

DEPARTMENT OF REGULATORY AGENCIES
DIVISION OF REAL ESTATE
BOARD OF REAL ESTATE APPRAISERS
4 CCR 725-2

RULES GOVERNING THE PRACTICE OF REAL ESTATE APPRAISERS OF THE BOARD OF REAL ESTATE
APPRAISERS

NOTICE OF PROPOSED PERMANENT RULEMAKING HEARING
March 4, 2021 at 9:00 AM MST

Division of Real Estate Office
1560 Broadway
Denver, CO 80202

VIRTUAL MEETING REGISTRATION LINK:

<https://attendee.gotowebinar.com/register/7990131618704414731>

Pursuant to and in compliance with Title 12, Article 10 and Title 24, Article 4, C.R.S., as amended, notice of proposed rulemaking is hereby given, including notice to the Attorney General of the State of Colorado and to all persons who have requested to be advised of the intention of the Colorado Board of Real Estate Appraisers (“Board”) to promulgate rules, or to amend, repeal, or repeal and re-enact the present rules of the Board.

Due to the State’s COVID-19 response, the hearing more than likely will only be conducted in a virtual setting. All interested parties are urged to attend this public hearing by registering for the webinar on the Division’s website at www.dre.colorado.gov and to submit written comments concerning the proposed amended rules in advance if possible for consideration.

In order to facilitate the review of comments by the Board, all interested parties are strongly encouraged to submit their written comments to Eric Turner via email at eric.turner@state.co.us on or before 5:00 p.m. on February 22, 2021. Any written comments not received by February 22, 2021 may be submitted via public testimony at the hearing on March 4, 2021.

STATEMENT OF BASIS

The statutory basis for the rules titled Rules of the Colorado Board of Real Estate Appraisers is Part 6 of Title 12, Article 10, Colorado Revised Statutes, as amended. The specific authority under which the Board shall establish these rules is set forth in section 12-10-604(1)(a)(I), C.R.S.

STATEMENT OF PURPOSE

The purpose of this rule is to effectuate the legislative directive to promulgate necessary and appropriate rules in conformity with the statute and the provisions of the federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 as amended.

SPECIFIC PURPOSE OF RULEMAKING

The specific purpose of this rule is to amend existing rules with respect to the applicable version of The Real Property Appraiser Qualification Criteria (Criteria). Practical Applications of Real Estate Appraisal (PAREA) programs offer practical experience in a simulated environment using various technologies for

applicants seeking to earn the minimum criteria for appraiser qualifications and training. Approved PAREA programs may serve as an alternative to the traditional experience requirements. The Appraiser Qualifications Board adopted the PAREA program standards in the Criteria on October 16, 2020 and became effective January 1, 2021.

PROPOSED NEW, AMENDED AND REPEALED RULES

Deleted material shown ~~struck through~~; new material is indicated by underline. Rules, or portions of rules, which are unaffected are reproduced. Readers are advised to obtain a copy of the complete rules of the Commission at www.dre.colorado.gov.

Proposed New, Amended, Repealed, or Repealed and Re-Enacted Rules

CHAPTER 1: DEFINITIONS

- 1.2 ~~Appraisal Appraiser~~ Qualifications Board (AQB) of TAF: The AQB establishes the minimum education, experience, and examination requirements for real property appraisers to obtain state certifications. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications.
- 1.3 ~~Appraiser Appraisal~~ Standards Board (ASB) of TAF: The ASB develops, interprets, and amends the USPAP.
- 1.57 Practical Applications of Real Estate Appraisal (PAREA): Training programs designed to offer practical experience in a simulated and controlled environment, incorporating the concepts learned in a participant's qualifying education. Multiple types of training techniques may be utilized, including, but not limited to computer-based learning; video gaming; video tutorial; virtual assistant; and virtual reality training.

CHAPTER 5: STANDARDS FOR REAL ESTATE APPRAISAL EXPERIENCE

- 5.12 PAREA programs approved by the AQB may serve as an alternative to the traditional experience requirements as prescribed in Board Rules 2.2.B, 2.3.C, 2.4.C and these Chapter 5 Rules.
- 5.13 In order to qualify as creditable experience, PAREA programs must be AQB approved and meet all the required elements found in the PAREA section of the Real Property Appraiser Qualification Criteria as defined and incorporated by reference in Board Rule 1.32.
- 5.14 Applicants using PAREA training as alternative experience must submit a certificate of completion, subject to the following:
- A. Applicants may not receive partial credit for PAREA training;
 - B. Applicants may not receive a certificate of completion until all required components of PAREA training have been successfully completed and approved by a program mentor;
 - C. Certificates of completion must be signed by an individual from the training entity qualified to verify an applicant's successful completion; and

D. Certificates of completion must not contain an expiration date or other constraints that either limit or restrict the applicant's ability to receive appropriate credit.

5.15 Applicants successfully completing approved PAREA programs may receive the following experience credit:

A. Applicants completing an approved licensed residential program:

1. Licensed Appraiser Credential: Up to 100 percent of the required experience hours as prescribed in Board Rule 2.2.B.

2. Certified Residential Credential: up to 67 percent of the required experience hours as prescribed in Board Rule 2.3.C.

3. Certified General Credential: up to 33 percent of the total required experience as prescribed in Board Rule 2.4.C, none of which is eligible towards the required non-residential hours.

B. Applicants completing an approved certified residential program:

1. Licensed Appraiser Credential: up to 100 percent of the required experience hours as prescribed in Board Rule 2.2.B.

2. Certified Residential Credential: up to 100 percent of the required experience hours as prescribed in Board Rule 2.3.C.

3. Certified General Credential: up to 50 percent of the total required experience as prescribed in Board Rule 2.4.C, none of which is eligible towards the required non-residential hours.

A hearing on the above subject matter will be held on Thursday, March 4, 2021 at the Colorado Division of Real Estate, 1560 Broadway, Colorado 80202 beginning at 9:00 a.m. Also, the virtual webinar of the meeting may be accessed at the following link:

<https://attendee.gotowebinar.com/register/7990131618704414731>

Any interested person may participate in the rule making through submission of written data, views and arguments to the Division of Real Estate. Persons are requested to submit data, views and arguments to the Division of Real Estate in writing no less than ten (10) days prior to the hearing date and time set forth above. However, all data, views and arguments submitted prior to or at the rulemaking hearing or prior to the closure of the rulemaking record (if different from the date and time of hearing), shall be considered.

Please be advised that the rule being considered is subject to further changes and modifications after public comment and formal hearing.