** and

2. Have verifiable practical experience in an area of study to be taught which, in the opinion and discretion of the commission, is substantially equivalent to the **[previous] foregoing** requirements. The commission may request documentation be provided to them; and
- (C) All audio or visual teaching aids employed by a course provider **[must] shall** be used under the personal supervision of the instructor approved to conduct the prelicense course and may not exceed twenty percent (20%) of the total prelicense course presentation. Guest speakers may not be used for more than ten percent (10%) of a prelicense course presentation and they do not have to possess instructor credentials.

(2) Effective July 1, 2007, providers of prelicense real estate appraisal courses shall attain approval for each course from the Appraisal Qualifications Board (AQB) Course Approval Program or an AQB approved course approval program.

AUTHORITY: sections 339.509, **RSMo 2000** and 339.517, **RSMo [Supp. 1998] 2005.** * Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Emergency amendment filed Dec. 16, 1993, effective Jan. 1, 1994, expired April 30, 1994. Amended: Filed Sept. 2, 1993, effective April 9, 1994. Emergency amendment filed Sept. 1, 1998, effective Sept. 11, 1998, expired March 9, 1999. Amended: Filed Sept. 1, 1998, effective Feb. 28, 1999.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: The proposed amendment will cost private entities an increase of approximately sixty six thousand nine hundred fifty dollars (\$66,590) annually beginning in FY08 until FY11. Beginning in FY11 the proposed amendment will cost private entities approximately eleven thousand seven hundred dollars (\$11,700) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 7—Prelicense Course Approval

PROPOSED AMENDMENT

20 CSR 2245-7.020 Application for Prelicense Course Approval.

The Commission is proposing to amend section (1) and add new language in section (3).

PURPOSE: This rule is being amended to establish a date for the Appraiser Qualification Board to begin approving prelicense courses.

- (1) **Until July 1, 2007, [A]** any person or entity seeking initial approval from the commission for a real estate appraisal course of study for certification or licensure examination in Missouri shall submit the following:
 - (A) Completed application on a form provided by the commission and accompanied by supporting documents specified in the application;
 - (B) A complete curriculum showing all courses offered and the times allocated to each course;
 - (C) Application for approval of each instructor on a form provided by the commission and accompanied by a resume' showing the qualifications of the applicant; and
 - (D) A copy of the course provider's final examination and the correct answers. No course provider may provide a certificate of completion to a student who has not satisfactorily completed an appropriate in-class final examination.
- (2) Instructors **[must] shall** teach all courses in close adherence to the outline on file with the commission. In the event a substantive change is proposed, the sponsor **[must] shall** file a revised course outline at least thirty (30) days in advance of the scheduled course offering. Approval in writing from the commission **[must] shall** be received prior to implementation of any substantive course change.
- (3) **Effective July 1, 2007, providers of prelicense real estate appraisal courses shall attain approval for each course from the Appraisal Qualifications Board (AQB) Course Approval Program or an AQB approved course approval program.**

AUTHORITY: sections 339.509, RSMo **[Supp. 1990] 2000** and 339.517, RSMo Supp. **[1993] 2005**. * Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dol-

lars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers
Chapter 7—Prelicense Course Approval

PROPOSED RESCISSION

20 CSR 2245-7.030 Prelicense Correspondence Courses. This rule makes known the specific requirements of offering a prelicense correspondence course.

PURPOSE: This rule is being rescinded as the commission will no longer be approving prelicense education courses.

AUTHORITY: sections 339.509, RSMo Supp. 1990 and 339.517, RSMo Supp. 1993. * Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245—Real Estate Appraisers

Chapter 7—Prelicensure Course Approval

PROPOSED RESCISSION

20 CSR 2245-7.040 Approval and Renewal for Prelicensure Courses. This rule con rmed the level of performance or credentials of the educational courses or instructors detrimental to the public interest.

PURPOSE: This rule is being rescinded as the commission will no longer be approving pre-license education courses.

AUTHORITY: sections 339.509, 339.513, RSMo Supp. 1990 and 339.517, RSMo Supp. 1990. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION Division 2245—Real Estate Appraisers Chapter 7—Prelicensure Course Approval

PROPOSED RESCISSION

20 CSR 2245-7.050 Records. This rule regulated the criteria for maintaining prelicense course records.

PURPOSE: This rule is being rescinded as the commission will no longer be approving pre-license education courses.

AUTHORITY: sections 339.509, RSMo Supp. 1990 and 339.517, RSMo Supp. 1993. * Original rule filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed rescission will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rescission with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION Division 2245—Real Estate Appraisers Chapter 7—Prelicensure Course Approval

PROPOSED AMENDMENT

20 CSR 2245-7.060 Investigation and Review. The commission is proposing to amend section (1).

PURPOSE: This amendment updates who may investigate an approved or proposed course offering.

- (1) The commission may investigate approved or proposed course offerings by conferring with **a representative(s) of the Appraisal Qualifications Board (AQB) Course Approval Program or by the representative of an alternate method established by the AQB**, the course providers or instructors, visitation with or without prior notice, or by surveys to participants, instructors or course providers.
- (2) If the commission determines that a course provider, instructor or course is in violation of any of these rules or otherwise fails to maintain reasonable standards, notice in writing specifying the defect will be transmitted promptly to the course provider, the instructor, or both. Failure of the provider, the instructor, or both, to correct the defects within thirty (30) days shall be grounds for suspension or revocation of approval. The commission may deny, revoke, suspend or place on probation the approval of an instructor or course, if not in compliance with the license law or these rules or if the level of performance or credentials are not in the public interest, or that the application or supporting material contains any false statement or substantial misrepresentation.

AUTHORITY: sections 339.509, RSMo [Supp. 1990] 2000 and 339.517, RSMo Supp. [1993] 2005. * Original rule filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.*

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 8-Continuing Education**

PROPOSED AMENDMENT

20 CSR 2245-8.010 Requirements. The commission is proposing to amend sections (2) and (3), delete section (4), renumber the remaining sections accordingly, and amend newly renumbered sections (7), (8) and (11).

PURPOSE: This amendment ensures that Missouri requirements are equivalent to the criteria of the Appraisal Qualifications Board (AQB).

- (1) Each licensee who holds a certificate or license shall complete, during the two (2)-year license period prior to renewal, as a condition precedent to certification or license renewal, the required number of hours of real estate appraisal instruction approved for continuing education credit by the Missouri Real Estate Appraisers Commission as specified in section (2) of this rule. Licensees shall maintain their evidence of course participation or course completion certificates for the period set for appraisal fee retention. Such evidence [must] shall be submitted upon request by the commission.
- (2) *[Licensees whose renewal period began prior to January 1, 1998 are required to complete ten (10) hours of continuing education per year as approved by the commission. Licensees whose renewal period began subsequent to January 1, 1998 are required to complete fourteen (14) hours of continuing education per year, as approved by the commission.] Licensees are required to complete twenty-eight (28) hours of continuing education during the two (2) year renewal cycle.* The commission may require specific courses of continuing education. A licensee shall provide verification of completion of continuing education by affidavit at the time of renewal. The affidavit **[must] shall** contain a truthful statement of approved courses by the commission of continuing education taken by the licensee.
- (3) Individual licensees may receive continuing education credit

for courses taken in Missouri or another state **with which Missouri has a reciprocal agreement** which have not been submitted previously by the course provider for approval; provided course content, instructor qualifications and course administration are acceptable to the commission. *[Applications for nonpreapproved course credit must be received by the commission on or before December 31 in the year preceding license expiration and must be on a form prescribed by the commission.]*

[(4) The commission may waive all or part of the continuing education requirements upon a showing by the licensee that due to serious physical injury or illness, active duty in the armed services for an extended period of time, residence outside the United States or other good cause it was and is not feasible for the licensee to satisfy the requirements prior to the renewal date.]

[(5)](4) The following offerings will not be considered by the commission to meet Missouri continuing education requirements even though the offerings may be approved by states with which Missouri enters into continuing education reciprocity:

- (A) Training or education not directly related to real estate appraisal or real estate appraisal practice;
- (B) Training or education in office and business skills, such as typing, speedreading, memory improvement, report writing, personal motivation, salesmanship, sales psychology and time management;
- (C) Sales promotions or other meetings held in conjunction with general real estate brokerage activity;
- (D) Meetings which are a normal part of in-house training;
- (E) That portion of any offering devoted to meals or refreshments;
- (F) Sales or brokerage pre-licensure education; and
- (G) Any course or program that is less than two (2) hours in duration.

[6](5) Hours obtained in excess of the requirement for continuing education shall not be carried forward to satisfy the requirements for any subsequent renewal period.

[7](6) A licensee [must] shall be physically present in the classroom during at least ninety percent (90%) of the actual classroom instruction.

[8](7) Credit will be given to a licensee for attending a specific or substantially similar course offering only once during a certificate or license renewal period [with the exception of Uniform Standards of Professional Appraisal Practices (USPAP) as will be determined by the commission].

[9](8) Time spent as an instructor may be counted as classroom attendance for an approved instructor who is also a licensee. This credit may be gained by an instructor only once for each course or substantially similar course offered during any renewal period. Continuing education credit may also be

granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks or similar activities which are determined to be equivalent to obtaining continuing education. **The number of credit hours granted will be equivalent to the number of hours allowed by the current Appraiser Qualifications Board (AQB) criteria.**

[10](9) Passing an examination shall not be required for credit under this chapter even when an examination is required by the provider of the course. Time devoted to examinations, other than brief periods for review and self-graded quizzes, may not be credited toward the required minimum hours of continuing.

[11](10) No part of any course for continuing education shall be used to solicit memberships in organizations, recruit licensees for affiliation with any organization or advertise the merits of any organization.

(11) All licensees of the state of Missouri shall complete, for continuing education credit, the seven (7) hour national Uniform Standards of Professional Appraisal Practice (USPAP) update course or its equivalent during each renewal cycle. The USPAP, 2006 Edition, is incorporated herein by reference and can be obtained from The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005, by calling (202) 3477722 or at www.appraisal-foundation.org.

AUTHORITY: sections 339.509 and 339.530, RSMo [Supp. 1998] 2000. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Amended: Filed July 21, 1992, effective April 8, 1993. Amended: Filed Sept. 30, 1994, effective March 30, 1995. Amended: Filed Sept. 1, 1998, effective Feb. 28, 1999. Amended: Filed June 22, 1999, effective Dec. 30, 1999.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hear-*

ing is scheduled.

Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 8-Continuing Education

PROPOSED AMENDMENT

20 CSR 2245-8.020 Course Approval. The commission is proposing to amend sections (2) and (5).

PURPOSE: This amendment requires all applicants for continuing education course approval to be accompanied by a fee.

- (1) No course or program for continuing education credit shall be announced or advertised until it is approved by the commission for credit.
- (2) All applications for course approval shall be submitted by the course provider at least ninety (90) days prior to the date the course is expected to be offered. Applications shall be submitted on a form prescribed by the Missouri Real Estate Appraisers Commission and **shall be accompanied by the required fee for course approval.** ~~[t]~~The commission will respond in writing to all requests for course approval within sixty (60) days of receipt of a properly completed application. The commission will either assign a course number or other identification to a course when it is approved or will notify the course provider of the grounds for the course not being approved, as provided in section (4) of this rule.
- (3) Course approval will be for the duration of the certificate or license period for which approval is sought.
- (4) If the commission determines that a proposed course does not meet prescribed standards or if the proposed course does not adequately reflect and present current real estate appraisal knowledge toward the goal of public protection and service, notice in writing specifying the deficiencies will be provided to the course provider.
- (5) Instructors **[must] shall** teach all courses in close adherence to the outline on file with the commission. In the event a substantive change is proposed, the course provider **[must] shall** file a revised course outline at least thirty (30) days in advance of the scheduled course offering. Approval in writing from the commission **[must] shall** be received prior to implementation of any substantive course change.
- (6) Dates, times and the location(s) of course offerings shall be submitted to the commission at least thirty (30) days prior to each course offering.

AUTHORITY: sections 339.509 and 339.530, RSMo [1994] 2000. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired*

April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: The proposed amendment will save private entities an increase of approximately one thousand seven hundred fifty five dollars (\$1,755) annually for the life of the rule. It is anticipated that the savings will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 8-Continuing Education**

PROPOSED AMENDMENT

20 CSR 2245-8.030 Instructor Approval. The commission is proposing to add new language in sections (4) and (5).

PURPOSE: This amendment clarifies that all instructors for the National Uniform Standards of Professional Appraisal Practice (USPAP) course must be approved by the Appraisal Qualifications Board (AQB).

- (1) All continuing education course offerings **[must] shall** be conducted by an approved instructor.
- (2) A course provider of a continuing education course shall submit an application for approval of each instructor on a form prescribed by the commission at least ninety (90) days prior to the date the course is scheduled to be offered.
- (3) The commission will notify the course provider within sixty (60) days that the instructor has been approved or the grounds upon which approval is being denied.
- (4) **All instructors of the National Uniform Standards of Professional Appraisal Practice (USPAP) course, the national USPAP update course, or their equivalents shall be**

approved through the instructor certification program of the Appraisal Qualifications Board (AQB) or by an alternate method established by the AQB. The USPAP, 2006 Edition, is incorporated herein by reference and can be obtained from The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington, DC 20005, by calling (202) 3477722 or at www.appraisalfoundation.org.

- (5) **Education credit shall be given for courses on the USPAP offered by colleges or universities accredited by a regional accrediting commission recognized by the United States Department of Education or an equivalent approving agency for out-of-state schools, provided that the college or university utilizes the national USPAP course, the national USPAP update course, or their equivalents, and at least one (1) of the course instructors, who is a state certified appraiser, shall be approved through the AQB instructor certification program.**

AUTHORITY: sections 339.509 and 339.530, RSMo [1994] 2000.* Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992.

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 8-Continuing Education**

PROPOSED AMENDMENT

20 CSR 2245-8.040 Records. The commission is proposing to amend section (2).

PURPOSE: This amendment will allow approved course providers the ability to provide course completion certificates to individuals who have satisfactorily completed the continuing education course

within thirty (30) days after the course.

- (1) Licensees shall maintain evidence of course participation or course completion certificates for the period set for appraisal license retention. Such evidence or certificate **[must] shall** be submitted upon request by the commission.
- (2) **[At the close of any continuing education course, t]The** course provider shall **within thirty (30) days of the end date of any continuing education course provide [hand]** to each individual licensee who has satisfactorily completed the course a certificate of course completion in duplicate in a form prescribed by the commission.

AUTHORITY: sections 339.509 and 339.530, RSMo [Supp. 1998] 2000. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Amended: Filed June 22, 1999, effective Dec. 30, 1999.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: The proposed amendment will cost private entities an increase of approximately one thousand one hundred seventy dollars (\$1,170) annually for the life of the rule. It is anticipated that the costs will recur for the life of the rule, may vary with inflation and are expected to increase at the rate projected by the Legislative Oversight Committee.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 20-DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS AND PROFESSIONAL REGISTRATION
Division 2245-Real Estate Appraisers
Chapter 8-Continuing Education**

PROPOSED AMENDMENT

20 CSR 2245-8.050 Investigation and Review

PURPOSE: Pursuant to Executive Order 06-04 the Division of Professional Registration was transferred from the Department of Economic Development, Title 4, to the Department of Insurance, Financial Institutions and Professional Registration, Title 20. Effective September 30, 2006 the chapters of the rules were re-num-

bered in the Code of State Regulations to implement this transfer. This amendment corrects the reference to 4 CSR within the text of the rule.

- (1) The commission may investigate approved or proposed course offerings by conferring with course providers or instructors, visitation with or without prior notice, or by surveys to participants, instructors or course providers.
- (2) If the commission determines that a course provider's instructor or course is in violation of any of these rules or otherwise fails to maintain reasonable standards, notice in writing specifying the defect will be transmitted promptly to the course provider or the instructor, or both. Failure of the course provider or the instructor or both to correct the defects within thirty (30) days shall be grounds for suspension or revocation of approval. The commission may deny, revoke, suspend or place on probation the approval of an instructor or course, if not in compliance with the license law or these rules or if their level of performance or credentials are not in the public interest, or that their application (see **[4 CSR 245-3] 20 CSR 2245 Chapter 3**) or supporting material contains any false statement or substantial misrepresentation.

AUTHORITY: sections 339.509 and 339.530, RSMo [Supp. 1990] 2000. This rule originally filed as 4 CSR 245-8.050. Emergency rule filed Dec. 6, 1990, effective Dec. 16, 1990, expired April 14, 1991. Emergency rule filed April 4, 1991, effective April 14, 1991, expired Aug. 11, 1991. Original rule filed Jan. 3, 1991, effective April 29, 1991. Amended: Filed Aug. 14, 1991, effective Jan. 13, 1992. Moved to 20 CSR 2245-8.050, effective Aug. 28, 2006.*

PUBLIC ENTITY COST: This proposed amendment will not cost public entities or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE ENTITY COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Real Estate Appraisers Commission, 3605 Missouri Boulevard, P. O. Box 1335, Jefferson City, MO 65102, by facsimile at (573) 526-3489 or via e-mail to reacom@pr.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

DIVISION OF PROFESSIONAL REGISTRATION
REAL ESTATE APPRAISERS COMMISSION
P.O. BOX 1335
JEFFERSON CITY, MO 65102-1335

PRSTD STD
U.S. POSTAGE
PAID
Permit 440
Jefferson City, MO



MOVING?

**PLEASE NOTIFY THE
BOARD OFFICE OF
YOUR NEW ADDRESS.**

The rules and regulations require all licensees to notify the Division of all such changes by sending a letter to the office in Jefferson City, Missouri. Please include a street address to facilitate any express mail deliveries.

NAME: _____

PROFESSION: _____ LICENSE NUMBER: _____

(P.O. BOX MUST BE ACCOMPANIED BY YOUR PHYSICAL ADDRESS)

OLD ADDRESS: _____

NEW ADDRESS: _____

PHONE NUMBER: () _____

EMAIL ADDRESS: _____

SIGNATURE: _____ DATE: _____

Mail or Fax to :
Real Estate Appraisers Commission
3605 Missouri Boulevard, P.O. Box 1335, Jefferson City, MO 65102-1335
573-526-3489 Fax