State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
1511 Pontiac Avenue, Bldg. 69-1
Cranston, Rhode Island 02920

Division of Commercial Licensing and Racing and Athletics

NOTICE REGARDING CHANGES TO R.I. GEN. LAWS § 5-20.7 *et seq*

On June 3, 2013 the following changes relating to the "Real Estate Appraiser Certification Act" were signed into law by Governor Chafee.

5-20.7-8 Classes of certification and licensing – Residential and general

5-20.7-10 Experience requirement

5-20.7-17 Continuing education perquisite to renewal

The original language of the statutes and the changes are contained in the below pages of this document.

All licensed Real Estate Appraisers are required to know what is contained in this law and are encouraged to review it in its entirety without delay. The link to the new law section is:

http://webserver.rilin.state.ri.us/Statutes/TITLE5/5-20.7/INDEX.HTM

The specific section may be clicked on for review.

Chapter 058
2013 -- S 0710
Enacted 06/03/13

A N A C T
RELATING TO BUSINESSES AND PROFESSIONS -- REAL ESTATE APPRAISER CERTIFICATION ACT

Introduced By: Senator Frank Lombardo
Date Introduced: March 13, 2013

It is enacted by the General Assembly as follows:

SECTION 1. Sections 5-20.7-8, 5-20.7-10 and 5-20.7-17 of the General Laws in Chapter 5-20.7 entitled "Real Estate Appraiser Certification Act" are hereby amended to read as follows:

5-20.7-8. Classes of certification and licensing -- Residential and general. -- (a) There are two (2) classes for state certified real estate appraisers~~:~~ and two (2) classes of licensed real estate appraisers.

(1) A state certified residential real estate appraiser is a person who fulfills the requirements for certification for the appraisal of residential real property. For the purposes of this section residential property means property which is used for noncomplex single or multi-family dwellings of 1 -- 4 units having no minimum transaction value, or property used for complex 1 -- 4 residential units having a transaction value of less than two hundred fifty thousand dollars ($250,000).

(2)(a) A state certified general real estate appraiser is a person who fulfills the requirements for certification for the appraisal of all types of real property.

(b) A state licensed appraiser is a person who fulfills the requirements for licensing for the appraisal of residential property. For purposes of this section, residential property applies to the appraisal of noncomplex 1 -- 4 residential units having a transaction value of less than one million dollars ($1,000,000) and complex 1 -- 4 residential units having a transaction value of less than two hundred fifty thousand dollars ($250,000).

(c) ~~An individual who meets the requirements of section 5-20.7-9 shall be allowed two (2) years from the date of issue of a trainee license to complete the experience requirement, providing that the individual works directly under a certified appraiser. Upon request, the trainee shall be granted only a two (2) year extension to complete his or her experience requirement. No further extensions shall be granted. All continuing education requirements shall be fulfilled.~~ A licensed appraiser trainee is an individual who has successfully completed all requisite core courses as required by the appraisal qualifications board.

~~(d) No certified appraiser shall supervise more than five (5) trainees.~~

5-20.7-10. Experience requirement. -- (a) An original certification as a state certified real estate appraiser or licensing as a state licensed appraiser shall not be issued to any person who does not possess the requisite experience in real property appraisal as required by the appraisal qualifications board of the Appraisal Foundation and supported by adequate written reports or file memoranda. The experience must be acquired within a period of five (5) years immediately preceding the filing of the application for certification. The experience shall be of the type of appraisal for which the applicant is seeking certification/licensing and shall meet the minimum standards of the Appraisal Foundation and/or applicable federal regulations.

(b) Each applicant for certification and licensing shall furnish, under oath, a detailed listing of the real estate appraisal reports or file memoranda for each year for which experience is claimed by the applicant. For an applicant for general certification at least fifty percent (50%) of the prepared reports must demonstrate knowledge and working understanding of income capitalization or other nonresidential reports. Upon request, the applicant shall make available to

the director or board for examination a sample of appraisal reports, which the applicant has prepared in the course of his or her practice.

(c) In order for a licensed trainee appraiser to be issued certification as a state certified appraiser or licensing as a state licensed appraiser, the trainee must have completed the requisite experience in real property appraisal as required by the appraisal qualification board and supported by adequate written reports or file memoranda. That experience must be completed under the direct supervision of certified real estate appraisers. The trainee may rely on more than one supervising appraiser in order to complete this experience requirement, and no certified appraiser shall supervise more than three (3) trainees.

5-20.7-17. Continuing education prerequisite to renewal. -- (a) As a prerequisite to certificate or license renewal, a state certified or licensed real estate appraiser shall present evidence satisfactory to the director of having met the continuing education requirements of this section.

(b) The basic continuing education requirement for renewal of a certificate or license is the completion by the applicant, during the immediately preceding term of certification, of not less than ~~twenty (20) classroom~~ twenty-eight (28) hours of instruction in courses or seminars from a duly licensed real estate school pursuant to the provisions of section 5-20.5-19 or a nationally recognized appraisal organization, college, university, or other school approved by the appraiser qualifications board of the Appraisal Foundation or such other school as approved by the board.

(c) In lieu of meeting the requirements of subsection (b) of this section, an applicant for certificate or license renewal may satisfy all or part of the recertification requirements by presenting evidence of the following:

(1) Completion of an educational program of study determined by the board to be equivalent, for continuing education purposes, to courses meeting the requirements of subsection (b) of this section; or

(2) Participation other than as a student in educational processes and programs approved by the board which relate to appraisal theory, practices or techniques, including, but not necessarily limited to, teaching, program development and preparation of textbooks, monographs, articles, and other instructional materials.

~~(3) The director may, for good cause, renew the license and/or certificate of an individual pending a review of the applicant's qualifications by the board and the department. The renewal shall be for a period not in excess of six (6) months.~~

SECTION 2. This act shall take effect upon passage.

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