

Notice of Agency Rulemaking Proposal

AGENCY: 02-298, Department of Professional and Financial Regulation, Office of Professional of Occupational Regulation, Board of Real Estate Appraisers

CHAPTER NUMBER AND TITLE:

Chapter 230: Supervisory Appraiser Duties (repeal and replace)

Chapter 240: Standards of Professional Practice (repeal and replace)

TYPE OF RULE (*check one*): Routine Technical Major Substantive

PROPOSED RULE NUMBER (*leave blank; to be assigned by Secretary of State*):

BRIEF SUMMARY:

Chapter 230: Supervisory Appraiser Duties

The principal reason for this rulemaking is to have a rule that more clearly and explicitly sets forth the role and responsibilities of a supervisory appraiser. The replacement rule clarifies experience acceptable for credit, experience log content and submission requirements. Additionally, the rule aligns rule terminology with the statute.

Chapter 240: Standards of Professional Practice

This rule incorporates the Uniform Standards of Professional Appraisal Practice (“USPAP”), 2024 Edition, Copyright © 2024, The Appraisal Foundation, effective January 1, 2024, into the Board’s rules by reference as the standard of practice for licensees.

Date, time and location of PUBLIC HEARING: Tuesday, November 7, 2023, at 9:00 a.m., at the Office of Professional and Occupational Regulation, located at 76 Northern Avenue, Gardiner, Maine. Members of the public will also have the opportunity to attend and participate via remote means. Instructions on remote access and a link will be posted on the board’s webpage in advance of the public hearing at <https://www.maine.gov/pfr/professionallicensing/professions/board-real-estate-appraisers/home/board-meeting-information>.

COMMENT DEADLINE: Friday, November 17, 2023 at 5:00 p.m.

CONTACT PERSON FOR THIS FILING: Catherine E. Pendergast, 35 State House Station, Augusta, ME 04333-0035, 207-624-8518, TTY: Maine relay 711, Catherine.Pendergast@maine.gov

CONTACT PERSON FOR SMALL BUSINESS IMPACT STATEMENT (*if different*): N/A

FINANCIAL IMPACT ON MUNICIPALITIES OR COUNTIES (*if any*): N/A

STATUTORY AUTHORITY FOR THIS RULE: 32 M.R.S. §§ 14012, 14038, 14039

SUBSTANTIVE STATE OR FEDERAL LAW BEING IMPLEMENTED (*if different*): N/A

AGENCY WEBSITE: <https://www.maine.gov/pfr/professionallicensing/professions/board-real-estate-appraisers>

EMAIL FOR OVERALL AGENCY RULEMAKING LIAISON: kristin.racine@maine.gov

* Check one of the following two boxes.

The summary provided above is for publication in both the newspaper and website notices.

The summary provided above is for the newspaper notice only. Title 5 §8053, sub-§5 & sub-§7, ¶D. A more detailed summary is attached for inclusion in the rulemaking notice posted on the Secretary of State's website. Title 5 §8053, sub-§3, ¶D & sub-§6.

Please approve bottom portion of this form and assign appropriate AdvantageME number.

APPROVED FOR PAYMENT _____ DATE: _____

(authorized signature)

FUND	AGENCY	ORG	APP	OBJ	PROGRAM	FUNDING Profile JVC	FUND Pri JVC	FUND Line JVC
014	02A	4695	01	4946				

Notice of Agency Rulemaking Proposal

Additional Information for the Web *(if any)*

DETAILED SUMMARY:

Rulemaking Fact Sheet (5 MRS §8057-A)

AGENCY: 02-298, Department of Professional and Financial Regulation, Office of Professional of Occupational Regulation, Board of Real Estate Appraisers

NAME, ADDRESS, PHONE NUMBER, EMAIL OF AGENCY CONTACT PERSON:

Catherine E. Pendergast, 35 State House Station, Augusta, ME 04333-0035, 207-624-8518, TTY: Maine relay 711, Catherine.Pendergast@maine.gov

CHAPTER NUMBER AND RULE TITLE:

Chapter 230: Supervisory Appraiser Duties (repeal and replace)

Chapter 240: Standards of Professional Practice (repeal and replace)

TYPE OF RULE (*check one*): Routine Technical Major Substantive

STATUTORY AUTHORITY: 32 M.R.S. §§ 14012, 14038, 14039

DATE, TIME AND PLACE OF PUBLIC HEARING: Tuesday, November 7, 2023, at 9:00 a.m., at the Office of Professional and Occupational Regulation, located at 76 Northern Avenue, Gardiner, Maine. Members of the public will also have the opportunity to attend and participate via remote means. Instructions on remote access and a link will be posted on the board's webpage in advance of the public hearing at <https://www.maine.gov/pfr/professionallicensing/professions/board-real-estate-appraisers/home/board-meeting-information>.

COMMENT DEADLINE: Friday, November 17, 2023 at 5:00 p.m.

PRINCIPAL REASON(S) OR PURPOSE FOR PROPOSING THIS RULE:

Chapter 230: Supervisory Appraiser Duties

The principal reason for this rulemaking is to have a rule that more clearly and explicitly sets forth the role and responsibilities of a supervisory appraiser. The replacement rule clarifies experience acceptable for credit, experience log content and submission requirements. Additionally, the rule aligns rule terminology with the statute.

Chapter 240: Standards of Professional Practice

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IS MATERIAL INCORPORATED BY REFERENCE IN THE RULE? YES NO [§8056(1)(B)]

ANALYSIS AND EXPECTED OPERATION OF THE RULE:

It is expected the revisions to Chapter 230 will aid supervisory appraisers in knowing specifically what their role is as a supervisor of a trainee and what is required of them in terms of oversight and recordkeeping. It is expected that adopting the updated 2024 USPAP in Chapter 240 will put the board and its licensees in line with other appraisers in other states by adopting in its rules the most current version of the standard of practice.

BRIEF SUMMARY OF RELEVANT INFORMATION CONSIDERED DURING DEVELOPMENT OF THE RULE: Expertise of board members, board staff and input from the Appraiser Qualifications Board.

ESTIMATED FISCAL IMPACT OF THE RULE: [see §8057-A(1)(C)] **FOR EXISTING RULES WITH FISCAL IMPACT OF \$1 MILLION OR MORE, ALSO INCLUDE:**

ECONOMIC IMPACT, WHETHER OR NOT QUANTIFIABLE IN MONETARY TERMS:
[see §8057-A(2)(A)]

INDIVIDUALS, MAJOR INTEREST GROUPS AND TYPES OF BUSINESSES AFFECTED AND HOW THEY WILL BE AFFECTED: [see §8057-A(2)(B)]

BENEFITS OF THE RULE: [see §8057-A(2)(C)]

Note: If necessary, additional pages may be used.

Chapter 230: ~~SUPERVISING~~SUPERVISORY APPRAISER DUTIES

SUMMARY: This rule establishes the ~~supervisory~~ responsibilities ~~for~~of a certified residential or certified general real property appraiser who supervises a trainee real property appraiser.

1. Commencement and Termination of Supervisory Relationship

A certified residential or certified general real property appraiser shall notify the board in writing of the commencement or termination of a supervisory relationship with a trainee real property appraiser no later than ten (10) days after the commencement or termination of the supervisory relationship.

2. Duties

1. A. ~~—A supervising supervisory~~ appraiser is responsible for the training, guidance and direct supervision of the trainee real property appraiser, including:

- A. 1. ~~—~~Accepting responsibility for ~~the any~~ appraisal ~~report~~reports drafted by the trainee real property appraiser, by signing and certifying that ~~the any such~~ report is in compliance with the Uniform Standards of Professional Appraisal Practice;
- B. 2. ~~—~~Reviewing with the trainee real property appraisal report(s); and supporting workfile documents, when necessary; and
- C. 3. ~~—~~Personally inspecting each appraised property with the trainee real property appraiser until the ~~supervising supervisory~~ appraiser determines the trainee is competent in accordance with the Competency Rule of the Uniform Standards of Professional Appraisal Practice for the property type. The ~~supervising supervisory~~ appraiser shall make this determination of competency in writing on a form provided by the board and shall submit the determination to the board no later than ten (10) days thereafter.

~~B.~~ ~~—~~

2. Records and Reporting

- A. 1. ~~—~~The ~~supervising supervisory~~ appraiser shall maintain accurate, up-to-date records of all the ~~trainee's~~trainee real property appraiser's activities ~~and, including~~ a schedule of hours of work completed. For any appraisal listed on a trainee appraiser's experience log, a supervisory appraiser must provide a copy of, or access to, any appraisal report and associated workfile documents in their custody and control to the board upon request.

B. ~~2.~~ No later than the fifteenth (15th) day of each month, a ~~supervising~~supervisory appraiser shall complete, sign and submit ~~a report~~an appraisal experience log to the board with respect to each trainee under ~~the appraiser's~~their supervision. The monthly ~~report~~log shall be made on a form prescribed by the Board and must contain all information required by Section 2(2)(F) of this Chapter. The board retains discretion to reject an experience log if it is incomplete or untimely submitted.

C. Trainee real property appraisers will not receive experience credit for appraisals reports that are not signed by the supervisory appraiser.

D. Trainee real property appraisers must be identified in the appraisal certification and scope of work for reports the trainee did not sign to be eligible for experience credit.

E. Separate appraisal logs shall be maintained by the supervisory appraiser for each trainee real property appraiser under their supervision, if applicable.

B-F. Experience logs shall, at a minimum, include the following information for the preceding calendar month:

a. (1) Type of property appraised;

b. (2) Whether the ~~supervising~~supervisory appraiser personally inspected the property with the trainee;

c. (3) Client name and address;

d. (4) Address of appraised property;

e. (5) Description of work performed; ~~and by the trainee real property appraiser and the scope of the review and supervision of the Supervisory Appraiser;~~

f. (6) Number of work hours;:

(7) Date of appraisal report; and

(8) The signature and board license number of the supervisory appraiser.

G. If the trainee real property appraiser trainee performed no reportable work, the monthly ~~report~~experience log shall so indicate.

3. Grounds for Discipline

In addition to the grounds enumerated in 10 M.R.S. § 8003(5-A)(A) and 32 M.R.S. § 14014-A, the Board may impose discipline on a supervisory appraiser for failure to execute their duties in accordance with this Chapter.

STATUTORY AUTHORITY:

32 M.R.S. §§ 14012, ~~1427~~14038, 14039

EFFECTIVE DATE:

~~September 18, 1999~~ filing 99-374

~~REPEALED AND REPLACED:~~

~~January 1, 2008~~ filing 2007-466

~~September 18, 2022~~ filing 2022-179

SUMMARY: This chapter establishes the Uniform Standards of Professional Appraisal Practice as the ~~standards~~standard of practice for licensees and requires licensees to display their signature and license number on certifications of appraisals performed.

~~Section 1.~~ Uniform Standards of Professional Practice

~~Licensees~~Except as set forth in 32 M.R.S. § 14011(7), licensees shall comply with generally accepted standards of professional practice as established by the Uniform Standards of Professional Appraisal Practice (“USPAP”). ~~For purposes of this section, licensees must comply with the 2020-2021 edition of USPAP effective January 1, 2020.”),~~ 2024 Edition. The Board hereby incorporates ~~this edition of USPAP~~the Uniform Standards of Professional Appraisal Practice (“USPAP”), 2024 Edition, Copyright © 2024, The Appraisal Foundation, effective January 1, 2024, into this chapter by reference. Copies of the ~~2020-2021~~2024 edition may be obtained, at cost, from The Appraisal Foundation, ~~Distribution~~Publication Fulfillment Center, P.O. Box 381, Annapolis Junction, MD 20701-0381. The web site is <http://www.appraisalfoundation.org/>.

~~Section 2.~~ Use of License Number

Any person licensed by the Board must display that person’s signature and license number on the certification of any appraisal performed in this State. The license number shall include the two (2) letter prefix identifying the type of license held.

STATUTORY AUTHORITY:

32 M.R.S. ~~Chapter 124, §§~~ 14012(3)

EFFECTIVE DATE:

~~September 18, 1999~~

~~AMENDED:~~

~~May 29, 2000~~

~~April 10, 2001~~

~~January 1, 2002~~

~~February 8, 2003 filing 2003-40~~

~~December 23, 2003 filing 2003-473~~

~~NON-SUBSTANTIVE CORRECTIONS:~~

~~February 20, 2004 restored web site address in Section 1~~

~~AMENDED:~~

~~December 21, 2004 filing 2004-584~~

~~June 18, 2006 filing 2006-259~~

~~December 22, 2007 filing 2007-527~~

~~January 1, 2010 filing 2009-704~~

~~January 1, 2012 filing 2011-406~~

~~January 1, 2014 filing 2013-297~~

~~January 1, 2016 filing 2015 245~~
~~August 29, 2018 filing 2018 170~~
~~January 20, 2020 filing 2020 010__~~

Chapter 230: SUPERVISORY APPRAISER DUTIES

SUMMARY: This rule establishes the responsibilities of a certified residential or certified general real property appraiser who supervises a trainee real property appraiser.

1. Commencement and Termination of Supervisory Relationship

A certified residential or certified general real property appraiser shall notify the board in writing of the commencement or termination of a supervisory relationship with a trainee real property appraiser no later than ten (10) days after the commencement or termination of the supervisory relationship.

2. Duties

1. A supervisory appraiser is responsible for the training, guidance and direct supervision of the trainee real property appraiser, including:

- A. Accepting responsibility for any appraisal reports drafted by the trainee real property appraiser, by signing and certifying that any such report is in compliance with the Uniform Standards of Professional Appraisal Practice;
- B. Reviewing with the trainee real property appraisal report(s) and supporting workfile documents, when necessary; and
- C. Personally inspecting each appraised property with the trainee real property appraiser until the supervisory appraiser determines the trainee is competent in accordance with the Competency Rule of the Uniform Standards of Professional Appraisal Practice for the property type. The supervisory appraiser shall make this determination of competency in writing on a form provided by the board and shall submit the determination to the board no later than ten (10) days thereafter.

2. Records and Reporting

- A. The supervisory appraiser shall maintain accurate, up-to-date records of all the trainee real property appraiser's activities, including a schedule of hours of work completed. For any appraisal listed on a trainee appraiser's experience log, a supervisory appraiser must provide a copy of, or access to, any appraisal report and associated workfile documents in their custody and control to the board upon request.
- B. No later than the fifteenth (15th) day of each month, a supervisory appraiser shall complete, sign and submit an appraisal experience log to the board with respect to each trainee under their supervision. The monthly log shall be made on a form prescribed by the Board and must contain all information required by Section

2(2)(F) of this Chapter. The board retains discretion to reject an experience log if it is incomplete or untimely submitted.

- C. Trainee real property appraisers will not receive experience credit for appraisals reports that are not signed by the supervisory appraiser.
- D. Trainee real property appraisers must be identified in the appraisal certification and scope of work for reports the trainee did not sign to be eligible for experience credit.
- E. Separate appraisal logs shall be maintained by the supervisory appraiser for each trainee real property appraiser under their supervision, if applicable.
- F. Experience logs shall, at a minimum, include the following information for the preceding calendar month:
 - (1) Type of property appraised;
 - (2) Whether the supervisory appraiser personally inspected the property with the trainee;
 - (3) Client name and address;
 - (4) Address of appraised property;
 - (5) Description of work performed by the trainee real property appraiser and the scope of the review and supervision of the Supervisory Appraiser;
 - (6) Number of work hours;
 - (7) Date of appraisal report; and
 - (8) The signature and board license number of the supervisory appraiser.
- G. If the trainee real property appraiser trainee performed no reportable work, the monthly experience log shall so indicate.

3. Grounds for Discipline

In addition to the grounds enumerated in 10 M.R.S. § 8003(5-A)(A) and 32 M.R.S. § 14014-A, the Board may impose discipline on a supervisory appraiser for failure to execute their duties in accordance with this Chapter.

STATUTORY AUTHORITY:

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EFFECTIVE DATE:

SUMMARY: This chapter establishes the Uniform Standards of Professional Appraisal Practice as the standard of practice for licensees and requires licensees to display their signature and license number on certifications of appraisals performed.

1. Uniform Standards of Professional Practice

Except as set forth in 32 M.R.S. § 14011(7), licensees shall comply with generally accepted standards of professional practice as established by the Uniform Standards of Professional Appraisal Practice (“USPAP”), 2024 Edition. The Board hereby incorporates the Uniform Standards of Professional Appraisal Practice (“USPAP”), 2024 Edition, Copyright © 2024, The Appraisal Foundation, effective January 1, 2024, into this chapter by reference. Copies of the 2024 edition may be obtained, at cost, from The Appraisal Foundation, Publication Fulfillment Center, P.O. Box 381, Annapolis Junction, MD 20701-0381. The web site is <http://www.appraisalfoundation.org/>.

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STATUTORY AUTHORITY:
32 M.R.S. § 14012(3)

EFFECTIVE DATE: