

# Title 09

## MARYLAND DEPARTMENT OF LABOR

### Subtitle 19 COMMISSION OF REAL ESTATE APPRAISERS, APPRAISAL MANAGEMENT COMPANIES, AND HOME INSPECTORS—REAL ESTATE APPRAISERS

#### 09.19.02 Educational Requirements

Authority: Business Occupations and Professions Article, §§16-220,  
[16-302(g)] 16-302(d)(1) and (3) and (g), and [16-503(f)] 16-503(b)(1)(iii), (3), and (4), (e), and (f), Annotated Code of Maryland

#### Notice of Proposed Action

[19-206-P]

The Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors proposes to amend Regulation .01 under **COMAR 09.19.02 Educational Requirements**. This action was considered at a public meeting of the Commission held on June 11, 2019, notice of which was given by posting on the Commission’s website, pursuant to General Provisions Article, §3-302(c)(3)(ii), Annotated Code of Maryland.

#### Statement of Purpose

The purpose of this action is to amend prelicense education criteria required of a real estate appraiser to comply with the most current Appraiser Qualifications Board guidelines for eligibility for an examination required to obtain an original appraiser license or certificate. The amendments will eliminate the requirement of a college degree for a licensed residential appraiser and propose a variety of education paths to certified residential licensure.

#### Comparison to Federal Standards

There is a corresponding federal standard to this proposed action, but the proposed action is not more restrictive or stringent.

#### Estimate of Economic Impact

**I. Summary of Economic Impact.** The proposed action is expected to ease the burden on prospective applicants for appraisal licensure by opening up licensure to a greater number of individuals, including those who may not have obtained a traditional college education and by reducing the time within which a prospective applicant must obtain prelicense examination work experience.

<b>II. Types of Economic Impact.</b>	Revenue (R+/R-) Expenditure (E+/E-)	Magnitude
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A. On issuing agency:		
(1)	(E-)	Indeterminable
(2)	(R+)	Indeterminable
B. On other State agencies:	(E-)	Indeterminable
C. On local governments:		
(1)	(R+)	Indeterminable
(2)	(E-)	Indeterminable
	Benefit (+) Cost (-)	Magnitude
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D. On regulated industries or trade groups:	(+)	Indeterminable
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	(+)	Indeterminable

#### **III. Assumptions.** (Identified by Impact Letter and Number from Section II.)

A(1). The cost of acquiring licensed appraisal services to any State agency that uses such services may decrease as more individuals become authorized and available to provide appraisal services.

A(2). Revenue may increase as a greater number people become qualified for appraisal licensure and are charged fees associated with original and renewed licensure.

B. The cost of acquiring licensed appraisal services to any State agency that uses such services may decrease as more individuals become authorized and available to provide appraisal services.

C(1). Revenue may increase as a greater number people become qualified for appraisal licensure and reside or establish or do business in a local jurisdiction.

C(2). The cost of acquiring licensed appraisal services may decrease as more individuals become authorized and available to provide appraisal services.

D. Regulated trade groups may benefit from additional members of the industry and trade organizations may benefit from increased membership.

F. The cost of acquiring licensed appraisal services may decrease as more individuals become authorized and available to provide appraisal services.

#### **Economic Impact on Small Businesses**

The proposed action has minimal or no economic impact on small businesses.

#### **Impact on Individuals with Disabilities**

The proposed action has no impact on individuals with disabilities.

#### **Opportunity for Public Comment**

Comments may be sent to Todd Blackistone, Executive Director, Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors, 500 North Calvert Street, Third Floor, Baltimore, MD 21202, or call 410-230-6165, or email to [todd.blackistone@maryland.gov](mailto:todd.blackistone@maryland.gov), or fax to 410-333-6314. Comments will be accepted through November 25, 2019. A public hearing has not been scheduled.

#### **Open Meeting**

Final action on the proposal will be considered by Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors during a public meeting to be held on December 10, 2019, at 500 North Calvert Street, Second Floor Conference Room, Baltimore, MD 21202.

#### **.01 Eligibility to Take Examination or Obtain Original Trainee License.**

A. Licensed Real Estate Appraisers. Except as provided in COMAR 09.19.04, [on or after January 1, 2015,] to be eligible to sit for the licensed real estate appraisers examination, an applicant shall *hold a valid trainee appraiser license and shall* have successfully completed[:

(1) 150 classroom hours of study[; and] *in accordance with the Appraiser Qualifications Board core curriculum as set forth in Regulation .03B of this chapter that includes:*

(1) *The 15-hour National USPAP Course or an equivalent course approved by the Appraisal Qualifications Board; and*

(2) *75 hours in:*

(a) *Residential market analysis and highest and best use — 15 hours;*

(b) *Residential appraiser site valuation and cost approach — 15 hours;*

(c) *Residential sales comparison and income approaches — 30 hours; and*

(d) *Residential report writing and case studies — 15 hours.*

[(2) One of the following:

(a) An associate's degree, or higher, from an accredited college, junior college, or community college; or

(b) 30 semester credit hours of college-level education from an accredited college, junior college, community college or university.]

B. Residential Real Estate Appraisers. [On and after January 1, 2015, to] *To* be eligible to sit for the certified residential real estate appraisers examination, an applicant shall have successfully completed:

(1) (text unchanged)

(2) *One of the following:*

(a) *A bachelor's degree or higher from an accredited college or university[.];*

(b) *An associate's degree, or higher, from an accredited college, junior college, or community college in a field of study related to:*

(i) *Business administration;*

(ii) *Accounting;*

(iii) *Finance;*

(iv) *Economics; or*

(v) *Real estate;*

(c) *30 semester credit hours of college-level courses that cover 3 semester hours in each of the following specific topic areas:*

(i) *English composition;*

- (ii) *Microeconomics*;
- (iii) *Macroeconomics*;
- (iv) *Finance*;
- (v) *Algebra*;
- (vi) *Statistics*;
- (vii) *Computer science*;
- (viii) *Business or real estate law*; and
- (ix) *2 elective courses in any of the topics listed in §B(2)(c)(i)—(viii) of this regulation or in accounting, geography, agricultural economics, business management, or real estate*;

(d) *Successful completion of at least 30 semester hours of college-level examination program (CLEP) examinations from each of the following subject matter areas:*

- (i) *College algebra—3 semester hours*;
- (ii) *College composition—6 semester hours*;
- (iii) *College composition modular—6 semester hours*;
- (iv) *College mathematics—6 semester hours*;
- (v) *Principles of macroeconomics—3 semester hours*;
- (vi) *Principles of microeconomics—3 semester hours*;
- (vii) *Introductory business law—3 semester hours*; and
- (viii) *Information systems—3 semester hours*; or

(e) *Any combination of §B(2)(c) or (d) of this regulation that ensures coverage of all topics and hours identified in §B(2)(c) of this regulation.*

C. *As an alternative to the requirements of §B(2)(c) of this regulation, an individual who has held a real estate appraiser license for a minimum of 5 years may qualify for a residential real estate appraiser certificate by satisfying all of the following:*

(1) *No record of any adverse, final, and non-appealable disciplinary action affecting the licensee's legal eligibility to engage in appraisal practice within the 5 years immediately preceding the date of application for a residential real estate appraiser certificate; and*

(2) *Successful completion of the required Appraiser Qualifications Board core curriculum as set forth in Regulation .03B of this chapter; and*

(3) *Successful completion of the additional required qualifying education as set forth in §D of this regulation.*

D. *An individual holding valid trainee appraiser license may satisfy the educational requirements for a residential appraiser certificate by successful completion of Appraiser Qualifications Board core curriculum as set forth in Regulation .03B of this chapter.*

E. *An individual holding a valid real estate appraiser license may satisfy the educational requirements for a residential real estate appraiser certificate by successful completion of the:*

(1) *Appraiser Qualifications Board core curriculum as set forth in Regulation .03B of this chapter; and*

(2) *Additional qualifying education including:*

(a) *Statistics, modeling, and finance—15 hours*;

(b) *Advanced residential applications and case studies—15 hours*; and

(c) *Appraisal subject matter electives—20 hours.*

F. *An individual holding a valid trainee appraiser license may qualify for a real estate appraiser license by satisfying the college-level education requirements as set forth in §B(2) of this regulation.*

G. *An individual holding a valid real estate appraiser license who does not meet the requirements set forth in §C of this regulation may qualify for a residential appraiser certificate by satisfying the college-level education requirements as set forth in §B(2) of this regulation.*

[C.] H. *General Real Estate Appraisers. [On and after January 1, 2015, to] To be eligible to sit for the certified general real estate appraisers examination, an applicant shall have completed:*

(1)—(2) (text unchanged)

[D.] I. *[On and after January 1, 2015, to] To be eligible for a real estate appraiser trainee license, an applicant, within the 5 year period prior to the date of submission of an application for a real estate appraiser trainee license, shall have completed:*

(1)—(2) (text unchanged)

ANATOL POLILLO  
Chairman  
Commission of Real Estate Appraisers, Appraisal  
Management Companies, and Home Inspectors