

PROPOSED RULEMAKING

GAME COMMISSION

[58 PA. CODE CH. 141]

Hunting and Trapping; Table of Hunting Hours

To effectively manage the wildlife resources of this Commonwealth, the Game Commission (Commission), at its April 18, 2006, meeting, proposed to amend Chapter 141, Appendix G (relating to hunting hours) to reflect the annual change in days and subsequent hunting times for the 2006-2007 hunting license year.

The proposed rulemaking will have no adverse impact on the wildlife resources of this Commonwealth.

The authority for the proposed rulemaking is 34 Pa.C.S. (relating to Game and Wildlife Code) (code).

The proposed rulemaking was made public at the April 18, 2006, meeting of the Commission. Comments can be sent, until June 2, 2006, to the Director, Information and Education, Game Commission, 2001 Elmerton Avenue, Harrisburg, PA 17110-9797.

1. Purpose and Authority

Each year there is a shift in calendar days for each month. As a result of this occurrence, the table of hunting hours in Appendix G must be amended and updated on an annual basis to accurately reflect the upcoming year's dates and hours for legal hunting. Towards this end, the Commission is proposing to amend Appendix G by updating the table of hunting hours to accurately reflect the dates and hours of legal hunting for the 2006-2007 hunting year. It is important to note that beginning in 2007, the Daylight Saving Time changeovers will begin on the second Sunday of March and end the first Sunday of November rather than the traditional second Sunday of April and last Sunday of October. These new Daylight Saving Time changeovers are the result of the Energy Policy Act of 2005, the act of August 8, 2005 (Pub. L. No. 109-58, 119 Stat. 594) signed into law by President George W. Bush on August 8, 2005.

Section 322(c)(1) of the code (relating to powers and duties of commission) specifically empowers the Commission to "fix seasons, daily shooting or taking hours, and any modification thereof, and daily, season and possession limits for any species of game or wildlife." Section 2102(a) of the code (relating to regulations) provides that "The Commission shall promulgate such regulations as it deems necessary and appropriate concerning game or wildlife and hunting or furtaking in this Commonwealth . . ." The amendment to Appendix G was proposed under this authority.

2. Regulatory Requirements

The proposed rulemaking will amend Appendix G to update the table of hunting hours to accurately reflect the dates and hours of legal hunting for the 2006-2007 hunting year.

3. Persons Affected

Persons wishing to hunt or trap within this Commonwealth will be affected by the proposed rulemaking.

4. Cost and Paperwork Requirements

The proposed rulemaking should not result in additional cost or paperwork.

5. Effective Date

The proposed rulemaking will be effective upon final-form publication in the *Pennsylvania Bulletin* and will remain in effect until changed by the Commission.

6. Contact Person

For further information regarding the proposed rulemaking, contact Michael A. Dubaich, Director, Bureau of Law Enforcement, 2001 Elmerton Avenue, Harrisburg, PA 17110-9797, (717) 783-6526.

CARL G. ROE,
Executive Director

Fiscal Note: 48-231. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 58. RECREATION

PART III. GAME COMMISSION

CHAPTER 141. HUNTING AND TRAPPING

Appendix G

(Editor's Note: As part of this proposal, the Commission is proposing to delete the text of the table which appears at 58 Pa. Code pages 141-25 and 141-26, serial pages (313265) and (313266), and replace it with the following text, which appears in regular type to enhance readability.)

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**TABLE OF HUNTING HOURS
FOR JUNE 25, 2006 THROUGH JUNE 30, 2007**

<i>Dates</i>	<i>Begin a.m.</i>	<i>End p.m.</i>
June 25—July 1	5:05	8:33
July 2—July 8	5:10	8:32
July 9—July 15	5:15	8:28
July 16—July 22	5:20	8:24
July 23—July 29	5:26	8:17
July 30—Aug. 5	5:33	8:10
Aug. 6—Aug. 12	5:40	8:00
Aug. 13—Aug. 19	5:46	7:52
Aug. 20—Aug. 26	5:53	7:40
Aug. 27—Sept. 2	6:00	7:30
Sept. 3—Sept. 9	6:06	7:19
Sept. 10—Sept. 16	6:13	7:08
Sept. 17—Sept. 23	6:20	6:55
Sept. 24—Sept. 30	6:26	6:45
Oct. 1—Oct. 7	6:34	6:33
Oct. 8—Oct. 14	6:41	6:23
Oct. 15—Oct. 21	6:50	6:12
Oct. 22—Oct. 28	6:56	6:03
Oct. 29—Nov. 4	6:03	4:55
Nov. 5—Nov. 11	6:12	4:48
Nov. 12—Nov. 18	6:20	4:42
Nov. 19—Nov. 25	6:28	4:38
Nov. 26—Dec. 2	6:35	4:36

<i>Dates</i>	<i>Begin a.m.</i>	<i>End p.m.</i>
Dec. 3—Dec. 9	6:42	4:35
Dec. 10—Dec. 16	6:47	4:36
Dec. 17—Dec. 23	6:50	4:38
Dec. 24—Dec. 30	6:52	4:42
Dec. 31—Jan. 6	6:53	4:47
Jan. 7—Jan. 13	6:51	4:54
Jan. 14—Jan. 20	6:50	5:00
Jan. 21—Jan. 27	6:46	5:10
Jan. 28—Feb. 3	6:40	5:18
Feb. 4—Feb. 10	6:35	5:25
Feb. 11—Feb.17	6:27	5:35
Feb. 18—Feb. 24	6:20	5:43
Feb. 25—Mar. 3	6:10	5:50
Mar. 4—Mar. 10	5:59	5:58
Mar. 11—Mar. 17	6:48	7:04
Mar. 18—Mar. 24	6:37	7:14
Mar. 25—Mar. 31	6:26	7:20
Apr. 1—Apr. 7	6:13	7:28
Apr. 8—Apr. 14	6:00	7:35
Apr. 15—Apr. 21	5:53	7:40
Apr. 22—Apr. 28	5:43	7:49
Apr. 29—May 5	5:33	7:55
May 6—May 12	5:25	8:00
May 13—May 19	5:17	8:08
May 20—May 26	5:11	8:15
May 27—June 2	5:06	8:20
June 3—June 9	5:03	8:25
June 10—June 16	5:01	8:30
June 17—June 23	5:01	8:32
June 24—June 30	5:03	8:34

[Pa.B. Doc. No. 06-931. Filed for public inspection May 26, 2006, 9:00 a.m.]

STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

[49 PA. CODE CH. 36]

Federally Mandated Education Criteria

The State Board of Certified Real Estate Appraisers (Board) proposes to amend Chapter 36 to read as set forth in Annex A.

Purpose

The proposed rulemaking is intended to be a general updating and revision of the Board's regulations. Specifically, the proposed rulemaking would implement new Federally-mandated education criteria for the initial certification of residential real estate appraisers and general

real estate appraisers that will take effect in January 2008; revise current Board requirements to conform to existing Federal criteria regarding distance education and appraisal teaching experience; clarify the manner in which applicants for certification as residential and general appraisers may obtain qualifying experience in the preparation of appraisal reports; clarify the duties of residential and general appraisers when supervising the activities of appraisal assistants; upgrade the continuing education requirement for certified Pennsylvania evaluators (CPE); and make editorial and organizational amendments to the regulations to improve clarity and comprehension.

Background and Statutory Authority

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) (Pub. L. No. 101-173, 103 Stat. 183) directed states to establish appraiser regulatory bodies for the purpose of credentialing appraisers to perform real estate appraisals in Federally-related transactions. The Appraisal Foundation's Appraiser Qualifications Board (AQB) is the independent body charged under the FIRREA with establishing the minimum initial education, continuing education, experience and examination requirements for state-credentialed appraisers. The Appraisal Foundation's Appraisal Standards Board (ASB) is the independent body charged under the FIRREA with establishing the practice standards, known as the Uniform Standards of Professional Appraisal Practice (USPAP), for use by state-credentialed appraisers. The Appraisal Subcommittee (ASC), a Federal agency, is charged under the FIRREA with overseeing the activities of states and the Appraisal Foundation in carrying out the requirements of the FIRREA.

The Real Estate Appraisers Certification Act (REACA) (63 P. S. §§ 457.1—457.19) was enacted in July 1990 to implement the FIRREA in this Commonwealth. The REACA established the certification classes of residential appraiser and general appraiser to perform real estate appraisals in Federally related transactions under the FIRREA. The REACA requires applicants for certification as residential appraisers and general appraisers, as a prerequisite to taking the certification examination, to meet the education and experience qualifications required under the FIRREA. The REACA also requires residential appraisers and general appraisers, as a condition of biennial renewal of certification, to complete continuing education as required under the FIRREA. Sections 6(f) and 10(b) of the REACA (63 P. S. §§ 457.6(f) and 457.10(b)) direct the Board to prescribe initial education, continuing education and experience requirements that are consistent with the FIRREA. Section 5(2) of the REACA (63 P. S. § 457.5(2)) authorizes the Board to promulgate regulations necessary to carry out the purposes of the REACA, including regulations that require appraisals to be performed in accordance with generally accepted appraisal standards as required under the FIRREA.

The enactment of the REACA in 1990 did not affect the right of persons licensed as real estate brokers under the Real Estate Licensing and Registration Act (RELRA) (63 P. S. §§ 455.101—455.902) to continue to perform real estate appraisals in non-Federally-related transactions. The act of July 2, 1996 (P. L. 460, No. 71) (Act 71) amended the REACA to give residential appraisers and general appraisers the authority to perform real estate appraisals in non-Federally-related transactions, equivalent to their certification classes, effective September 3, 1996, and amended the RELRA to remove the authority

of licensed real estate brokers to perform real estate appraisals in non-Federally-related transactions effective September 3, 1998. Act 71 further amended the REACA to create a "grandfather" certification class of broker/appraiser, which was open to any real estate broker licensed in good standing as of September 3, 1996, who made an application to the Board by September 3, 1998. Broker/appraisers are authorized to perform real estate appraisals in non-Federally-related transactions. A 2000 amendment to the REACA requires broker/appraisers, as a condition of biennial renewal of certification, to complete the same continuing education as that required of residential appraisers and general appraisers.

In addition to regulating real estate appraisers in this Commonwealth, the Board regulates persons who value real property in this Commonwealth for ad valorem tax purposes. The Assessors Certification Act (ACA) (63 P. S. §§ 458.1—458.16), enacted in April 1992, establishes the credential of a CPE for county assessors and employees of revaluation, or mass appraisal companies. The ACA requires applicants for CPE certification, as a prerequisite to taking the certification examination, to meet education requirements specified by the Board. The ACA also requires CPEs, as a condition of biennial renewal of certification, to complete continuing education as prescribed by the Board. Sections 4(d) and 12 of the ACA (63 P. S. §§ 458.4(d) and 458.12) authorize the Board to promulgate regulations regarding requirements for initial certification and biennial renewal of certification. Section 3 of the ACA (63 P. S. § 458.3) authorizes the Board to promulgate regulations necessary to carry out the purposes of the ACA.

Description of the Proposed Rulemaking

Chapter 36 contains Subchapters A and C (relating to general provisions; and certified Pennsylvania evaluators). Subchapter B is reserved. The proposed rulemaking would retitle Subchapter A as "Certified Real Estate Appraisers" because this subchapter contains regulations affecting certified residential appraisers, general appraisers and broker/appraisers.

§ 36.1 (relating to definitions)

The proposed rulemaking would add definitions for "AQB," "certified broker/appraiser," "certified real estate appraiser," "distance education" and "USPAP." The definitions of "State certified general real estate appraiser" and "State certified residential real estate appraiser" are proposed to be deleted and redefined as "certified general real estate appraiser" and "certified residential real estate appraiser," respectively.

The term "distance education," which is being added to several sections regarding educational offerings, would be defined, consistent with the AQB's definition, as "[a]n educational process based on the geographical separation of the learner and instructor, which provides interaction between the learner and instructor and includes testing. Examples include CD or DVD ROM, on-line learning, correspondence courses, video conferencing, and video and remote television courses."

The term "certified real estate appraiser" would refer to an individual who holds a certification in one of the three appraiser classes authorized under the REACA. The definition of each class of certified real estate appraiser, in turn, would set forth the statutory and regulatory basis of the certification and the permitted scope of practice under the certification. The current definitions for residential and general appraisers do not reference

their authority to perform appraisals in non-Federally related transactions equivalent to their certification classes.

§ 36.2 (relating to application process)

Section 36.2 establishes the procedure for applying for certification as a residential or general appraiser. Section 36.2(a) requires an applicant to submit an application on a Board-approved form and provides information about how an application form can be obtained from the Board. Section 36.2(b) requires an applicant to pay a nonrefundable application fee. Section 36.2(c) provides that approval of an application is valid for 1 year and that if the applicant does not pass the examination within the 1-year period, the applicant must submit a new application that will be reviewed under the requirements in effect at the time the new application is received. Section 36.2(d) provides that an applicant whose application has been disapproved has 1 year to correct the deficiencies and that if the applicant fails to correct the deficiencies within 1 year, the applicant must submit a new application that will be reviewed under the requirements in effect at the time the new application is received. Section 36.2(e) provides that if the AQB's education or experience criteria are changed during the 1-year compliance period following the approval or disapproval of an application, the applicant must satisfy the new AQB criteria during the 1-year compliance period.

The proposed rulemaking would modify the language in § 36.2(c)—(e) regarding an applicant's obligation to comply with new requirements that take effect during the application process. The revised prescription in § 36.2(e) would provide that, except as otherwise provided in the regulations regarding qualifications for certification, an applicant must comply with new requirements that take effect between the applicant's initial filing of an application and the applicant's passing the certification examination. The general rule in proposed § 36.2(e) would more accurately reflect the ASC's instructions to the Board, during the last rulemaking amending § 36.2 (24 Pa.B. 6298 (December 17, 1994)), that an applicant must meet the AQB's education and experience requirements that are in effect as of the date of certification. An ASC-approved exception to this rule for the AQB's new education requirements that take effect January 1, 2008, is more fully discussed in the section regarding §§ 36.11 and 36.12 (relating to residential real estate appraiser; and general real estate appraiser), which set forth the education and experience requirements for certification as a general appraiser and residential appraiser, respectively.

The proposed rulemaking also would make editorial changes to § 36.2(a) and (b) and would add a website and e-mail address to the postal address and telephone number currently set forth in § 36.2(a).

§ 36.3 (relating to examinations)

Section 36.3(a) provides that the examinations for residential appraiser and general appraiser certification must be issued or endorsed by the AQB; that the examinations are administered by a professional testing organization under contract with the Board; and that the Board establishes examination dates and locations. Section 36.3(b) provides that the professional testing organization will furnish information about the examinations to persons who have been approved by the Board to sit for the examinations.

The proposed rulemaking would amend § 36.3(a) to provide updated names for the certification examinations

and to clarify that the professional testing organization that administers the examinations prescribes examination dates and location, not the Board. The proposed rulemaking would amend § 36.3(b) to provide that information about the examinations may be obtained from the professional testing organization and directs interested parties to the Board's website for contact information regarding the professional testing organization.

§§ 36.11 and 36.12 (relating to residential real estate appraiser; and general real estate appraiser)

Sections 36.11 and 36.12 are identically structured and incorporate the AQB's qualifications criteria and interpretations for residential appraisers and general appraisers, respectively. The proposed rulemaking would reorganize §§ 36.11 and 36.12 and retitle them as "Qualifications for certification as residential real estate appraiser" and "Qualifications for certification as general real estate appraiser," respectively. The proposed rulemaking would also add in substantive criteria authorized by the AQB.

The existing unnumbered introductory paragraphs of §§ 36.11 and 36.12 provide that an applicant for certification as a residential appraiser or general appraiser, respectively, must be a person of good moral character, satisfy the appropriate appraisal education and experience qualifications and pass the appropriate appraiser certification examination. Licensure as a real estate broker or salesperson under the RELRA is not a prerequisite for certification as a residential or general appraiser. The proposed rulemaking would clarify, consistent with section 6(d) and (e) of the REACA, that an applicant must satisfy the education and experience requirements before being admitted to the certification examination. The proposed rulemaking also would redesignate the introductory paragraphs as subsection (a).

Sections 36.11(1) and 36.12(1) set forth the initial education criteria for certification as prescribed by the AQB. An applicant for certification as a residential appraiser currently must complete 120 classroom hours in subjects relating to real estate appraisal, including the 15-hour National USPAP Course, while an applicant for certification as a general appraiser currently must complete 180 classroom hours in subjects relating to real estate appraisal, including the 15-hour National USPAP Course. The classroom hours must include coverage of the topics listed in §§ 36.11(2) and 36.12(2).

On February 20, 2004, the AQB voted to adopt changes to the initial education criteria that will take effect January 1, 2008. Under the new criteria, the classroom hour requirement for residential appraiser certification and general appraiser certification is increased to 200 hours and 300 hours, respectively, and a core curriculum is provided for each certification class. States have the option of implementing the new education requirements through either a firm date approach or a segmented approach. Under the firm date approach, no certificate would be issued to an applicant on or after January 1, 2008, unless the applicant has satisfied the new education requirements. Under the segmented approach, an applicant who has satisfied the current education requirements before January 1, 2008, would not be required to meet the additional requirements as a condition of being issued a certificate on or after January 1, 2008. To minimize potential disruptions to the career plans of those persons who are currently taking steps to satisfy the educational and experience qualifications for certification, the Board is proposing to adopt the segmented approach to implementation of the new education requirements.

The proposed rulemaking would amend §§ 36.11(1) and 36.12(1) to set forth new classroom hour requirements and their segmented effective dates and to make appropriate cross-references to the redesignated provisions that list the current appraisal topics as well as the new core curricula. The proposed rulemaking also would redesignate §§ 36.11(1) and 36.12(1) as §§ 36.11(b) and 36.12(b), respectively.

Sections 36.11(1)(ii) and 36.12(1)(ii) provide that credit toward the classroom hour requirement may be awarded to a teacher of an appraisal course for actual classroom time, but that credit will not be given to a teacher for course repetition. They further provide that a teacher may request credit for either the classroom hour requirement or the appraisal experience requirement but not both.

The ASC has advised the Board that while the AQB's criteria permit teachers of appraisal courses to apply their teaching experience toward the classroom hour requirement, the teaching experience may not be applied toward the appraisal experience requirement. The proposed rulemaking would amend §§ 36.11(1)(ii) and 36.12(1)(ii) to remove the reference to a applicant's applying teaching experience toward the appraisal experience requirement and to redesignate them as §§ 36.11(b)(2) and 36.12(b)(2), respectively.

Sections 36.11(1)(iv) and (v) and 36.12(1)(iv) and (v) provide that a correspondence course or a video/remote television course, respectively, is acceptable to meet the classroom hour requirement if the course: (1) is approved by the Board; (2) is presented by an accredited college or university that offers correspondence or video/remote television courses in other disciplines; (3) requires the completion of a written examination at a location approved by the college or university; and (4) meets the course content and course length requirements prescribed by the Board.

The ASC has advised the Board to replace the requirements regarding correspondence and video/remote television courses with the AQB's criteria relating to distance education, which allow for a greater range of off-site educational opportunities, including Internet courses, than those permitted by the Board's current regulations. Under the AQB criteria, a distance education course is acceptable to meet the classroom hour requirement for initial education if the course: (1) is approved by the Board; (2) is presented either by an accredited college or university that offers distance education courses in other disciplines or by a course provider that has received approval of course content from the Board or the AQB through its Course Approval Program and approval of course design and delivery mechanism from the International Distance Education Certification Center; (3) requires completion of a written examination proctored by an official approved by the college, university or other course provider; and (4) meets the course content and course length requirements prescribed by the Board.

The proposed rulemaking would amend §§ 36.11(1)(iv) and 36.12(1)(iv) to reflect the AQB's distance education criteria and would delete §§ 36.11(1)(v) and 36.12(1)(v) as unnecessary. The proposed rulemaking also would redesignate §§ 36.11(1)(iv) and 36.12(1)(iv) as §§ 36.11(b)(4) and 36.12(b)(4), respectively.

For consistency of reorganization, the proposed rulemaking would redesignate §§ 36.11(1)(i) and 36.12(1)(i) as §§ 36.11(b)(1) and 36.12(b)(1), respectively; redesignate §§ 36.11(1)(iii) and 36.12(1)(iii) as §§ 36.11(b)(3) and

36.12(b)(3), respectively; and redesignate §§ 36.11(1)(vi) and 36.12(1)(vi) as §§ 36.11(b)(5) and 36.12(b)(5), respectively. The proposed rulemaking also would make editorial changes to §§ 36.11(1)(i) and (vi) and 36.12(1)(i) and (vi).

Sections 36.11(2) and 36.12(2) currently require that an applicant for certification demonstrate that the applicant's classroom hours include coverage in the listed courses topics. The course topics are identical to those set forth in the AQB's current criteria. The AQB's new education criteria, which will take effect January 1, 2008, replace the current listing of mandatory course topics with separate core curricula for residential appraiser certification and general appraiser certification that reflect the increased classroom hours. Each core curriculum has nine course modules, plus electives, and each module is assigned a minimum number of classroom hours. The core curricula are as follows:

<i>Residential Appraiser</i>	<i>General Appraiser</i>
Basic Appraisal Principles (30 hours)	Basic Appraisal Principles (30 hours)
Basic Appraisal Procedures (30 hours)	Basic Appraisal Procedures (30 hours)
National USPAP Course or Equivalent (15 hours)	National USPAP Course or Equivalent (15 hours)
Residential Market Analysis and Highest and Best Use (15 hours)	General Appraiser Market Analysis and Highest and Best Use (30 hours)
Residential Appraiser Site Valuation and Cost Approach (15 hours)	Statistics, Modeling and Finance (15 hours)
Residential Sales Comparison and Income Approaches (30 hours)	General Appraiser Sales Comparison Approach (30 hours)
Residential Report Writing and Case Studies (15 hours)	General Appraiser Site Valuation and Cost Approach (30 hours)
Statistics, Modeling and Finance (15 hours)	General Appraiser Income Approach (60 hours)
Advanced Residential Applications and Case Studies (15 hours)	General Appraiser Report Writing and Case Studies (30 hours)
Appraisal Subject Matter Electives (20 hours)	Appraisal Subject Matter Electives (30 hours)
Total: 200 hours	Total: 300 hours

The AQB has promulgated "guide notes" setting forth the suggested content subtopics for each module in the core curriculum. Although the subtopics listed in the guide notes are not binding upon states for purposes of implementing the new education criteria, the Board believes that the subtopics should be included in the proposed rulemaking because they help to ensure that all candidates for each certification class will receive the same body of knowledge and because the AQB will be using the subtopics in developing the content outlines of the certification examinations.

The proposed rulemaking would redesignate §§ 36.11(2) and 36.12(2) as §§ 36.11(c) and 36.12(c), respectively. The current required course topics would be set forth in paragraph (1) of each subsection, while the new core curriculum requirements, course modules and subtopics, would appear in paragraph (2) of each subsection. The content requirements would be cross-referenced to the classroom hour requirements in §§ 36.11(b) and 36.12(b).

The AQB's revised criteria for initial education also requires, effective January 1, 2008, that an applicant for certification as a residential or general appraiser have completed a minimum level of postsecondary education as follows:

<i>Residential Appraiser</i>	<i>General Appraiser</i>
Possession of associate's degree, or higher, from an accredited college or university	Possession of bachelor's degree, or higher, from an accredited college or university
OR	OR
Completion of 21 semester credits in the following courses from an accredited college or university:	Completion of 30 semester credits in the following courses from an accredited college or university:
English Composition Micro or Macro Economics Finance Algebra, Geometry or Higher Math Statistics Intro. to Computers—Word Processing/Spreadsheets Business or Real Estate Law	English Composition Micro Economics Macro Economics Finance Algebra, Geometry or Higher Math Statistics Intro. to Computers—Word Processing/Spreadsheets Business or Real Estate Law Any two of the following: Accounting, Geography, Ag-Economics, Real Estate or Business Management

The proposed rulemaking would add §§ 36.11(d) and 36.12(d) setting forth the new AQB criteria regarding postsecondary education. Consistent with the segmented implementation approach, subsection (d) would not apply to an applicant who completed the existing classroom hour requirement before January 1, 2008.

Sections 36.11(3) and 36.12(3) set forth the appraisal experience requirements for certification based on the AQB criteria. An applicant for certification as a residential appraiser must have acquired 2,500 hours of acceptable appraisal experience during a period of not less than 24 months, while an applicant for certification as a general appraiser must have acquired 3,000 of acceptable appraisal experience, including 1,500 hours in nonresidential work, during a period of not less than 30 months. At least 50% of an applicant's experience must have been in the actual preparation of appraisal reports that included physical inspections of the interiors and exteriors of the subject properties. Subparagraphs (i)—(ix) list categories of acceptable appraisal experience including, in subparagraph (viii), the teaching of appraisal courses (up to a maximum of 300 hours of experience).

The proposed rulemaking would redesignate §§ 36.11(3) and 36.12(3) as §§ 36.11(e) and 36.12(e), respectively, and add a cross-reference to § 36.13 (relating to experience options), which specifies the manner in which an applicant may obtain qualifying experience in the preparation of appraisal reports. The proposed rulemaking also would move to §§ 36.11(e) and 36.12(e) the requirement in § 36.13(b) that experience acquired after August 2, 1993, will not be accepted unless the applicant has first completed 45 classroom hours of initial appraiser education.

including 15 hours on USPAP. This provision is being relocated to §§ 36.11(e) and 36.12(e) because it applies to other categories of appraisal experience, not just appraisal experience regarding the preparation of appraisal reports. The proposed rulemaking also would add to §§ 36.11(e) and 36.12(e) a requirement that appraisal experience obtained after January 1, 1991, must comply with USPAP. This requirement is consistent with the AQB's interpretation of its experience criteria.

The proposed rulemaking would delete the teaching of appraisal courses as an acceptable category of experience. As previously noted, the AQB interprets its experience criteria as not permitting teaching experience to qualify as appraisal experience. The proposed rulemaking also would eliminate as redundant the references in certain experience categories that the specified experience must comply with USPAP. The proposed rulemaking would add two experience categories that are permitted under the AQB's interpretation of its experience criteria, cases studies or practicum courses that are approved by the AQB's Course Approval Program and evaluations of real estate that are performed under the FIRREA in accordance with the requirements of Federal financial institution regulatory agencies. As revised, the categories of acceptable experience would be redesignated as §§ 36.11(e)(1)—(10) and 36.12(e)(1)—(10).

Sections 36.11(4) and 36.12(4) state that an applicant who is subsequently certified by the Board after passing the certification examination is deemed to have satisfied the minimum criteria established by the AQB for that certification class and shall be entitled to perform appraisals in the specified Federally-related and non-Federally-related transactions. The proposed rulemaking would delete these provisions as unnecessary in view of the amended definitions of "certified residential real estate appraiser" and "certified general real estate appraiser" in § 36.1 (relating to definitions).

§ 36.13 (relating to experience options)

Section 36.13 was developed to establish standards by which the Board could evaluate experience in performing appraisals (that is, preparing appraisal reports) that has been acquired by an applicant for certification as a residential or general appraiser. Under the requirements in §§ 36.11 and 36.12, experience in the preparation of appraisal reports must account for at least 50% of the applicant's hours of qualifying experience.

Section 36.13(a) currently identifies three ways that an applicant may gain qualifying experience through the performance of appraisals: (1) as a licensed real estate broker under authority of the RELRA, with regard to non-Federally related transactions; (2) as an officer, director or employee of a Federally or state-regulated banking or savings institution, savings bank, credit union or trust company, in connection with a loan transaction, under an exemption from broker licensure requirements in section 304(11) of the RELRA (63 P. S. § 455.304(11)); and (3) as an assistant to a residential or general appraiser, subject to certain conditions. The conditions are that the appraiser must directly supervise and control the assistant's work while not permitting the assistant to reach an independent determination of value and assuming responsibility for the contents of the appraisal report; that the appraiser must conduct a complete interior and exterior inspection of the property unless a complete inspection is not possible or not required by the appraisal assignment; and that the appraiser and the assistant must both sign the appraisal report in a manner that specifically identifies their roles. Section 36.13(b), as previously noted,

provides that appraisal experience acquired after August 2, 1993, will not be credited unless the applicant has completed at least 45 classroom hours in appraisal subjects, including 15 hours on USPAP.

The proposed rulemaking would amend and reorganize § 36.13 and retitle it "Experience options for preparation of appraisal reports." Section 36.13(a) would be amended to include cross-references to §§ 36.11 and 36.12 and to add an explicit statement that the options relate to experience acquired in preparing appraisal reports.

Proposed § 36.13(a)(1)(i)—(iv) would set forth options for experience acquired before September 3, 1998, while the proposed § 36.13(a)(2)(i) and (ii) would set forth options for experience acquired on or after September 3, 1998. September 3, 1998, is the date when the authority of licensed real estate brokers to perform appraisals in non-Federally related transactions under the RELRA expired. At the same time, the authority of officers, directors and employees of lending institutions to perform appraisals in loan transactions under the RELRA without a real estate broker's licenses likewise expired. The REACA contains no similar exemption for personnel of lending institutions. Section 36.13(a)(1)(i)—(iv) would retain the three options in the current regulation (service as a real estate broker; as a bank officer, director or employee; or as an assistant to a residential or general appraiser) while adding experience as a broker/appraiser. The addition of the broker/appraiser option reflects that the broker/appraiser certification was available to a licensed real estate broker as of September 3, 1996, and that real estate brokers so credentialed had the option prior to September 3, 1998, of signing their appraisal reports as real estate brokers or broker/appraisers. Section 36.13(a)(2)(i) and (ii) would reduce the options for appraisal experience on or after September 3, 1998, to that acquired while serving as a broker/appraiser or as an assistant to a residential or general appraiser. The Board has elected not to allow an applicant to gain qualifying appraisal experience while serving as an assistant to a broker/appraiser. The Board does not consider a broker/appraiser to have a sufficiently adequate appraisal background to train other appraisers. Neither the RELRA nor the regulations of the State Real Estate Commission required an applicant for licensure as a real estate broker to have acquired any appraisal education or experience, and the REACA required a candidate for certification as a broker/appraiser to satisfy no requirement other than being a licensed real estate broker in good standing.

Current § 36.13(b), as previously noted, would be relocated to redesignated §§ 36.11(e) and 36.12(e). The proposed rulemaking would revise § 36.13(b) to set forth the following conditions that an assistant to a residential or general appraiser must satisfy when preparing an appraisal report: (1) perform a physical inspection of the interior and exterior of the property; (2) refrain from making an independent determination of value; (3) and either sign the report as an assistant or be referenced in the report as having provided significant professional assistance to the appraiser. The duties of the supervising appraiser would be relocated to new § 36.54 (relating to supervision of appraisal assistant). The revised language regarding physical inspection clarifies that to receive experience credit for preparing an appraisal report, the assistant must participate in the inspection in the property. The current language references the obligation of the supervising appraiser to inspect the property but not that of the assistant, although the Board's interpretation of the regulation has always been that the assistant must accompany the supervising appraiser during the inspec-

tion. The revised language also deletes the reference to a complete physical inspection not being performed for reasons of impossibility or limitations on the appraisal assignment. Under §§ 36.11 and 36.12, a complete physical inspection is required for an applicant to get credit for experience based on the preparation of an appraisal report. The proposed language that permits an assistant to be acknowledged in an appraisal report as opposed to signing it is consistent with USPAP, which requires an appraiser to identify by name any person who rendered significant professional assistance in the preparation of an appraisal report.

§ 36.41 (relating to continuing education requirement)

Section 36.41(a) requires residential and general appraisers and broker/appraisers to complete 28 hours of continuing education, including 4 hours on USPAP and 2 hours on the REACA and Board regulations and policies, during each biennial renewal period as a condition of renewal of certification for the next biennial renewal period. Section 36.41(a) further provides that the USPAP component changed to the 7-hour National USPAP Update Course, or an equivalent 7-hour course approved by the AQB, effective with renewal of certification for the 2005-2007 biennial renewal period, which began July 1, 2005. Section 36.41(b) provides that a residential or general appraiser who obtained initial certification between January 1 and June 30 of a biennial renewal year is exempt from the continuing education requirement for that biennial renewal year. Section 36.41(c) provides that a broker/appraiser may count continuing education obtained between January 1, 2001, and June 30, 2001, toward the continuing education requirement for renewal of certification for the 2003-2005 biennial renewal period, which began July 1, 2003.

The proposed rulemaking would amend § 36.41 to delete the outdated references to the 4-hour USPAP requirement and to the acceptability of certain continuing education for renewal of broker/appraiser certifications in 2003. The proposed rulemaking also would make editorial changes to § 36.41.

§ 36.43 (relating to correspondence courses/video and remote television presentations)

Section 36.43 prescribes the requirements for Board approval of a correspondence course or video and remote television course as a continuing education offering for certified real estate appraisers. These requirements are identical to those for approval of courses for initial education purposes in current §§ 36.11(1)(iv) and 36.12(1)(iv).

The AQB's distance education criteria for continuing education courses are less strict than its distance education criteria for courses offered for initial education in that a written examination is not mandatory. Subject to Board approval and to compliance with course content and course length requirements, a distance education course would be acceptable for continuing education purposes if the course provider presented the course to an organized group in an instructional setting and with a qualified person available to answer questions, provide information and monitor attendance. The Board notes that written examinations have never been required for continuing education courses that are taught in a traditional classroom setting.

The proposed rulemaking would amend § 36.43 to replace the current requirements with the previously-described criteria, together with the previously discussed, examination-based distance education options involving

courses offered by providers that are accredited colleges or universities or credentialed by the International Distance Education Center.

§ 36.51 (relating to Uniform Standards of Professional Appraisal Practice)

Section 36.51, which was adopted before the Board was vested with authority to regulate the performance of appraisals in non-Federally transactions, requires a certified real estate appraiser, when performing an appraisal in a Federally related transaction, to perform a complete physical inspection of the interior and exterior of a property unless a complete inspection is not possible for the following reasons: the improvements have been destroyed, removed or not yet built; an inspection is not legally or contractually possible; the appraiser is denied access to the property; or the appraisal contract stipulates a "drive-by" appraisal. Section 36.51 also requires a certified real estate appraiser to perform an appraisal in accordance with USPAP and that one or more violations of USPAP could result in disciplinary action under the REACA. Section 36.51 further states that an appraiser may obtain the current annual edition of USPAP by contacting the Appraisal Foundation and provides contact information (postal address and telephone number).

The proposed rulemaking would amend § 36.51 by deleting as unnecessary the reference to a physical inspection of the property. USPAP's Advisory Opinion 2, regarding inspection of subject property real estate, makes it clear that the nature of the inspection process, or the need to conduct a personal inspection at all, varies depending on such matters as the type of property appraised, the conditions of the appraisal, and whether there is adequate information about the property to develop a credible appraisal. Requiring an appraisal to be performed in accordance with USPAP is sufficient to ensure that proper consideration is given to the matter of property inspection. The proposed rulemaking also would delete the reference to the publication of an "annual" edition of USPAP, because the ASB is contemplating a less frequent publication schedule, and would add an e-mail address to the contact information for the Appraisal Foundation.

§ 36.52 (relating to use of certificate number and title)

Section 36.52 requires that a certified real estate appraiser place his name, signature and certificate number immediately adjacent to or immediately below the appraiser's title on each appraisal report and appraisal agreement. The section references the titles "Pennsylvania certified general real estate appraiser" and "Pennsylvania certified residential real estate appraiser" and provides an example of how this information should appear on an appraisal report or appraisal agreement. The proposed rulemaking would add a reference to the title "Pennsylvania certified broker/appraiser" and would make editorial changes to the example provided.

§ 36.54. (relating to supervision of appraisal assistant)

Section 36.54 is a new section derived in part from the current § 36.13(a) that prescribes the supervisory duties of a residential or general appraiser when utilizing an appraisal assistant.

Proposed § 36.54(1) would require an appraiser to notify the Board whenever the appraiser retains an appraisal assistant. The purpose of the notification requirement is to enable the Board to maintain a current roster of appraisal assistants so that information about certification requirements and procedures can be mailed to them. While the AQB has adopted criteria relating to

an appraiser trainee classification, the REACA does not recognize this classification. As a consequence, the Board is without authority to require persons who are apprenticing or training to become certified as residential or general appraisers to formally register with the Board or to otherwise participate in any structured training program.

Proposed § 36.54(2) would require an appraiser to directly supervise and control the work of an assistant, assuming total responsibility for the contents of the appraisal report. This requirement is consistent with the existing requirement in § 36.13(a).

Proposed § 36.54(3) would require an appraiser to accompany an assistant during the physical inspection of each property until the assistant has logged 300 hours of experience or until the appraiser considers the assistant competent under USPAP to perform an inspection alone, whichever period of time is greater. In the case of an assistant who is a residential appraiser seeking to upgrade to certification as a general appraiser, the supervising appraiser would have to accompany the assistant during the physical inspection of each property until the supervising appraiser considers the assistant competent under USPAP to perform an inspection alone. The current inspection standard in § 36.13(a), which requires an appraiser to personally inspect 100% of properties for which an assistant helped to prepare appraisal reports, is economically burdensome for appraisers and makes it difficult for appraisers to extend apprenticeship opportunities to others seeking to enter the appraising profession. The proposed inspection standard is similar to that prescribed by the AQB for an appraiser trainee; the supervising appraiser must accompany the trainee on each property inspection until the appraiser deems the trainee competent under USPAP to perform an inspection unaccompanied.

Proposed § 36.54(4) would require, consistent with proposed § 36.13(a), that an appraiser sign an appraisal report prepared by an assistant and either have the assistant sign the report as well or acknowledge the assistant's significant professional assistance in the report.

Proposed § 36.54(5) would require an appraiser to sign a Board-approved appraisal assistant checklist that has been completed by the assistant and that relates to the assistant's work on the appraisal report, while proposed § 36.54(6) would require an appraiser to provide a current or former assistant with copies of appraisal reports and appraisal assistant checklists requested by the Board for the purpose of verifying the assistant's experience. The Board requires an applicant for certification as a residential or general appraiser to submit an experience log setting forth the number of hours that the assistant worked on each appraisal assignment. The Board staff selects approximately a dozen appraisals from the experience log and requests that the applicant submit copies of the appraisal reports for review together with any appraisal assistant checklists that may have been completed at the time the appraisal reports were prepared. The appraisal assistant checklist was developed by the Board in the late 1990s and made available to residential and general appraisers for their voluntary use. The checklist identifies the various components of the appraisal process in which the assistant participated. The Board has found the checklist helpful in assessing the quality of the assistance rendered in the preparation of the appraisal report, and believes that its use should be mandatory, rather than voluntary, so that the Board has available the

same type of verifying information for each applicant. While the overwhelming majority of residential and general appraisers cooperate in providing copies of requested appraisal reports and appraisal assistant checklists to their current or former assistants, making cooperation compulsory helps to ensure that all assistants who apply for certification will have an equal opportunity to satisfactorily document their experience.

§ 36.91 (relating to reactivation of certification)

Section 36.91(a) establishes the procedure for a certified real estate appraiser to reactivate a certification that has lapsed for lack of biennial renewal. The appraiser shall pay a renewal fee, complete required biennial continuing education and provide verification that the appraiser did not perform appraisals or hold out as an appraiser during the period of lapsed certification. Section 36.91(b) provides that the appraiser will not be assessed late fees if the appraiser refrained from practicing or holding out as an appraiser during the period of lapsed certification. Section 36.91(c) provides that if the appraiser engaged in unauthorized activities during the period of lapsed certification, the appraiser would be subject to possible disciplinary action under the REACA and would be assessed late renewal fees of \$5 for each month, or part of a month, that the appraiser engaged in unauthorized activities.

The proposed rulemaking would retitle § 36.91 as "Reactivation of lapsed certification" and reorganize it by eliminating the subsections and streamlining the description of the requirements for reactivation. The proposed rulemaking also would clarify that the applicable continuing education would have to be completed within the 2-year period preceding the filing date of the reactivation application.

§§ 36.224 and 36.225 (relating to correspondence courses; and video and remote television courses)

Sections 36.224 and 36.225 prescribe the requirements for Board approval of a correspondence course or a video and remote television course, respectively, as an initial education offering for CPEs. The requirements are identical to those in current §§ 36.11 and 36.12 for residential and general appraisers.

Although CPEs are not subject to the AQB's qualifications criteria, the Board has always sought to harmonize, whenever appropriate, regulatory requirements affecting both CPEs and certified appraisers. Because there is no meaningful basis for having one set of distance education standards for CPEs and another set of distance education standards for certified appraisers, the proposed rulemaking would delete § 36.225 and replace the contents of § 36.224 with the AQB's distance education criteria for initial education in proposed §§ 36.11 and 36.12.

§ 36.261 (relating to continuing education requirement)

Section 36.261 requires a CPE, as a condition of biennial renewal of certification, to complete 28 hours of continuing education, including 4 hours on USPAP and 2 hours on the ACA and the Board's regulations and policies, during the immediately preceding renewal period. A CPE whose initial certification becomes effective between January 1 and June 30 of a biennial renewal year is exempt from the continuing education requirement for that biennial renewal year.

The proposed rulemaking would amend § 36.261 for clarity and provide that the USPAP requirement would increase to 7 hours effective with renewal of certification for the 2007-2009 biennial renewal period. Each CPE

would have to complete the 7-hour National USPAP Update Course or an equivalent 7-hour course approved by the AQB. The identical requirement was implemented for residential and general appraisers and broker/appraisers effective with renewal of their certifications for the 2005-2007 biennial renewal period (July 1, 2005—June 30, 2007). Because of the similarity between the real estate assessing and real estate appraising professions, as well as the importance of having practitioners in both professions maintain strict adherence to professional standards, the Board believes it is desirable that CPEs be required to complete the same amount of biennial training on USPAP as that required of certified appraisers. The Board's Fall 2005 newsletter, which was sent to active CPEs, gave notice of the Board's intention to propose the new USPAP requirement for CPEs effective with the 2007-2009 biennial renewal period.

§ 36.263 (relating to correspondence courses/video and remote television presentations)

Section 36.263 prescribes the requirements for Board approval of a correspondence course or video and remote television course as a continuing education offering for CPEs. These requirements are identical to those for approval of such courses for initial education purposes in current §§ 36.224 and 36.225 (relating to correspondence courses; and video and remote television courses). For reasons previously discussed, the proposed rulemaking would replace the contents of § 36.263 with the same distance education criteria for a continuing education course that are being proposed in § 36.43 (relating to correspondence courses/video and remote television presentations).

§ 36.271 (relating to reactivation of certification)

Section 36.271 sets forth the same procedures for reactivation of a lapsed CPE certification as appear in current § 36.91 with regard to the reactivation of a lapsed appraiser certification. The proposed rulemaking would make the same amendments to § 36.271 that are being proposed in § 36.91 (relating to reactivation of certification).

§ 36.281 (relating to standards of professional conduct)

Section 36.281 establishes standards of professional conduct for CPEs. Standard 1 requires that CPEs perform all assessments and appraisal-related assignments in accordance with USPAP and provides information about how a CPE can obtain a current annual edition of USPAP from the Appraisal Foundation. The proposed rulemaking would make editorial changes to Standard 1, delete the reference to an "annual" edition of USPAP and add an e-mail address to the contact information for the Appraisal Foundation.

Fiscal Impact and Paperwork Requirements

The proposed rulemaking would cause candidates for certification as residential and general appraisers to incur additional costs in meeting the increased educational requirements for initial certification that are mandated by the AQB. These costs cannot be quantified. The proposed rulemaking, through its elimination of the requirement that residential and general appraisers must accompany appraisal assistants on all property inspections, should allow appraisers who employ appraisal assistants to use their time more efficiently. The savings to appraisers, and indirectly to users of appraisal services, cannot be quantified. The proposed rulemaking would have no direct fiscal impact on the general public or on the Commonwealth and its political subdivisions.

The proposed rulemaking would require residential and general appraisers to provide written notification to the Board when they employ appraisal assistants and to maintain appraisal assistant checklists for the appraisal reports that the assistants helped to prepare. The proposed rulemaking would not create additional paperwork for the general public or the Commonwealth and its political subdivisions.

Effective Date

The proposed rulemaking would become effective upon final-form publication in the *Pennsylvania Bulletin*.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P. S. § 745.5(a)), on May 17, 2006, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Standing Committee on Consumer Protection and Professional Licensure and the House Standing Committee on Professional Licensure. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of comments, recommendations or objections raised.

Public Comment

The Board invites interested persons to submit written comments, suggestions or objections regarding the proposed rulemaking to Steven Wennberg, Counsel, State Board of Certified Real Estate Appraisers, P. O. Box 2649, Harrisburg, PA 17105-2649 within 30 days following publication of this proposed rulemaking in the *Pennsylvania Bulletin*.

ROBERT F. MCRAE,
Chairperson

Fiscal Note: 16A-7014. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 36. STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS

**Subchapter A. [GENERAL PROVISIONS]
CERTIFIED REAL ESTATE APPRAISERS**

GENERAL PROVISIONS

§ 36.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

AQB—The Appraiser Qualifications Board of the Appraisal Foundation.

* * * * *

Certified broker/appraiser—A person who holds a certificate issued under authority of section 6(a)(3) of the act (63 P. S. § 457.6(a)(3)) and who is authorized to perform appraisals of all types of real property in non-Federally-related transactions.

Certified general real estate appraiser—A person who holds a certificate issued under authority of section 6(a)(2) and (e) of the act and § 36.12 (relating to qualifications for certification as general real estate appraiser) and who is authorized to perform appraisals of all types of real property in all transactions, whether Federally-related or non-Federally-related.

Certified real estate appraiser—A certified broker/appraiser, certified residential real estate appraiser or certified general real estate appraiser.

Certified residential real estate appraiser—A person who holds a certificate issued under authority of section 6(a)(1) and (d) of the act and § 36.11 (relating to qualifications for certification as residential real estate appraiser) and who is authorized to perform appraisals of residential properties of one-to-four dwelling units in all transactions, whether Federally-related or non-Federally-related.

Distance education—An educational process based on the geographical separation of the learner and instructor, which provides interaction between the learner and instructor and includes testing. Examples include CD or DVD ROM, on-line learning, correspondence courses, video conferencing, and video and remote television courses.

* * * * *

[**State certified general real estate appraiser**—A person who satisfies the requirements of the act and this chapter, pertaining to the appraisal of residential and nonresidential real property utilized in connection with Federally related transactions, and who holds a current, valid certificate issued under the act and this chapter.

State certified residential real estate appraiser—A person who satisfies the certification requirements of the act and this chapter, pertaining solely to the appraisal of residential real property utilized in connection with Federally-related transactions, and who holds a current, valid certificate under the act and this chapter.]

USPAP—The Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board of the Appraisal Foundation.

§ 36.2 Application process.

(a) **Application form.** A person interested in becoming [**State certified as**] a certified residential real estate appraiser or a certified general real estate appraiser shall complete and file with the Board a notarized application form and an application fee. Application forms may be obtained [**from the Administrative Office of**] by visiting the Board's website at www.dos.state.pa.us/real or by writing, telephoning or e-mailing the Board[,] at Post Office Box 2649, Harrisburg, [**Pennsylvania**] PA 17105-2649, (717) 783-4866, or ST-APPRAISE@state.pa.us, respectively.

(b) **Application fee.** The application fee for certification as a residential or general real estate appraiser is set forth in § 36.6 (relating to fees). Application fees are

nonrefundable. Payments [**shall**] must be in the form of a personal check or money order made payable to the "Commonwealth of Pennsylvania."

(c) **Approved applications.** Subject to the provisions of subsection (e), an approved application will be valid for 1 year from the date of approval. If an applicant does not pass the certification examination within this 1-year period, the applicant's application will be considered to have been withdrawn. If the applicant wishes to take the examination after 1 year from the date of approval, a new application, along with the required fee, shall be submitted to the Board. [**The application will be reviewed on the basis of statutes and regulations in effect at the time the new application is received by the Board.**]

(d) **Disapproved applications.** Subject to the provisions of subsection (e), an applicant whose application has been disapproved by the Board will be notified in writing of the reasons for the disapproval, and will have 1 year from the date of disapproval to correct the deficiencies or to file a request for reconsideration. A request for reconsideration [**shall**] must give the reason for the applicant's request, [**shall**] be accompanied by documentary materials not previously submitted which the applicant wishes the Board to consider and may include a request for an informal interview with the Board. If a request for reconsideration is denied or, subject to the provisions of subsection (e), an applicant is unable to correct the deficiencies which resulted in the disapproval of the application within 1 year from the date of disapproval, a new application, along with the required fee, shall be submitted to the Board. [**An applicant's new application will be reviewed on the basis of statutes and regulations in effect at the time the new application is received by the Board.**]

(e) **Compliance with new requirements.** [**If the education or experience criteria established by the Appraiser Qualifications Board of the Appraisal Foundation (AQB) are amended during the 1-year period following application approval under subsection (c), the applicant will be required to satisfy the new education or experience requirements established by the AQB as a condition of receiving certification from the Board. If the AQB's education or experience criteria is amended during the 1-year period following application disapproval under subsection (d), the applicant will have 1 year from the date of application disapproval to correct the deficiencies which resulted in application disapproval and to satisfy the AQB's new education or experience requirements.**] Except as otherwise provided in §§ 36.11 and 36.12 (relating to qualifications for certification as residential real estate appraiser; and qualifications for certification as general real estate appraiser), an applicant shall comply with any increased education or experience requirements that take effect between the applicant's filing of an initial application and the applicant's passing the certification examination.

§ 36.3. Examinations.

(a) The examination required for certification as a residential [**or general**] real estate appraiser is the [**National**] AQB-endorsed Uniform State Certified Residential Real Property Appraiser Examination [**issued or endorsed by the Appraiser Qualifications**

Board of the Appraisal Foundation] or its equivalent. The examination required for certification as a general real estate appraiser is the AQB-endorsed Uniform State Certified General Real Property Appraiser Examination or its equivalent. The certification [examination will be] examinations are administered by a professional testing organization under contract with the Board at times and places established by the [Board] professional testing organization.

(b) [General information regarding the real estate appraiser examinations and instructions regarding examination scheduling will be prepared by the professional testing organization under contract with the Board and compiled in a candidate booklet to be made available to each candidate whose State-certified real estate appraiser application has been approved by the Board.] Interested persons may obtain information about the certification examinations from the professional testing organization. Contact information for the professional testing organization appears on the Board's website at www.dos.state.pa.us/real.

QUALIFICATIONS FOR CERTIFICATION

§ 36.11. [Residential] Qualifications for certification as residential real estate appraiser.

(a) *Overview.* An applicant for certification as a residential real estate appraiser shall be of good moral character, meet the following education and experience requirements prior to examination, and pass an examination for certification as a residential real estate appraiser. Neither a real estate salesperson's license nor a real estate broker's license issued under the Real Estate Licensing and Registration Act (63 P.S. § 455.101—455.902) is a prerequisite to certification as a residential real estate appraiser.

[(1) Education] (b) *Appraisal classroom hours.* An applicant shall submit evidence to the Board of having completed 120 classroom hours of courses in subjects related to real estate appraisal, including the 15-hour National [Uniform Standards of Professional Appraisal Practice] USPAP Course, together with coverage of the topics listed in [paragraph (2)] subsection (c)(1). Effective January 1, 2008, an applicant shall submit evidence to the Board of having completed 200 classroom hours in the appraisal curriculum set forth in subsection (c)(2), except that the new requirement does not apply to an applicant who has satisfied the existing education requirement before January 1, 2008.

[(i)] (1) *Length of classroom hour requirement.* Credit toward the classroom hour requirement will only be granted when the length of the [educational offering] course is at least 15 hours, and the applicant successfully completes an examination pertinent to [that educational offering] the course. A classroom hour is defined as 50 minutes out of each 60 minute segment.

[(ii)] (2) *Teaching credit.* Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses for actual classroom time, but credit will not be given for course repetition. A teacher requesting credit for the classroom hour requirement may not request credit for experience. [A teacher may request credit for either the classroom hour or experience requirement, but not both. No more than 300 hours

will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses.]

[(iii)] (3) * * *

[(iv) Correspondence courses] (4) *Distance education.* [Correspondence courses may be] A distance education course is acceptable to meet the classroom hour requirement if [each] the course is approved by the Board and meets the following conditions:

[(A)] (i) The course [has been] is presented by [an accredited (Commission on Colleges or a regional accreditation association) college or university which offers correspondence programs in other disciplines] one of the following:

(A) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.

(B) A course provider that has received approval for course design and delivery mechanism from the International Distance Education Certification Center and approval for course content from the Board or from the AQB through its Course Approval Program.

[(B)] (ii) The applicant successfully completes a written examination [administered at a location] procured by an official approved by the college [or], university or other course provider.

[(C)] (iii) The content and length of the course [meets] meet the requirements of [subparagraph (i) and paragraph (2)] paragraph (1) and subsection (c), respectively.

[(v) Video and remote television courses. Video and remote television courses may be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

[(vi)] (5) *Credit for challenge examination.* The Board may [grant credit for courses if] accept toward the classroom hour requirement a course for which the applicant obtained credit from the course provider by challenge examination without attending the [courses] course, if [that credit was granted by] the course provider granted credit prior to July 1, 1990, and the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

[(2) Mandatory course topics] (c) *Content of appraisal education.* [Applicants] The content of an applicant's appraisal education shall be as follows:

(1) An applicant who is subject to the 120-classroom hour requirement in subsection (b) shall demonstrate that [their education] the classroom hours included coverage of the following topics [listed in this paragraph], with particular emphasis on the appraisal of one-to-four unit residential properties:

* * * * *

(2) An applicant who is subject to the 200-classroom hour requirement in subsection (b) shall demonstrate that the classroom hours satisfy the following curriculum requirements:

- (i) Basic appraisal principles (30 hours).
 - (A) Real property concepts and characteristics.
 - (I) Basic real property concepts.
 - (II) Real property characteristics.
 - (III) Legal description.
 - (B) Legal considerations.
 - (I) Forms of ownership.
 - (II) Public and private controls.
 - (III) Real estate contracts.
 - (IV) Leases.
 - (C) Influences on real estate.
 - (I) Governmental.
 - (II) Economic.
 - (III) Social.
 - (IV) Environmental, geographic and physical.
 - (D) Types of value.
 - (I) Market value.
 - (II) Other value types.
 - (E) Economic principles.
 - (I) Classical economic principles.
 - (II) Application and illustrations of the economic principles.
 - (F) Overview of real estate markets and analysis.
 - (I) Market fundamentals, characteristics and definitions.
 - (II) Supply analysis.
 - (III) Demand analysis.
 - (IV) Use of market analysis.
 - (G) Ethics and how they apply in appraisal theory and practice.
 - (ii) Basic appraisal procedures (30 hours).
 - (A) Overview of approaches to value.
 - (B) Valuation procedure.
 - (I) Defining the problem.
 - (II) Collecting and selecting the data.
 - (III) Analyzing.
 - (IV) Reconciling and final value opinion.
 - (V) Communicating the appraisal.
 - (C) Property description.
 - (I) Geographic characteristics of the land/site.
 - (II) Geologic characteristics of the land/site.

- (III) Location and neighborhood characteristics.
- (IV) Land/site considerations for highest and best use.
- (V) Improvements—architectural styles and types of construction.
 - (D) Residential applications.
 - (iii) National USPAP Course or Equivalent (15 hours).
 - (A) Preamble and ethics rules.
 - (B) Standard 1.
 - (C) Standard 2.
 - (D) Standards 3 to 10.
 - (E) Statements and advisory opinions.
 - (iv) Residential market analysis and highest and best use (15 hours).
 - (A) Residential markets and analysis.
 - (I) Market fundamentals, characteristics and definitions.
 - (II) Supply analysis.
 - (III) Demand analysis.
 - (IV) Use of market analysis.
 - (B) Highest and best use.
 - (I) Test constraints.
 - (II) Application of highest and best use.
 - (III) Special considerations.
 - (IV) Market analysis.
 - (V) Case studies.
 - (v) Residential appraiser site valuation and cost approach (15 hours).
 - (A) Site valuation.
 - (I) Methods.
 - (II) Case studies.
 - (B) Cost approach.
 - (I) Concepts and definitions.
 - (II) Replacement/reproduction cost new.
 - (III) Accrued depreciation.
 - (IV) Methods of estimating accrued depreciation.
 - (V) Case studies.
 - (vi) Residential sales comparison and income approaches (30 hours).
 - (A) Valuation principles and procedures—sales comparison approach.
 - (B) Valuation principles and procedures—income approach.
 - (C) Finance and cash equivalency.
 - (D) Financial calculator introduction.
 - (E) Identification, derivation and measurement of adjustments.
 - (F) Gross rent multipliers.
 - (G) Partial interests.
 - (H) Reconciliation.
 - (I) Case studies and applications.

(vii) Residential report writing and case studies (15 hours).

- (A) Writing and reasoning skills.
- (B) Common writing problems.
- (C) Form reports.
- (D) Report options and USPAP compliance.
- (E) Case studies.

(viii) Statistics, modeling and finance (15 hours).

- (A) Statistics.
- (B) Valuation models (AVMs and mass appraisal).
- (C) Real estate finance.

(ix) Advanced residential applications and case studies (15 hours).

(A) Complex property, ownership and market conditions.

- (B) Deriving and supporting adjustments.
- (C) Residential market analysis.
- (D) Advanced case studies.
- (x) Appraisal subject matter electives (20 hours).
- (d) *Postsecondary education.*

(1) Effective January 1, 2008, an applicant shall submit evidence to the Board of having satisfied one of the following requirements:

(i) Possession of an associate's degree, or higher, from an accredited college or university.

(ii) Completion of 21 semester credit hours in the following college-level subjects at an accredited college or university:

- (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 processing/spreadsheets.

(G) Business or real estate law.

(2) This subsection does not apply to an applicant who completed 120 classroom hours of qualifying appraisal education under subsection (b) before January 1, 2008.

[(3)] (e) *Experience.*

(1) In addition to meeting the education requirements, an applicant shall submit evidence to the Board of having [completed] acquired 2,500 hours of acceptable appraisal experience [obtained] during [no fewer than] a period of at least 24 months. [Fifty percent] At least 50% of the experience [obtained] acquired by an applicant [shall] must be in the actual preparation of real estate appraisal reports, which [include a] includes physical [inspection] inspections of the interior and exterior of the subject [property] properties, in accordance with § 36.13 (relating to experience options regarding preparation of appraisal reports). Hours may be treated as cumulative to achieve the necessary 2,500 hours of appraisal experience. Cumulative is defined to mean that experience may be

acquired over any time period in excess of 24 months. There is no minimum number of hours which must be acquired in any 12 months. The following will serve as an example:

Year 1	400 Hours
Year 2	800 Hours
Year 3	200 Hours
Year 4	500 Hours
Year 5	600 Hours

Total 2,500 Hours

(2) Experience acquired after January 1, 1991, must comply with USPAP. Experience acquired after August 2, 1993, will not be accepted unless the applicant has first completed 45 classroom hours of appraisal education, including 15 hours on USPAP. Acceptable categories of appraisal experience [includes] include:

* * * * *

(iii) Review appraisals [, if the reviews are in compliance with Standard 3 of the Uniform Standards of Professional Appraisal Practice].

* * * * *

(viii) [Teaching of appraisal courses; however, no more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses and no credit will be given for course repetition.

(ix) [Real estate related experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals [in compliance with the Uniform Standards of Professional Appraisal Practice].

(ix) Evaluations under FIRREA in accordance with requirements of Federal financial institution regulatory agencies.

(x) Case studies or practicum courses that are approved by the AQB Course Approval Program.

[(4) State certified residential real estate appraiser: An applicant who has passed an examination and who is certified under this section will be deemed to have met the minimum criteria for the certified residential real property appraiser classification adopted by the Appraiser Qualifications Board of the Appraisal Foundation, and shall be qualified to perform residential real property appraisals in Federally-related and non-Federally related transactions without regard to value.]

§ 36.12. [General] Qualifications for certification as general real estate appraiser.

(a) *Overview.* An applicant for certification as a general real estate appraiser shall be of good moral character, meet the following education and experience requirements prior to examination, and pass an examination for certification as a general real estate appraiser. Neither a real estate salesperson's license nor a real estate broker's license issued under the Real Estate Licensing and Registration Act (63 P. S. § 455.101—455.902) is a prerequisite to certification as a general real estate appraiser.

[(1) Education] (b) *Appraisal classroom hours.* An applicant shall submit evidence to the Board of having

completed 180 classroom hours of courses in subjects related to real estate appraisal, including the 15-hour National [**Uniform Standards of Professional Appraisal Practice**] USPAP Course, together with coverage of the topics listed in [**paragraph (2)**] subsection (c)(1). **Effective January 1, 2008, an applicant shall submit evidence to the Board of having completed 300 classroom hours in the appraisal curriculum set forth in subsection (c)(2), except that the new requirement does not apply to an applicant who has satisfied the existing education requirement before January 1, 2008.**

[(i)] (1) *Length of classroom hour requirement.* Credit toward the classroom hour requirement will only be granted when the length of the [**educational offering**] course is at least 15 hours, and the applicant successfully completes an examination pertinent to [**that educational offering**] the course. A classroom hour is defined as 50 minutes out of each 60 minute segment.

[(ii)] (2) *Teaching credit.* Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses for actual classroom time, but credit will not be given for course repetition. A teacher requesting credit for the classroom hour requirement may not request credit for experience. [**A teacher may request credit for either the classroom hour or experience requirement, but not both. No more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses.**]

[(iii)] (3) *Providers of appraisal courses.* Credit for the classroom hour requirement may be obtained from accredited colleges or universities and community or junior colleges. Subject to Board approval under § 36.31 (relating to provider registration/appraisal courses), credit for the classroom hour requirement may also be obtained from real estate appraisal or real estate related organizations, State or Federal agencies or commissions, proprietary schools and other providers.

[(iv) *Correspondence courses*] (4) *Distance education.* [**Correspondence courses may be**] A distance education course is acceptable to meet the classroom hour requirement if [**each**] the course is approved by the Board and meets the following conditions:

[(A)] (i) The course [**has been**] is presented by [**an accredited (Commission on Colleges or a regional accreditation association) college or university which offers correspondence programs in other disciplines**] one of the following:

(A) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.

(B) A course provider that has received approval for course design and delivery mechanism from the International Distance Education Certification Center and approval for course content from the Board or from the AQB through its Course Approval Program.

[(B)] (ii) The applicant successfully completes a written examination [**administered at a location**] proc-

ured by an official approved by the college [**or**], university or other course provider.

[(C)] (iii) The content and length of the course [**meets**] meet the requirements of [**subparagraph (i) and paragraph (2)**] paragraph (1) and subsection (c), respectively.

[(v) *Video and remote television courses.* Video and remote television courses may be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

(A) The course has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(B) The applicant successfully completes a written examination administered at a location by an official approved by the college or university.

(C) The content and length of the course meets the requirements of subparagraph (i) and paragraph (2).

[(vi)] (5) *Credit for challenge examination.* The Board may [**grant credit for courses if**] accept toward the classroom hour requirement a course for which the applicant obtained credit from the course provider by challenge examination without attending the [**courses**] course, if [**credit was granted by**] the course provider granted credit prior to July 1, 1990, and the Board is satisfied with the quality of the challenge examination that was administered by the course provider.

[(2) *Mandatory course topics*] (c) *Content of appraisal education.* [**Applicants**] The content of an applicant's appraisal education must be as follows:

(1) An applicant who is subject to the 180-classroom hour requirement in subsection (b) shall demonstrate that [**their education**] the classroom hours included coverage of the following topics [**listed in this paragraph**], with particular emphasis on the appraisal of nonresidential properties. Residential is defined as one to four residential units.

* * * * *

(2) An applicant who is subject to the 300-hour classroom requirement in subsection (b) shall demonstrate that the classroom hours satisfy the following curriculum requirements:

(i) Basic appraisal principles (30 hours).

(A) Real property concepts and characteristics.

(I) Basic real property concepts.

(II) Real property characteristics.

(III) Legal description.

(B) Legal considerations.

(I) Forms of ownership.

(II) Public and private controls.

(III) Real estate contracts.

(IV) Leases.

(C) Influences on real estate.

(I) Governmental.

(1) Effective January 1, 2008, an applicant shall submit evidence to the Board of having satisfied one of the following requirements:

(i) Possession of a bachelor's degree, or higher, from an accredited college or university.

(ii) Completion of 30 semester credit hours in the following college-level subjects at an accredited college or university:

- (A) English composition.
- (B) Macro economics.
- (C) Micro economics.
- (D) Finance.
- (E) Algebra, geometry or higher mathematics.
- (F) Statistics.
- (G) Introduction to computers—word processing/spreadsheets.
- (H) Business or real estate law.

(I) Two elective courses in accounting, geography, ag-economics, business management or real estate.

(2) This subsection does not apply to an applicant who completed 180 classroom hours of qualifying appraisal education under subsection (b) before January 1, 2008.

[(3)] (e) *Experience.*

(1) In addition to meeting the education requirements, an applicant shall submit evidence to the Board of having [**completed**] **acquired** 3,000 hours of acceptable appraisal experience, including 1,500 hours in nonresidential work, [**obtained**] during [**no fewer**] a period of **no less** than 30 months. [**Fifty percent**] **At least 50%** of the experience [**obtained**] **acquired** by an applicant shall be in the actual preparation of real estate appraisal reports, which [**include a**] **includes** physical [**inspection**] **inspections** of the interior and exterior of the subject [**property**] **properties, in accordance with § 36.13 (relating to experience options regarding preparation of appraisal reports).** Hours may be treated as cumulative to achieve the necessary 3,000 hours of appraisal experience. Cumulative is defined to mean that experience may be acquired over any time period in excess of 30 months. There is no minimum number of hours which must be acquired in any 1 year. The following will serve as an example:

Year 1	1,000 Hours
Year 2	800 Hours
Year 3	100 Hours
Year 4	1,000 Hours
Year 5	100 Hours
I Total	3,000 Hours

(2) Experience acquired after January 1, 1991, must comply with USPAP. Experience acquired after August 2, 1993, will not be accepted unless the applicant has first completed 45 classroom hours of appraisal education, including 15 hours on USPAP. Acceptable categories of appraisal experience [includes] include:

* * * * *

(iii) Review appraisals [, if the reviews are in compliance with Standard 3 of the Uniform Standards of Professional Appraisal Practice] .

* * * * *

(viii) [Teaching of appraisal courses; however, no more than 300 hours will be granted to teachers requesting credit toward the experience requirement for teaching of appraisal courses and no credit will be given for course repetition.

(ix)] Real estate experience such as that of an officer of a lending institution, if the experience consists of the actual performance or professional review of real estate appraisals [in compliance with the Uniform Standards of Professional Appraisal Practice] .

(ix) Evaluations under FIRREA in accordance with requirements of Federal financial institution regulatory agencies.

(x) Case studies or practicum courses that are approved by the AQB Course Approval Program.

[(4) State certified general real estate appraiser. An applicant who has passed examination and who is certified under this section will be deemed to have met the minimum criteria for the Certified General Real Property Appraiser Classification adopted by the Appraiser Qualifications Board of the Appraisal Foundation, and shall be qualified to perform residential and nonresidential real property appraisals in Federally related and non-Federally-related transactions without regard to value.]

§ 36.13. Experience options for preparation of appraisal reports.

(a) An applicant [seeking to meet the experience requirements] for certification as a residential real estate appraiser or a general real estate appraiser [may do so by] under §§ 36.11 and 36.12 (relating to qualifications for certification as residential real estate appraiser; and qualifications for certification as general real estate appraiser) shall have acquired experience in the preparation of appraisal reports in one or more of the following:

(1) Prior to September 3, 1998:

[(1)] (i) [Performing real estate appraisals which are not required by FIRREA to be performed by State-certified or State-licensed real estate appraisers,] As a licensed real estate broker under the Real Estate Licensing and Registration Act (63 P. S. §§ 455.101—455-901) and Chapter 35 (relating to State Real Estate Commission).

[(2)] (ii) [Performing appraisals or other evaluations of real estate in connection with a loan transaction in the capacity of] As an elected officer, director or [employe] employee of a banking institution, savings institution, savings bank, credit union or trust company operating under applicable Federal or State laws, when acting on behalf of the institution [in performing the appraisal] in connection with a loan transaction.

(iii) As a certified broker/appraiser.

[(3)] (iv) [Assisting in the preparation of a real estate appraisal required by FIRREA to be performed by a State-certified or State-licensed real estate appraiser, under the supervision of a certified residential real estate appraiser or a certified

general real estate appraiser, if the certified real estate appraiser:] As an assistant to a certified residential real estate appraiser or certified general real estate appraiser, provided the assistant satisfies the requirements of subsection (b).

[(i) Directly supervises and controls the applicant's work, assuming total responsibility for the content of the appraisal documents and value conclusions. The applicant may not arrive at an independent determination of value.

(ii) Personally makes a physical inspection of the interior and exterior of the subject property, unless an interior and complete exterior inspection of the property is not possible as of the effective date of the appraisal—that is, where improvements have been destroyed, removed or not yet built; inspections are not legally or contractually possible; the appraiser is denied access by the property owner; or, a contract stipulates a “drive-by” appraisal.

(iii) Signs the appraisal document as “certified real estate appraiser” and has the applicant sign as “assistant to the certified real estate appraiser.”]

(2) On or after September 3, 1998:

(i) As a certified broker/appraiser.

(ii) As an assistant to a certified residential real estate appraiser or certified general real estate appraiser, provided the assistant satisfies the requirements of subsection (b).

(b) [Experience obtained after August 2, 1993, will only be acceptable to the Board if an applicant shows evidence of first having completed 45 classroom hours in subjects related to real estate appraisal in §§ 36.11(2) and 36.12(2) (relating to residential real estate appraiser; and general real estate appraiser), which includes at least 15 hours of the Uniform Standards of Professional Appraisal Practice. Appraisal experience obtained prior to August 2, 1993, will not be subject to the educational requirement imposed by this section.] An assistant to a certified general appraiser or certified residential appraiser shall observe the following requirements when preparing an appraisal report:

(1) The assistant shall perform an inspection of the interior and exterior of the property.

(2) The assistant may not arrive at an independent determination of value.

(3) The assistant shall sign the appraisal report as “assistant to the certified real estate appraiser” or be referenced in the certification section of the appraisal report, or in an addendum to the appraisal report, as having provided significant professional assistance.

CONTINUING EDUCATION

§ 36.41. Continuing education requirement.

(a) Continuing education for certified [general appraisers, residential appraisers and broker/appraisers] real estate appraisers is necessary to ensure that they maintain and increase their skill, knowledge and competency in real estate appraising. Except as provided in subsection (b), [every general] a certified real estate appraiser [, residential appraiser and

broker/appraiser] shall complete 28 classroom hours of continuing education—including [at least 4 hours on the Uniform Standards of Professional Appraisal Practice] the 7-hour National USPAP Update Course, or an equivalent 7-hour course approved by the AQB, and at least 2 hours on the act, this chapter and the policies of the Board—during each biennial renewal period as a condition of renewal of certification for the next biennial renewal period. [Effective with renewal of certification for the 2005-2007 biennial renewal period, the 7-hour National USPAP Update Course, or an equivalent 7-hour course approved by the Appraiser Qualifications Board, will replace the minimum 4-hour requirement on the USPAP.]

(b) A certified general real estate appraiser or residential real estate appraiser whose initial certification becomes effective between January 1 and June 30 of a biennial renewal year will not be required to furnish proof of continuing education as a condition of renewal of certification in that biennial renewal year.

[(c) The Board will accept continuing education hours completed by a certified broker/appraiser between January 1, 2001, and June 30, 2001, toward the continuing education requirement for renewal of certification for the 2003-2005 biennial renewal period.]

§ 36.43. [Correspondence courses/video and remote television presentations] Distance education.

[(a) Correspondence courses. Correspondence courses may be] A distance education course is acceptable for continuing education credit [provided] if it is approved by the Board and meets the following conditions:

(1) The course [has been] is presented by [an accredited (Commission on Colleges or a regional accrediting association) college or university which offers correspondence programs in other disciplines.] one of the following:

(i) A course provider that presents the course to an organized group in an instructional setting with a person qualified and available to answer questions, provide information and monitor attendance.

(ii) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.

(iii) A course provider that has received approval for course design and delivery mechanism from the International Distance Education Certification Center and approval for course content from the Board or from the AQB through its Course Approval Program.

(2) [An individual] With regard to a course presented under paragraph (1)(ii) or (iii), the certified real estate appraiser successfully completes a written examination [administered at a location] proctored by an official approved by the college [or], university or other course provider.

(3) The [offering is equivalent to a minimum of 10 classroom hours in length and is consistent with the accepted topics listed in] content and length of

the course meet the requirements of § 36.42[(a)] (relating to continuing education subject matter).

[(b) *Video and remote television presentations.* Video and remote television presentations are acceptable for continuing education credit if the presentation is for an organized group in an instructional setting, with a qualified resource person available to answer questions and provide information or if the following exist:

(1) The offering has been presented by an accredited (Commission on Colleges or a regional accreditation association) college or university which offers similar programs in other disciplines.

(2) An individual successfully completes a written examination administered at a location by an official approved by the college or university.

(3) The offering is equivalent to a minimum of 10 classroom hours in length and is consistent with the accepted topics listed in § 36.42(a).]

§ 36.51. [Uniform Standards of Professional Appraisal Practice] Compliance with USPAP.

[Certified real estate appraisers are under a duty to perform a physical inspection of the interior and complete exterior of the subject property on appraisals required by FIRREA to be performed by a State-certified or State-licensed real estate appraiser, unless an interior and complete exterior inspection is not possible as of the effective date of the appraisal—that is, when improvements have been destroyed, removed or not yet built; inspections are not legally or contractually possible; the appraiser is denied access by the property owner; or, a contract stipulates a “drive-by” appraisal. Certified appraisers shall perform real estate appraisals in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated and adopted by the Appraisal Standards Board (ASB) of the Appraisal Foundation. The USPAP will be amended by the ASB and published annually in separate yearly bound editions. A copy of the USPAP may be obtained from the Appraisal Foundation, 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005, (202) 347-7722. A violation of one or more provision of the USPAP may result in disciplinary action by the Board under the authority of section 11(a)(6) of the act (63 P.S. § 457.11(a)(6)).] A certified real estate appraiser shall perform an appraisal in accordance with USPAP. A certified real estate appraiser who violates one or more provisions of USPAP may be subject to disciplinary action under the act. A certified real estate appraiser can obtain a current edition of USPAP by writing, telephoning or e-mailing the Appraisal Foundation at 1029 Vermont Avenue, N.W., Suite 900, Washington D.C. 20005-3517, (202) 347-7722, or info@appraisalfoundation.org, respectively.

§ 36.52. Use of certificate number and title.

[Each] A certified real estate appraiser shall place his name, signature and certificate number adjacent to or immediately below the title “Pennsylvania certified general real estate appraiser,” [or] “Pennsylvania certified residential real estate appraiser” or “Pennsylvania certified broker/appraiser,” as appropriate, on each written appraisal report and each written appraisal

agreement [used by the certified appraiser certificate holder in conducting appraisal activities]. Professional designations may be included adjacent to the signature, if applicable. The following will serve as an example:

/s/ _____
John Doe, (Professional designation, if applicable)
[Pa.] Pennsylvania Certified Residential Real Estate
Appraiser
Certification number [1234] RL-999999-L

§ 36.54. Supervision of appraisal assistant.

A certified residential real estate appraiser or certified general real estate appraiser who utilizes an appraisal assistant shall:

(1) Provide written notification to the Board of the name and address of the assistant when the assistant begins work for the appraiser.

(2) Directly supervise and control the assistant’s work, assuming total responsibility for the contents of the appraisal report, including all value conclusions.

(3) Accompany the assistant during the physical inspection of the property as follows:

(i) In the case of an assistant who is not a certified residential real estate appraiser, accompany the assistant during the physical inspection of the property until the assistant has logged 300 hours of experience or until the supervising appraiser determines the assistant is competent under USPAP to perform the physical inspection unaccompanied, whichever is the longer period.

(ii) In the case of an assistant who is a certified residential real estate appraiser seeking to obtain qualifying experience for certification as a general real estate appraiser, accompany the assistant during the physical inspection of the property until the supervising appraiser determines the assistant is competent under USPAP to perform the physical inspection unaccompanied.

(4) Sign the appraisal report as a certified real estate appraiser under § 36.52 (relating to use of certificate number and title) and either have the assistant sign the appraisal report as assistant to the certified real estate appraiser or identify the assistant in the certification section of the appraisal report, or in addendum to the appraisal report, as having provided significant professional assistance.

(5) Sign a Board-approved appraisal assistant checklist that has been completed by the assistant and that relates to the assistant’s work on the appraisal report.

(6) Provide a current or former assistant who is applying for appraiser certification with copies of designated appraisal reports and appraisal assistant checklists requested by the Board to verify the assistant’s experience.

MISCELLANEOUS PROVISIONS

§ 36.91. Reactivation of lapsed certification.

[(a)] A [certificate holder] certified real estate appraiser whose certification has lapsed [by failing] for failure to biennially renew certification may apply to the Board for reactivation of certification by paying [the

current biennial renewal fee as set forth in § 36.6 (relating to fees), meeting the continuing education requirement of § 36.41 (relating to purpose) for the current renewal period and submitting documentation to verify the period of time in which the certificate holder abstained from performing appraisals in connection with Federally-related transactions in this Commonwealth and from holding himself out as a State-certified real estate appraiser] the renewal fee required under § 36.6 (relating to fees) and providing documentation of having completed 28 hours of continuing education as required under § 36.41 (relating to continuing education requirement) within the 2-year period immediately preceding the date of filing of the reactivation application. A certified real estate appraiser who performed an appraisal, or held himself out as an appraiser, during a period when his certification was lapsed may be subject to disciplinary action by the Board under section 3 of the act (63 P. S. § 457.3) in addition to being required to pay late renewal fees under section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P. S. § 1401-225).

[(b) A certificate holder will not be assessed a late renewal fee for the preceding biennial periods in which the certificate holder abstained from the performance of appraisals in connection with Federally-related transactions in this Commonwealth and from holding himself out as a State-certified real estate appraiser.

(c) A certificate holder whose certificate has lapsed by failing to biennially renew certification is prohibited from performing an appraisal in connection with a Federally-related transaction in this Commonwealth unless the certification is reactivated. If a certificate holder performs an appraisal in connection with a Federally-related transaction in this Commonwealth or holds himself out as a State-certified real estate appraiser during a period in which the certificate holder's certification is not renewed, the certificate holder shall pay a late renewal fee of \$5 for each month or part of the month beyond the date specified for renewal, as provided in section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P. S. § 1401-225), in addition to the prescribed biennial renewal fee. The certificate holder may also be subject to disciplinary action by the Board for performing an appraisal in connection with a Federally-related transaction in this Commonwealth or for holding himself out as a State-certified real estate appraiser without a current certificate, or both.]

Subchapter C. CERTIFIED PENNSYLVANIA EVALUATORS

QUALIFICATIONS FOR CERTIFICATION

§ 36.224. [Correspondence] Distance education courses.

[Correspondence courses will be] A distance education course is acceptable to meet the classroom hour requirement if [each] the course is approved by the Board and meets the following conditions:

(1) The course is presented by [an accredited college or university which offers correspondence programs in other disciplines.] one of the following:

(i) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.

(ii) A course provider that has received approval for course design and delivery mechanism from the International Distance Education Certification Center and approval for course content from the Board or from the AQB through its Course Approval Program.

(2) The applicant successfully completes a written examination [administered] proctored by an official approved by the college [or], university or other course provider.

(3) The content and length of the courses [meets] meet the requirements of § 36.222 [(a) and (b)] (relating to required courses of study).

§ 36.225. [Video and remote television courses] (Reserved).

[Video and remote television courses will be acceptable to meet the classroom hour requirement if each offering is approved by the Board and meets the following conditions:

(1) The course has been presented by an accredited college or university which offers similar programs in other disciplines.

(2) An applicant successfully completes a written examination administered by an official approved by the college or university.

(3) The content and length of the course meets the requirement of § 36.222(a) and (b) (relating to required courses of study).]

CONTINUING EDUCATION

§ 36.261. Continuing education requirement.

(a) [Continuing education of 28 classroom hours per biennium, including at least 4 hours on the Uniform Standards of Professional Appraisal Practice and at least 2 hours on the Assessors Certification Act (63 P. S. §§ 458.1—458.16), this chapter and the policies of the Board, shall be required of a certified Pennsylvania evaluator as a condition of biennial renewal of certification.] Except as provided in subsection (b), a certified Pennsylvania evaluator shall complete 28 classroom hours of continuing education—including at least 4 hours on USPAP and at least 2 hours on the act, this chapter and the policies of the Board—during each biennial renewal period as a condition of renewal of certification for the next biennial renewal period. Effective with renewal of certification for the 2007-2009 biennial renewal period, the USPAP requirement shall be the 7-hour National USPAP Update Course or an equivalent 7-hour course approved by the AQB.

(b) A certified Pennsylvania evaluator whose initial certification becomes effective between January 1 and June 30 of a biennial renewal year will not be required to furnish proof of continuing education as a condition of biennial renewal of certification in that biennial renewal year.

§ 36.263. [Correspondence courses/video and remote television presentations] Distance education.

[(a) *Correspondence courses.* Correspondence courses will be] A distance education course is acceptable for continuing education credit if it is approved by the Board and meets the following conditions:

(1) The course [has been] is presented by [an accredited college or university which offers correspondence programs in other disciplines] one of the following:

(i) A course provider that presents the course to an organized group in an instructional setting with a person qualified and available to answer questions, provide information and monitor attendance.

(ii) An accredited (Commission on Colleges or a regional accreditation association) college or university that offers distance education programs in other disciplines.

(iii) A course provider that has received approval for course design and delivery mechanism from the International Distance Education Certification Center and approval for course content from the Board or from the AQB through its Course Approval Program.

(2) [An individual] With regard to a course presented under paragraph (1)(ii) or (iii), the certified Pennsylvania evaluator successfully completes a written examination [administered] proctored by an official approved by the college [or], university or other course provider.

(3) The [offering is at least 10 classroom hours in length and covers the accepted topics in] content and length of the course meets the requirements of § 36.262 (relating to continuing education subject matter).

[(b) *Video and remote television presentations.* Video and remote television presentations are acceptable for continuing education credit if the presentation is for an organized group in an instructional setting, with a qualified resource person available to answer questions and provide information or if the following conditions are met:

(1) The offering has been presented by an accredited college or university which offers similar programs in other disciplines.

(2) An individual successfully completes a written examination administered by an official approved by the college or university.

(3) The offering is at least 10 classroom hours in length and covers the accepted topics listed in § 36.262.]

REACTIVATION OF CERTIFICATION

§ 36.271. Reactivation of lapsed certification.

(a) A certified Pennsylvania evaluator whose certification has lapsed [by failing] for failure to biennially renew certification may apply to the Board for reactivation of certification by paying [the current biennial renewal fee as set forth in § 36.6 (relating to fees), meeting the continuing education requirement es-

tablished by law and regulation for the current biennial renewal period and submitting documentation to verify the period of time in which the certified Pennsylvania evaluator abstained from performing valuations of real property for ad valorem tax purposes in this Commonwealth and from holding himself out as a certified Pennsylvania evaluator] the renewal fee required under § 36.6 (relating to fees) and providing documentation of having completed 28 hours of continuing education as required under § 36.261 (relating to continuing education requirement) within the 2-year period immediately preceding the date of filing of the reactivation application. A certified Pennsylvania evaluator who performed a valuation of real property for ad valorem tax purposes, or held himself out as a certified Pennsylvania evaluator, during a period when his certification was lapsed may be subject to disciplinary action by the Board under the act in addition to being required to pay late renewal fees under section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P. S. § 1401-225).

[(b) A certified Pennsylvania evaluator will not be assessed a late renewal fee for the preceding biennial periods in which the certified Pennsylvania evaluator abstained from the performance of valuations of real property for ad valorem tax purposes in this Commonwealth and from holding himself out as a certified Pennsylvania evaluator.

(c) A certified Pennsylvania evaluator whose certification has lapsed by failing to biennially renew certification is prohibited from performing valuations of real property for ad valorem tax purposes in this Commonwealth unless the certification status is reactivated. If a certified Pennsylvania evaluator performs valuations of real property for ad valorem tax purposes in this Commonwealth or holds himself out as a certified Pennsylvania evaluator during a period in which the certified Pennsylvania evaluator's certification is not renewed, the certified Pennsylvania evaluator shall pay a late renewal fee of \$5 for each month or part of the month beyond the date specified for renewal, as provided in section 225 of the Bureau of Professional and Occupational Affairs Fee Act (63 P. S. § 1401-225), in addition to the prescribed biennial renewal fee. The certified Pennsylvania evaluator may also be subject to disciplinary action by the Board for performing valuations of real property for ad valorem tax purposes in this Commonwealth or for holding himself out as a certified Pennsylvania evaluator without a current certificate, or both.]

STANDARDS OF PROFESSIONAL CONDUCT

§ 36.281. Standards of Professional Conduct.

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Standard 1. General duties.

Certified Pennsylvania evaluators shall perform their duties in accordance with the general and specific county assessment laws and generally accepted assessment standards. Certified Pennsylvania evaluators shall perform all assessments in accordance with [the Uniform Standards of Professional Appraisal Practice (USPAP) as promulgated and adopted by the Appraisal Standards Board of the Appraisal Foundation] USPAP.

[The USPAP will be amended by the ASB and published annually in separate yearly bound editions. A] Certified Pennsylvania evaluators may obtain a copy of the current edition of the USPAP [may be obtained from] by writing, telephoning or e-mailing the Appraisal Foundation[,] at 1029 Vermont Avenue, N.W., Suite 900, Washington, D.C. 20005-3517, (202) 347-7722 or info@appraisal foundation.org, respectively.

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