

RULE 103

Rule R162-103. Appraisal Education Requirements.

R162-103-1. Definitions.

103.1.1 For the purposes of this rule, "school" includes: *05/31/1994*

- (a) An accredited college, university, junior college or community college;
07/08/1997
- (b) Any state or federal agency or commission; *03/03/1994*
- (c) A nationally recognized real estate appraisal or real estate related organization, society, institute, or association; *12/08/2008*
- (d) Any school or organization approved by the Board. *12/08/2008*

103.1.2 "School director" means an authorized individual in charge of the educational program at a school. *05/31/1994*

103.2.1 Each school requesting certification shall make application for approval on the form prescribed by the Division, and shall submit the applicable fees. The application shall include, and the Board may consider, the following information in determining the school's eligibility for certification:

103.2.1.1 Name, phone number, and address of the school, school director and all owners of the school.

103.2.1.2 Attestation to upstanding moral character by individuals who are school directors or owners of the school, and whether any individual:

- (a) has had an appraiser license or certification, or any other professional license or certification, denied, restricted, suspended, or revoked.
- (b) has been permitted to resign or surrender an appraiser license or certification, or any other professional license or certification.
- (c) has ever allowed an appraiser license or certification or any other professional license or certification to expire while the individual was under investigation, or while action was pending against the individual by an appraiser licensing or any other agency.
- (d) has any action now pending by any appraiser licensing or other agency.
- (e) is currently under investigation for, or charged with, or has ever pled guilty or no contest to, been convicted of, or agreed to a plea in abeyance or diversion agreement for a misdemeanor or felony, excluding minor traffic offenses.
- (f) has ever been placed on probation in connection with any criminal offense or a licensing action.

103.2.1.3 A description of the type of school and a description of the school's physical facilities. All courses shall be taught in an appropriate classroom facility and not in any private residence, except for courses approved for specific home-study purposes;

103.2.1.4 A copy of the statement which shall be provided for each student outlining the days, times and locations of classes; the number of quizzes and examinations; the grading system, including methods of testing and standards of grading; the requirements for attendance; and the school's refund policy.

103.2.2 A public school may schedule its courses within the criteria of its regular schedule, for example, quarter, semester, or similar schedule. A quarter hour of college credit is the equivalent of 10 classroom hours, and a semester hour of college credit is the equivalent of 15 classroom hours.

103.2.3 Upon approval by the Board, a school shall be issued certification. A school certification shall be issued for a two-year term and expire twenty-four months from the date of issuance. School certifications may be renewed by submitting a properly completed application for renewal prior to the expiration date of the school's current certification, using the form required by the Division, and paying the applicable fee. The term of a renewed school certification shall be twenty-four months. Conditions of certification include the following:

- (a) A school shall teach the approved course of study as outlined in the State Approved Course Outline;
- (b) A school shall require each student to attend the required number of hours and pass a final examination;
- (c) A school shall maintain a record of each student's attendance for a minimum of five years after his enrollment;
- (d) A school shall not make any misrepresentation in its advertising about any course of instruction, and shall be able to provide substantiation of any claim made. All advertising and public notices shall be free of statements or implications which do not enhance the dignity and integrity of the appraisal profession. A school shall refrain from disparaging a competitor's services or methods of operation;
- (e) Within 15 calendar days after the occurrence of any material change in the school which could affect its approval, including the events listed in R162-103.2.1.2, the school shall give the Division written notice of that change; and
- (f) A school shall not attempt by any means to obtain or use the questions on the state licensure or certification exam unless those questions have been dropped from the current exam bank.
- (g) A school shall provide to all students at the time of registration a copy of the qualifying questionnaire the student will be required by the Division to answer as part of the preclicensing or precertification examination.

R162-103-3. Course Certification.

103.3.1 Each school requesting approval of a course designed to meet the education requirements of licensure or certification shall make application for approval on a form prescribed by the Division and shall pay the applicable fee. The application shall include, and the Board may consider, the following information in determining eligibility for approval:

- (a) A course outline including a description of the course, the length of time to be spent on each subject area broken into segments of no more than 30 minutes each, and

- three to five learning objectives for every three hours;
- (b) Indication of any method of instruction other than lecture method including: a slide presentation, CD, DVD, webinar, satellite broadcast, cassette, video tape, movie, or other.
 - (c) A copy of the three final examinations of the course and the answer keys which are used to determine if the student has passed the course;
 - (d) An explanation of what the school procedure is for maintaining the security of the final exams and the answer keys;
 - (e) A list of the titles, authors and publishers of all required textbooks;
 - (f) A list of the instructors and evidence of their certification by the Division, and a list of any guest lecturers to be used and evidence of their qualifications as an instructor for a specific course;
 - (g) Days, times, and location of classes; and
 - (h) A commitment to give no more than eight credit hours per day to any student.

103.3.2 Upon approval by the Board, a course shall be issued certification. All original course certifications and all renewed course certifications shall be issued with an expiration date of twenty-four months after issuance.

103.3.3 Each course of study shall meet the minimum standards set forth in the State Approved Course Outline provided for each approved course and be approved by the AQB Course Approval Program. The school may alter the sequence of presentation of the required topics.

103.3.4 All courses of study shall meet the minimum hourly requirement of that course. A credit hour is defined as 50 minutes of supervised contact by a certified instructor within a 60-minute time period. A 10-minute break shall be given for each 50 minutes in class. Registration or certification credit shall be limited to a maximum of eight credit hours per day. The limitation applies only to the credit a student may receive and is not intended to limit the number of classroom hours offered.

103.3.5 A public school or institution may use any faculty member to teach an approved course provided the individual demonstrates to the satisfaction of the Division and the Board academic training or appraisal experience qualifying the faculty member to teach the course.

103.3.6 Distance education is defined as any educational process based on the geographical separation of instructor and student (e.g., CD ROM, On-line learning, correspondence courses, video conferencing, etc.). Distance education courses must provide interaction between the learner and instructor and must include testing. A distance education course may be acceptable to meet the classroom hour requirement or its equivalent providing each course meets the following conditions:

- (a) The course:
 - (i) (A) has been presented by an accredited college or university which offers distance education programs in other disciplines and where accreditation has been made by the Commission on Colleges or a regional accreditation association; or

- (B) has received approval by the International Distance Education Certification Center, also known as IDECC; and
- (ii) has been approved under the AQB Course Approval Program.
- (b) The learner must successfully complete a written examination personally proctored by an official approved by the presenting entity; and
- (c) The course must meet the requirements established by the AQB and be equivalent to the minimum of 15 classroom hours.

103.3.7 A maximum of 10% of the required class time may be spent in testing, including review test and final examination. A student cannot challenge a course or any part of a course of study by taking an exam in lieu of attendance.

103.3.7.1 If a student fails a school final examination, he shall not be allowed to retest for a minimum of three days. The student shall not be allowed to retake the same final exam, but shall be given a new exam with different questions.

103.3.7.2 If the student fails the final exam a second time, the student shall not be allowed to retest for a minimum of two weeks at which time the student shall be given an entirely new exam with completely new questions. If the student fails this third exam, the student shall fail the course.

103.3.8 All texts, workbooks, supplement pamphlets and any other materials shall be appropriate and current in their application to the required course outline.

103.3.9 Within 15 calendar days after the occurrence of any material change in a course which could affect approval, the school shall give the Division written notice of the change.

R162-103-4. Education Credit for Noncertified Courses.

103.4.1 Education credit shall be granted towards licensure or certification for an appraisal education course which has been taken and which has not been previously certified in Utah for prelicensing education credit, and has been provided by a school which meets the criteria as outlined in 103.1.

103.4.1.1 The course content shall have met the minimum standards set forth in the Utah State Approved Course Outline and be approved by the AQB Course Approval Program.

103.4.1.2 A course must be at least 15 hours in duration, including the examination. An hour is defined as 50 minutes of supervised contact by a certified instructor within a 60-minute time period.

103.4.1.3 A final examination shall be administered at the end of each course pertinent to that education offering.

103.4.2 Credit shall not be granted for a course taken in which the applicant obtained credit from the course provider by challenge examination without having attended the course.

103.4.3 Credit shall not be given for duplicate or highly comparable classes. Each course must represent a progression in the appraiser's knowledge.

103.4.4 Except as provided in R162-105.3.3, there is no time limit regarding when

education credit must have been obtained.

103.4.5 Hourly credit for a course taken from a professional appraisal organization shall be granted based upon the Division approved list which verifies hours for these courses.

103.4.6 Credit shall only be granted for a course that has been successfully completed. Successful completion of a course means that the applicant has attended 100% of the scheduled class hours, has completed all required exercises and assignments, and has achieved a passing score on a course final examination. The final examination shall not be an open book examination.

103.4.7 Submission for Education Approval.

103.4.7.1 Courses that have not been previously certified for prelicensing credit shall be reviewed by the Education Review Committee. It is the responsibility of the applicant to establish that a particular education offering shall qualify to meet the education requirement for licensing or certification.

103.4.7.2 The applicant shall submit on a form provided by the Division a list of the courses that documents the course title, the name of the sponsoring organization, the number of classroom hours, and the date the course was completed.

103.4.7.3 The applicant shall attest on a notarized affidavit that the courses have been completed as documented.

103.4.7.4 The applicant shall support the claim for education credit if requested by the Division by providing proof of completion of the courses in the form of certificates, transcripts, report cards, letters of verification, or similar proof.

R162-103-5. Instructor Application for Certification.

103.5.1 Each instructor requesting approval to be certified as an instructor to teach the education requirements of appraisal licensure or certification shall make application for approval on a form prescribed by the Division and shall submit the applicable fees. The application shall include, and the Board may consider, the following information in determining the instructor's eligibility for approval:

103.5.1.1 Attestation to upstanding moral character, including whether the individual:

- (a) has had an appraiser license or certification, or any other professional license or certification, denied, restricted, suspended, or revoked.
- (b) has been permitted to resign or surrender an appraiser license or certification, or any other professional license or certification.
- (c) has ever allowed an appraiser license or certification or any other professional license or certification to expire while the individual was under investigation, or while action was pending against the individual by an appraiser licensing or any other agency.
- (d) has any action now pending by any appraiser licensing or other agency.
- (e) is currently under investigation for, or charged with, or has ever pled guilty or no contest to, been convicted of, or agreed to a plea in abeyance or diversion agreement for a misdemeanor or felony, excluding minor traffic offenses.
- (f) has ever been placed on probation in connection with any criminal offense or a licensing action.

103.5.2 The instructor shall demonstrate evidence of knowledge of the subject matter by the following:

- 103.5.2.1 A minimum of five years active experience in appraising, or
- 103.5.2.2 Evidence of having completed college or other appropriate courses specific to the topic the instructor proposes to teach, or
- 103.5.2.3 Evidence of other qualifications of experience, education, or credentials which are acceptable to the Board; and
- 103.5.2.4 Evidence of having passed an examination designed to test knowledge of the subject matter he proposes to teach.

103.5.3 An applicant to teach the course on USPAP shall conform to all of the above criteria and in addition shall have been certified by the AQB as an AQB Certified USPAP instructor.

103.5.4 Upon approval by the Board, an applicant shall be issued certification. Instructor certifications shall be issued for a term that expires twenty-four months from the date of issuance. Conditions of renewal of certification include providing proof of the following:

- 103.5.4.1 The instructor must have taught at least 20 hours of in-class instruction in a certified course during the preceding two years; and
- 103.5.4.2 The instructor must have attended a real estate instructor development workshop sponsored or approved by the Division during the preceding two years.
- 103.5.4.3 Instructor certifications may be renewed by submitting a properly completed application for renewal prior to the expiration date of the instructor's current certification, using the form required by the Division. Renewed instructor certifications shall be issued for a term of twenty-four months. If the instructor does not submit a properly completed renewal form, renewal fee, and any required documentation prior to the expiration date of the current certification, the certification shall expire. When a certification expires, the certification may be reinstated for a period of thirty days after the expiration date upon payment of a late fee in addition to completing the requirements for a timely renewal. After this thirty day period, and until three months after the expiration date, an instructor certification may be reinstated upon payment of a non-refundable late fee and submission of proof of completion of six classroom hours of education related to real estate appraisal or teaching techniques in addition to completing the requirements for a timely renewal. Following the three month period, an instructor shall be required to apply as an original applicant in order to obtain a new certification.

103.5.5 Within 15 calendar days after the occurrence of any of the events listed in Section 103.5.1, an applicant or instructor shall give written notice to the Division of that event.

R162-103-6. Education Review Committee.

103.6 A committee may be appointed by the Board to review submissions for education credit for license or certification applicants and also to review submissions for certification of appraiser courses and instructors. *05/03/1999*

103.6.1 The Education Review Committee shall: *05/31/1994*

103.6.1.1 Review all applications for adherence to the education credit required for licensure or certification and make recommendations to the Division and the Board for approval or disapproval of the education claimed. *05/03/1999*

103.6.1.2 Review all submissions requesting certification of appraiser courses and instructors for prelicensing education purposes and make recommendations to the Division and the Board for approval or disapproval. *05/31/1994*

103.6.2 The Committee shall be composed of appraisers from the following categories: residential appraisers; commercial appraisers; farm and ranch appraisers; right-of-way appraisers; and ad valorem appraisers. *05/31/1994*

103.6.2.1 The chairperson of the committee shall be appointed by the Board. *05/31/1994*

103.6.2.2 Meetings may be called upon the request of the chairperson or upon the written request of a quorum of committee members. *05/31/1994*

103.6.3 If the review of an application has been performed by the Education Review Committee, and the Board has denied the application based on insufficient education or an inability to meet the certification of education requirements, the applicant may request that the Board review the issue again by making a request in writing to the Board within thirty days after the denial stating specific grounds upon which relief is requested. The Board shall thereafter consider the request and issue a written decision. *05/03/1999*

R162-103-7. Continuing Education Course Certification.

103.7 As a condition of renewal, all appraisers shall complete the equivalent of 28 classroom hours of appraisal education during the two-year term preceding renewal. *12/08/2008*

103.7.1 Except as provided in R162-103.7.6, continuing education credit shall be given to students only for courses that are certified by the Division at the time the courses are taught. Course sponsors shall apply for course certification by submitting all forms and fees required by the Division not less than 30 days prior to the course being taught. Applications shall include the following information which shall be used in determining approval:

- (a) name and contact information of the course sponsor and the entity through which the course will be provided;
- (b) a description of the physical facility where the course will be taught;
- (c) the proposed number of credit hours for the course;
- (d)
 - (i) identification of whether the method of instruction will be traditional education or distance education;

- (ii) if distance education, the course shall meet the requirements for distance learning outlined in R162-103.3.6, except that:
 - (A) testing for continuing education course competency need not be a proctored examination if the course mechanisms require a student to demonstrate mastery and fluency;
 - (B) the course may be approved by the Division, rather than by the AQB Course Approval program; and
 - (C) a course need not be a minimum of 15 classroom hours;
- (e) the title of the course;
- (f) a statement defining how the course will meet the objectives of continuing education by increasing the licensee's knowledge, professionalism, and ability to protect and serve the public;
- (g) a course outline including, for each segment of no more than 15 minutes, a description of the subject matter;
- (h) a minimum of one learning objective for every hour of class time;
- (i) the name and certification number of each certified instructor who will teach the course;
- (j) copies of all materials that will be distributed to the participants;
- (k) the procedure for pre-registration, the tuition or registration fee and a copy of the cancellation and refund policy;
- (l) except for courses approved for distance education, the procedure for taking and maintaining control of attendance during class time, which procedure shall be more extensive than having the student sign a class roll;
- (m) a sample of the completion certificate which shall bear the following information:
 - (i) space for the licensee's name, type of license and license number, and date of course;
 - (ii) The name of the course provider, course title, hours of credit, certification number, and certification expiration date; and
 - (iii) Space for signature of the course sponsor and a space for the licensee's signature;
- (n)
 - (i) a signed statement agreeing to upload the following, within 10 days after the end of a course offering, to the database specified by the Division:
 - (A) course name;
 - (B) course certificate number assigned by the Division;
 - (C) date the course was taught;
 - (D) number of credit hours; and
 - (E) names and license numbers of all students receiving continuing education credit;
- (o) a signed statement agreeing not to market personal sales products;
- (p) a commitment to give no more than eight credit hours per day to any student;
and
- (q) other information the Division may require. *12/08/2008*

103.7.2 Real estate appraisal related field trips are acceptable for continuing education credit; however, transit time to or from the field trip location may not be included when awarding credit if instruction does not occur. *12/08/2008*

103.7.3 Prelicensing education credit awarded to individuals seeking a different classification than that held, can also be used to satisfy a continuing education requirement. *05/03/1999*

103.7.4 Alternative Continuing Education Credit - continuing education credit may be granted for participation, other than as a student, in an appraisal practicum course. *12/08/2008*

103.7.4.1 Up to one-half of an individual's continuing education credit requirement may be granted on a case by case basis for teaching, program development, authorship of textbooks, or similar activities which are determined by the Board to be equivalent to obtaining continuing education.

103.7.4.2 The Education Review Committee shall review claims of equivalent education and also alternative continuing education proposed to be used for continuing education purposes. *12/08/2008*

103.7.4.3 The Board may award continuing education credit to members of the Education Review Committee, the Experience Review Committee, and the Technical Advisory Panel if approved by the Board and offered as a practicum course under R162-103.7.4 or as a course under R162-103.7.4.1 in accordance with AQB standards.

103.7.4.4 The Division may award continuing education credit to Board Members for participation on the Board in accordance with AQB standards. *12/08/2008*

103.7.5 Courses that are approved for continuing education credit for real estate sales agents, real estate brokers, or mortgage officers licensed by the Division are not acceptable for appraiser continuing education credit unless the courses have been previously approved by the Division for appraiser continuing education. *12/08/2008*

103.7.6

(a) The Division may grant continuing education credit for non-certified courses submitted by a renewal applicant in the form required by the Division if:

(i) the course was not required by these rules to be certified and the Division determines that the course meets the continuing education objectives listed in this rule; or

(ii) the course was taught outside the state of Utah.

(b) A licensee shall retain original course completion certificates for three years following renewal and produce those certificates when audited by the Division.

12/08/2008

103.7.7 The Division may only certify course topics approved as continuing education topics by the AQB. *12/08/2008*

103.7.8

- (a) A course sponsor is not responsible for uploading information for students who fail to provide an accurate name or license number registered with the Division. *12/08/2008*
- (b) Continuing education credit shall not be given to any student who fails to provide to a course sponsor an accurate name or license number registered with the Division within 7 days of attending the course *12/08/2008*

103.7.9 A course sponsor shall upon completion of a course offering, provide a certificate of completion, in the form required by the Division, to those students who attend 100% of the required class time.

103.7.10 Except for distance education courses, a course may only be approved if taught in an appropriate classroom facility and not in a private residence *12/08/2008*

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103.7.11 (a) For purposes of this rule, a credit hour is defined as 50 minutes within a 60 minute segment. A course may not be approved for fewer than two credit hours. *12/08/2008*

R162-103-8. Administrative Proceedings.

The Division may deny certification or renewal of certification to any course, school or instructor that does not meet the standards required by this chapter. *03/03/1994*

R162-103-9. Continuing Education Instructor Certification.

103.9.1

- (a) Except for courses exempted from certification under R162-103.7.6, continuing education credit shall be given to students only for courses that are taught by an instructor who is certified by the Division at the time the courses are taught.
- (b) Applicants for instructor certification shall submit all forms and fees required by the Division not less than 30 days prior to the course being taught.
- (c) Applications shall include at a minimum the following information:
 - (i) name and contact information of the applicant;
 - (ii) Evidence of graduation from high school or its equivalent;
 - (iii) evidence of any combination of at least three years of full time experience or college-level education related to the course subject;
 - (iv) evidence of at least twelve months of full time teaching experience or an equivalent number of months of part time teaching experience, or attendance at the Division's Instructor Development Workshop;
 - (v) a signed statement agreeing to allow the instructor's courses to be randomly audited on an unannounced basis by the Division or its representative;
 - (vi) a signed statement agreeing not to market personal sales products; and

(vii) any other information the Division may require. *12/08/2008*

103.9.2 The Division shall certify instructors based on the applicant's honesty, integrity, truthfulness, reputation, and competency. *12/08/2008*

103.9.3 Instructor certifications are valid for two years. A certification may be renewed by submitting all forms and fees required by the Division prior to the expiration date of the current certification. *12/08/2008*

103.9.4 Certifications not properly renewed shall expire on the expiration date. *12/08/2008*

103.9.4.1 A certification may be reinstated for a period of thirty days after expiration by complying with all requirements for a timely renewal and paying a non-refundable late fee.

103.9.4.2 A certification may be reinstated after thirty days and within six months after expiration by complying with all requirements for a timely renewal and paying a nonrefundable reinstatement fee.

103.9.4.3 A certification that has been expired for more than six months may not be reinstated and an applicant must apply for a new certification following the same procedure as an original certification. *12/08/2008*

103.9.5 To renew an instructor certification, an instructor must have taught a minimum of 12 continuing education credit hours during the previous renewal period. *12/08/2008*

103.9.5.1 If the instructor has not taught a minimum of 12 hours during the previous renewal period, written explanation outlining the reason for not meeting the requirement and satisfactory documentation of the applicant's present level of expertise shall be provided to the Division. *12/08/2008*

R162-103-10. Marketing of Continuing Education Courses.

103.10.1 A course sponsor may not advertise or market a continuing education course where Division continuing education course credit will be offered or provided to a licensed attendee unless the course:

- (a) is approved and has been issued a current continuing education course certification number by the Division; and
- (b) is advertised with the continuing education course certification number issued by the Division displayed in all advertising materials.

103.10.2 A course sponsor may not advertise, market, or promote a continuing education course with language which indicates Division continuing education course approval is "pending" or otherwise forthcoming. *12/08/2008*