

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57A .0204

DEADLINE FOR RECEIPT: Monday, June 24, 2024

PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In (c), line 20, do you need the term “minimum”? Generally, rules set the minimum standards, so the use of the term “minimum” is discouraged.

Is the intent of (c) to incorporate the Qualification Criteria by reference? If that was the intent, please do so in accordance with 150B-21.6 (assuming that it’s not been done elsewhere in this Rule.) You can incorporate the information by using a hyperlink.

In lines 25 and 32, please put a hyphen between “seven hour”. Please spell out the acronym “USPAP” the first time it’s used in each rule.

In lines 28 and 32, is there a definition or standard for “successfully complete(s)”? Does it mean that an appraiser must receive, at least, a certain score on the exam? Please include a definition or score that must be achieved to successfully complete the course. Or consider deleting “successfully” if it’s unnecessary.

In lines 29 and 31, are the “Valuation Bias and Fair Housing Laws and Regulations” encompassed in the federal code? If so, please incorporate them by reference in accordance with 150B-21.6. Please cross-reference the General Statute(s) if they are found in North Carolina law.

In line 36, consider changing to “shall not carry over any continuing education credits from those courses into the subsequent years.”

In (f) lines 4-6, what does “proof of satisfaction” mean? Is the proof of satisfaction a certificate of course completion from an approved course sponsor?

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

In (g) lines 20-21, add “and” before “licensed” and add a comma after “credit” in line 21.

On line 25, is “Requests for equivalent approval for continuing education” the same as “appraisal education activity equivalent” on lines 11-12?

In (i), your agency refers to an affidavit, and the Board may require the use of a form for this document. The APA requires the substantive contents of forms to be set forth in either rules or statute. Wherever you refer to forms, you should either state the substantive contents of the form in the rule or be able to show rules or statutes where the substantive content is stated. The rule should also state, with specificity, where the form may be obtained.

In (i) line 12, add a comma after “certificate” and after “93E-1-12”.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57A .0204 is amended as published in 38:18 NCR 1199-1204 as follows:

2
3 **21 NCAC 57A .0204 CONTINUING EDUCATION**

4 (a) All registered trainees, real estate appraiser licensees, and certificate holders shall, upon the renewal of their
5 registration, license, or certificate in every odd-numbered year, have obtained continuing education, as required by
6 this Rule. Trainees and appraisers who initially registered with the Board after January 1 of an ~~odd-numbered~~ odd-
7 numbered year are not required to obtain continuing education for renewal of their registration in that ~~odd-numbered~~
8 odd-numbered year.

9 (b) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph
10 (a) of this Rule shall complete 28 hours of continuing education before June 1 of every ~~odd-numbered~~ odd-numbered
11 year. Specific topics required as part of the 28 hours of continuing education are outlined in Paragraph (d) of this Rule.
12 Except as provided in Paragraphs (g) and (h) of this Rule, such education shall have been obtained by taking courses
13 approved by the Board for continuing education credit, at schools approved by the Board to offer such courses, as set
14 forth in 21 NCAC 57B .0603. Such education shall relate to real estate appraisers maintaining and increasing their
15 skill, knowledge, and competency in real property appraising. There is no exemption from the continuing education
16 requirement for trainees or appraisers whose status has been upgraded to the level of licensed residential, certified
17 residential, or certified general appraiser, since the issuance or most recent renewal of their registration, license, or
18 certificate. Trainees, licensees, and certificate holders shall not take the same continuing education course more than
19 once during the two-year continuing education cycle.

20 (c) Each appraisal continuing education course shall include a minimum of two classroom hours of instruction on real
21 estate appraisal or related topics, as set forth in the Real Property Appraiser Qualification Criteria as implemented by
22 The Appraisal Foundation's Appraiser Qualifications Board.

23 (d) Each trainee, licensee, and certificate holder who is required to obtain continuing education pursuant to Paragraph
24 (a) of this Rule shall, as part of the 28 hours of continuing education required in Paragraph (b) of this Rule, complete
25 the seven hour National USPAP ~~update course~~ Continuing Education course, as required by the Appraiser
26 Qualifications Board of the Appraisal Foundation, between October 1 of an odd-numbered year and June 1 of an even
27 numbered year, as required by the Appraiser Qualifications Board of the Appraisal Foundation. year. Beginning June
28 1, 2025, each trainee, licensee, and certificate holder shall successfully complete a course which meets the content
29 requirements of the Valuation Bias and Fair Housing Laws and Regulations outline as set forth in the Real Property
30 Appraiser Qualification Criteria, every continuing education cycle. The first time a trainee, licensee, or certificate
31 holder completes the continuing education requirements of the Valuation Bias and Fair Housing Laws and Regulations
32 requirement, the course length must be at least seven hours. If an appraiser successfully completes the seven hour
33 (plus one hour exam) course as part of their qualifying education, they have met this requirement. Each continuing
34 education cycle thereafter, the course length shall be at least four hours.

35 (e) A trainee, licensee, or certificate holder who completes approved continuing education courses in excess of the
36 requirement shall not carry over into the subsequent years any continuing education credit.

1 (f) Course sponsors shall provide a certificate of course completion to each trainee, licensee, and certificate holder
2 who completes a course, as set forth in 21 NCAC 57B .0603. In addition, course sponsors shall send to the Board a
3 roster of all who completed the course. This roster shall be sent within 15 days of completion of the course. In order
4 to renew a registration, license, or certificate in a timely manner, the Board shall receive proof of satisfaction of the
5 continuing education requirement prior to processing a registration, license, or certificate renewal application. Proof
6 of satisfaction shall be made by receipt of a roster from a school or course sponsor showing the courses completed by
7 the ~~applicant or by submission of an original certificate of course completion.~~ applicant. If proof of having satisfied
8 the continuing education requirement is not provided, the registration, license, or certificate shall expire and the
9 trainee, licensee, or certificate holder shall be subject to the provisions of Rules .0203(e) and .0206 of this Section.

10 (g) A current or former trainee, licensee, or certificate holder may request that the Board grant continuing education
11 credit for a course that has been completed but is not approved by the Board, or for appraisal education activity
12 equivalent to a Board approved course, by making such request and submitting a non-refundable fee of fifty dollars
13 (\$50.00) as set out in G.S. 93E-1-8(d) for each course or type of appraisal education activity to be evaluated.
14 Continuing education credit for a non-approved course shall be granted only if the trainee, licensee, or certificate
15 holder provides proof of course completion and the Board finds that the course satisfies the requirements for approval
16 of appraisal continuing education courses with regard to subject matter, course length, instructor qualifications, and
17 student attendance, as set forth in 21 NCAC 57B .0603. Appraisal education activities for which credit may be awarded
18 include teaching appraisal courses, authorship of appraisal textbooks, and development of instructional materials on
19 appraisal subjects. Up to 14 hours of continuing education credit may be granted in each continuing education cycle
20 for participation in appraisal education activities. Trainees, licensed or certified appraisers who have taught an
21 appraisal course approved by the Board for continuing education credit are deemed to have taken an equivalent course
22 and are not subject to the fee prescribed in G.S. 93E-1-8(d), provided they submit verification of having taught the
23 course(s). A trainee, licensee, or certificate holder who teaches a Board approved continuing education course shall
24 not receive continuing education credit for the same course more than once every two years, regardless of how often
25 he or she teaches the course. Requests for equivalent approval for continuing education credit shall be received before
26 June 15 of an odd-numbered year to be credited towards the continuing education requirement for that odd-numbered
27 year.

28 (h) A trainee, licensee, or certificate holder may receive continuing education credit by taking any of the Board
29 approved precertification courses, other than Basic Appraisal Principles and Basic Appraisal Procedures, or their
30 approved equivalents. Trainees, licensees, and certificate holders who wish to use a precertification course for
31 continuing education credit shall comply with the provisions of 21 NCAC 57B .0604.

32 (i) A licensee or certificate holder who resides in another state, and is currently credentialed in another state, may
33 satisfy the continuing education requirements by submitting an affidavit prior to renewal which lists the course
34 provider, title, hours, and date of completion of all continuing education completed within the current continuing
35 education cycle. The Board will audit no less than ten percent of licensees who renew with an affidavit. A licensee or
36 certificate holder selected for a continuing education audit shall make the certificates available to the Board upon
37 request. A licensee or certificate holder who became licensed in North Carolina by licensure or certification with

1 another state and now resides in North Carolina may renew by affidavit for his or her first renewal as a resident of
2 North Carolina only if the appraiser moved to North Carolina on or after January 1 of an odd-numbered year. If an
3 appraiser was a resident of this state before January 1 of an odd-numbered year, the appraiser shall comply with the
4 requirements of this section regardless of how the license or certificate was obtained.

5 (j) A trainee, licensee, or certificate holder who returns from active military duty on or after February 1 of an odd-
6 numbered year may renew his or her registration, license, or certificate in that odd-numbered year even if the required
7 continuing education is not completed before June 1 of that year. ~~All~~ When a trainee, licensee, or certificate holder
8 returns from active duty, all required continuing education shall be completed ~~within 180 days of when the trainee,~~
9 ~~licensee, or certificate holder returns from active duty,~~ pursuant to the Real Property Appraiser Qualification Criteria
10 as implemented by The Appraisal Foundation's Appraiser Qualifications Board. The Board shall immediately place
11 any licensee or certificate holder enrolled in the Appraisal Subcommittee's National Registry in an inactive status and
12 may revoke the registration, license, or certificate in accordance with 93E-1-12 if the required continuing education
13 is not completed ~~within 180 days,~~ pursuant to the Real Property Appraiser Qualification Criteria as implemented by
14 The Appraisal Foundation's Appraiser Qualifications Board. This Paragraph applies to an individual who is serving
15 in the armed forces of the United States and to whom G.S. 105-249.2 grants an extension of time to file a tax return.

16
17 *History Note: Authority G.S. 93B-15; 93E-1-7(a); 93E-1-10;*
18 *Eff. July 1, 1994;*
19 *Amended Eff. July 1, 2014; January 1, 2013; July 1, 2011; July 1, 2010; January 1, 2008; March*
20 *1, 2007; March 1, 2006; July 1, 2005; July 1, 2003; August 1, 2002; April 1, 1999;*
21 *Pursuant to G.S. 150B.21.3A, rule is necessary without substantive public interest Eff. October 3,*
22 *2017;*
23 *Amended Eff. August 1, 2024; July 1, 2022; July 1, 2019; July 1, 2018.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57A .0206

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In lines 7 and 15, please put a hyphen between “seven hour”. Please spell out the acronym “USPAP” the first time it’s used in each rule.

Is the intent of lines 9-10 to incorporate the “Real Property Qualification Criteria as implemented by The Appraisal Foundation’s Appraiser Qualification Board” by reference? If so, please do so in accordance with 150B-21.6. You can incorporate the information by using a hyperlink.

In line 8, are the “Valuation Bias and Fair Housing Laws and Regulations” encompassed in the federal code? If so, please incorporate them by reference in accordance with 150B-21.6. Please cross-reference any General Statute(s) that are found in North Carolina law. Please add a comma after “outline.”

In line 6, consider putting a period after “renewed” to start a new sentence. Making (a) into two sentences may make this section clearer to the regulated public.

In line 13, your agency refers to an “application”, and the Board may require the use of a form for this document. G.S. § 150B-2(8d) requires the substantive contents of forms to be set forth in either rules or statute. The rule should also state, with specificity, where the form may be obtained.

In lines 5 and 13, your agency refers to “proof”. Is this referring to the “proof of satisfaction” of course completion from an approved course sponsor in Rule .0204?

In line 20, what are considered “disciplinary actions?” Is this term defined in a rule or elsewhere? Do you need to add G.S. 93E-1-12 to the History Note? What is considered when examining the “applicant’s fitness”? Are there certain factors or standards that are used during the examination?

In line 22, is the phrase “or it shall not be accepted” necessary? You already state in (c) that applications for reinstatement “shall not be granted” if “more than 5 years.”

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

In (d), consider adding “of an application” after “Reinstatement.”

In the History Note, why isn't G.S. 93E-1-12 included in your authority? It appears to be applicable here.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57A .0206 is amended as published in 38:18 NCR 1199-1204 as follows:

2
3 **21 NCAC 57A .0206 EXPIRED REGISTRATION, LICENSE OR CERTIFICATE**

4 (a) Expired registrations, licenses, and certificates may be reinstated within 12 months after expiration upon payment
5 to the Board of the renewal and late filing fees as set out in G.S. 93E-1-7, and proof of having obtained the continuing
6 education that would have been required had the registration, license, or certificate been ~~renewed~~. renewed, including
7 the most recent seven hour National USPAP Continuing Education course and the required number of hours of a
8 course which meets the content requirements of the Valuation Bias and Fair Housing Laws and Regulations outline
9 as set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's
10 Appraiser Qualifications Board.

11 (b) If a registration, license, or certificate has been expired for more than 12 months, but less than five years, an
12 applicant may apply for reinstatement. In order to be considered for reinstatement, the applicant shall pay the filing
13 fee as set out in G.S. 93E-1-7 and include in the application proof that the applicant has obtained the continuing
14 education that would have been required had the registration, license, or certificate been continuously renewed, which
15 shall include the most recent edition of the seven hour National USPAP ~~update~~Continuing Education course and the
16 required number of hours of a course which meets the content requirements of the Valuation Bias and Fair Housing
17 Laws and Regulations outline, as required by the ~~Appraiser Qualifications Board of the Appraisal Foundation.~~ Real
18 Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications
19 Board. In addition, the Board shall consider whether the applicant for reinstatement has any prior or current
20 disciplinary actions, and shall examine the applicant's fitness for registration, licensure, or certification before granting
21 the request for reinstatement. A completed application for reinstatement shall be received by June 1 of the fifth year
22 after the registration, license, or certificate expired or it shall not be accepted.

23 (c) An application for reinstatement shall not be granted if the registration, license, or certificate has been expired for
24 more than five years.

25 (d) Reinstatement is effective on the date it is issued by the Board. It is not retroactive.

26 (e) A trainee or appraiser whose registration, license, or certification has expired and who is returning from active
27 military duty may renew his or her registration, license, or certificate when the trainee or appraiser returns from active
28 duty without payment of a late filing fee as long as the trainee or appraiser renews the registration, license, or certificate
29 within ~~180 days of when the trainee or appraiser returns from active duty.~~ the timeframe outlined in the Real Property
30 Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualifications Board. This
31 Rule applies to an individual who is serving in the armed forces of the United States and to whom G.S. 105-249.2
32 grants an extension of time to file a tax return.

33
34 *History Note Authority G.S. 93E-1-6(b); 93E-1-7; 93E-1-10;*

35 *Eff. July 1, 1994;*

36 *Amended Eff. September 1, 2014; July 1, 2014; July 1, 2011; September 1, 2008; March 1, 2007;*

37 *July 1, 2005; August 1, 2002; April 1, 1999;*

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*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3, 2017;
Amended Eff. August 1, 2024; July 1, 2022.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57A .0301

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In line 5, your agency refers to an "examination approval form", and the Board may require the use of a form for this document. G.S. § 150B-2(8d) requires the substantive contents of forms to be set forth in either rules or statute. The rule should also state, with specificity, where the form may be obtained.

In lines 8-9, please incorporate the "Real Property Qualification Criteria as implemented by The Appraisal Foundation's Appraiser Qualification Board" by reference in accordance with 150B-21.6.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57A .0301 is amended as published in 38:18 NCR 1199-1204 as follows:

2

3 **21 NCAC 57A .0301 TIME AND PLACE**

4 (a) Applicants who have completed the education and experience requirements for licensure or certification as set
5 forth in G.S. 93E-1-6 shall be issued an examination approval form by the Board. The examination approval form is
6 valid for ~~five attempts at the examination or for one year~~ 24 months from date of ~~issuance, whichever comes first.~~
7 issuance.

8 (b) As set forth in the Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's
9 Appraiser Qualifications Board, examination results are valid for 24 months from the date the examination is
10 completed.

11

12 *History Note: Authority G.S. 93E-1-6(c); 93E-1-10;*

13 *Eff. July 1, 1994;*

14 *Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; January 1, 2008; April 1, 2006;*

15 *July 1, 2005; August 1, 2002; April 1, 1999;*

16 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
17 *2017;*

18 *Amended Eff. August 1, 2024; May 1, 2020.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57A .0303

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In lines 5-6, what is your agency's authority to utilize a "private testing service?" What is the process for the Board to approve the use of such a service?

In lines 7-8, is your agency referring to a certain examination when referring to "the examination"? Or is the intent that this Rule apply to "any" examination?

*In line 10, what is meant by "the application shall be cancelled?" What is your authority to cancel the application? G.S. 93-E-1-6 says that "if the applicant has not affirmatively demonstrated that the applicant meets the requirements for registration, licensure, or certification, action on the application **will be deferred** pending a hearing before the Board."*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57A .0303 is amended as published in 38:18 NCR 1199-1204 as follows:

2

3 **21 NCAC 57A .0303 RE-EXAMINATION**

4 (a) Applicants for an appraiser license or certificate who fail to pass or appear for any examination for which the
5 applicant has been scheduled by the Board-approved private testing service, may schedule a subsequent examination
6 and shall pay the prescribed examination testing fees to the Board-approved private testing service.

7 (b) ~~Applicants may take the examination no more than five times per application.~~ If an applicant fails the examination,
8 the applicant ~~must~~ shall wait a minimum of 30 days before retaking the examination. If the applicant does not pass the
9 examination ~~by the fifth attempt at the examination or within one year of~~ 24 months from the date of issuance of the
10 examination approval form, the application shall be cancelled.

11

12 *History Note: Authority G.S. 93E-1-6; 93E-1-10;*

13 *Eff. July 1, 1994;*

14 *Amended Eff. July 1, 2014; January 1, 2013; September 1, 2008; July 1, 2005; August 1, 2002;*

15 *April 1, 1999;*

16 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
17 *2017-;*

18 *Amended Eff. August 1, 2024.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57A .0501

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In (b), lines 16-17, please add "the" before "USPAP" in both locations.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57A .0501 is amended as published in 38:18 NCR 1199-1204 as follows:

2

3 **21 NCAC 57A .0501 APPRAISAL STANDARDS**

4 (a) Every registered trainee, licensed and certified real estate appraiser shall comply with the following provisions of
5 the "Uniform Standards of Professional Appraisal Practice" (USPAP) promulgated by the Appraisal Standards Board
6 of the Appraisal Foundation, all of which are incorporated by reference including subsequent amendments and
7 editions:

- 8 (1) Definitions;
- 9 (2) Preamble;
- 10 (3) Ethics Rule;
- 11 (4) Record Keeping Rule;
- 12 (5) Competency Rule;
- 13 (6) Scope of Work Rule;
- 14 (7) Jurisdictional Exception Rule; and
- 15 (8) Standards Rules 1, 2, 3, and 4.

16 (b) A copy of USPAP may be obtained from the Appraisal Foundation at <https://www.appraisalfoundation.org>. The
17 cost for a copy of USPAP ~~is seventy five dollars (\$75.00)~~ shall be no more than the fee set by the Appraisal
18 Foundation.

19

20 *History Note: Authority G.S. 93E-1-10;*

21 *Eff. July 1, 1994;*

22 *Amended Eff. July 1, 2016; January 1, 2013; January 1, 2008; July 1, 2005; August 1, 2002; April*
23 *1, 1999;*

24 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
25 *2017;*

26 *Amended Eff. August 1, 2024; July 1, 2022; August 1, 2018.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57B .0302

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In (a), please incorporate the “Real Property Qualification Criteria as implemented by The Appraisal Foundation’s Appraiser Qualification Board” by reference in accordance with 150B-21.6.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57B .0302 is amended as published in 38:18 NCR 1199-1204 as follows:

2

3 **21 NCAC 57B .0302 COURSE CONTENT**

4 (a) All courses shall consist of instruction in the subject areas outlined in the ~~Appraiser Qualification Board's Guide~~
5 ~~Note 1. Real Property Appraiser Qualification Criteria as implemented by The Appraisal Foundation's Appraiser~~
6 ~~Qualifications Board. Guide Note 1 The Real Property Appraiser Qualification Criteria~~ may be accessed at the
7 Appraisal Foundation website at www.appraisalfoundation.org.

8 (b) Partial credit shall be awarded when only part of the course covers the subject areas outlined in ~~Appraiser~~
9 ~~Qualification Board's Guide Note 1. the Real Property Appraiser Qualification Criteria as implemented by The~~
10 ~~Appraisal Foundation's Appraiser Qualifications Board.~~

11 (c) On or before the first class meeting day of the Basic Appraisal Principles course, the instructor shall give to each
12 student a handout prepared by the Board regarding the trainee registration process and the process to upgrade to a
13 licensed or certified appraiser. The student handout may be accessed on the Board's website at
14 www.ncappraisalboard.org.

15

16 *History Note: Authority G.S. 93E-1-6; 93E-1-8(a); 93E-1-10;*

17 *Eff. July 1, 1994;*

18 *Amended Eff. July 1, 2014; September 1, 2008; January 1, 2008; July 1, 2005; August 1, 2002;*

19 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
20 *2017;*

21 *Amended Eff. August 1, 2024; May 1, 2020; September 1, 2019.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57D .0101

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In line 6, "submit an application" to whom and how?

In (6) and (7), what is required to be a "compliance manager"? You need to cross-reference G.S. 93E-2-5 to make clear who you are referring to. What authority are you relying upon to require an application and Board approval of the compliance manager? G.S. 93E-2-5 simply requires the individual to file a form indicating the designation and the individual's acceptance of the same. Are you relying upon G.S. 93E-2-3?

In line 20, what are considered "disciplinary actions?" Is this term defined in a rule or elsewhere? Does your agency need to add G.S. 93E-1-12 to the History Note?

In (17), line 35, add commas before "in" and after "nationwide".

Does your agency need to add G.S. 93E-2-5 to the History Note?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57D .0101 is amended as published in 38:18 NCR 1199-1204 as follows:

2
3 **21 NCAC 57D .0101 FORM**

4 An appraisal management company that wishes to file an application for an appraisal management company certificate
5 of registration may obtain the required form upon request to the Board or on the Board's website at
6 www.ncappraisalboard.org. The appraisal management company shall submit an application that includes the
7 following information:

- 8 (1) the legal name of the applicant;
- 9 (2) the name under which the applicant will do business in North Carolina;
- 10 (3) the type of business entity;
- 11 (4) the address of its principal office;
- 12 (5) the applicant's NC Secretary of State Identification Number if required to be registered with the
13 Office of the NC Secretary of State;
- 14 (6) a completed application for approval of the compliance manager;
- 15 (7) any past criminal conviction of and any pending criminal charge against the compliance manager
16 and any person or entity that owns over 10 percent ~~or more~~ of the appraisal management company;
- 17 (8) any past revocation, ~~suspension,~~ surrender in lieu of revocation, cancellation, refusal, or denial of
18 an appraisal license of any person or entity that owns any part, directly or indirectly, of the appraisal
19 management company;
- 20 (9) any disciplinary action taken against the applicant, including the effective date of the disciplinary
21 action and whether the applicant has complied;
- 22 (10) other States where the applicant is registered to operate, if applicable;
- 23 (11) applicant's employer identification number (EIN);
- 24 (12) if a general partnership, a description of the applicant entity, including a copy of its written
25 partnership agreement or, if no written agreement exists, a written description of the rights and duties
26 of the several partners;
- 27 (13) if a business entity other than a corporation, limited liability company, or partnership, a description
28 of the organization of the applicant entity, including a copy of its organizational documents;
- 29 (14) if a foreign business entity, a certificate of authority to transact business in North Carolina and an
30 executed consent to service of process and pleadings; ~~and~~
- 31 (15) a certification that the applicant has obtained a surety bond as required by ~~G.S. 93E 2-4(g).~~ G.S.
32 93E 2-4(g);
- 33 (16) the name, address, and contact information for any individual or business entity that directly or
34 indirectly owns over 10 percent of the appraisal management company; and
- 35 (17) the annual size of the appraisal panel in this state and nationwide of the appraisal management
36 company for the previous calendar year.

1 *History Note: Authority G.S. 93E-2-4;*
2 *Eff. January 1, 2011;*
3 *Amended Eff. July 1, 2014;*
4 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
5 *2017;*
6 *Amended Eff. August 1, 2024; May 1, 2020.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57D .0202

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

In (3) lines 13-14, change “over 10 percent” to “of more than ten percent (10%) of the appraisal management company”.

In (4), line 15, please cross-reference G.S. 93E-2-5 after “compliance manager”.

In lines 23-24, how and when does the AMC submit the “registry fee”? Please make this clear to the regulated public.

In line 27, does “disciplinary action” in this Rule also refer to G.S. 93E-1-12?

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57D .0202 is amended as published in 38:18 NCR 1199-1204 as follows:

2
3 **21 NCAC 57D .0202 REGISTRATION RENEWAL**

4 (a) All registrations shall expire on June 30 of each year, unless renewed during the renewal period. The renewal
5 period shall be from May 1 through June 30 of each year.

6 (b) A holder of an appraisal management company registration applying for renewal of registration shall apply in
7 writing upon the form provided by the Board or log into the licensee login section on the Board's website and shall
8 pay the renewal fee. The renewal fee shall be two thousand dollars (~~(\$2000)~~, (\$2,000)). The renewal fee is not refundable
9 on or after July 1.

10 (c) The renewal form shall include the following:

- 11 (1) The appraisal management company's name and registration number;
- 12 (2) the contact person for renewal;
- 13 (3) the updated address for the company, service of process agent, direct and indirect owners over 10
14 percent, and compliance manager, if applicable;
- 15 (4) whether the company owner(s) or compliance manager have had an appraiser credential refused,
16 denied, cancelled, surrendered in lieu of revocation, or revoked in any state;
- 17 (5) a copy of the surety bond that expires no sooner than June 30th of the year following renewal;
- 18 (6) the signature of the applicant; and
- 19 (7) the operation type, total number of appraisers on the panel in North Carolina for the previous
20 calendar year, the total number of appraisers on the panel nationwide for the previous calendar year,
21 and the number of appraisers on the panel who performed one or more appraisals in connection with
22 a covered transaction in North Carolina for the previous calendar year.

23 (d) In addition to the renewal fee, an appraisal management company shall submit with its renewal the annual appraisal
24 management company registry fee required by the Appraisal Subcommittee pursuant to 12 C.F.R. 1102.402. The fee
25 shall then be transmitted by the Board to the Appraisal Subcommittee.

26 (e) Any company who acts or holds itself out as a registered appraisal management company while its appraisal
27 management company registration is expired shall be subject to disciplinary action and penalties in G.S. 93E-2-8 and
28 G.S. 93E-2-10.

29
30 *History Note: Authority G.S. 93E-2-3; 93E-2-4; 93E-2-6; 93E-2-8; 93E-2-10;*
31 *Eff. January 1, 2011;*
32 *Amended Eff. July 1, 2014;*
33 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
34 *2017;*
35 *Amended Eff. August 1, 2024; July 1, 2022; July 1, 2018.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Appraisal Board

RULE CITATION: 21 NCAC 57D .0302

DEADLINE FOR RECEIPT: Monday, June 24, 2024

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may call our office to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following technical changes be made:

In (a), lines 7-8, consider changing “The address shall be sufficiently descriptive” to “The business address and email address provided shall enable...”

In (b), lines 11-12, what authority are you relying upon to require an application and Board approval of the compliance manager? G.S. 93E-2-5 simply requires the individual to file a form indicating the designation and the individual’s acceptance of the same. Are you relying upon G.S. 93E-2-3? If so, please include it in the History Note.

In line 15, who decides what is considered an “unexpected change”?

In line 20, change to “ten percent (10%)”.

Consider adding G.S. 93E-2-4, G.S. 93E-2-5, and G.S. 93E-2-8 to the History Note.

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Travis Wiggs
Commission Counsel
Date submitted to agency: June 10, 2024

1 21 NCAC 57D .0302 is amended as published in 38:18 NCR 1199-1204 as follows:

2
3 **21 NCAC 57D .0302 CHANGE ~~OF NAME OR CONTACT INFORMATION~~ IN REGISTRATION &**
4 **REPORTING REQUIREMENTS**

5 (a) Appraisal management companies shall notify the Board in writing of each change of name, trade name, federal
6 identification number, organizational status, ownership structure, compliance manager, surety bond, registered agent,
7 business address, telephone number, or email address within 10 business days of said change. The address shall be
8 sufficiently descriptive to enable the Board to electronically correspond with and physically locate the appraisal
9 management company.

10 (b) If an appraisal management company intends to change its designated compliance manager or direct or indirect
11 owner, it must notify the Board at least 10 business days before the effective date of the intended change and submit
12 an application for approval of the designated compliance manager or any new direct or indirect owner who will own
13 more than 10 percent of the appraisal management company. The application shall include a criminal records check
14 pursuant to G.S. 93E-2-11.

15 (c) If the appraisal management company has an unexpected change to its designated compliance manager or direct
16 or indirect owner and is unable to provide at least 10 business days' notice of the change, the company shall have 10
17 business days from the unexpected change to notify the Board. An application shall be submitted to the Board, which
18 shall include a criminal records check pursuant to G.S. 93E-2-11, within 15 business days of when an interim
19 designated compliance manager, a new designated compliance manager, or any new direct or indirect owner that owns
20 more than 10 percent of the appraisal management company as a result of the unexpected change is appointed, hired,
21 or otherwise determined.

22 (d) Appraisal management companies shall notify the Board in writing within 10 business days of any event that may
23 cause the applicant or registration to be disciplined in accordance with G.S. 93E-2-8(a).

24
25 *History Note: Authority G.S. 93E-2-3; 93E-2-9;*

26 *Eff. January 1, 2011;*

27 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 3,*
28 *2017. 2017;*

29 *Amended Eff. August 1, 2024.*