

Regulation of the  
**Department of Consumer Protection**  
Concerning  
**Real Estate Appraisal**

Regulations adopted after July 1, 2013, become effective upon posting to the website of the Secretary of the State, or at a later date specified within the regulation.

Website posted on  
**December 9, 2015**

Effective Date  
**December 9, 2015**

Approved by the Attorney General on  
**October 6, 2015**

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Committee on  
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State of Connecticut  
Office of the Secretary of the State  
Legislation and Elections Administration Division

**Purpose and Legal Disclaimer:** This form was designed to facilitate submission of the "statement from the department head" required by CGS 4-172(a) as amended by PA 12-92, Section 6. This form does not constitute legal advice. The Office of the Secretary of the State (SOTS) is not authorized to provide legal advice to state agencies. Consult with your agency's legal counsel before completing and submitting this form for filing

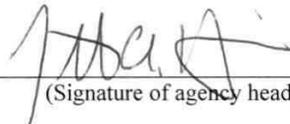
**Instructions:** (1) Save a copy of this document to your computer; (2) To enter data, use the Tab key to move between fields, or click-and-highlight an entire <text field>; (3) When complete, submit to your agency's legal counsel for review and approval; (4) After approval by counsel, PRINT and submit to your agency head for his/her original signature; (5) Scan the originally-signed form and submit it with the electronic copy of the regulation the statement certifies to the eRegulations System for processing and public website posting by the Office of the Secretary of the State; (6) retain the originally-signed copy for your agency's regulation-making record.

## Electronic Copy Certification Statement

I, **Jonathan A. Harris**, **Commissioner** of the **Department of Consumer Protection**, in accordance with the provisions of Section 4-172 of the *General Statutes of the State of Connecticut*, **do hereby certify:**

That the electronic copy of a regulation concerning **Real Estate Appraisal**, which was approved by the Legislative Regulation Review Committee on **November 24, 2015**, and which shall be submitted electronically for filing to the Secretary of the State by **Tanya Washington** of this agency on **December 1, 2015**, is a true and accurate copy of the original regulation approved in accordance with Sections 4-169 and 4-170 of the *General Statutes of the State of Connecticut*.

**In testimony whereof**, I have hereunto set my hand on **December 1, 2015**.

  
\_\_\_\_\_  
(Signature of agency head)

**REGS-1** Rev. 09/2013  
(Title page)

*For permanent regulations*  
**First NOTICED ON AND AFTER JULY 1, 2013**

**IMPORTANT:** Use this form (**REGS-1**) to submit permanent regulations to the Legislative Regulation Review Committee.  
**For emergency regulations, use form REGS-1-E instead.**  
For *non-substantive technical amendments and repeals* proposed without prior notice or hearing as permitted by subsection (g) of CGS 4-168, as amended by PA 13-247 and PA 13-274, use form REGS-1-T instead.

*Please read the additional instructions on the back of the last page (Certification Page) before completing this form. Failure to comply with the instructions may cause disapproval of proposed regulations.*

State of Connecticut  
**REGULATION**  
of the

NAME OF AGENCY:

**DEPARTMENT OF CONSUMER PROTECTION**

**Concerning**

SUBJECT MATTER OF REGULATION:

**Real Estate Appraisal**

**Section 1.** Section 20-504-3(c) of the Regulations of Connecticut State Agencies is amended as follows:

(c) No certified or provisional appraiser shall perform appraisal work that is beyond the scope of practice for such appraiser's category of licensure or certification except as provided under subsection (d) of this section. The scope of practice for each category is as follows:

- (1) The state certified general appraiser scope of appraisal practice includes the appraisal of all types of real estate, without regard to transaction value, for all types of transactions including federally related transactions.
- (2) The state certified residential appraiser scope of appraisal practice includes the appraisal of all residential real estate, without regard to transaction value, for all types of transactions including federally related transactions.
- (3) The state provisional appraiser scope of appraisal practice includes the appraisal of real estate while under the direct supervision of a certified appraiser for the types of property and in the types of transactions the [supervising] supervisory appraiser is permitted to appraise. The purpose for this category is to provide an entry level that will allow appraisers to develop the appraisal experience needed to qualify for a category of certified appraiser.

**Sec. 2.** Section 20-504-4 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-504-4. Provisional appraisers and supervisory appraisers**

(a) No person shall be a state provisional appraiser for less than two (2) years or more than a total of six (6) years except that under circumstances of bona fide personal or physical hardship or other good cause, the commission may allow additional time on a case by case basis. Such six (6) year total shall not include any period for which the proposed appraiser has given the commission earliest reasonable written notice of complete suspension of appraisal activity in Connecticut.

(b) While performing appraisal work, [all state] each provisional [appraisers] appraiser shall be subject to direct supervision by [a supervising appraiser who shall be] one or more supervisory appraisers, each of whom:

(1) Shall [be] have held a certified residential or certified general appraiser license for at least three (3) years prior to becoming a supervisor;

(2) Shall not have been subject to any disciplinary action within the immediately preceding three (3) years that affects their legal eligibility to engage in appraisal practice; and

(3) Shall currently hold their license in good standing.

(c) Both provisional appraisers and supervisory appraisers shall complete a course that, at a minimum, complies with the specifications for course content established by the Appraisal Qualifications Board (AQB). The course curriculum shall contain a review of the requirements and responsibilities of supervisory appraisers and the expectations of provisional (also known as “trainee”) appraisers. The course shall be completed by the provisional appraiser prior to obtaining a provisional appraiser credential and completed by the supervisory appraiser prior to supervising a provisional appraiser.

(d) The [supervising] supervisory appraiser shall be responsible for the direct supervision of the provisional [licensed] appraiser by:

(1) Accepting responsibility for the appraisal work performed. The [supervising] supervisory appraiser shall indicate the acceptance of responsibility in any resulting written appraisal reports, appraisal review reports or appraisal consulting reports by signing and certifying the report is in compliance with the current Uniform Standards of Professional Appraisal Practice (USPAP);

(2) Reviewing the provisional appraiser's appraisal reports, appraisal review reports, appraisal consulting reports or work product; and

(3) Personally inspecting each appraised property with the provisional appraiser until a reasonable appraiser would judge the provisional appraiser to be competent in accordance with the [competency provision] Competency Rule of the Uniform Standards of Professional Appraisal Practice (USPAP) for the property type.

[(c) A provisional appraiser may have more than one supervising appraiser.]

[(d)] (e) Each provisional appraiser and [supervising] supervisory appraiser shall file with the commission a notification prior to beginning and at the termination of their employment by each [supervising] supervisory appraiser.

[(e)] (f) For verification of experience credit, an appraisal log shall be maintained by the provisional appraiser and [supervising] supervisory appraiser and shall, at a minimum, include the following for each appraisal:

(1) Type of property;

(2) Date of report;

(3) Type of report (self-contained, summary, restricted use, other);

(4) Address of appraised property;

(5) Description of work performed by the [trainee/applicant] provisional appraiser and scope of the review and supervision of the [supervising] supervisory appraiser;

(6) Number of actual work hours performed by the [trainee or applicant] provisional appraiser on the assignment; and

(7) The signature and state certification number of the [supervising] supervisory appraiser.

[(f)] (g) The [supervising] supervisory appraiser and the provisional appraiser shall review and each sign the appraisal log on a quarterly basis, in accordance with a log format provided by the commission.

[(g)] (h) Separate appraisal logs shall be maintained for each [supervising] supervisory appraiser.

[(h)] (i) The provisional appraiser shall be entitled to obtain copies of appraisals such provisional appraiser prepared or to which such provisional appraiser made a significant professional contribution, from [supervising] supervisory appraisers when such copies are necessary to document appraisal experience for licensure, certification or regulatory compliance purposes. The [supervising] supervisory appraiser shall not, however, be required to maintain copies beyond the record keeping requirements of the current Uniform Standards of Professional Appraisal Practice (USPAP).

[(i)] (j) The [supervising] supervisory appraiser, by signing the notification to the commission of the sponsorship of the provisional appraiser, agrees to assume the responsibilities and duties of a [supervising] supervisory appraiser as provided in this section and in chapter 400g of the Connecticut General Statutes and the Uniform Standards of Professional Appraisal Practice (USPAP), and shall cooperate with the commission regarding matters related to the provisional appraiser.

[(j)] (k) A supervisory appraiser shall not supervise more than three (3) provisional appraisers at one time. [A supervising appraiser shall have no more than three (3) provisional appraisers at any one time unless the supervisor has first obtained a waiver of this subsection from the commission. Any waiver of this subsection shall:]

[(1) Be for a specific maximum number of provisional appraisers;]

[(2) State the minimum number of supervising appraisers that will be maintained in order to retain the waiver;]

[(3) Lapse at the end of the licensure or certification period during which the waiver is granted or upon a failure to maintain the approved minimum number of supervising appraisers, whichever occurs first; and]

[(4) Require a new waiver whenever provisional appraisers' licenses are renewed.]

**Sec. 3.** Section 20-504-5 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-504-5. Application for licensure or certification**

**(a) State certified general appraiser.** Each applicant for a general certification shall prove to the satisfaction of the commission that the applicant has met the following examination, education, and experience requirements:

(1) Successful completion of the AQB-approved Certified General Real Property Appraiser examination [required examination];

(2) As a prerequisite to sit for the examination, successful completion of courses approved by the commission totaling at least three hundred (300) classroom hours of study in accordance with the Required Core Curriculum. The Required Core Curriculum topic areas and required number of hours are:

(A) Basic Appraisal Principles (30 hours);

(B) Basic Appraisal Procedures (30 hours);

(C) The 15 hour National USPAP Course or its equivalent (15 hours);

(D) General Appraisal Market Analysis and Highest and Best Use (30 hours);

(E) Statistics, Modeling and Finance (15 hours);

(F) General Appraiser Sales Comparison Approach (30 hours);

(G) General Appraiser Site Valuation and Cost Approach (30 hours);

(H) General Appraiser Income Approach (60 hours);

(I) General Appraiser Report Writing and Case Studies (30 hours); and

(J) Appraisal Subject Matter Electives (30 hours).

(3) Applicants completing the required three hundred (300) classroom hours of study shall be able to demonstrate that their education involved coverage of all topics listed below, with particular emphasis on the appraisal of non-residential properties:

(A) Influences on real estate value;

(B) Legal consideration in appraisal;

(C) Types of value;

(D) Economic principles;

(E) Real estate markets and analysis;

(F) Valuation process;

- (G) Property description;
- (H) Highest and best use analysis;
- (I) Appraisal math and statistics;
- (J) Sales comparison approach;
- (K) Site value;
- (L) Cost approach;
- (M) Income approach:
  - (i) estimation of income and expenses;
  - (ii) operating statement ratios;
  - (iii) direct capitalization;
  - (iv) cash flow estimates;
  - (v) measures of cash flow; and
  - (vi) discounted cash flow analysis;
- (N) Valuation of partial interests;
- (O) Narrative report writing; and
- (P) Successful completion of the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course within the six (6) year period preceding the date of the application. Said course shall consist of at least fifteen (15) classroom hours, including a cumulative examination, and shall be taught by an AQB certified USPAP instructor who is a state certified residential or state certified general appraiser. The hours of instruction completed as part of the USPAP course shall be applied as a credit toward the total number of hours listed as a prerequisite to sit for the examination in subsection (a)(2) of this section.

(4) As a prerequisite to [obtain certification] sit for the examination, completion of either three thousand (3,000) hours of appraisal experience, as defined in subparagraphs (A) and (B) of this subdivision, or equivalent experience as determined by the commission.

(A) Three thousand (3,000) hours of appraisal experience obtained during no fewer than thirty (30) months is required. Experience documentation in the form of an appraisal log shall be submitted to support the experience claimed.

If requested, reports or file memoranda shall be made available to support the experience claimed. Hours may be treated as cumulative in order to achieve the necessary 3,000 hours of appraisal experience.

(B) For credit, the applicant shall have accumulated a total of three thousand (3,000) hours of appraisal experience of which at least one thousand five hundred (1,500) hours shall be in non-residential appraisal work.

(5) As a prerequisite to obtain certification[, on or after January 1, 2008], the applicant shall have obtained the minimum educational requirement of a bachelor's degree from an accredited college, university, or institute of higher education. [In lieu of the bachelor's degree, the applicant shall have successfully completed thirty (30) semester hours or its equivalent in the following collegiate level subject matter courses from an accredited college, university, or institute of higher education:]

[Each course shall be a minimum of three (3) semester credit hours:]

[(A) English Composition;]

[(B) Macro Economics;]

[(C) Micro Economics;]

[(D) Finance;]

[(E) Algebra, Geometry or higher level mathematics;]

[(F) Statistics;]

[(G) Computers (Introductory level course), including word processing and spreadsheets;]

[(H) Business Law or Real Estate Law; and]

[(I) Two (2) elective courses in any of the following subject matters: Accounting, Geography, Ag-Economics, Business Management, or Real Estate.]

(b) **State certified residential appraiser.** Each applicant for a residential certification shall prove to the satisfaction of the commission that the applicant has met the following examination, education, and experience requirements:

(1) Successful completion of the AQB-approved Certified Residential Real Property Appraiser examination [required examination];

(2) As a prerequisite to sit for the examination [prior to January 1, 2008, either successful completion of courses approved by the commission totaling at least one hundred and twenty (120) hours of study or proof of education deemed by the commission to be equivalent to such classroom courses. As a prerequisite to sit for the examination on or after January 1, 2008], successful completion of courses approved by the commission totaling at least two hundred (200) classroom hours of study in accordance with the Required Core Curriculum. The Required Core Curriculum topic areas and required number of hours are:

(A) Basic Appraisal Principles (30 hours);

(B) Basic Appraisal Procedures (30 hours);

- (C) The 15 hour [National] USPAP Course or its equivalent (15 hours);
- (D) Residential Market Analysis and Highest and Best Use (15 hours);
- (E) Residential Appraiser Site Valuation and Cost Approach (15 hours);
- (F) Residential Sales Comparison and Income Approaches (30 hours);
- (G) Residential Report Writing and Case Studies (15 hours);
- (H) Statistics, Modeling and Finance (15 hours);
- (I) Advanced Residential Applications and Case Studies (15 hours); and
- (J) Appraisal Subject Matter Electives (20 hours).

(3) Applicants completing the required two hundred (200) classroom hours of study shall be able to demonstrate that their education involved coverage of all topics listed below, with particular emphasis on the appraisal of residential properties:

- (A) Influences on real estate value;
- (B) Legal consideration in appraisal;
- (C) Types of value;
- (D) Economic principles;
- (E) Real estate markets and analysis;
- (F) Valuation process;
- (G) Property description;
- (H) Highest and best use analysis;
- (I) Appraisal math and statistics;
- (J) Sales comparison approach;
- (K) Site value;
- (L) Cost approach;
- (M) Income approach:
  - (i) gross rent multiplier analysis;
  - (ii) estimation of income and expenses;

(iii) operating expense ratios; and

(iv) direct capitalization;

(N) Valuation of partial interests;

(O) Narrative report writing; and

(P) Successful completion of the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course within the six (6) year period preceding the date of the application. Said course shall consist of at least fifteen (15) classroom hours, including a cumulative examination, and shall be taught by [an] at least one AQB certified USPAP instructor who is a state certified residential or state certified general appraiser. The hours of instruction completed as part of the USPAP course shall be applied as a credit toward the total number of hours listed as a prerequisite to sit for the examination in subsection (b)(2) of this section; and

(4) As a prerequisite to [obtain certification] sit for the examination, completion of two thousand five hundred (2,500) hours of appraisal experience, obtained during no fewer than twenty-four (24) months [is required]. Experience documentation in the form of an appraisal log shall be submitted to support the experience claimed. If requested, reports or file memoranda shall be available to support the experience claimed. Hours may be treated as cumulative in order to achieve the necessary two thousand five hundred (2,500) hours of appraisal experience.

(5) As a prerequisite to obtain certification, the applicant shall have obtained the minimum educational requirement of a [associate's] bachelor's degree from an accredited college, university, or institute of higher education. [In lieu of the associate's degree, the applicant shall have successfully completed twenty one (21) semester hours or its equivalent in the following collegiate level subject matter courses from an accredited college, university, or institute of higher education:]

[Each course shall be a minimum of three (3) semester credit hours:]

[(A) English Composition;]

[(B) Principals of Economics, either Macro Economics or Micro Economics;]

[(C) Finance;]

[(D) Algebra, Geometry or higher level mathematics;]

[(E) Statistics;]

[(F) Computers (Introductory level course), including word processing and spreadsheets; and]

[(G) Business Law or Real Estate Law.]

**(c) State provisional appraiser.** Each applicant for a provisional license shall, before being granted such provisional license, prove to the satisfaction of the commission that the applicant has met the following education requirements:

(1) Successful completion of pre-licensing courses approved by the commission, including examinations, totaling at least seventy-five (75) classroom hours of study, including:

(A) [A] Completion of a minimum of thirty (30) classroom hours in real estate appraisal principles, within the five (5) year period preceding the date of the provisional license application;

(B) [Thirty (30) hours of Basic Appraisal Procedures] Completion of a minimum of thirty (30) classroom hours in real estate appraisal procedures, within the five (5) year period preceding the date of the provisional license application; and

(C) Successful completion of the 15-hour Uniform Standards of Professional Appraisal Practice (USPAP) course within the [six (6)] five (5) year period preceding the date of the application. Said course shall consist of at least fifteen (15) classroom hours, including a cumulative examination, and shall be taught by an AQB certified USPAP instructor who is a state certified residential or state certified general appraiser.

(2) Successful completion of an AQB approved course detailing the supervisory and provisional appraiser (also known as "trainee") roles.

**(d) Documentation of experience and education.** Applicants for licensure or certification shall comply with the following when documenting experience and training:

(1) Allowable appraisal experience shall be the applicant's own work, which may include experience obtained while completing entire appraisals, technical review appraisals or consulting assignments. Appraisal experience may also be allowed for experience the applicant obtained while providing significant professional assistance, as determined by the commission, to a certified appraiser in the preparation of real estate appraisals, technical review appraisals or consulting assignments, where the applicant is not the primary appraiser. Allowable appraisal experience shall not include appraisals performed as a classroom exercise;

(2) Experience documentation for applicants in the form of logs, reports, and file memoranda shall be available to support the experience claimed. If requested by the commission, applicants will provide the commission with such additional documentation as is needed to prove to the satisfaction of the commission that the experience requirement has been met; and

(3) Education documentation shall be provided with the application in the form of original affidavits or original certificates provided for commission approved courses or other documentation acceptable to the commission. Documentation will also be provided for other courses [or teaching experience claimed]. If requested by the commission, applicants will provide the commission with such additional documentation as is needed to prove to the satisfaction of the commission that the education requirement has been met.

**Sec. 4.** Section 20-504-6 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-504-6. Examination**

(a) In order to determine the competency of any applicant for certification, each applicant is required to successfully complete a written examination as to the applicant's competency to act as an appraiser

in the category for which the applicant is applying.

(b) Such examination shall be:

(1) [Prepared by the Department of Consumer Protection or by a national testing service designated by the Commissioner of Consumer Protection;] The AQB approved National Uniform Licensing and Certification Examination; and

(2) Administered to applicants by the Department of Consumer Protection or by such testing service at such times and places as said commissioner may deem necessary [; and].

[(3) Consistent with guidelines established by the Appraiser Qualifications Board of The Appraisal Foundation.]

(c) A passing score of at least seventy-five (75) per cent of the maximum possible score on the examination shall be attained by an applicant in order to pass the personal written examination for the appraiser's certification given by the Department of Consumer Protection or national testing service. Successful completion of said examination is valid for a period not to exceed twenty four (24) months from the date of said examination.

**Sec. 5.** Subsection 20-504-7(b) of the Regulations of Connecticut State Agencies is amended as follows:

(b) The continuing education requirement shall be satisfied by:

(1) Successful completion by certified or provisional appraisers of twenty-eight (28) classroom hours in courses approved by the commission[, during the two (2) year period preceding such renewal except that provisional appraisers shall have no continuing education requirement at the first renewal of their provisional license]. The continuing education renewal cycle shall run from May 1<sup>st</sup> through April 30<sup>th</sup> inclusive of each even-numbered calendar year. The classroom education shall include, one (1) course consisting of at least three (3) classroom hours in current real estate appraisal legislation, laws and regulations, professional standards, and real estate equal opportunity laws and regulations; and

(2) Successful completion of the seven (7) hour USPAP update course [beginning with the May 1, 2004 two-year continuing education cycle and] taught by at least one [an AQE] AQB certified USPAP instructor who is also a state certified appraiser.

**Sec. 6.** Section 20-504-9 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-504-9. Temporary practice; licensure or certification in another state**

(a) **Temporary practice**

(1) An appraiser who is certified or provisionally licensed by the appraiser licensing agency or certifying agency in another state may register to receive temporary certification or temporary provisional licensure in this state by paying the appropriate fee and filing with the board a registration form approved by and obtained from the commission. The commission shall provide written notification of acceptance of the registration to the appraiser via mail, facsimile, electronic mail or other appropriate means not later than five (5) days after receipt of the fee and a properly

completed registration form.

(2) The temporary certification or temporary provisional license, as the case may be, shall be effective for six (6) months from issuance and will apply to one appraisal assignment which will be specified in the application. The commission may grant one extension upon request of the appraiser if the appraiser is unable to complete the appraisal assignment within six months. One appraisal assignment means one or more real estate appraisals which have been contracted for in a single contract. Temporary certification and temporary provisional licensure are available to appraisers from all states unless a state's appraiser certifications or licenses are not recognized under FIRREA.

**(b) Licensure or certification from other states [with reciprocity]**

(1) Provisional Appraisers:

(A) [Currently practicing, competent real estate appraisers from a state that has a formal reciprocity agreement with the commission, may make application, along with the appropriate fees, to the commission for an equivalent certification or provisional license in Connecticut.] Provisional applicants from other states may apply for a provisional license with the appropriate fee to the commission. Applicants shall submit proof of satisfactory completion of the required course work based upon Appraisal Qualifications Board (AOB) criteria.

(B) [Upon verification of the appraiser's valid certification or license by the issuing authority of the reciprocal state, a Connecticut certification may be issued without examination or further documentation of education or experience.]

[(C) Upon verification of the appraiser's valid provisional license equivalent, by the issuing authority of the reciprocal state, a Connecticut provisional license may be issued if such appraiser proves to the satisfaction of the commission that the appraiser has qualifications similar to those required for a Connecticut provisional appraiser. Such provisional appraisers shall work under the direct supervision of an appraiser holding a valid Connecticut certification or temporary certification.] Provisional applicants shall have the sponsorship of an active Connecticut certified appraiser.

(2) Certified Appraisers:

(A) Certified applicants from other states may apply for an equivalent certification with the appropriate fee to the commission. Applicants shall have passed an AOB approved exam;

(B) Shall be AOB compliant; and

(C) Shall be in good standing on the National Registry of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

**[(c) Licensure or certification from states without reciprocity]**

[(1) Currently practicing, competent real estate appraisers from a state that does not have a formal reciprocity agreement with the commission, may make application, along with the appropriate fees, to the commission for an equivalent certification or provisional license in Connecticut.]

[(2) Such out-of-state appraiser applicants may qualify for a Connecticut certification if the applicant proves to the satisfaction of the commission that the applicant has met the appropriate examination, education and experience requirements, or the equivalent.]

[(3) Upon verification of the appraiser's valid certification or license by the issuing authority, the examination requirement may be waived if the applicant proves to the satisfaction of the commission that the applicant has successfully passed an examination, appropriate for the category of licensure or certification applied for, that is consistent with the guidelines established by the Appraisal Qualifications Board of The Appraisal Foundation. Such waivers may be made by the commission to appraisers from all states unless a state's appraiser certifications are not recognized under FIRREA.]

[(4) Upon verification of the appraiser's valid provisional license equivalent, by the issuing authority of the issuing state, a Connecticut provisional license may be issued if such appraiser proves to the satisfaction of the commission that the appraiser has qualifications similar to those required for a Connecticut provisional appraiser. Such provisional appraisers shall work under the direct supervision of an appraiser holding a valid Connecticut certification or temporary certification.]

[(d)] **(c) Credit for continuing education approved by another state**

Currently practicing, competent real estate appraisers in another state applying for renewal or provisional licensing in the state of Connecticut shall satisfy the provisions of chapter 400g of the Connecticut General Statutes and sections 20-504-1 to 20-504-12, inclusive, of the Regulations of Connecticut State Agencies, except that such appraisers may submit continuing education courses or seminars that have been approved by the issuing authority for consideration by the commission as equivalent continuing education, provided that the total number of classroom hours submitted shall be consistent with the continuing education requirements. [Appraisers are also required to] All appraisers shall comply with Connecticut's continuing education requirements, including the completion of the three (3) hour mandatory appraisal law course and the seven (7) hour USPAP update course as part of the required twenty eight (28) total hours of courses during each two (2) year continuing education cycle.

[(e)] **(d) Real estate appraisal reviewers certified in another state**

(1) Real estate appraisal reviewers certified in another state and operating outside the state of Connecticut who are performing appraisal reviews regarding real estate located in Connecticut are not required to hold a Connecticut certification or temporary certification if such appraisal review does not entail an opinion or determination of value or involve field work within the state of Connecticut.

(2) Real estate appraisers licensed or certified in another state and performing appraisal reviews that do entail an opinion or determination of value or involve field work within the state of Connecticut are required to hold a valid Connecticut certification or provisional license that is appropriate for the work performed, which may include a temporary license.

**Sec. 7.** Section 20-512-2 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-512-2. School [approval] registration and requirements**

(a) Each college, university, community college, junior college, real estate appraisal organization, real estate organization, state agency, federal agency, proprietary school or other provider of education shall obtain [approval] a registration as a real estate appraisal school from the commission before offering approved courses in real estate appraisal prerequisite education or continuing education. School [approval] registration shall be obtained [from the commission] before any courses will be considered for approval for the purpose of becoming a state certified general appraiser, state certified residential appraiser or state provisional appraiser in the state of Connecticut, or for the purpose of renewing or maintaining any such license or certification. Application for such school [approval] registration shall be made on forms prescribed by the Commissioner of Consumer Protection, and accompanied by such evidence in support of such application as is prescribed by the commission. [located on the Department of Consumer Protection website, www.ct.gov/DCP Course and school approvals shall be reviewed on a periodic basis at the discretion of the commission.]

(b) All [approved] registered schools shall:

- (1) Be responsible for keeping course material current and accurate;
- (2) Permit the commission, without prior notice, to visit the school and observe the instruction given to insure proper standards as to method and content of any approved courses;
- (3) Conduct each course of study in a classroom or other facility which is adequate to implement the offering. No course shall be conducted in a classroom location that is not approved by the local fire marshal for such use. Courses shall not be held on the premises of a real estate appraisal office, real estate brokerage office or real estate franchise; and
- (4) Abide by the regulations established under the authority of section 20- 512 of the Connecticut General Statutes, including sections 20-512-1 to 20-512-11, inclusive, of the Regulations of Connecticut State Agencies.

(c) School [approval] registration or course approval may be withdrawn by the commission for failure by a school or its representatives to comply with the provisions of sections 20-512-1 to 20-512-11, inclusive, of the Regulations of Connecticut State Agencies.

(d) All [approved] registered schools or applicant schools shall cooperate with department staff if such school is contacted in connection with an inquiry or investigation performed by the Department of Consumer Protection concerning possible violations of real estate appraiser statutes or regulations. No representative of such school shall make any untruthful or misleading statements in connection with any Department of Consumer Protection or commission inquiry, investigation or hearing.

(e) All real estate appraisal school registrations shall expire biennially and be subject to biennial renewal.

**Sec. 8.** Section 20-512-3 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-512-3. Prerequisite course approval**

(a) All prerequisite courses, prior to submission to the commission, shall have received a Course Approval Program (CAP) certification by the Appraisal Qualifications Board. No courses shall commence, or be advertised as approved, without prior written approval of the commission.

(b) A separate application for commission approval shall be required for each course in real estate appraisal prerequisite education.

(c) The application for each prerequisite course shall include, but not be limited to, the following:

- (1) A detailed course outline or course syllabus;
  - (2) A copy of the text or related teaching materials;
  - (3) A copy of the affidavits or certificates to be issued by the school to each student upon successful completion of the course;
  - (4) A copy of all proposed advertising;
  - (5) The names, addresses, and qualifications of all instructors to be used;
  - (6) The tuition, other related costs, cancellation and refund policy;
  - (7) A copy of all tests, quizzes and exams with answer key; and
  - (8) A description of the grading system to be used, and the policy regarding attendance[; and].
- [ (9) On or after January 1, 2008, a certificate of approval for the course from the Course Approval Program (or "CAP") of the AQB. ]

(d) Applications for prerequisite courses which have been reviewed and approved by the [Connecticut Real Estate Commission or the] AQB may be accepted with proof of such approval in lieu of any or all of the items included in subdivisions (2) through (8) of subsection (c) of this section as deemed appropriate by the commission.

(e) Each school shall issue an affidavit or certificate to each student successfully completing an approved prerequisite course, in such form as may be adopted by the school, attesting to the student having met the required minimum attendance and achieved a minimum passing grade of at least seventy five (75) percent, the course start and finish dates, and the number of classroom hours for which the course has been approved. Said affidavit is to be signed by an authorized official of the school.

(f) Each prerequisite course approval shall be effective for a three (3) year period from the date of approval. All courses shall require a renewal application after the three (3) year period has lapsed. [The commission may grant approval for additional three (3) year periods upon the submission of an acceptable updated course filing containing any changes from the previous offering.] USPAP course approvals shall be effective for a period of one (1) year from the date of approval, and the commission may grant approval for an [the] additional one (1) year [periods] period upon the submission of an acceptable updated course filing containing [any] all changes from the previous offering.

**Sec. 9.** Subsection 20-512-4(e) of the Regulations of Connecticut State Agencies is amended as follows:

(e) A distance education course as referred to in the Interpretations of the Appraiser Qualification Criteria of the AQB shall meet the classroom hour requirement specified in subsection (c) of this section or its equivalent, provided that the course is approved by the commission and [that it] meets at least one of the qualification criteria established by the AQB. Copies of the Interpretations of the Appraiser Qualification Criteria of the AQB are available for inspection at the office of the Real Estate Appraisal Commission, Room 110, State Office Building, 165 Capitol Avenue, Hartford, Connecticut, during regular business hours. Alternatively, copies may be obtained from The Appraisal Foundation located in Washington, D.C. or from The Appraisal Foundation's website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org). All approved distance education courses shall be approved by the International Distance Education Certification Center (IDECC) prior to submission to the commission.

**Sec. 10.** Section 20-512-5 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-512-5. Continuing education course approval**

(a) Approval of continuing education courses for the purpose of renewing or maintaining an appraiser license or certification in the state of Connecticut shall be obtained from the commission before a course is conducted. No courses shall commence, or be advertised as approved, without prior written approval of the commission.

(b) A separate application for commission approval shall be required for each course in real estate appraisal continuing education.

(c) The application for each continuing education course shall include, but not be limited to, the following:

- (1) A detailed course outline;
- (2) A copy of the inside cover of the text and related teaching materials;
- (3) A copy of the affidavits or certificates to be issued by the school upon completion of the course;
- (4) A copy of all proposed advertising, internet advertising, and publicity;
- (5) The tuition, other related costs and the cancellation and refund policy;
- (6) A description of the policy regarding minimum attendance; and
- (7) [Location] The location of the classroom.

(d) Applications for continuing education courses which have been reviewed and approved by the [Connecticut Real Estate Commission or the] Appraisal Qualifications Board may be accepted with proof of such approval in lieu of any or all of the items included in subdivisions (2) through (7) of subsection (c) of this section as deemed appropriate by the commission.

(e) Each school shall issue an affidavit to the student completing an approved continuing education course, in such form as may be adopted by the school, attesting to the required minimum attendance, the course start and finish dates, and the number of classroom hours for which the course has been

approved. Said affidavit is to be signed by an authorized official of the school.

(f) Each continuing education course approval shall be effective for a three (3) year period from the date of approval. All courses shall require a renewal application after the three (3) year period has lapsed. [The commission may grant approval for additional three (3) year periods upon the submission of an acceptable updated course filing containing any changes from the previous offering.]

**Sec. 11.** Section 20-512-6 of the Regulations of Connecticut State Agencies is amended as follows:

**Sec. 20-512-6. Continuing education course content**

(a) The contents of continuing education programs shall consist of current real estate appraisal practices, real estate practices, laws and standards of professional practice that are broad-based and essential to the role of a real estate appraiser as the appraiser acts in the best interests of the consumer. These contents shall directly relate to real estate appraisal principles and practices such as described in Connecticut's real estate appraisal statutes and regulations and any overview text on real estate appraisal principles and practices, or to new developments in the field for which licensed or certified appraisers have a demonstrated need.

(b) Generally acceptable continuing education courses may include, but shall not be limited to:

- (1) Ad valorem taxation;
- (2) Arbitration;
- (3) Business courses related to real estate appraisal;
- (4) Construction estimating;
- (5) Ethics and standards of professional practice;
- (6) Land use planning, zoning and taxation;
- (7) Property development;
- (8) Real estate appraisal (valuation or evaluation, or both);
- (9) Real estate appraisal [licensing law] laws and regulations [pertaining to appraisal];
- (10) Real estate appraisal related computer applications;
- (11) Real estate financing and investment;
- (12) Real estate law;
- (13) Real estate litigation;
- (14) Real estate management, leasing, brokerage or time-sharing;

- (15) Real estate securities and syndication;
  - (16) Real estate taxes and liens;
  - (17) Real estate principles and practices; and
  - (18) Real property exchange.
- (c) The commission shall not approve offerings in mechanical office and business skills such as typing, speed-reading, memory development, personal motivation, salesmanship, sales psychology, sales promotions, and shall not approve general business meetings.
- (d) For continuing education courses, no course of less than two (2) classroom hours shall be approved. There is no examination requirement for continuing education courses.
- (e) There shall be no change or alteration in any approved continuing education course without prior written notice and approval of the commission.
- (f) A distance education course as referred to in the Interpretations of the Appraiser Qualification Criteria of the AQB shall meet the classroom hour requirement specified in subsection (d) of this section or its equivalent, provided that the course is approved by the commission and that it meets at least one of the qualification criteria established by the AQB. Copies of the Appraiser Qualification Criteria and the Interpretations of the Appraiser Qualification Criteria of the AQB are available for inspection at the office of the Real Estate Appraisal Commission, Room 110, State Office Building, 165 Capitol Avenue, Hartford, Connecticut, during regular business hours. Alternatively, copies may be obtained from The Appraisal Foundation located in Washington, D.C. or from The Appraisal Foundation's website at [www.appraisalfoundation.org](http://www.appraisalfoundation.org). All approved distance education courses shall be approved by the International Distance Education Certification Center (IDECC) prior to submission to the commission.
- (g) The purpose of continuing education is to ensure that the appraiser participates in a program that maintains and increases his or her skill, knowledge and competency in real estate appraising.
- (h) At least one of the course instructors of the [7 or 15] seven (7) or fifteen (15) hour USPAP course [must] shall be an AQB Certified USPAP Instructor who is also a state certified appraiser.

## **Statement of Purpose**

*Pursuant to CGS Section 4-170(b)(3), "Each proposed regulation shall have a statement of its purpose following the final section of the regulation." Enter the statement here.*

(A) **Purpose**: The proposed regulations update existing requirements for real estate appraisers. The qualifications for real property appraisers are set by the Appraiser Qualifications Board of The Appraisal Foundation. The qualifications cover education, experience, examination and continuing education. The prerequisites for each of the credentials are reviewed by the Connecticut Real Estate Appraisal Commission under the auspices of the Department of Consumer Protection.

(B) **Summary**: These amendments clarify the licensure categories and scope of practice, set the parameters for provisional appraisers, and articulate the prerequisites to obtain certification as a state certified general appraiser or state certified residential appraiser.

(C) **Legal Effects**: These regulations make minor changes to the existing regulations for real estate appraisers. There are no major legal effects.

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(Certification page—see Instructions on back)

**CERTIFICATION**

*This certification statement must be completed in full.*

**I hereby certify that the above Regulation(s)**

- 1) is/are (check all that apply)  adopted  amended  repealed by this agency pursuant to the following authority(ies): (complete all that apply)
- a. **Connecticut General Statutes section(s)** 4-168; 20-504; and 20-512.
- b. **Public Act Number(s)** \_\_\_\_\_.  
 (Provide public act number(s) if the authorizing act has not yet been codified in the Connecticut General Statutes.)

**And I further certify**

- 2) that **Notice of Intent** to adopt, amend or repeal said regulation(s) was electronically submitted to the Secretary of the State on 09-24-2014, and posted to the Secretary’s regulations website on 09-25-2014; (Insert dates notice was (a) emailed to the Secretary of the State and (b) posted on the Secretary’s website, if notice and posting were required by CGS 4-168, as amended by PA 13-247 and PA 13-274.)
- 3) and that a public hearing regarding the proposed regulation(s) was held on 10-31-2014 or  that no public hearing was held; (Insert date(s) of mandatory public hearing(s) held pursuant to CGS 4-168(a), as amended, or other applicable statute, and/or voluntary hearing, or if no hearing was held, check the box for that statement.)
- 4) and that notice of **Decision to Take Action** on said regulations was electronically submitted to the Secretary of the State on 11-14-2014, and posted to the Secretary’s regulations website on 11-18-2014; (Insert dates notice was (a) emailed to the Secretary of the State and (b) posted on the Secretary’s website, if notice and posting were required by CGS 4-168, as amended by PA 13-247 and PA 13-274.)
- 5) and that said regulation(s) is/are **EFFECTIVE** (check one, and complete as applicable)
- When posted online by the Secretary of the State.
- OR  on (insert date) \_\_\_\_\_.

<b>6) SIGNED (Head of Board, Agency or Commission)</b>	OFFICIAL TITLE, DULY AUTHORIZED Commissioner of Consumer Protection	DATE
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**APPROVED by the Attorney General as to legal sufficiency in accordance with CGS Section 4-169, as amended.**

DATE	SIGNED (Attorney General or AG’s designated representative)	OFFICIAL TITLE, DULY AUTHORIZED
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Proposed regulations are **DEEMED APPROVED** by the Attorney General in accordance with CGS Section 4-169, as amended, if the Attorney General fails to give notice to the agency of any legal insufficiency within thirty (30) days of the receipt of the proposed regulation.

**(For Regulation Review Committee Use ONLY)**

APPROVED  in WHOLE or WITH  technical corrections  deletions  substitute pages

DEEMED APPROVED, pursuant CGS 4-170(c), as amended.

Rejected without Prejudice  Disapproved, pursuant to CGS 4-170(c), as amended.

By the Legislative Regulation Review Committee in accordance with CGS Section 4-170, as amended	DATE	SIGNED (Administrator, Legislative Regulation Review Committee)
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**In accordance with CGS Section 4-172, as amended by PA 13-247 and PA 13-274, one certified paper copy and one electronic copy with agency head certification statement received on the date(s) specified below.**

DATE	SIGNED (Secretary of the State)	BY
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*(For Secretary of the State Use ONLY)*

Date Posted to SOTS Regulations Website:

Date Electronic Copy Forwarded to the Commission on Official Legal Publications:

**SOTS file stamp:**

**REGS-1** Rev. 09/2013  
(Instructions page)

## GENERAL INSTRUCTIONS

1. All regulations proposed for adoption, amendment or repeal, *except* emergency regulations, must be presented to the Attorney General for determination of legal sufficiency. (See CGS Section 4-169.)
2. After approval by the Attorney General, the original and one electronic copy (in Word format) of all regulations proposed for adoption, amendment or repeal must be presented to the Legislative Regulation Review Committee for its action. (See CGS Section 4-168, as amended by PA 13-247, section 28, and PA 13-274, and CGS Section 4-170.)
3. Each proposed regulation section must include the appropriate regulation section number and a section heading. (See CGS Section 4-172.)
4. New language added to an existing regulation must be in underlining or CAPITAL LETTERS, as determined by the Regulation Review Committee. (See CGS 4-170(b).)
5. Existing language to be deleted must be enclosed in [brackets]. (See CGS 4-170(b).)
6. A completely new regulation or a new section of an existing regulation must be preceded by the word "(NEW)" in capital letters. (See CGS Section 4-170(b).)
7. The proposed regulation must have a statement of its purpose following the final section of the regulation. (See CGS Section 4-170(b).)
8. The *Certification Statement* portion of this form must be completed, including all applicable information regarding notice submission and website posting date(s) and public hearing(s). (See more specific instructions below.)
9. Additional information regarding rules and procedures of the Legislative Regulation Review Committee can be found on the Committee's web site: <http://www.cga.ct.gov/rr/>.
10. A copy of the Legislative Commissioners' Regulations Drafting Manual is located on the LCO website at [http://www.cga.ct.gov/lco/pdfs/Regulations\\_Drafting\\_Manual.pdf](http://www.cga.ct.gov/lco/pdfs/Regulations_Drafting_Manual.pdf).

## CERTIFICATION STATEMENT INSTRUCTIONS

(Numbers below correspond to the numbered sections of the Certification Statement page)

1.
  - a) Indicate whether the regulation contains newly adopted sections, amendments to existing sections, and/or repeals of existing sections. **Check all cases that apply.**
  - b) Indicate the specific legal authority that permits or requires adoption, amendment or repeal of the regulation. If the relevant public act has been codified in the most current biennial edition of the *Connecticut General Statutes*, indicate the relevant statute number(s) instead of the public act number. If the public act has not yet been codified, indicate the relevant public act number.
2. An agency must electronically submit notice of its intent to adopt the regulation to the Secretary of the State at [regulations.sots@ct.gov](mailto:regulations.sots@ct.gov) for posting on the Secretary's regulations website. Enter both the date notice of intent was submitted to the Secretary of the State *and* the date the notice was posted on the Secretary's website. For emergency regulations, use Form Regs-1-E instead of this form. For non-substantive technical amendments and repeals adopted without prior notice or hearing as permitted by subsection (g) of CGS 4-168, use Form REGS-1-T instead of this form.
3. CGS 4-168(a), as amended by PA 13-247 and PA 13-274, prescribes requirements for holding a public hearing on proposed regulations. Enter the date(s) of all hearing(s) held under that section, if any, also enter the date(s) of any hearing(s) the agency was required to hold under the provisions of any other law; and enter the date(s) of any public hearing(s) the agency elected to hold voluntarily. If no public hearing was held, mark (X) the check box.
4. **NEW REQUIREMENT:** CGS 4-168(d), as amended by PA 13-247 and PA 13-274, prescribes requirements electronically submitting notice of decision to take action (proceed with adoption) of a proposed regulation for posting to the Secretary's regulations webpage. Enter both the date notice of decision was submitted to the Secretary of the State *and* the date the notice was posted on the Secretary's website.
5. As applicable, enter the specific effective date of the regulation; or indicate that it is effective upon posting online by the Secretary of the State. **Please note the important information below.**  
 Permanent regulations adopted after July 1, 2013 are effective upon posting online by the Secretary of the State (SOTS), or at a *later* date specified by the agency, or at a *later* date if required by statute. See CGS 4-172(b). An effective date may not precede the date of posting online by SOTS, and it may not precede the effective date of the public act requiring or permitting the regulation.
6. Submit the original proposed regulation to your agency commissioner for signature.