



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS
STATE BOARD OF CERTIFIED REAL ESTATE APPRAISERS
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Board Administrator

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July 22, 2010

RE: Licensed Appraiser Trainee Regulation

Dear Certificate Holder:

The purpose of this correspondence is to notify you of new regulations promulgated by the State Board of Certified Real Estate Appraisers regarding the requirements for licensed appraiser trainees. A copy of the new provision has been enclosed for your information, along with an explanation of the legal responsibilities of trainees and supervising appraisers.

If you intend to supervise an appraiser trainee after October 1, 2010, that individual must complete 75 hours of specified coursework, and submit a completed application to the Board. Concurrently with this notice, a copy of the application, a copy of the appraiser trainee checklist form, (**CHECKLIST MUST BE INCLUDED AS PART OF THE APPRAISAL REPORT SUBMITTED TO THE CLIENT**), and an explanation of the change in the law has been mailed to every individual who has registered as an appraisal assistant after July 1, 2007 and whose registration remains active. Prospective applicants may also obtain additional copies of the application online at the Board's website at the following address: **www.dos.state.pa.us/real**.

The Board is prepared to begin accepting applications for licensed appraiser trainees effective immediately, and to issue wall certificates and wallet cards to approved licensees after July 19, 2010. Therefore, any currently registered appraiser assistant, or any individual who intends to become a licensed appraiser trainee, or who intends to log appraisal experience towards certification after October 1, 2010 may submit an application for an appraiser trainee license at this time.

To summarize, please follow these dates for implementation of the new appraiser trainee license:

1. Effective immediately – The Board will accept applications for appraiser trainee licenses.
2. July 17, 2010 – Publication of the Board’s final regulations implementing appraiser trainee licenses under Act 59 of 2008.
3. July 19, 2010 - Licenses may be issued to approved applicants, and duly licensed appraiser trainees may begin to practice under the supervision of a certified appraiser.
4. September 30, 2010 – Appraisal Assistant Registration will end.
5. October 1, 2010 – Licensure as an appraiser trainee is **required**. Experience acquired after this date will only be eligible for certification if the applicant was a licensed appraiser trainee. **Only certified appraisers, and licensed appraiser trainees under the direct supervision of an individual who has been a certified residential or certified general appraiser for at least 5 years, can perform appraisals.**

Although the Board will continue to accept applications for registration of appraisal assistants until September 30, 2010, at this time the Board prefers that prospective trainees submit only an application for a licensed appraiser trainee to avoid duplication of effort. Effective September 30, 2010 the Board will no longer accept applications for registration of appraisal assistants, and persons registered as an appraisal assistant will no longer be qualified to provide significant real property appraisal assistance.

Pursuant to regulations adopted by the Board, all individuals desiring to obtain experience to be credited toward an application for certification must hold an appraiser trainee license beginning on October 1, 2010. While a person may use experience obtained as an appraisal assistant prior to October 1, 2010 in seeking certification, appraisal experience obtained after October 1, 2010 will only be credited by the Board if the applicant was a licensed appraiser trainee.

Thank you for your attention to this matter. Please contact the Board or consult the Board’s website www.dos.state.pa.us/real if you have any questions.

Sincerely,

Heidy M. Weirich

Heidy M. Weirich, Administrator
State Board of Certified Real Estate Appraisers

HMW
Enclosures

EXPLANATION OF LAW RELATING TO LICENSED APPRAISER TRAINEES

Act 59 of 2008 added a new class of appraisal licensure - licensed appraiser trainees. This law provides:

(a.1) Appraiser trainee license.--In addition to the certificates authorized in subsection (a), the board shall issue an appraiser trainee license, without examination, to any person who meets the appraiser trainee educational requirements set by the board and who does not already hold an appraiser credential under subsection (a). **An appraiser trainee shall operate under the direct supervision of one certified residential appraiser or certified general appraiser for the purpose of completing the experience requirement for an appraiser credential in subsection (a). An appraiser trainee shall be permitted to assist in the performance of any appraisal that is within the supervisory appraiser's scope of practice. The supervisory appraiser shall be in good standing, have at least five years of experience as a certified residential appraiser or certified general appraiser and shall not supervise more than three appraiser trainees.**

63 P. S. § 457.6(a.1). (Emphasis added.)

In order to implement this provision of Act 59, the Board has promulgated final regulations that will take effect on July 17, 2010.

In addition to the highlighted provisions of the statute above, the Board's regulations place additional duties upon a supervisory appraiser. The supervisory appraiser must:

- Directly supervise and control the trainee's work, assuming total responsibility for the contents of the appraisal report, including all value conclusions. A supervising appraiser must have held a certificate for at least five (5) years.
- Accompany the trainee during the physical inspection of the property until the trainee has logged 300 hours of appraisal experience or until the supervising appraiser determines the trainee is competent under USPAP to perform the physical inspection unaccompanied, whichever is the longer period.
- **HAVE THE APPRAISER TRAINEE COMPLETE AND SIGN A BOARD-APPROVED APPRAISER TRAINEE CHECKLIST THAT HAS BEEN COMPLETED BY THE TRAINEE, RELATING TO THE TRAINEE'S WORK ON THE APPRAISAL ASSIGNMENT. THE APPRAISAL REPORT TRANSMITTED TO THE CLIENT MUST INCLUDE A COMPLETED COPY OF THE TRAINEE CHECKLIST, SIGNED BY BOTH THE TRAINEE AND THE SUPERVISING APPRAISER.** Once it is made part of the report, this checklist will suffice for both the requirement for acknowledgement of the trainee and description of the trainee's contribution to the assignment.
- Provide a current or former trainee who is applying for appraiser certification with copies of designated appraisal reports requested by the Board to verify the trainee's experience.

In addition to the provisions of the statute above and the duties of a supervisory appraiser, the Board's regulations also place additional duties and limitations on a licensed appraiser trainee. Those requirements include:

- The trainee may not be supervised by more than one residential or general appraiser on each appraisal assignment.
- The trainee shall perform an inspection of the interior and exterior of the property, depending upon the scope of work for the assignment.

- The trainee may not arrive at an independent determination of value.
- The trainee shall comply with USPAP, which includes proper acknowledgement of the trainee and description of the trainee's assistance in the appraisal report.
- The trainee shall complete a Board-approved appraiser trainee checklist that relates to the trainee's work on the appraisal report, which is required to be made part of the appraisal report transmitted to the client.
- The appraisal report transmitted to the client must include a completed copy of the trainee checklist, signed by both the trainee and the supervising appraiser. Once it is made part of the report, this checklist will suffice for both the requirement for acknowledgement of the trainee and description of the trainee's contribution to the assignment.

Sometime after July 17, 2010, the Board will publish a revised version of the Real Estate Appraisers Certification Act and the regulations of the State Board of Certified Real Estate Appraisers which will be made available to certificate holders and licensees.