

1 21 NCAC 57A .0407 is amended with changes as published in 29:03 NCR 257 as follows:

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3 **21 NCAC 57A .0407 SUPERVISION OF TRAINEES**

4 (a) A certified real estate appraiser may engage a registered trainee to assist in the performance of real estate
5 appraisals, provided that the appraiser:

- 6 (1) has been certified for at least three years;
- 7 (2) has no more than three trainees working under him or her at any one time. A certified residential
8 appraiser may have two trainees working under his or her supervision at any one time. Once at
9 least one of those trainees has completed 50 percent of the required appraisal experience to
10 upgrade, a certified residential appraiser may add another trainee. A certified general appraiser
11 may have three trainees working under his or her supervision. Prior to the date any trainee begins
12 performing appraisals under his or her supervision, the supervisor ~~must~~ shall inform the Board of
13 the name of the trainee by filing a Supervisor Declaration Form with the Board. The form may
14 be found on the Board's website at www.ncappraisalboard.org. The supervisor ~~must~~ shall also
15 inform the Board when a trainee is no longer working under his or her supervision by using the
16 Supervisor Declaration Form;
- 17 (3) actively and personally supervises the trainee on all appraisal reports and appraisal related
18 activities until the trainee is no longer under his or her supervision;
- 19 (4) reviews all appraisal reports and supporting data used in connection with appraisals in which the
20 services of a trainee is utilized, and assures that research of general and specific data has been
21 adequately conducted and properly reported, application of appraisal principles and methodologies
22 has been properly applied, that the analysis is sound and adequately reported, and that any
23 analysis, opinions, or conclusions are adequately developed and reported so that the appraisal
24 report is not misleading;
- 25 (5) complies with all provisions of Rule .0405 of this Section regarding appraisal reports;
- 26 (6) reviews and signs the trainee's log of appraisals, which must be updated at least every 30 days. In
27 addition, the supervisor ~~must~~ shall make available to the trainee a copy of every appraisal report
28 where the trainee performs more than 75 percent of the work on the appraisal; and
- 29 (7) has not received any disciplinary action regarding his or her appraisal license or certificate from
30 the State of North Carolina or any other state within the previous three years. For the purposes of
31 this Section, disciplinary action means an active suspension, a downgrade of a credential, a
32 revocation, or any other action that affects a supervisor's ability to engage in appraisal
33 practice.

34 (b) Active and personal supervision includes direction, guidance, and support from the supervisor. The supervising
35 appraiser shall have input into and full knowledge of the appraisal report prior to its completion, and shall make any
36 necessary and appropriate changes to the report before it is transmitted to the client. In addition, the supervisor shall
37 accompany the trainee on the inspections of the subject property on the first 50 appraisal assignments or the first
38 1500 hours of experience, whichever comes first, for which the trainee will perform more than 75 percent of the

1 work. After that point, the trainee may perform the inspections without the presence of the supervisor provided
2 that the supervisor is satisfied that the trainee is competent to perform those inspections, and provided that the
3 subject property is less than 50 miles from the supervisor's primary business location. The supervisor must shall
4 accompany the trainee on all inspections of subject properties that are located more than 50 miles from the
5 supervisor's primary business location.

6 (c) The trainee must shall maintain a log on a form that includes each appraisal performed by the trainee, the type of
7 property appraised, type of appraisal performed, complete street address of the subject property, the date the report
8 was signed, the experience hours claimed, the name of the supervisor for that appraisal, the supervisor's license or
9 certificate number, and whether the supervisor accompanied the trainee on the inspection of the ~~subject~~ subject
10 property. The log must shall show all appraisals performed by the trainee and must shall be updated at least every 30
11 days. ~~The A~~ log form is available on the Board's website at www.ncappraisalboard.org.

12 (d) ~~All trainees and any~~ An appraiser who wishes to supervise a trainee must shall attend an education program
13 regarding the role of a supervisor before such supervision begins. This course shall be taught only by instructors
14 approved by the Board in accordance with 21 NCAC 57B .0614. ~~A trainee shall not receive experience credit for~~
15 ~~any appraisals performed before the trainee has taken the course.~~

16 (e) Trainees must shall assure that the Appraisal Board has received the Supervisor Declaration Form on or before
17 the day the trainee begins assisting the supervising ~~appraiser~~ appraiser by contacting the Board by telephone or
18 email at ncab@ncab.org. The form may be found on the Board's website at www.ncappraisalboard.org. Trainees
19 shall not receive appraisal experience credit for appraisals performed in violation of this Paragraph.

20 (f) Supervising appraisers shall not be employed by a trainee or by a company, firm, or partnership in which the
21 trainee has a controlling interest.

22 (g) If a trainee signs an appraisal report or provides significant professional assistance in the appraisal process and
23 thus is noted in the report as having provided such assistance, the appraiser signing the report shall have notified the
24 Appraisal Board before the appraisal is signed that he or she is the supervisor for the trainee. If more than one
25 appraiser signs the report, the appraiser with the highest level of credential must shall be the declared supervisor for
26 the trainee. If all appraisers signing the report have the same level of credential, at least one of them must shall be
27 declared as the trainee's supervisor before the report is signed.

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29 *History Note:* Authority G.S. 93E-1.6.1; 93E-1-10; 93E-1-12
30 Eff. July 1, 1994;
31 Amended Eff. January 1, 2015; July 1, 2014; January 1, 2013; July 1, 2010; September 1, 2008;
32 January 1, 2008; March 1, 2007; March 1, 2006; July 1, 2005; August 1, 2002; April 1, 1999.

21 NCAC 57B .0101 is amended with changes as published in 29:03 NCR 258 as follows:

21 NCAC 57B .0101 REGISTERED TRAINEE COURSE REQUIREMENTS

(a) Each applicant for registration as a trainee shall complete a minimum of 90 hours of precertification education, consisting of the following;

- (1) A minimum of 30 Thirty hours in Basic Appraisal Principles;
- (2) A minimum of 30 Thirty hours in Basic Appraisal Procedures;
- (3) A minimum of 15 Fifteen hours in Residential Market Analysis and Highest and Best Use or 30 hours in General Appraiser Market Analysis and Highest and Best Use; and
- (4) A minimum of 15 Fifteen hours in The Uniform Standards of Professional Appraisal Practice (USPAP).

(b) Credit for these courses must shall be earned from a Board-approved course sponsor or school and all course content shall be approved by the Appraisal Board in accordance with the rules in this Subchapter. These courses must shall be completed within the five-year period immediately preceding the date when application for registration is made to the Board by the applicant.

(c) Basic Appraisal Principles shall be a prerequisite to taking Basic Appraisal Procedures, and Basic Appraisal Procedures shall be a prerequisite to taking either Residential or General Market Analysis and Highest and Best Use. The 15 hour USPAP course may be taken any time after the successful completion of Basic Appraisal Procedures.

(d) These four courses must shall have been be obtained in a classroom setting. No credit will shall be given for these courses taken by any other method, such as correspondence school courses or on-line courses.

(e) Before the application may be [granted,] granted by the Board, the applicant shall complete the [supervisor/trainee] supervisor course developed by the North Carolina Appraisal [Board.] Board as set forth in 21 NCAC 57A .0407(d)

History Note: Authority G.S. 93E-1-6(a); 93E-1-8(a); 93E-1-10;
Eff. July 1, 1994;
Amended Eff. January 1, 2015; January 1, 2013; July 1, 2010; September 1, 2008; January 1,
2008; July 1, 2005; July 1, 2003; August 1, 2002.

1 21 NCAC 57B .0603 is amended with changes as published in 29:03 NCR 257 as follows:

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3 **21 NCAC 57B .0603 CRITERIA FOR COURSE APPROVAL**

4 The following requirements ~~must~~ shall be satisfied in order for course sponsors to obtain approval of a course for
5 appraiser continuing education credit:

- 6 (1) The subject matter of the course ~~must~~ shall comply with the requirements of Rule .0204 of
7 Subchapter 57A and the information to be provided in the course ~~must~~ shall be both accurate and
8 current.
- 9 (2) The course ~~must~~ shall involve a minimum of three and one-half classroom hours of instruction on
10 acceptable subject ~~matter-~~ matter as outlined in 21 NCAC 57A .0204 (b). A classroom hour
11 consists of 50 minutes of classroom instruction and 10 minutes of break time. Instruction ~~must~~
12 shall be given for the full number of hours for which credit is given. Instructors ~~may~~ shall not
13 accumulate unused break time to end the class early.
- 14 (3) The course instructor(s) ~~must~~ shall:
- 15 (a) possess the fitness for licensure required of applicants for trainee registration, real estate
16 appraiser ~~licensure~~ licensure, or certification; and
- 17 (b) either:
- 18 (i) two years' full-time experience that is ~~directly~~ related to the subject matter to be
19 taught;
- 20 (ii) a baccalaureate or higher degree in a field that is ~~directly~~ related to the subject
21 matter to be taught;
- 22 (iii) two years' full-time experience teaching the subject matter to be taught;
- 23 (iv) an equivalent combination of such education and experience; or
- 24 (v) be approved by the Board pursuant to ~~57B-.0606(11).~~ Rule .0606(11) of this
25 Section.
- 26 (4) If two or more instructors shall be utilized to teach a course during the approval period and the
27 course shall be taught in states other than North Carolina, it is sufficient for the course sponsor to
28 show that it has minimum instructor requirements comparable to these requirements. The inquiry
29 into fitness shall include consideration of whether the instructor has had any disciplinary action
30 taken on his or her appraisal license or any other professional license in North Carolina or any
31 other state, or whether the instructor has been convicted of or pleaded guilty to any criminal act.
- 32 (5) The course ~~must~~ shall be one involving a qualified instructor who, except as noted in Item (6) of
33 this Rule, shall be physically present in the classroom at all ~~times~~ times, and who shall personally
34 provide the instruction for the course. The course instructor may utilize videotape instruction,
35 remote television ~~instruction~~ instruction, or similar types of instruction by other persons to
36 enhance or supplement his or her personal instruction; however, such other persons shall not be
37 considered to be the course instructor and the course instructor ~~must~~ shall be physically present
38 when such indirect instruction by other persons is being utilized. No portion of the course ~~may~~
39 shall consist of correspondence instruction. The instructor ~~must~~ shall comply with Rule .0306(c)

1 of this Subchapter. Instructors for the National USPAP courses ~~must shall~~ be certified by the
2 Appraiser Qualifications Board of the Appraisal Foundation. Current Appraisal Board members
3 shall not teach continuing education courses during their term of office on the Board.

4 (6) ~~A trainee or appraiser may receive up to 14 hours of credit every two years in the period ending~~
5 ~~on June 1 of each odd numbered year for participation in a course offered on line via the Internet. A~~
6 sponsor seeking approval of a computer-based education course ~~must shall~~ provide the Board
7 access to the course via the internet at a date and time satisfactory to the Board and the Board shall
8 not be charged any fee for such access. To be approved for credit, an on-line course ~~must shall~~
9 meet all of the conditions imposed by the Rules in this Subchapter in ~~advance, advance~~, except
10 where otherwise noted. The course must be interactive, permitting the participant to communicate,
11 via telephone, electronic mail, or a website bulletin board, with the presenter and other
12 participants. The sponsor of an on-line course ~~must shall~~ have a reliable method for recording and
13 verifying attendance. A participant may periodically log on and off of an on-line continuing
14 education course provided the total time spent participating in the course is equal to or exceeds the
15 credit hours assigned to the program. The course design and delivery mechanism for an on-line
16 course offered on the Internet ~~must have received approval from shall be approved by~~ the
17 International Distance Education Certification Center (IDECC). Information about the IDECC
18 may be found on their website at www.idecc.org. A course completion certificate ~~must shall~~ be
19 forwarded to the student as stated in Rule .0607 of this Section, and a course roster ~~must shall~~ be
20 sent to the Appraisal Board in accordance with Rule .0608 of this Section.

21 (7) The course ~~must shall~~ be an educational program intended to improve the knowledge, skill and
22 competence of trainees, and licensed and certified real estate appraisers. ~~Activities not eligible for~~
23 ~~approval as a continuing education course include in-house training programs of a firm,~~
24 ~~organization or agency, trade conferences or similar activities.~~

25 (8) The course sponsor ~~must shall~~ certify that the course shall be conducted in accordance with the
26 operational requirements stated in Rule .0606 of this Section and that the course sponsor will
27 comply with all other applicable rules contained in this Section.

28 (9) The course title ~~may shall~~ not include the words "Uniform Standards of Professional Appraisal
29 Practice" or "USPAP" unless the course is either the 15 hour National USPAP course or the 7 hour
30 National USPAP update course. If the course is the 7 hour National USPAP course, the course
31 title ~~must shall~~ state which edition of USPAP will be taught in that specific course.

32 (10) Each course ~~must shall~~ utilize a textbook or course materials that have been approved by the
33 Board.

34 (11) If the course content is related to technology, such as software, hardware, electronic devices,
35 manuals, or databases, the course shall be developed specifically for utilization in the real estate
36 appraisal business in order to be approved for continuing education credit. Such courses shall not
37 require the student to purchase specific products, and shall not use the course to sell or advertise
38 particular products or software.

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2 *History Note:* Authority G.S. 93E-1-8(c); 93E-1-10;

3 *Eff. July 1, 1994;*

4 *Amended Eff. January 1, 2015; July 1, 2010; January 1, 2008; March 1, 2007; March 1, 2006;*

5 *July 1, 2005; July 1, 2003; August 1, 2002.*