

CHAPTER 539
RULE 539-1-.16

539-1-.16 Appraiser Classifications and Their Education, Examination, and Experience Requirements.

(1)(a) State Trainee appraiser classification

In order to qualify as a State Trainee appraiser, an applicant must:

1. have attained the age of 18 years old;
2. be a resident of the state of Georgia, unless that applicant has fully complied with the provisions of Code Section 43-39A-9;
3. be a high school graduate or the holder of a general educational developmental equivalency diploma; and
4. furnish evidence of having successfully completed at least 90 creditable classroom hours of qualifying education as specified in the required core curriculum in a Board approved course or courses which includes passing the 15 hour National Uniform Standards of Professional Appraisal Practice (USPAP) course. There is no state examination for the State Trainee appraiser classification but the State Trainee appraiser must pass the appropriate qualifying education end of course examinations in all the prerequisite courses in order to earn credit for those courses. All qualifying education must be completed within the five (5) year period prior to the date of submission of a State Trainee appraiser application. No appraiser experience is required as a prerequisite for the State Trainee appraiser classification.
5. Furnish evidence of having successfully completed a course that, at minimum, complies with the specifications for course content established by the Appraiser Qualifications Board (AQB), which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course must be completed by the State Trainee appraiser prior to obtaining a State Trainee appraiser classification in Georgia. Further, the State Trainee appraiser course is not eligible towards the ninety (90) hours of qualifying education required.

(b) A State Trainee appraiser who receives a classification shall be formally supervised by a Supervisory Appraiser in good standing and state-certified and each shall be subject to the following: The scope of practice for a State Trainee appraiser classification is the appraisal of those properties which the state-certified Supervisory Appraiser is permitted by his/her current credential and that the Supervisory Appraiser is competent to appraise.

1. A State Trainee appraiser, as well as the Supervisory Appraiser, shall be entitled to obtain copies of appraisal reports and/or permitted appropriate access and retrieval arrangements for all work files for appraisals in which he or she participated, in accordance with the recordkeeping rule of USPAP.

2. A State Trainee appraiser must comply with the competency rule of USPAP for all assignments.

3. A State Trainee appraiser shall be subject to direct control and supervision of a Supervisory Appraiser in good standing, who shall be State Certified. A State Trainee appraiser is permitted to have more than one Supervisory Appraiser.

4. A Supervisory Appraiser shall be responsible for the training, guidance, and direct control in supervision of a State Trainee appraiser by:

(i) Accepting responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;

(ii) Reviewing and signing the State Trainee appraisal report; and

(iii) Personally inspecting each appraised property with the State Trainee appraiser until the Supervisory Appraiser determines the State Trainee appraiser is competent to inspect the property, in accordance with the competency rule of USPAP for the property type.

6. A State Trainee appraiser is permitted to have more than one Supervisory Appraiser, but a Supervisory Appraiser may not supervise more than three (3) State Trainee appraisers, at one time, unless a program is adopted in Georgia to provide for progress monitoring, Supervisory certified appraiser qualifications, and supervision and oversight requirements for Supervisory Appraisers.

7. An appraisal experience log shall be maintained by the Supervisory Appraiser and the State Trainee appraiser. It is the responsibility of both the Supervisory Appraiser and the State Trainee appraiser to ensure the appraisal experience log is accurate, current and complies with the requirements of the State of Georgia. At a minimum, the appraisal experience log requirements shall include:

- (i) Type of property;
- (ii) Date of report;
- (iii) Address of appraised property;
- (iv) Description of work performed by the State Trainee appraiser and scope of the review and supervision of the Supervisory Appraiser;
- (v) Number of actual work hours by the State Trainee appraiser on the assignment; and
- (vi) The signature and state classification number of the Supervisory Appraiser. Separate appraiser logs shall be maintained by each Supervisory Appraiser if applicable.

8. A Supervisory Appraiser shall be state-certified and in good standing in the State of Georgia for the previous three (3) years and not subject to any disciplinary action within any jurisdiction within the previous three (3) years that affects the Supervisory Appraiser's legal eligibility to engage in appraisal practice.

9. A Supervisory Appraiser subject to a disciplinary action would be considered to be in "good standing" three (3) years after the successful termination of any sanction imposed against the appraiser.

10. A Supervisory Appraiser shall have been state-certified in Georgia for a minimum of three (3) years prior to being eligible to becoming a Supervisory Appraiser.

11. A Supervisory Appraiser must comply with the competency rule of USPAP for the property type and geographic location the State Trainee appraiser is being supervised.

12. Before entering into any additional supervisory relationship, a Supervisory Appraiser shall be required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and State Trainee appraisers. The course must be completed by a Supervisory Appraiser prior to supervising a State Trainee appraiser.

13. A State Trainee appraiser shall be given credit for appraisal experience only when earned in appraisal assignments performed under the direct supervision of a Supervisory Appraiser.

(2)(a) State Registered appraiser classification

In order to qualify as a State Registered appraiser, an applicant must:

- 1. have attained the age of 18 years old;
- 2. be a resident of the state of Georgia, unless that applicant has fully complied with the provisions of Code Section 43-39A-9;
- 3. be a high school graduate or the holder of a general educational developmental equivalency diploma; and
- 4. furnish evidence of having successfully completed at least 90 creditable classroom hours of qualifying education as specified in the required core curriculum in a Board approved course or courses which includes passing the 15 hour National Uniform Standards of Professional Appraisal Practice (USPAP) course. There is no state examination for the State Registered appraiser classification but the State Registered appraiser must pass the appropriate qualifying education end of course examinations in all the prerequisite courses in order to earn credit for those courses. All qualifying education must be completed within the five (5) year period prior to the date of submission of a State Registered appraiser application. No appraiser experience is required as a prerequisite for the State Registered appraiser classification.

(b) A State Registered appraiser may perform appraisals on any type of property except when the purpose of the appraisal is for use in a federally related transaction. A State Registered appraiser may perform appraisal activity and sign an appraisal report as “appraiser” on real property involved in a federally related transaction only if a certified appraiser also signs the report and assumes responsibility for the appraisal.

(c) Beginning January 1, 2015, a State Registered appraiser shall be given credit for appraisal experience only when earned under the same requirements set forth for a State Trainee appraiser pursuant to paragraphs (1)(a) & (b) above.

(3) **A State Licensed appraiser** (a) may engage in any appraisal activity permitted a State Registered appraiser; (b) may appraise properties in federally related transactions of non-complex one to four residential units having a transaction value less than \$1,000,000; (c) may appraise any other real estate having a transaction value less than \$250,000; and (d) such other appraisals in federally related transactions as may be approved by the federal financial institutions regulatory agencies. In federally related transactions, a State Licensed appraiser may not appraise real estate wherein a development analysis/appraisal is necessary and utilized. In order to qualify as a State Licensed appraiser, an applicant must:

(a) have attained the age of 18 years old;

(b) be a resident of the state of Georgia, unless the applicant has fully complied with the provisions of Code Section 43-39A-9;

(c) **be a high school graduate or the holder of a general educational developmental equivalency diploma;**

(d) furnish evidence of having successfully completed at least 150 credit hours in a Board approved course or courses of study consistent with the provisions of 539-2-.03(2) which includes at least 15 credit hours covering USPAP;

(e) upon the filing of an application for examination to become a Licensed Appraiser, provide documentation on forms prescribed by the Board of at least 2,000 hours of experience, gained over a period of at least 12 months, in real estate appraisal activity. Such documentation must include for each appraisal report the type of property, the date of the report, the address of the property, a description of the work performed, and the number of work hours; and

(f) after meeting the requirements of subparagraphs (a) through (e) of this paragraph, take and pass the AQB-approved National Uniform Licensing and Certification Examination.

(4) **A State Certified Residential** appraiser (a) may perform appraisals on any property which a State Registered appraiser or State Licensed appraiser may appraise; (b) may appraise one to four residential units without regard to transaction value or complexity; and (c) such other appraisals in federally related transactions as may from time to time be approved by the federal financial institutions regulatory agencies. In federally related transactions, a State Certified Residential appraiser may not appraise real estate wherein a development analysis/appraisal is necessary and utilized. In order to qualify as a State Certified Residential appraiser, an applicant must:

(a) have attained the age of 18 years old;

(b) be a resident of the state of Georgia, unless that applicant has fully complied with the provisions of O.C.G.A. Section 43-39A-9;

(c) **1. hold a Bachelor’s degree, or higher, from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Applicants with a college degree from a foreign country may have their education evaluated for “equivalency” by one of the following: (1) an accredited, degree-granting domestic college or university; (2) the American Association of Collegiate Registrars and Admissions Officers (AACRAO); (3) a foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or (4) a foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an**

accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline; or

2. hold an Associates Degree in a field of study related to: Business Administration, Accounting Finance, Economics; or Real Estate; or

3. successful completion of 30 semester hours of college-level courses in each of the following specific topic areas: English Composition (3 hours), Microeconomics (3 hours), Macroeconomics (3 hours), Finance (3 hours), Algebra, Geometry, or Higher Math (3 hours), Statistics (3 hours), Computer Science (3 hours), Business Law or Real Estate Law (3 hours). Two elective courses in any of the above topics, or in Accounting, Geography, Agricultural, Economics, Business Management, or Real Estate (3 hours each); or

4. successful completion of at least 30 hours of College Level Examination Program® (CLEP®) examinations that cover each of the specific topic areas covered in 2. above; or

5. any combination of 3. and 4. above that includes all of the topics identified; or

6. no college level education is required for an appraiser who has held a State Licensed appraiser classification for a minimum of five (5) years and has no record of any adverse, final and non-appealable disciplinary action affecting the State Licensed appraiser's legal ability to engage in appraisal practice within the five (5) years immediately preceding the date of application for a State Certified Residential classification.

(d) furnish evidence of having successfully completed at least 200 credit hours in a Board approved course or courses of study consistent with the provisions of 539-2-.03(2) which includes at least 15 credit hours covering USPAP;

(e) upon the filing of an application for examination to become a Certified Residential Appraiser, provide documentation on forms described by the Board of at least 2,500 hours of experience, gained continuously over a period of at least 24 months, in real estate appraisal activity of which at least twenty-five percent must be in complex one to four unit residential appraisal work. Such documentation must include for each appraisal report the type of property, the date of the report, the address of the property, a description of the work performed, and the number of work hours; and

(f) after meeting the requirements of subparagraphs (a) through (e) of this paragraph, take and pass the AQB-approved National Uniform Licensing and Certification Examination.

(5) A State Certified General appraiser may appraise any type of property for any purpose. In order to qualify as a State Certified General appraiser, an applicant must:

(a) have attained the age of 18 years old;

(b) be a resident of the state of Georgia, unless that applicant has fully complied with the provisions of Code Section 43-39A-9;

(c) hold a Bachelor's degree or higher, from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education. Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following: (1) an accredited, degree-granting domestic college or university; (2) the American Association of Collegiate Registrars and Admissions Officers (AACRAO); (3) a foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or (4) a foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing board that issues credentials in another discipline.

(d) furnish evidence of having successfully completed at least 300 credit hours in a Board approved course or courses consistent with the provisions of 539-2-.03(2) which includes at least 15 credit hours covering USPAP;

(e) upon the filing of an application for examination, to become a Certified General Appraiser, provide documentation on forms prescribed by the Board of at least 3,000 hours of experience, gained continuously over a period of at least 30 months, in real estate appraisal activity of which at least fifty

percent must be in non-residential appraisal work. Such documentation must include for each appraisal report the type of property, the date of the report, the address of the property, a description of the work performed, and the number of work hours; and

(f) after meeting the requirements of subparagraphs (a) through (e) of this paragraph, AQB-approved National Uniform Licensing and Certification Examination.

(6) Exceptions. Any appraiser who holds a classification as an appraiser and who seeks a different classification shall be deemed to have met the curriculum set forth in the Standards for Appraisal Courses 539-2-.03 for the classification held.

(7) Every appraiser with an active classification including the State Trainee appraiser classification shall complete fourteen (14) classroom hours of continuing education instruction for each year of the appraiser's renewal period. In every two consecutive renewal periods, every appraiser with an active classification shall successfully complete the current version of the 7-Hour National USPAP Update Course (or its AQB-approved equivalent). Aside from complying with the requirement to complete a 7-Hour National USPAP Update Course (or its AQB-approved equivalent), appraisers may not receive credit for completion of the same continuing education course within the one year renewal period.

(8) No hours of credit shall be awarded for any education course which an applicant or appraiser completes solely by taking and passing an examination.

(9) A State Trainee Appraiser and a State Registered Appraiser shall obtain appraiser experience hours from a Supervisory Appraiser under the formal Supervisory/Trainee Appraiser requirements found in paragraphs (1)(a) & (b) above. A Licensed or Certified Residential Appraiser may obtain appraiser experience hours to move up to a higher classification from a supervising appraiser who does not have to meet the formal requirements for being a Supervisory Appraiser as that term is used in paragraphs (1)(a) & (b) above but is required to meet the requirements hereinafter as a supervising appraiser.

(a) For the purpose of this rule, a "supervising appraiser" shall be a State Certified General appraiser or a State Certified Residential and shall be subject to the same criteria of a Supervisory Appraiser found in paragraphs (1)(b) 8. & 9. infra.

(b) In order for appraisal experience to qualify for credit, a certified appraiser supervising another classified appraiser (including a Supervisory Appraiser supervising a Trainee Appraiser), shall not be an employee of or an independent contractor with the supervised appraiser nor an employee of or an independent contractor with a firm in which the supervised appraiser has a controlling ownership interest.

(c) Experience credit shall be given only for experience earned while the applicant has a classification in this or another state.

(d) An appraiser who agrees to supervise the work of another appraiser (including a Supervisory Appraiser supervising a Trainee Appraiser) shall enter into a written agreement with the appraiser to be supervised prior to undertaking any appraisal work that will be utilized for appraisal experience credit under this rule. The written agreement shall at a minimum contain provisions that:

1. identify the full name of the type of classification held by each appraiser as follows
 - a. State Trainee appraiser,
 - b. State Registered Appraiser,
 - c. State Licensed Appraiser,
 - d. State Certified Residential Appraiser,
 - e. State Certified General Appraiser, or
 - f. the name used by another State's regulatory agency, if the appraiser is not classified in Georgia but is in another State;
2. identify the classification number issued by the Board to each appraiser or similar number issued by another State's regulatory agency if the appraiser is not classified in Georgia;
3. identify the date of the end of the renewal period for each appraiser's classification;

4. state the supervised appraiser's and supervising appraiser's business relationship; for example, but not limited to, employee, independent contractor, or both are employees or independent contractors with the same firm;

5. indicate how the supervised and the supervising appraiser will be compensated for appraisal activities undertaken during the term of the contract and how each will be compensated when the contract ends for work begun but not completed prior to the termination of the contracts;

6. identify the scope of duties the supervised appraiser is authorized to undertake, which must not be inconsistent with this rule or the Appraiser Act, and must at least include provisions that:

a. all appraiser assignments must be solicited and obtained in the name of the supervising appraiser or the supervising appraiser's firm (including a Supervisory Appraiser supervising a Trainee appraiser) (if an appraisal assignment is solicited and obtained in the name of a State Trainee real property appraiser, the resulting appraisal may not be used for experience credit under this rule);

b. all appraisal reports shall be transmitted or delivered to the client or customer by the supervising appraiser or his or her designee other than the supervised appraiser;

c. the supervising appraiser will accept responsibility for the supervised appraiser's work by signing the appraisal report and certifying that it complies with generally accepted appraisal procedures and is in compliance with the standards required by the federal financial institutions regulatory agency that regulates the financial transaction if the appraisal assignment was undertaken for such a purpose; and

d. the supervising appraiser shall review the report before signing it;

7. after the termination of the relationship, the supervised appraiser shall, during normal business hours, have access to all appraisal files on which he or she worked for purposes of submitting to the Board any data the Board requires;

(e) The supervising appraiser and the supervised appraiser shall jointly maintain an appraisal log that includes the following information for each appraisal performed in the format available on the Board's web site:

a. Type of property;

b. Date of report;

c. Address of appraised property;

d. Description of work performed by the supervised appraiser and scope of the review and supervision of the supervised appraiser;

e. Number of actual work hours by the supervised appraiser on the assignment; and

f. The signature and state classification number of the supervising appraiser. Separate appraiser logs shall be maintained by each supervising appraiser if applicable.

(f) Any appraiser seeking to use appraisal experience for a higher classification shall attach to his or her log a copy of any written agreements under which he or she obtained the hours of experience governed by this rule.

(g) The supervising appraiser (including a Supervisory Appraiser supervising a Trainee Appraiser) must comply with the requirements of 43-39A-18(b) (12) and retain for a period of five years the original or a true copy of each appraisal report prepared or signed by each appraiser and all supporting data assembled and formulated by the appraisers in preparing each such appraisal report.

(10) Notwithstanding any other provision of this rule, any State Licensed or State Certified Residential appraiser seeking to earn experience credit for a higher appraisal classification may perform appraisal activity and sign an appraisal report as "appraiser" on real property involved in a federally related transaction that may require a higher classification if the appraiser holding the higher classification required to do the appraisal also signs the report and assumes full responsibility for the appraisal.

Authority: O.C.G.A. Secs. 43-39A-3, 43-39A-8, 43-39A-13.