

**Colorado Board of Real Estate Appraisers
NOTICE OF PROPOSED RULEMAKING
For Rulemaking Hearing to be held on January 11, 2008**

Pursuant to and in compliance with Title 12, Article 61 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 (the "Board") to promulgate rules, or to amend, repeal or repeal and re-enact the present rules of the Board.

STATEMENT OF BASIS

The statutory basis for the rules titled Rules of the Board of Real Estate Appraisers is Part 7 of Title 12, Article 61, Colorado Revised Statutes, as amended. The General Assembly passed Senate Bill 90-34, effective July 1, 1990, which created the Board and mandated the licensing of real estate appraisers under the statutory terms and conditions. The General Assembly has variously amended the statutes by passing House Bill 92-1177, House Bill 96-1080, Senate Bill 97-90, House Bill 97-1056, House Bill 00-1137 and House Bill 02-1130.

STATEMENT OF PURPOSE

The purpose of these rules 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.

SPECIFIC PURPOSE OF THIS RULEMAKING

The specific purpose of these rules is to amend or repeal existing rules and propose new rules with respect to: (1) Standards For Real Estate Appraisal Experience; (2) Continuing Education Requirements; (3) Renewal, Reinstatement, Surrender, Revocation of Licensure; (4) Standards of Professional Appraisal Practice; and (5) Disciplinary Procedures.

Proposed New, Amended and Repealed Rules

[Deleted material shown ~~struck-through~~, new material shown ALL CAPS. Rules, or portions of rules, which are unaffected are not reproduced. Readers are advised to obtain a copy of the complete rules of the Board at: Rules of the Colorado Board of Real Estate Appraisers or <http://www.dora.state.co.us/real-estate/rulemaking/index.htm>]

**THE PROPOSED AMENDED RULES:
DEPARTMENT OF REGULATORY AGENCIES
DIVISION OF REAL ESTATE
BOARD OF REAL ESTATE APPRAISERS
4 CCR 725-2**

CHAPTER 5: STANDARDS FOR REAL ESTATE APPRAISAL EXPERIENCE

5.11 AN APPLICANT FOR LICENSURE AS A COLORADO LICENSED APPRAISER, A COLORADO CERTIFIED RESIDENTIAL APPRAISER OR A COLORADO CERTIFIED GENERAL APPRAISER MUST DEMONSTRATE THAT THE APPLICANT IS CAPABLE OF PERFORMING APPRAISALS THAT ARE COMPLIANT WITH THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE. IN ACCORDANCE WITH BOARD RULE 5.5, THE BOARD MAY VERIFY AN APPLICANT'S APPRAISAL EXPERIENCE BY SUCH MEANS AS IT DEEMS NECESSARY, INCLUDING BUT NOT LIMITED TO REQUIRING THE APPLICANT TO SUBMIT A DETAILED LOG OF APPRAISAL EXPERIENCE AND APPRAISAL REPORTS AND WORK FILES. STAFF WITHIN THE COLORADO DIVISION OF REAL ESTATE OR APPRAISERS SELECTED BY THE COLORADO DIVISION OF REAL ESTATE MAY REVIEW AN APPLICANT'S APPRAISAL REPORTS AND WORK FILES TO DETERMINE WHETHER THE APPLICANT IS CAPABLE OF PERFORMING APPRAISALS THAT ARE COMPLIANT WITH USPAP. SUCH REVIEW SHALL NOT BE CONSIDERED AN "APPRAISAL REVIEW" AS DEFINED BY USPAP. AN APPRAISER PERFORMING A REVIEW OF APPRAISAL REPORTS AND WORK FILES IN ACCORDANCE WITH THIS RULE SHALL NOT BE REQUIRED TO PERFORM A USPAP STANDARD 3 APPRAISAL REVIEW.

CHAPTER 7: CONTINUING EDUCATION REQUIREMENTS

7.21 A licensee who renews a license subject to a continuing education requirement shall retain documentary evidence of compliance with these continuing education requirements for a period of not less than ~~three (3)~~ FIVE (5) years after the expiration of the license being renewed.

CHAPTER 8: RENEWAL, REINSTATEMENT, SURRENDER, REVOCATION OF LICENSURE

8.6 ~~Each holder of an unexpired license shall inform the Board within ten (10) days of any change of residence or business address on a form or in the manner prescribed by the Board.~~ EACH LICENSEE SHALL PROVIDE THE BOARD WITH THE FOLLOWING INFORMATION: (1) A CURRENT MAILING ADDRESS AND PHONE NUMBER FOR THE LICENSEE; (2) A CURRENT EMAIL ADDRESS FOR THE LICENSEE OR A LETTER EXPLAINING WHY THE

LICENSEE CANNOT PROVIDE AN EMAIL ADDRESS; AND (3) SUCH OTHER CONTACT INFORMATION AS MAY BE REQUIRED BY THE BOARD FROM TIME TO TIME. EACH LICENSEE SHALL INFORM THE BOARD WITHIN TEN (10) CALENDAR DAYS OF ANY CHANGE IN SUCH CONTACT INFORMATION ON A FORM OR IN THE MANNER PRESCRIBED BY THE BOARD. CONTACT INFORMATION FOR THE LICENSEE WILL BE POSTED ON THE DIVISION OF REAL ESTATE'S PUBLIC WEBSITE. AND IT IS THE LICENSEE'S RESPONSIBILITY TO INFORM THE DIVISION OF REAL ESTATE OF ANY REQUIRED CHANGES TO THE LICENSEE'S CONTACT INFORMATION ON THE DIVISION OF REAL ESTATE'S PUBLIC WEBSITE. THE ADDRESS SHOWN FOR THE LICENSEE ON THE DIVISION OF REAL ESTATE'S PUBLIC WEBSITE SHALL BE CONSIDERED THE LICENSEE'S ADDRESS OF RECORD.

- 8.8 The holder of a REGISTRATION, license, CERTIFICATE or temporary practice permit may surrender such to the Board. THE BOARD MAY DEEM A SURRENDERED REGISTRATION, LICENSE, CERTIFICATE OR TEMPORARY PRACTICE PERMIT AS PERMANENTLY RELINQUISHED. Such surrender shall not remove the holder from the jurisdiction of the Board for acts committed while holding a REGISTRATION, license, CERTIFICATE or temporary practice permit. A person who surrenders a REGISTRATION, license, CERTIFICATE or temporary practice permit may not reinstate same, but must reapply and meet the current requirements for initial licensure.
- 8.12 Renewal or reinstatement of licensure on inactive status may only be elected at the time of application for renewal or reinstatement, UNLESS ADVANCE, WRITTEN APPROVAL IS GIVEN BY THE BOARD. A licensee may not renew or reinstate on active status and then change to inactive status, UNLESS ADVANCE, WRITTEN APPROVAL IS GIVEN BY THE BOARD. A licensee who has renewed or reinstated on active status is subject to the continuing education requirements for renewal or reinstatement of licensure.

CHAPTER 11: STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE

- 11.1 Pursuant to Section 12-61-710(1)(g), C.R.S. (as amended), the Board adopts, and incorporates by reference in compliance with Section 24-4-103(12.5), C.R.S., as the generally accepted standards of professional appraisal practice the definitions, preamble, rules, standards and standards rules, ~~AND statements and advisory opinions~~ of the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation on January 30, 1989 and amended through ~~October 28, 2005~~ JUNE 8, 2007 and known as the ~~2006-2008-2009~~ edition. Amendments to the Uniform Standards of Professional Appraisal Practice subsequent to ~~October 28, 2005~~ JUNE 8, 2007 are not included in this Rule. A certified copy of the Uniform Standards of Professional Appraisal Practice is on file and available for public inspection with the Program Administrator ~~MANAGER~~ at the offices of the Board of Real Estate

Appraisers at 1560 Broadway, Suite 925, Denver, Colorado. Copies of the Uniform Standards of Professional Appraisal Practice adopted under this rule may be examined at any state publications depository library. The ~~2006-2008-2009~~ edition of the Uniform Standards of Professional Appraisal Practice may be examined at the Internet website of The Appraisal Foundation at www.appraisalfoundation.org, and copies may be ordered through that mechanism. The Appraisal Foundation may also be contacted at 1155 15th Street, NW, Suite 1111, Washington, DC 20005, or by telephone at (202) 347-7722 or by telefax at (202) 347-7727. The ~~2005-2006~~ edition of the Uniform Standards of Professional Appraisal Practice, incorporating amendments made through ~~June 15, 2004~~OCTOBER 28, 2005 shall remain in effect through ~~June 30, 2006~~DECEMBER 31, 2007. Beginning ~~July 1, 2006~~JANUARY 1, 2008, the ~~2006~~ 2008-2009 edition of the Uniform Standards of Professional Appraisal Practice shall be in effect.

CHAPTER 13: DISCIPLINARY PROCEDURES

13.8 AN INVESTIGATION PERFORMED BY STAFF WITHIN THE COLORADO DIVISION OF REAL ESTATE OR AN APPRAISER SELECTED BY THE COLORADO DIVISION OF REAL ESTATE TO PERFORM AN INVESTIGATION IS NOT CONSIDERED AN "APPRAISAL REVIEW" AS DEFINED BY USPAP. AN APPRAISER PERFORMING AN INVESTIGATION IN ACCORDANCE WITH THIS RULE SHALL NOT BE REQUIRED TO PERFORM A USPAP STANDARD 3 APPRAISAL REVIEW.

13.9 A LICENSEE SHALL RESPOND IN WRITING TO ANY CORRESPONDENCE FROM THE BOARD REQUIRING A RESPONSE. THE WRITTEN RESPONSE SHALL BE SUBMITTED WITHIN THE TIME PERIOD PROVIDED BY THE BOARD. THE BOARD SHALL SEND SUCH CORRESPONDENCE TO THE LICENSEE'S ADDRESS OF RECORD WITH THE BOARD. FAILURE TO SUBMIT A TIMELY WRITTEN RESPONSE SHALL BE GROUNDS FOR DISCIPLINARY ACTION.

A hearing on the above subject matter will be held on Friday, January 11, 2008, at the Colorado Division of Real Estate, 1560 Broadway, Suite 925, Denver, Colorado 80202 beginning at 9:00 a.m.

Any interested person may participate in the rulemaking through submission of written data or arguments to the Colorado Board of Real Estate Appraisers. Persons are requested to submit data, views and arguments to the Board in writing no less than ten days (10) days prior to the hearing date and time set forth above.

The Colorado Board of Real Estate Appraisers will consider all submissions.

Please be advised that all rules being considered are subject to further changes and modifications after public comment and formal hearing.