

**State of California
Office of Administrative Law**

In re:
Bureau of Real Estate Appraisers

Regulatory Action:

Title 10, California Code of Regulations

Amend section: 3543

**NOTICE OF APPROVAL OF REGULATORY
ACTION**

Government Code Section 11349.3

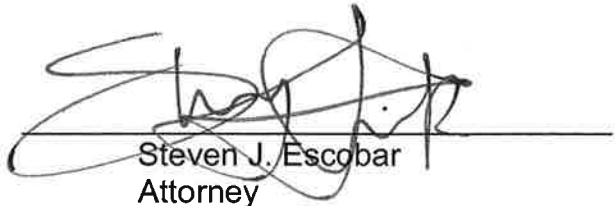
OAL Matter Number: 2016-0830-02S

OAL Matter Type: Regular (S)

In this regular rulemaking, the Bureau of Real Estate Appraisers is amending section 3543 in title 10 of the California Code of Regulations. The amendments to Section 3543 will require that all applicants complete, prior to issuance of an initial or reciprocal license, a four-hour course on federal and California appraisal-related statutory and regulatory law. Other amendments to Section 3543 are to align this section with both current statutory law and criteria established by the Appraiser Qualification Board of the Appraisal Foundation.

OAL approves this regulatory action pursuant to section 11349.3 of the Government Code. This regulatory action becomes effective on 1/1/2017.

Date: September 27, 2016


Steven J. Escobar
Attorney

For: Debra M. Cornez
Director

Original: James Martin
Copy: Kyle Muteff

NOTICE PUBLICATION/REGULATIONS SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-2016-0412-04	REGULATORY ACTION NUMBER 2016-0830-025	EMERGENCY NUMBER
For use by Office of Administrative Law (OAL) only			
2016 AUG 30 P 1:01 OFFICE OF ADMINISTRATIVE LAW			
NOTICE		REGULATIONS	

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

SEP 27 2016

2:00pm

AGENCY WITH RULEMAKING AUTHORITY
Bureau of Real Estate Appraisers

AGENCY FILE NUMBER (If any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action <input type="checkbox"/> Other		4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER 2016, 17-2	PUBLICATION DATE 4/22/2016

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Minimum Basic & Continuing Education Requirements	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S)
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2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)	
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT N/A
	AMEND 3543
TITLE(S) 10	REPEAL N/A

3. TYPE OF FILING

<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Other (Specify) _____	

4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)
June 15, 2016 - June 30, 2016

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

<input checked="" type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> §100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify) _____
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6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input checked="" type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
<input type="checkbox"/> Other (Specify) _____		

7. CONTACT PERSON Kyle Muteff	TELEPHONE NUMBER 916.341.6126	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional)
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8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE 	DATE 8/23/2016
TYPED NAME AND TITLE OF SIGNATORY Awet Kidane, Director, Department of Consumer Affairs	

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

SEP 27 2016

Office of Administrative Law

BUREAU OF REAL ESTATE APPRAISERS

ORDER OF ADOPTION

Amend Section 3543 of Article 3 of Chapter 6.5 of Title 10 of the California Code of Regulations to read as follows:

Section 3543. Minimum Basic and Continuing Education Requirements.

(a) Minimum basic and continuing requirements shall be as follows:

(1) All courses shall meet the minimum AQB requirements;

(2) All classroom attended courses shall be taken through schools that are accredited by either:

(A) the Bureau; or

(B) any regional or national accrediting agency approved by the U.S. Department of Education;

(3) Distance education courses are acceptable if ~~they were~~:

(A) Content approval is obtained from the AQB, a state appraiser regulatory jurisdiction, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education; and

(B) Course delivery mechanism approval is obtained from one of the following sources:

1. AQB approved organizations providing approval of course design and delivery; or

2. A college or university that qualifies for content approval in paragraph (A) above that awards academic credit for the distance education course; or

3. A qualifying college or university for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.

~~(A) Taken at a school which has been accredited by any regional accrediting agency approved by the U.S. Department of Education, or,~~

~~(B) Reviewed and approved by the Bureau and the International Distance Education Certification Center (IDECC) or approved through the AQB Course Approval Program.~~

~~(4) To receive consideration for education credit for courses not accredited by (2) and (3) above, the applicant may submit a Petition for Equivalency Credit, Form REA 3005 (Rev. 5/8/00), incorporated herein by reference, pursuant to Section 3567.~~

(4) All applicants must complete, prior to issuance of an initial or reciprocal license, a four hour course on federal and California appraisal related statutory and regulatory law.

(b) In addition to (a) above, continuing education requirements shall be as follows:

(1) Continuing education requirements shall be completed after the date on which the previous license was issued;

(2) Appraisers applying for renewal of a license shall average at least 14 hours of accredited continuing education per year; and

(3) Of the required hours, a minimum of 7 hours of USPAP consisting of the 7-hour National USPAP Update Course must be completed every 2 years. ~~For licenses expiring after January 1, 2004, a~~ Applicants for renewal must provide documentation of completion of the seven-hour National USPAP Update Course with each renewal application. ~~Applicants may certify that they have read and understand all applicable California and federal laws and regulations pertaining to the licensing and certification of real estate appraisers in lieu of being required to take a minimum of four hours of federal and California appraisal related statutory and regulatory law every four years.~~

(c) In addition to (a) above, basic education requirements shall be as follows:

(1) Correspondence, video, CD ROM, online, or remote television courses taken for basic education must consist of at least five lesson assignments of 3 hours each to be equivalent to a 15 hour class.

(d) The Bureau may accept a state real estate appraiser license in good standing issued by another state or territory of the United States as satisfactory evidence of fulfillment of the minimum educational requirements of this part, provided that the state of issuance complies with the minimum standards established by the AQB.

Note: Authority cited: Sections 11313, 11314, 11340 and 11361, Business and Professions Code. Reference: Public Law 101-73 (FIRREA); and Sections 11340 and 11360, Business and Professions Code.

REPEALED



State of California
Gray Davis, Governor
Maria Contreras-Sweet, Secretary, Business, Transportation and Housing Agency
OFFICE OF REAL ESTATE APPRAISERS

	OREA USE ONLY	TYPE REMIT
Ttl Rcd		<input type="checkbox"/> CC <input type="checkbox"/> PC
Ed Eq Fee		<input type="checkbox"/> MO <input type="checkbox"/> BC
		<input type="checkbox"/> PO

PETITION FOR EQUIVALENCY CREDIT

Read All Directions on the Reverse Side of This Form Prior to Completing the Application

1. Type of Petition		
<input type="checkbox"/> Basic Education	<input type="checkbox"/> Continuing Education	Current License Number _____
2. Name		
Last	First	Middle
3. Course Sponsor Information		
Name		
Address (Number, Street and Suite Number)		
City	State	Zip Code
Telephone Number ()	Contact Person	
School Accredited By:		
4. Course Information		
Name of Course		
Complete Address of the Facility in which the Course was Held: (Number, Street and Suite Number)		
City	State	Zip Code
Total Required Hours of Attendance	Date the Course was Completed/Final Examination	
Description of Instructional Mode:		
<input type="checkbox"/> Attended Course <input type="checkbox"/> Correspondence Course		
Name of Textbooks and Other Materials		

I, _____ (name), declare under penalty of perjury that the foregoing information and information provided on all attachments is true and correct and that I have answered each question fully and truthfully and without any purpose of evasion or mental reservation. I understand that providing false information is grounds for denial or revocation of any license and may subject me to criminal prosecution and punishment by imprisonment in state prison for 2, 3, or 4 years.

Executed this _____ of _____ at _____ (city or county)

_____ (state).

Signature _____

Name (please print) _____

MUST BE SIGNED BEFORE AND CERTIFIED BY A NOTARY PUBLIC IF EXECUTED OUTSIDE THE STATE OF CALIFORNIA

REPEALED

READ THE FOLLOWING INFORMATION BEFORE COMPLETING THIS APPLICATION

- Do not write in the shaded areas
- Type or print clearly in blue or black ink.
- Applications must be legible and contain an original signature.
- Community college and university courses approved by an approved regional accrediting agency do not need to be petitioned.
- Submit school transcripts or course completion certificates indicating completion of petitioned course.
- Submit a \$45 fee for each petitioned course.
- Fees cannot be refunded. By statute, all fees submitted are deemed earned upon receipt.
- If you have any questions, please write to the address listed below or call (916) 263-0722.
- Mail completed applications to:

OFFICE OF REAL ESTATE APPRAISERS
1755 Creekside Oaks Drive, Suite 190
Sacramento, California 95833
www.orea.ca.gov

INSTRUCTIONS

1. **TYPE OF PETITION**--The type of petition submitted. If you are currently licensed, indicate your license number in the space provided.
2. **NAME**--The full name the applicant applied under.
3. **COURSE SPONSOR INFORMATION**--Supply all requested information regarding the facility which offered the course and individuals who may clarify information supplied with your petition.
4. **COURSE INFORMATION**--Supply the name of the text, a copy of the table of contents with the chapters covered in the course clearly marked and an outline of the material covered in the course.

BUREAU OF REAL ESTATE APPRAISERS

FINAL STATEMENT OF REASONS

Hearing Date: June 7, 2016

Subject Matter of Proposed Regulations: Minimum Basic and Continuing Education

Section Affected: Amend Section 3543 of Title 10 of the California Code of Regulations

Updated Information

There was one comment to the proposed change. The Bureau accepted the comment and modified the proposed language. The Bureau made three modifications to the proposed changes which are as follows:

1. The Bureau proposes to add the word “national” in subdivision (a)(2)(B) to be consistent with the Appraisal Qualifications Board (AQB) as requested in the one public comment. Currently, the Bureau does not differentiate between “regional” and “national” accrediting agencies. Therefore, in practice there will be no change.
2. The Bureau proposes to add subdivisions (a)(3)(A)-(B) to spell out the AQB requirements in the regulation instead of relying on subdivision (a)(1) which requires, but does not explicitly state, the newly added subdivisions. This will allow applicants to simply read the regulation without having to reference the AQB’s distance education qualifications.
3. The Bureau proposes to delete the petition process in subdivision (a)(4) because it is unnecessary. All education credit must meet the minimum requirements contain in section 3543. The Bureau does not have authority to grant exceptions to the minimum requirements. (See Business and Professions Code section 11340.) As such, there is no need to allow for a petition process if the minimum requirements are not satisfied.

Local Mandate

A mandate is not imposed on local agencies or school districts.

Small Business Impact

This action does not have a significant adverse economic impact on small businesses. No alternatives were proposed to the Bureau that would lessen any adverse economic impact on small business.

The benefit will be elimination of an unnecessary examination and conformity with the

Appraisal Qualification Board's criteria.

Consideration of Alternatives

No reasonable alternative which was considered or that has otherwise been identified and brought to the attention of the bureau would be more effective in carrying out the purpose for which it was proposed or would be as effective and less burdensome to affected private persons than the adopted regulation or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Objections or Recommendations/Responses

The Bureau received one comment during the 45-day comment period from the Appraisal Subcommittee. The Bureau accepted the comments which are mentioned above.

Documents Relied Upon

The Bureau added the Appraisal Qualification Board's Real Property Appraiser Qualification Criteria to support the non-substantive change to the file.