

**September  
2008**



**Department of  
Consumer and  
Regulatory  
Affairs**

**OCCUPATIONAL &  
PROFESSIONAL  
LICENSING  
ADMINISTRATION**

**APPRAISER  
REGULATIONS**

**DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS****NOTICE OF FINAL RULEMAKING**

The Director of the Department of Consumer and Regulatory Affairs, pursuant to the Authority set forth in D.C. Official Code § 47-2853.10 (a)(12) and Mayor's Order 2000-70, dated May 2, 2000, hereby gives notice of final rulemaking for a new 17 DCMR Chapter 23. This rulemaking will update the Real Estate Appraiser regulations to reflect recent changes to industry standards implemented by the Appraisal Foundation's Appraisal Qualifications Board. The Appraisal Foundation is congressionally authorized to establish and enforce national standards and qualifications for real property appraisers who appraise real property in federally related real estate transactions. All jurisdictions that license real estate appraisers must adopt standards that meet the minimum industry requirements established by the Appraisal Qualifications Board (AQB). These rules were previously published as a proposed rulemaking in the *D.C. Register* on August 15, 2008. No comments were received in response to that notice and no changes have been made. These final rules will be effective upon publication of this notice in the *D.C. Register*.

**Title 17 DCMR Chapter 23 is amended to read as follows:**

**CHAPTER 23 --REAL ESTATE APPRAISERS**Sections

- 2300 General Provisions
- 2301 General Requirements for Licensure
- 2302 Prelicensure Education Requirements
- 2303 Accreditation and Certification of Prelicense Education Programs
- 2304 Prelicensure Experience Requirements
- 2305 License Reciprocity or Endorsement
- 2306 Temporary Practice
- 2307 Examination
- 2308 Term of License
- 2309 License Renewal
- 2310 Continuing Education Requirements
- 2311 Documentation of Continuing Education Credits
- 2312 Approved Continuing Education Programs
- 2313 Inactive Status
- 2314 Display of License and License Numbers
- 2315 Change of Name or Address
- 2316 Standards of Professional Practice
- 2317 National Registry Fee Assessment
- 2318 Payment of Licensing Fees
- 2319 Appraiser Record-keeping and Notification Requirements
- 2320 Appraisal Instructors
- 2321 Appraisal Education Fund Assessment
- 2322 Appraisal Education Fund Use for Programs
- 2323 Appraiser Trainee License
- 2324 Disciplinary Action
- 2325 Persons Exempt from Licensure
- 2399 Definitions

**2300 GENERAL PROVISIONS**

2300.1 This chapter shall apply to holders of and applicants for a license to practice real estate appraising. The purpose of this chapter is to establish and enforce education, experience, and practice standards that will allow individuals licensed in the District of Columbia to perform appraisals for federally related and non-federally related real estate transactions.

2300.2 17 DCMR Chapter 33 (General Rules) shall supplement this chapter and establish the procedural requirements associated with initiating and holding disciplinary proceedings against licensees. In the event that a provision within 17 DCMR Chapter 33 conflicts with this chapter or the Non-Health Related Occupations and Professions Licensure Act of 1998, effective April 20, 1999 (D.C. Law 12-261: D.C. Official Code § 47-2853.01 *et seq.* (2001) (the Act), the applicable provision within this chapter or the Act shall control.

2300.3 The Board may meet at least once a month in public session, but shall not meet less than four times per year. The Board shall publish notice of the time and place of each meeting in the D.C. Register at least one week in advance of the meeting. The public has the right to appear before the Board and testify on subjects within the Board's jurisdiction.

2300.4 The Board shall elect a chairperson from among the members of the Board. The Chairperson shall have the authority to sign all official documents issued on behalf of the Board, after approval by the Board.

2300.5 A majority of the legislated size of the Board shall be present at a meeting in order to constitute the quorum necessary to conduct official business.

- 2300.6 A majority vote of all Board members present and voting is necessary and sufficient for any action taken by the Board.
- 2300.7 Board members may convene in small committees of not less than three Board members to carry out specific functions of the Board, such as holding disciplinary hearings, if the full Board ratifies the actions of the small committees.
- 2300.8 Copies of all records and papers pertaining to licensure, inspections, investigations, and other matters under the jurisdiction of the Board shall be maintained by the Department on behalf of the Board. Copies of all records and papers duly certified and authenticated by the seal of the Board shall be received in evidence in all courts equally, and with like effect as the original, subject to the rules of evidence.
- 2300.9 It shall be Board policy to retain jurisdiction over the hearing process for each disciplinary matter that it initiates unless the Board, by majority vote, agrees to send a disciplinary matter to the Office of Administrative Hearings (OAH) for adjudication pursuant to D.C. Official Code § 2-1831.01 et seq. (2003·Supp.). Any disciplinary proceeding initiated by the Board, and any hearing or other conference held by the Board pursuant thereto, shall comply with the requirements of this chapter and the Act.
- 2300.10 Any licensee adversely impacted by a final OAH decision in a case initiated by the Board from the Board's issuance of 'Charges and Specifications' against a licensee, except those decisions related to procedural matters not under the Board's jurisdiction, may appeal the OAH decision to the Board. Appeals from any Board decision, whether rendered by the Board in its capacity as an initial hearing body or as an appellate body, shall be made to the D.C. Court of Appeals.

### **2301 GENERAL REQUIREMENTS FOR LICENSURE**

2301.1 An applicant for a license shall do the following:

- (a) Submit a completed application on a form supplied by the Board;
- (b) Pay the required fees;
- (c) Submit to the Board all required supporting credentials, documents, and materials requested by the Board including the following:
  - (i) Transcripts;
  - (ii) References;
  - (iii) Test scores;

(iv) Affidavits of successful completion of prelicensing or precertification coursework; and

(v) A completed and notarized affidavit of work experience.

(d) Submit with the application two (2) recent passport-type photographs of the applicant's face measuring two inches by two inches (2" x 2");

(e) If applicable, the applicant shall submit proof of having passed the examination required by the Board for the level of licensure desired by the applicant.

2301.2 Applicants shall be at least eighteen (18) years of age.

2301.3 Applicants may not have been convicted of an offense that bears directly on the fitness of the applicant to be licensed.

2301.4 Application fees and examination fees are not refundable.

2301.5 An applicant may not have been convicted of a crime in any jurisdiction or disciplined by any regulatory body in any jurisdiction for any activity that either would be grounds for the Board to discipline the applicant or would impair the applicant's ability to transact the business of a licensed or certified real property appraiser, or appraiser trainee.

2301.6 An applicant may not have been convicted, in any jurisdiction, of an offense bearing directly upon the applicant's fitness to be licensed under this chapter or the Act. Any plea of nolo contendere shall be considered a conviction for the purposes of these regulations.

## **2302 PRELICENSURE EDUCATION REQUIREMENTS**

2302.1 Prior to applying for licensure, applicants for the Appraiser Trainee classification shall fulfill the requirements set forth in § 2323 of this chapter.

2302.2 Applicants for the Licensed Residential Real Property Appraiser classification shall complete one hundred fifty (150) classroom hours of courses in subjects related to real estate appraisal, including those subjects listed in § 2302.10..

2302.3 Applicants for the Certified Residential Real Property Appraiser classification shall complete two hundred (200) classroom hours in subjects related to real estate appraisal, including those courses listed in § 2302.10. The two hundred (200) classroom hours may include the one hundred fifty (150) classroom hour requirement for the Licensed Real Property Appraiser classification. Applicants shall also have at least a two-year associate's degree or have completed twenty-one (21) hours of college course work. The twenty-one (21) hours of college course work shall have been earned from an accredited college, junior college, community college, or university in the following subjects:

- (a) English Composition;
- (b) Principles of Economics (Micro or Macro);
- (c) Finance;
- (d) Algebra, Geometry, or higher mathematics;
- (e) Statistics;
- (f) Introduction to computers -Word processing/spreadsheets; and
- (g) Business or Real Estate Law.

2302.4 Applicants for the Certified General Real Property Appraiser classification shall complete three hundred (300) classroom hours of courses in subjects related to real estate appraisal, including those courses listed in § 2302.10. The three hundred (300) hours may include the one hundred fifty (150) classroom hours required for the Licensed Residential Appraiser classification or the two hundred (200) classroom hours required for the Certified Residential Real Property Appraiser classification. Applicants shall also possess at least a bachelor's degree or have completed thirty (30) hours of college course work earned from an accredited college, junior college, community college, or university in the following subjects:

- (a) English Composition;
- (b) Micro Economics;
- (c) Macro Economics;
- (d) Finance;
- (e) Algebra, Geometry, or higher mathematics;
- (f) Statistics;
- (g) Introduction to Computers-Word processing/spreadsheets;
- (h) Business or Real Estate Law; and
- (i) Two elective courses in accounting, geography, ag-economics, business management, or real estate.

2302.5 The Board shall not grant credit toward the prelicensure classroom hour requirement unless the length of a class is at least fifteen (15) hours and the individual passes an examination pertinent to that class.

- 2302.6 Prelicensure course coverage on the Uniform Standards of Professional Appraisal Practice (USPAP) for all license classifications shall include the greater of fifteen (15) hours or the minimum hours required by the Appraisal Qualifications Board (AQB).
- 2302.7 Prelicensure education credit for the USPAP course shall only be awarded to licensees completing a USPAP course taught by an AQB certified instructor.
- 2302.8 The applicant shall list all qualifying courses, seminars, workshops, or conferences on the official form provided by the Board. The applicant shall sign the form and have the form notarized by a notary public. The applicant shall attach proof of completion of the required courses to the application, which shall consist of course certificates signed by the course providers or an official transcript in an envelope sealed by the school.
- 2302.9 An applicant shall not use courses that he/she has taught to satisfy the prelicensure/precertification educational requirements. '
- 2302.10 The required prelicensure core curriculum for each license classification shall meet or exceed the requirements established by the AQB. Course content shall substantially comply with the AQB's guidelines for curriculum content as indicated in the AQB required core curriculum, AQB Guide Note 1 (GN-I). The prelicensure core curriculum for each license classification shall be as follows:
- (a) Appraisal Trainee:
- (1) Basic Appraisal Principles -30 hours;
  - (2) Basic Appraisal Procedures -30 Hours;
  - (3) The IS-Hour national USPAP course or its equivalent;
- Total-75 Hours
- (b) Licensed Residential Real Property Appraiser classification shall include coverage of the following topics:
- (1) Basic Appraisal Principles -30 hours;
  - (2) Basic Appraisal Procedures -30 Hours;
  - (3) The IS-Hour national USPAP course or its equivalent -15 Hours;
  - (4) Residential Market Analysis and highest and best use -15 Hours;
  - (5) Residential Appraiser Site Valuation and cost approach -15 Hours;

(6) Residential sales comparison and income approaches -30 Hours;

(7) Residential report writing and case studies -15 Hours;

Total-150 Hours

(c) Certified Residential Real Property Appraiser:

(1) Basic Appraisal Principles -30 hours;

(2) Basic Appraisal Procedures -30 Hours;

(3) The IS-Hour national USPAP course or its equivalent -15 Hours;

(4) Residential Market Analysis and highest and best use -15 Hours;

(5) Residential Appraiser Site Valuation and cost approach -15 Hours;

(6) Residential sales comparison and income approaches -30 Hours;

(7) Residential report writing and case studies ~15 Hours;

(8) Statistics, Modeling, and Finance -15 Hours;

(9) Advanced Residential Applications and Case Studies -15 Hours;

(10) Appraisal Subject Matter Electives - 20 Hours (may include hours over minimum shown above in other modules);

Total-200 Hours

(d) Certified General Real Property Appraiser:

(1) Basic Appraisal Principles -30 hours;

(2) Basic Appraisal Procedures -30 Hours;

(3) The IS-Hour national USPAP course or its equivalent -15Hours;

(4) General Appraiser Market Analysis and highest and best use -30 Hours;

(5) Statistics, Modeling, and Finance -15 Hours;

(6) General Appraiser sales comparison approach -30 Hours;

(7) General Appraiser Site Valuation and cost approach -30 Hours;

- (8) General Appraiser Income approach -60 Hours;
- (9) General Appraiser report writing and case studies -30 Hours;
- (10) Appraisal Subject Matter Electives - 30 Hours (may include hours over minimum shown above in other modules);

Total-300 Hours

2302.11 The following factors shall be used to convert university, college, junior college, and community college course credits into classroom hours:

- (a) Semester credits x 15 = classroom hours;
- (b) Quarter credits x 10 = classroom hours.

2302.12 Curriculum content for each course listed in § 2302.10 shall comply with the applicable portions of the Required Core Curriculum Content Guide Note published by the Appraisal Foundation and the AQB as part of the Real Property Appraiser Qualification Criteria. The Board may add additional requirements to the curriculum of any license classification if the Board's additions substantially comply with AQB criteria. Additions to the curriculum content shall be effective only after the Department has published a Notice of Final Rulemaking in the *D.C. Register*.

2302.13 The education and experience requirements for all classes of licensure shall meet or exceed the standards established by the AQB.

2302.14 If the Appraisal Qualifications Board amends the education or experience requirements for any license classification, and the amendments increase the education or experience requirements beyond the requirements established by the Board in this chapter, then the corresponding requirements established by the Board shall be deemed amended to reflect the AQB's requirements. The Board shall amend this chapter as soon as practicable to reflect any changes in education and experience requirements established by the AQB.

2302.15 Amendments to the prelicensing education and experience requirements shall not affect the status of licensees possessing current active licenses unless otherwise required by the AQB.

### **2303 ACCREDITATION AND CERTIFICATION OF PRELICENSE EDUCATION PROGRAMS**

2303.1 Appraisal organizations shall obtain advance approval from the Board for any changes to be made in Board recognized equivalent courses with regard to program structuring, course content, course completion standards, textbooks or course materials, or instructor qualification requirements.

- 2303.2 An organization that has obtained Board recognition of its courses may advertise that such courses are "recognized" for equivalent prelicensure education credit toward the requirements for initial District of Columbia real estate appraiser licensure or certification.
- 2303.3 Courses offered by real estate appraisal or real estate related organizations deemed acceptable by the Board shall be acceptable for credit.
- 2303.4 Appraisal and appraisal related courses taught by institutions of higher learning recognized by an accrediting body approved by the Secretary of the United States Department of Education shall be acceptable for prelicensure or precertification credit if the course has been approved by the AQB.
- 2303.5 All courses approved by the AQB shall be acceptable for credit.
- 2303.6 All courses submitted for credit shall indicate a passing grade or indicate successful completion of the course and the examination.
- 2303.7 The Board may request information from the applicant or the course provider, such as course descriptions, syllabi, or textbook references, in order to evaluate course content.
- 2303.8 Correspondence courses may be acceptable for prelicensure or precertification credit if the course meets the following conditions:
- (a) The course is presented by an accredited college or university that offers correspondence programs in other disciplines;
  - (b) An individual successfully completes a written examination administered by an official approved by the college or university; and
  - (c) The subject matter is appraisal related, and the length of the course is a minimum of fifteen (15) classroom hours for a prelicensure or precertification course.
- 2303.9 The Board may issue a list of recognized prelicensure or precertification education programs.

#### **2304 PRELICENSURE EXPERIENCE REQUIREMENTS**

- 2304.1 There is no experience requirement for the Appraisal Trainee classification.
- 2304.2 Applicants for the Licensed Real Property Appraiser shall have two thousand (2000) hours of appraisal experience obtained in no fewer than twelve (12) months.

- 2304.3 Applicants for the Certified Residential Real Property Appraiser classification shall have two thousand five hundred hours (2500) of appraisal experience obtained during no fewer than twenty-four (24) months of appraisal work.
- 2304.4 Applicants for the Certified General Real Property Appraiser classification shall have three thousand (3000) hours of appraisal experience obtained during no fewer than thirty (30) months of appraisal work.
- 2304.5 The Board may treat an applicant's hours of appraisal experience as cumulative when applied by the applicant toward achieving the necessary hours of appraisal experience for each classification.
- 2304.6 For the Certified General Real Property Appraiser classification, fifty percent (50%) or one thousand five hundred (1,500) hours of the required three thousand (3,000) hours experience shall be in appraising non-residential real property.
- 2304.7 Experience shall be supported by adequate written appraisal reports or file memoranda that shall be made available to the Board upon request.
- 2304.8 The property address for each appraisal assignment shall be identified in the experience log.
- 2304.9 An hour of experience means verifiable time spent actively engaging in tasks that are in accordance with acceptable appraisal practice. Qualifying tasks may include activities such as data gathering, property inspection, analysis, report writing, or any other activity approved by the Appraisal Qualifications Board. Minimum standards for reports are those standards that are prescribed in Standard 2 of the Uniform Standards of Professional Appraisal Practice in the edition in effect at the time of the reports' preparation.
- 2304.10 Except as provided in this section, acceptable appraisal practice for experience credit includes appraisal, review appraisals, real estate appraisal consulting, and mass appraisal activities that comply with USPAP and conforms to USPAP Standards 1,2, 3,4,5, or 6, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures, and reporting conclusions.
- 2304.11 Appraisal experience shall be verifiable and shall be reported to the Board on a form provided by the Board. A completed form shall include the following information;
- (a) Type of property;
  - (b) Date of value;
  - (c) Address of appraised property;
  - (d) Description of work performed by the trainee/applicant and the scope of the review and supervision by the supervising appraiser;

- (e) Number of actual work hours by the trainee/applicant on the assignment;
  - (t) The signature and state certification number of the supervising appraiser if applicable.
- 2304.12 The following experience credit shall be given for work performed in accordance with the Uniform Standards of Professional Appraisal Practice:
- (a) 75 % credit for review appraisals performed under Standard 3 of the Uniform Standards of Professional Appraisal Practice;
  - (b) 100% credit for a whole real estate or real property appraisal if the appraiser did 100% of the appraisal;
  - (c) 10% credit under Standard 2.5 of the Uniform Standards of Professional Appraisal Practice for desk reviews where the review appraiser signs the appraisal;
  - (d) 100% credit for residential form appraisals and commercial form appraisals; and
  - (e) 100% credit for narrative appraisals.
- 2304.13 Separate appraisal logs shall be maintained for each supervising appraiser if applicable.
- 2304.14 There is no maximum time limit during which experience may be obtained.
- 2304.15 Effective January 1, 2008, work experience must be USPAP compliant and have been earned on or after January 30, 1989.

## **2305 LICENSURE BY RECIPROCITY OR ENDORSEMENT**

- 2305.1 An applicant for a license or certificate by reciprocity shall furnish proof satisfactory to the Board that the applicant is licensed or certified and in good standing under the laws of another State or U.S. territory with requirements that are substantially equivalent to the requirements of this chapter and the Act, and the State or U.S. territory admits real estate appraisers licensed or certified in the District in a similar manner.
- 2305.2 An applicant for licensure by endorsement shall furnish proof of the following:
- (a) That the applicant is currently licensed or certified and is in good standing under the laws of another state;
  - (b) That the original state of licensure or certification has examination requirements which, in the opinion of the Board, were substantially equivalent at the time of

licensure or certification to the requirements of the Act, and the examination has been approved by the Appraisal Foundation;

- (c) That the prelicensure or precertification requirements of the original state of licensure were substantially equivalent, at the time of licensure or certification, to the requirements of the Act.
- (d) That the applicant meets the minimum requirements for licensure in the District of Columbia set forth in § 2301 of this chapter.

2305.3 The Board may deny an application if the applicant has been convicted in any jurisdiction of any crime involving any offense that bears on the fitness of the individual to be licensed or certified. A plea of nolo contendere shall be considered a conviction for purposes of this subsection.

2305.4 An applicant for a license or certificate by reciprocity or endorsement shall not have had an application denied by the Board for reasons other than failure to pass the National Uniform Appraiser Examination within 1 year prior to the date on which the application is filed.

#### **2306 TEMPORARY PRACTICE**

2306.1 Pursuant to Section 1121 of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989, 12 USCS § 1811, and the Act, the Board shall issue an individual a temporary license if the individual completes an application provided by the Board and provides documentation that he or she meets the following requirements:

- (a) The individual is licensed or certified and in good standing under the laws of another state;
- (b) The property to be appraised by the individual is part of a federally related transaction, is located in the District, and the assignment and property are specifically identified in the application;
- (c) The appraisal assignment is of a temporary nature and is limited to one (1) specific assignment or six (6) months, whichever is shorter;
- (d) Upon completion of the assignment, the temporary license is surrendered to the Board; and
- (e) The individual pays the applicable fee.

2306.2 The holder of a temporary permit to practice in the District is subject to the applicable provisions of this chapter and the Act.

- 2306.3 The Director or the Board may revoke a temporary license without a hearing for any reason that the Board determines to be in the interest of the health or welfare of the citizens of the District, upon a minimum of five (5) days notice given in the manner prescribed by § 3318 of Chapter 33 of this Title.
- 2306.4 An individual shall not hold more than two (2) temporary licenses at a time.
- 2306.5 A specific appraisal assignment may include multiple properties.
- 2306.6 A temporary license holder may extend the temporary license for one additional license period by filing an application for extension. If a temporary license holder requires an additional extension after the first the temporary license holder must apply for a new temporary license and the Board may grant or deny the second application at its discretion.

### **2307 EXAMINATION**

- 2307.1 Within twenty-four (24) months of having successfully passed the National Uniform Appraiser Examination or other precensure qualification examination approved by the Appraisal Qualifications Board and the Board, the applicant shall file an application for licensure.
- 2307.2 A candidate shall complete the educational requirements prior to sitting for the examination.
- 2307.3 A candidate who fails an examination may have the examination reviewed in accordance with the procedures, if any, of the testing service.
- 2307.4 Failure to comply with the requirements of this subsection shall require reexamination.

### **2308 TERM OF LICENSE**

- 2308.1 All licenses issued pursuant to this chapter and the Act shall expire on February 28 of each even numbered year, constituting a license cycle.
- 2308.2 The Board may change the license cycle for administrative convenience.
- 2308.3 If the Board changes the license cycle, the term of a license that is in effect on the date of the Board's determination to change the cycle may, at the Board's discretion, be extended up to three (3) years in order to permit an orderly transition. Any extension of the license term implemented under this section shall only be made by Board resolution.

**2309 LICENSE RENEWAL**

- 2309.1 At least sixty (60) days prior to the expiration of a license, the Board shall send a renewal application by first class mail to the holder of a license at the licensee's address on record with the Board.
- 2309.2 A holder of a license shall meet all of the requirements for license renewal prior to the issuance of the renewal.
- 2309.3 A holder of a license shall provide the Board a street address for the licensee's residence, not a post office box, and shall notify the Board in writing of any change of home or business address within thirty (30) days of the change.
- 2309.4 The failure of a holder of a license to receive the notice required by § 2309.1 of this section does not relieve the holder of the responsibility of renewing the license.
- 2309.5 A holder of a license who fails to renew before the expiration date may renew the license within sixty (60) days after expiration upon paying the required late fee. Upon renewal, the holder shall be deemed to have possessed a valid license during the period between the expiration of the license and its renewal.
- 2309.6 If a licensee fails to renew his or her license within sixty (60) days after its expiration, the license shall be deemed to have lapsed on the date of expiration and the holder shall be required to apply for reinstatement of the expired license pursuant to D.C. Official Code § 47-2853.15 (2001) and § 3308 of chapter 33 of this title and pay the required reinstatement fee. A licensee may not apply for reinstatement if the license has been expired for five (5) years or more.
- 2309.7 The Board shall deny a renewal application if the applicant has not completed the continuing education requirements prior to the expiration date of the license.
- 2309.8 Denial of an application for renewal for failure to complete the continuing education requirements shall require the applicant to complete the continuing education requirements prior to submitting an application for reinstatement pursuant to § 2610 of this chapter.

**2310 CONTINUING EDUCATION REQUIREMENTS**

- 2310.1 Except as provided in § 2310.2, this section shall apply to all applicants for the renewal or reinstatement of each license classification.
- 2310.2 An applicant for renewal or reinstatement of a real estate appraiser license shall be required to satisfactorily complete continuing education courses according to the following schedule:
- (a) Applicants obtaining a license one eighty-five (185) days or less from the renewal date required by the license cycle are not required to complete any hours of continuing education for that license cycle.
  - (b) Applicants obtaining a license during the last twelve (12) months of a license cycle, but before the one hundred eighty-five (185) day period must complete fourteen (14) hours of continuing education for that license cycle and;
  - (c) All other licensees must complete the full twenty-eight (28) hours of continuing education for the license cycle.

2310.3 Repealed

2310.4 The Board will grant credit toward the classroom hour requirement only when the length of the educational offering is at least three (3) hours.

2310.5 The Board may approve the following continuing education activities, not to exceed (10) hours, if the activity relates to real estate appraising:

- (a) Serving as an instructor or speaker at a conference, seminar, or workshop; and
- (b) Publication of an article in a professional journal, publication of a book or a chapter in a book, or publication of a review in a professional journal.

2310.6 A continuing education credit shall be valid only if it is a part of a program or activity approved by the Board.

2310.7 Repealed

2310.8 Continuing education credit for the National USPAP Update Course shall only be awarded to licensees completing USPAP continuing education courses taught by an AQB certified instructor.

## **2311 DOCUMENTATION OF CONTINUING EDUCATION CREDITS**

2311.1 Continuing education course documentation shall be filed on a form provided by the Board and shall include the following:

- (a) Sponsor;
- (b) Title and/or description of course content;
- (c) Dates of attendance or publication;
- (d) Location; and
- (e) Number of hours.

**2312 APPROVED CONTINUING EDUCATION PROGRAMS**

2312.1 The Board may approve continuing education programs that contribute to the growth of an applicant in professional competence in the practice of real estate appraising.

2312.2 The Board may approve educational offerings that include, but are not limited to, the following real estate related appraisal topics:

- (a) Ad Valorem Taxation;
- (b) Arbitration;
- (c) Business courses related to practice of real estate appraisal;
- (d) Construction cost estimating;
- (e) Ethics and standards of professional practice;
- (f) Land use planning, zoning and taxation;
- (g) Management, leasing, brokerage, timesharing;
- (h) Property development;
- (i) Real estate appraisal (valuations/evaluations);
- (j) Real estate law;
- (k) Real estate litigation;
- (l) Real estate financing and investment;
- (m) Real estate appraisal related computer applications;
- (n) Real estate securities and syndication;
- (o) Real property exchange; and
- (p) USPAP.

2312.3 To qualify for approval by the Board, a continuing education program shall be administered by one of the following:

- (a) Colleges or Universities;
- (b) Community or Junior Colleges;

(c) Real Estate Appraisal or Real Estate Related Organizations;

(d) State or Federal Agencies or Commissions;

(e) Proprietary Schools; or

(f) Other providers approved by the Board.

2312.4 The Board may issue a list of approved continuing education programs.

2312.5 An applicant shall have the burden of verifying whether a program is approved by the Board pursuant to this section prior to attending the program.

2312.6 A sponsor of a continuing education program shall submit a completed application to the Board no less than sixty (60) days prior to the date of the presentation for each program for which the sponsor seeks approval.

### **2313 INACTIVE STATUS**

2313.1 Upon application by a licensee and payment of the required fee, the Board shall place a licensee on inactive status.

2313.2 The Board shall issue a license to an individual who is on inactive status and who desires to resume practice as a real estate appraiser if the individual meets the following requirements:

(a) Pays the required fee;

(b) Demonstrates compliance with continuing education requirements; and

(c) Applies for license renewal within five years of going on inactive status.

2313.3 The Board may take disciplinary action against a licensee on inactive status.

2313.4 A licensee may remain on inactive status for a period not to exceed five (5) consecutive years.

### **2314 DISPLAY OF LICENSE AND LICENSE NUMBERS**

2314.1 The license pocket card issued by the Director to each real estate appraiser or appraisal trainee shall be retained by the licensee as evidence of licensure and shall be carried by the licensee during the process of appraising real property in the District.

2314.2 The license number shall be prominently displayed adjacent to the signature on every appraisal.

2314.3 The license issued by the Director to each real estate appraiser and appraiser trainee shall be prominently displayed in the appraiser's place of business.

**2315 CHANGE OF NAME OR ADDRESS**

2315.1 A licensee shall notify the Board in writing within thirty (30) days of any name change or change of business address or residence address.

**2316 STANDARDS OF PROFESSIONAL PRACTICE**

2316.1 A licensee shall conduct all appraisals in conformity with the current edition of the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation, including Preamble, Ethics Provision, Competency Provision, Departure Provision, Jurisdictional Exception, Supplemental Standards, Definitions and Standards 1, 2, and 3 with all related Standard Rules, Statements on Appraisal Standards, Advisory Opinions, and indices is incorporated by reference.

2316.2 Upon the completion of an assignment, a licensee shall return to the owner, upon demand, any original document, or instrument that the licensee or certificate holder possesses.

2316.3 A licensee appraising property in which he/she, any member of his/her family, any member of his/her firm, or any entity in which he/she has a financial or ownership interest, shall disclose in writing, to any client such interest in the property and his/her status as a real estate appraiser licensed or certified in the District of Columbia.

2316.4 All licensees shall comply with the Competency Rule of USPAP.

**2317 NATIONAL REGISTRY FEE ASSESSMENT**

2317.1 In accordance with the requirements of Section 1109 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. § 3338), \$50.00 (fifty dollars) of the biennial renewal fee assessed for all licensed and certified real estate appraisers, except licensed appraisal trainees, shall be submitted by the Department to the Appraisal Subcommittee.

**2318 PAYMENT OF LICENSE FEES**

2318.1 Payment of real estate appraiser license fees shall be made by personal check, cashier's check, certified check, money order, or credit card.

**2319 APPRAISER RECORDKEEPING AND NOTIFICATION REQUIREMENTS**

2319.1 A licensee shall retain records of appraisal, analysis, and review assignments, including oral testimony, in the following manner:

(a) For a period of at least five (5) years after preparation of the report generated by the activity; or

- (b) If a report was the subject of or used for litigation purposes, and testimony was given, the report shall be kept for two (2) years after final disposition of any judicial proceeding in which testimony was given.
- 2319.2 A licensee shall, upon demand or request by the Board, promptly produce any document, book, or record concerning any appraisal that the licensee or certificate holder performed.
- 2319.3 A licensee shall inform the Board in writing within thirty (30) days of pleading guilty or nolo contendere, or being convicted or found guilty of any felony or of any misdemeanor.
- 2319.4 A licensee shall inform the Board in writing within thirty (30) days of the suspension, revocation, or surrender of his or her appraiser license or certificate held in any other jurisdiction.

## **2320 APPRAISAL INSTRUCTORS**

- 2320.1 To be approved by the Board for prelicensing credit, a course instructor shall be an individual who has been approved as an instructor by one of the bona fide professional appraisal organizations that is a member of the Appraisal Foundation, or be a professor or instructor at a college or university which has an accredited department of real estate and economics.
- 2320.2 An appraiser instructor of a prelicensing (residential appraisal) course shall possess one hundred five (105) classroom hours of real estate appraisal education and two thousand (2,000) hours experience as a residential real estate appraiser within the previous five (5) years.
- 2320.3 An appraiser instructor of a precertification (general appraisal) course shall possess two hundred five (205) classroom hours of real estate appraisal education and two thousand (2,000) hours experience as a general real estate appraiser within the previous five (5) years, with at least one-half of such experience being in income property appraising.
- 2320.4 All Uniform Standards of Appraisal Practice (USPAP) courses taught for prelicensure or continuing education purposes shall be taught by instructors certified by the Appraiser Qualifications Board.

## **2321 APPRAISAL EDUCATION FUND ASSESSMENT**

- 2321.1 An applicant for a license shall pay, in addition to the applicable license fee, the sum of one hundred dollars (\$100.00) into the Fund.
- 2321.2 Upon renewal of a license the licensee shall pay, in addition to the applicable renewal fee, the sum of one hundred dollars (\$100.00) into the Fund.

**2322 APPRAISAL EDUCATION FUND USE FOR PROGRAMS**

- 2322.1 The Board may use the Fund to pay that proportion of the cost of a program that is equal to the percentage of the program that is directly related to establishing or maintaining an educational program to improve the competency of licensees or certificate holders.
  
- 2322.2 The Board may authorize the Fund to be used for expenditures for conferences, workshops, and educational programs for real estate appraisal officials as provided in §§ 2322.3 and 2322.4.
  
- 2322.3 For purposes of this subsection, a "real estate appraisal official" means an employee of the District of Columbia government whose duties involve the enforcement of real estate appraisal license laws including, but not limited to, board members, legal counsel, and other employees as designated by the Board.
  
- 2322.4 The Board may use the Fund to pay the entire permissible cost for a real estate appraisal official, whose duties relate in whole or in part to the enforcement of real estate appraisal license laws, to participate in a conference, workshop, or educational program that the Board determines is qualified pursuant to § 2322.5.
  
- 2322.5 In deciding whether a conference, workshop, or educational program is qualified, the Board shall consider the following:
  - (a) The educational objective of the proposed program;
  - (b) The length of the proposed program, the schedule of instruction, location, and anticipated number of participants;
  - (c) A list of instructors and their credentials; and
  - (d) Any other information about the conference, workshop, or program as the Board may require.

**2323 APPRAISER TRAINEE**

- 2323.1 The Board may issue an appraiser trainee license to an applicant who has completed a prelicensure education program that meets the following requirements:
  - (a) Seventy-five (75) classroom hours of instruction that shall include fifteen (15) hours relative to the Uniform Standards of Professional Appraisal Practice (USPAP):
    - (1) A classroom hour is equal to fifty (50) minutes of each sixty (60) minute segment and includes time devoted to tests which are considered to be part of the course;

- (2) Classroom hours may only be obtained where the minimum length of the educational offering is fifteen (15) hours and the individual successfully completes an examination pertinent to that educational offering;
- (3) Credit for the classroom hours may be obtained from the following:
  - (i) Colleges or Universities;
  - (ii) Community or Junior Colleges;
  - (iii) Real Estate Appraisal or Real Estate Related Organizations;
  - (iv) State or Federal Agencies or Commissions;
  - (v) Proprietary Schools; or
  - (vi) Other providers approved by the Board or the Educational Licensure Commission.
- (4) Qualifying education shall have been obtained within the five-year period immediately preceding application for licensure; and
- (5) The core curriculum of the prelicensure education requirements that appraiser trainees must complete prior to applying for licensure are thirty (30) hours in Basic Appraisal Principles, thirty (30) hours in Basic Appraisal Procedures, and the fifteen (15) hour National USPAP course or its equivalent. The content of the curriculum offered in the courses, seminars, workshops, or conferences used by an appraiser trainee to meet the prelicensure education requirements shall follow the guidelines established by the AQB in the publication known as AQB Guide Note 1 (GN-1).

- 2323.2 There are no examination or experience requirements for the appraiser trainee classification.
- 2323.3 Within four (4) years of submitting his or her initial application for licensure, the appraiser trainee shall pass one of the following examinations approved by the Board; the licensed residential real property appraiser examination, certified residential real property appraiser examination, or certified general real property appraiser examination.
- 2323.4 The appraiser trainee is subject to direct supervision by a supervising Certified Residential Real Property Appraiser or a Certified General Real Property Appraiser licensed in the District and in good standing.
- 2323.5 The supervising appraiser shall be responsible for the training and supervision of the trainee by:

- (1) Accepting responsibility for appraisal reports prepared by the appraiser trainee by signing and certifying that the report complies with the Uniform Standards of Professional Appraisal Practice (USPAP);
- (2) Reviewing the appraiser trainee reports; and
- (3) Personally inspecting each appraised property with the appraiser trainee until the supervising appraiser determines that the appraiser trainee is competent in accordance with the Competency Provision of the Uniform Standards of Professional Appraisal practice (USPAP) for the property type.

2323.6 The appraiser trainee may have more than one supervising appraiser, but a licensed or certified appraiser may not have more than three (3) appraisal trainees.

2323.7 The appraiser trainee shall maintain an appraiser log and shall include at least the following information for each appraisal record:

- (a) Type of property;
- (b) Date of report;
- (c) Client name and address;
- (d) Address of appraised property;
- (e) Description of work performed;
- (f) Number of work hours;
- (g) Signature and state/jurisdiction license/certification number of the supervising appraiser; and
- (h) Separate appraisal logs shall be maintained for each supervising appraiser.

2323.8 There are no continuing education requirements for the appraiser trainee classification for the first two years of licensure. An appraiser trainee shall complete fourteen (14) hours of continuing education during each calendar year beyond the second year of licensure prior to applying for a license as a Real Property Appraiser, Certified Real Property Appraiser, or Certified General Real Property Appraiser.

2323.9 The appraiser trainee shall be entitled to obtain copies of appraisal reports that he or she prepared.

2323.10 The supervising appraiser shall keep copies of appraisal reports for a period of at least five (5) years or at least two (2) years after the final disposition of any judicial proceedings in which testimony was given, whichever period expires last.

**2324 DISCIPLINARY ACTION**

- 2324.1 If the Board, subject to the applicant or licensee's right to a hearing as provided by the Act, finds that an applicant or licensee has violated any applicable provision of this chapter or the Act the Board may deny an application, revoke or suspend a license or privilege, levy a civil penalty, issue a reprimand, require a course of remediation, or refer an applicant or licensee to the Office of the Attorney General for criminal prosecution.
- 2324.2 The Board may, prior to a hearing but after an investigation, issue an order requiring any person alleged to be in violation of this chapter or the Act to cease and desist immediately from the alleged activity if the alleged activity has caused or may cause immediate or irreparable harm to the public. The Board shall deliver the order to the person affected pursuant to the provisions of D.C. Official Code § 47-2844.01.
- 2324.3 The Director may, after investigation but without a hearing, summarily suspend or restrict a licensee's license to practice pursuant to this chapter and the Act if the Director determines that the licensee's conduct presents~, imminent danger to the health or safety of persons in the District.
- 2324.4 If the Director suspends or restricts a licensee's license or certification to practice pursuant to § 2324.3 of this chapter, the licensee is entitled to notice and a hearing pursuant to the provisions of D.C. Official Code § 47-2853.18.
- 2324.5 If the Board receives notification from any federal agency or federally-related lending institution that utilizes licensees or certificate holders in real property appraisals that the agency or institution has suspended a licensee from offering appraisal services on federally related transactions, the Board shall conduct an investigation into the circumstances and, if appropriate, commence disciplinary action against the licensee.

**2325 PERSONS EXEMPT FROM LICENSURE**

- 2325.1 No person in the District of Columbia shall conduct an appraisal for a federally related or non-federally related real estate or real property transaction or represent him or herself as holding a license issued by the Board unless he or she holds an active District of Columbia license.
- 2325.2 A person who is certified by the Office of Tax and Revenue (OTR) to perform ad valorem tax appraisal may identify himself or herself as a "certified assessor" if the term is not used in a manner that creates the impression that the person has been licensed, certified, or registered by the Board to perform real property appraisals for federally-related or non-federally related real estate and real property transactions.
- 2325.3 A person certified to perform ad valorem tax appraisal by OTR who is not licensed, certified, or registered by the Board shall not perform a real estate or real property appraisal for any purpose other than ad valorem tax purposes.

2325.4 Nothing in this chapter or the Act prohibits a person who holds an active real estate broker or real estate salesperson license issued by the D.C. Board of Real Estate from giving an opinion on the price of real estate or real property in the District for the purpose of a prospective listing or sale, or when making a Competitive Market Analysis (CMA), if the opinion or CMA complies with the requirements of 17 DCMR2609.15.

2325.5 Persons who determine the value of things in the District of Columbia other than real property or real estate may use the word "appraiser" to describe their activities if they do not hold themselves out or imply that they are authorized to appraise real property or real estate.

## **2399 DEFINITIONS**

2399.1 As used in this chapter, the following terms have the meanings ascribed:

**Act** - The Non-Health Related Occupations and Professions Licensure Act of 1998, effective April 20, 1999 (D.C. Law 12-261; D.C. Official Code § 47-2853.01, et seq. (2001)).

**Ad Valorem Tax Appraisal** - an appraisal used to establish the assessed value of real estate for real property tax purposes.

**Applicant** - a person applying for licensure.

**Appraisal** - the act or process of estimating the value of real estate.

**Appraisal Foundation** - the foundation incorporated as an Illinois Not-for-Profit Corporation on November 30, 1987, to establish and improve uniform appraisal standards by defining, issuing, and promoting such standards.

**Appraisal Qualifications Board** - the Board created by the Appraisal Foundation to: establish appropriate criteria for the certification and recertification of qualified appraisers by defining, issuing, and promoting such qualification criteria; disseminate such qualification criteria to states, governmental entities, and others; and to develop or assist in the development of appropriate examinations for qualified appraisers.

**Appraisal Subcommittee** - the designees of the heads of the federal financial institutions regulatory agencies established by the Federal Financial Institutions Examination Council Act of 1978 (12 U.S.C. § 3301 et seq.), as amended.

**Appraiser Trainee** - An individual who is licensed as an appraiser trainee under this chapter and who is training for licensure as a Residential Real Property Appraiser, Certified Residential Real Property Appraiser, or Certified General Real Property Appraiser, and who may appraise those properties that his or her supervising appraiser is permitted to appraise.

**AQB** – the Appraisal Qualifications Board.

**Assignment** - one or more real estate appraisals and written appraisal reports that are covered by a contract to provide an appraisal for one or more specific parcels of real estate.

**Board** - District of Columbia Board of Real Estate Appraisers.

**Candidate** - a person who has applied to take the prelicensure examination but has not filed an application for licensure.

**Certified General Real Property Appraiser** - an individual licensed under this chapter to appraise any type of real estate and real property.

**Certified Instructor** - an individual holding an instructor certificate issued by the Real Estate Appraiser Board to act as an instructor.

**Certified Residential Real Property Appraiser** - an individual licensed under this chapter to appraise any residential real estate or residential real property of one to four units regardless of transaction value or complexity. Certified Residential Real Property Appraisers may also appraise nonresidential real property with a transaction value of up to \$250,000.

**Classroom hour** – a classroom hour is equal to fifty (50) minutes of each sixty (60) minute segment and includes time devoted to tests that are considered part of the course.

**Client** - any person for whom an appraiser performs a service.

**Complex one to four family residential property appraisal** - an appraisal in which the property to be appraised, the form of ownership, or the market conditions are atypical as defined in the bank Holding Company Supervision manual, 1999 edition, page 10, section 2231.0.9.3. For non-federally related transaction appraisals, transaction value shall mean market value.

**Department** - The Department of Consumer and Regulatory Affairs or any successor agency with administrative authority over the Board.

**Director** - the Director of the Department of Consumer and Regulatory Affairs, or the Director's designee.

**District** - the District of Columbia.

**Federally Related Transaction** - any real estate related financial transaction which:

1. A federal financial institutions regulatory agency engages in, contracts for or regulates; and
2. Requires the services of a licensed or certified appraiser.

**Fund** – the Appraisal Education Fund.

**Highest and Best Use** - the reasonable and probable use that will support the highest present value as defined as of the effective date of the appraisal or the use, from among reasonably probable and legal alternative uses, found to be physically possible, appropriately supported, and financially feasible.

**Inactive licensee** - a licensee who, pursuant to this chapter and the Act, pays the required fees and agrees not to practice as a real estate appraiser in the District of Columbia until he or she applies for reinstatement.

**Licensed Residential Real Property Appraiser** - a person licensed under this chapter to perform appraisals of non-complex one to four residential units having a transaction value of less than \$1,000,000, complex one to four residential units having a transaction value of less than \$250,000, or commercial real property with a transaction value of \$250,000 or less.

**Mass Appraisal** - the process of valuing a universe of properties as of a given date using standard methodology, employing common data, and allowing for statistical testing.

**Office of Administrative Hearings (OAH)** - The independent agency established within the executive branch of the District of Columbia government by D.C. Official Code § 2-1831.01 *et seq.* (2003 Supp.) that is responsible for the administrative adjudication of all cases under its jurisdiction.

**Person** - an individual, corporation, trustee, receiver, guardian, representative, firm, partnership, society, school, or other entity.

**Proprietary school** - a privately owned school approved by the Board that offers appraisal or appraisal related courses.

**Provider** - means accredited colleges, universities, junior colleges, and community colleges; adult distributive or marketing education programs; local, state, or federal government agencies, boards or commission; proprietary schools; or real estate appraisal or real estate related organizations.

**Real Estate Appraisal or Real Estate Related Organization** - any appraisal or real estate related organization formulated on a national level, where its membership extends to more than one state or territory of the United States.

**Real Estate or Real Property** - land, including the air above and ground below, and any appurtenance or improvement thereto, as well as any interest, benefit, or right to inherit in the ownership of land.

**Real Estate Appraisal Consulting** - advice and guidance on diversified problems in the broad field of real estate involving any or all segments of the business such as merchandising, leasing, management, planning, financing, appraising, court testimony, and other similar services. Real

Estate Consulting services are often associated with evaluation services concerning matters other than value estimates relating to real property and may include activities such as the following:

Absorption Study	Ad Valorem Tax study
Annexation Study	Assemblage Study
Assessment Study	Condominium Conversion Study
Cost-benefit Study	Cross Impact Study
Depreciation/Cost Study	Distressed Property Study
Economic Base Analysis	Economic Impact Study
Economic Structure Analysis	Eminent Domain Study
Feasibility Study	Highest and Best Use Study
Impact Zone Study	Investment Analysis Study
Investment Strategy Study	Land Development Study
Land Suitability Study	Land Use Study
Location Analysis Study	Market Analysis Study
Market Strategy Study	Market Turning Point Analysis
Marketability Study	Portfolio Study
Rehabilitation Study	Remodeling Study
Rental Market Study	Right of Way Study
Site Analysis Study	Utilization Study
Urban Renewal Study	Zoning Study

**Reinstatement** - pursuant to D.C. Official Code § 47-2853.15 (2001), having a license restored to effectiveness after the expiration date has passed.

**Renewal** - continuing the effectiveness of a license for another license cycle.

**Review Appraisal** - a report that forms an opinion as to the adequacy and appropriateness of the appraisal report that is being reviewed.

**Substantially Equivalent** - any educational course or seminar, experience, or examination taken in this or another jurisdiction that is equivalent in classroom hours, course content and subject, and degree of difficulty, respectively~ to those requirements outlined in this chapter and the Act.

**Supervising Appraiser** - any individual holding a license issued by the Real Estate appraiser Board to act as a certified general real estate appraiser, certified residential real estate appraiser, or licensed residential real estate appraiser who supervises any unlicensed person acting as a real estate appraiser or an appraiser trainee as specified in this chapter.

**Transaction Value** - the monetary amount of a transaction that may require the services of a certified or licensed appraiser for completion. Transaction value is not always equal to the market value of the real property interest involved.

**Uniform Standards of Professional Appraisal Practice** - those standards promulgated by the Appraisal Standards Board of the Appraisal Foundation for use by all appraisers in the preparation of appraisal reports.

**Valuation** – an estimate or opinion of the value of real property.