

Proposed

REAL ESTATE APPRAISAL BOARD

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

A public hearing will be conducted at 10:00 a.m. on Tuesday, March 13, 2018, at Jayhawk Tower, 700 SW Jackson, Ste. 804, Topeka, KS 66603, to consider the adoption of K.A.R. 117-2-2.

This 60-day notice of public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed regulation. All interested parties may submit written comments prior to the hearing to the Kansas Real Estate Appraisal Board, Jayhawk Tower, 700 SW Jackson, Ste. 804, Topeka, KS 66603. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulation during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit any oral presentation to five minutes.

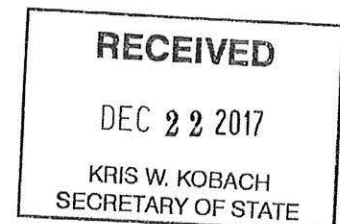
Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulation and economic impact statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Sally Pritchett at (785) 296-6736 or cheryl.magathan@ks.gov.

The proposed regulation amendment is for adoption on a permanent basis. A summary of the proposed amendments to the regulation and the economic impact follows:

117-2-2 Licensed classification; appraisal experience requirements. This regulation is being amended to adopt by reference an amended "Experience Hours Table," dated December 1, 2017.

There will be no economic impact to this agency, other state agencies, or to the public.

Copies of this regulation and the economic impact statement may be obtained by contacting the Kansas Real Estate Appraisal Board at:



Proposed

(785) 296-6736(phone)

(785) 368-6443 (fax)

cheryl.magathan@kreab.state.ks.us (e-mail)

<http://www.kansas.gov/kreab> (website)

Sally Pritchett
Executive Director

December 21, 2017

RECEIVED

DEC 22 2017

KRIS W. KOBACH
SECRETARY OF STATE

117-2-2. Licensed classification; appraisal experience requirement. (a)(1) Each applicant for the licensed classification shall have 2,000 hours of appraisal experience obtained in at least 12 months.

(2) At least six hours of real property appraisal experience shall be on an improved property.

(3) Acceptable appraisal experience shall include at least 1,000 hours of real property appraisal experience.

(4) Acceptable appraisal experience may include either of the following:

(A) 1,000 experience hours in mass appraisal; or

(B) an aggregate maximum of 500 experience hours in the following appraisal categories:

(i) Real estate consulting;

(ii) review appraisal;

(iii) highest and best use analysis; and

(iv) feasibility analysis study.

(5) Experience hours may be granted for appraisals performed without a traditional client.

However, appraisal experience gained from work without a traditional client shall not exceed 50 percent of the total appraisal experience requirement. Practicum courses that are approved by the appraiser qualifications board's course-approval program or by a state appraiser regulatory agency may also be used to meet the requirement for non-traditional client experience. Each practicum course shall include the generally applicable methods of appraisal practice for the licensed classification. The course content shall include the following:



APPROVED
DEC 19 2017
ATTORNEY GENERAL

APPROVED
DEC 18 2017
DEPT. OF ADMINISTRATION

(A) Requiring the student to produce credible appraisals that utilize an actual subject property;

(B) performing market research containing sales analysis; and

(C) applying and reporting the applicable appraisal approaches in conformity with the uniform standards of professional appraisal practice.

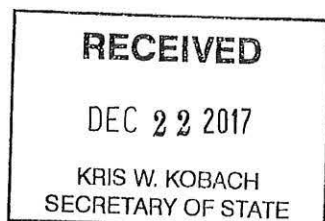
Each assignment shall require problem-solving skills for a variety of property types for the licensed classification. Experience credit shall be granted for the actual number of classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process.

(6) For the purposes of this regulation, "traditional client" shall mean a client who hires an appraiser for a business purpose.

(b) All appraisal experience shall be in compliance with the uniform standards of professional appraisal practice (USPAP) as required by K.S.A. 58-4121, and amendments thereto. Each applicant's experience shall be appraisal work conforming to standards 1, 2, 3, 5, and 6, in which the applicant demonstrates proficiency in the appraisal principles, methodology, procedures, and reporting conclusions.

(c) The real property appraisal experience requirement specified in paragraph (a)(3) shall be met by time involved in the appraisal process. The appraisal process shall consist of the following:

- (1) Analyzing factors that affect value;
- (2) defining the problem;
- (3) gathering and analyzing data;



APPROVED
DEC 19 2017
ATTORNEY GENERAL

APPROVED
DEC 18 2017
DEPT. OF ADMINISTRATION

(4) applying the appropriate analysis and methodology; and

(5) arriving at an opinion and correctly reporting the opinion in compliance with USPAP.

(d)(1) In order for the board to determine whether or not the experience requirements have been satisfied, each applicant shall submit appraisal experience log sheets, in a format prescribed by the board, listing the appraisal reports completed by the applicant within the five-year period preceding the date of application. Each appraisal report shall be signed by the applicant or the preparer of the report who supervised the applicant. If the applicant does not sign the appraisal report, the preparer shall indicate whether or not the applicant provided significant professional assistance in the appraisal process.

(2) Each applicant shall maintain a record of the actual number of hours involved in completing an appraisal. Unless the board approves a greater number of experience hours for a particular appraisal based upon the unusually difficult or complex nature of the appraisal, the maximum number of experience hours for each appraisal shall be in accordance with the board's document titled "experience hours table," dated ~~April 25, 2014~~ December 1, 2017, which is hereby adopted by reference.

(3) Each applicant shall maintain a separate log of appraisals completed with each supervising appraiser.

Each page of each supervised experience log shall include the certification number and the signature of the applicant's supervising appraiser, which shall serve as verification of the accuracy of the information.

(e) Upon request of the board, each applicant shall submit at least three appraisal reports selected by the board from the applicant's log sheet and one appraisal report selected by the

RECEIVED

DEC 22 2017

KRIS W. KOBACH
SECRETARY OF STATE

APPROVED

DEC 19 2017

ATTORNEY GENERAL

APPROVED

DEC 15 2017

DEPT. OF ADMINISTRATION

applicant from the log sheet. The selected appraisal reports shall be reviewed in accordance with standard rule 3 by the board or the board's designee for competency, within the scope of practice of the appraisal work authorized for the licensed classification, by using the criteria specified in K.S.A. 58-4109(d) and amendments thereto and, in particular, standards 1 and 2 of the edition of USPAP in effect when the appraisal was performed. Approval of an applicant's experience hours shall be subject to board approval of the requisite number of experience hours and board approval of the selected appraisal reports. (Authorized by and implementing K.S.A. 58-4109; effective Jan. 21, 1991; amended, T-117-6-10-91, June 10, 1991; amended Aug. 5, 1991; amended July 25, 1994; amended June 5, 1995; amended March 7, 1997; amended March 26, 1999; amended Oct. 8, 2004; amended Sept. 1, 2006; amended Jan. 1, 2008; amended April 16, 2010; amended Aug. 24, 2012; amended Aug. 22, 2014; amended Jan. 1, 2015; amended June 17, 2016; amended May 26, 2017; amended P-_____.)

RECEIVED

DEC 22 2017

KRIS W. KOBACH
SECRETARY OF STATE**APPROVED**

DEC 19 2017

ATTORNEY GENERAL**APPROVED**

DEC 15 2017

DEPT. OF ADMINISTRATION

Proposed

December 21, 2017

ECONOMIC IMPACT STATEMENT

Pursuant to the requirement for K.S.A. 2011 Supp. 77-416(b), the Kansas Real Estate Appraisal Board submits the following Economic Impact Statement relating to the adoption of 1 proposed amended permanent rules and regulations pertaining to real property appraisers.

ARTICLE 2 – QUALIFICATIONS CRITERIA – RESIDENTIAL REAL ESTATE APPRAISER CLASSIFICATION

K.A.R. 117-2-2 LICENSED CLASSIFICATION; APPRAISAL EXPERIENCE REQUIREMENT

1. DESCRIPTION

This regulation is being amended to adopt by reference an amended "Experience Hours Table," dated December 1, 2017.

2. FEDERAL MANDATE

N/A

3. DESCRIPTION OF COSTS

There would be no economic impact to this agency, other state agencies, or to the public.

4. OTHER METHODS CONSIDERED

No other methods were considered.

