

## Chapter 7: Appraiser Rules and Regulations

An \* in the left margin indicates a change in the statute, rule, or text since the last publication of the manual.

Pursuant to § 12-10-604(1)(a), C.R.S., the Colorado Board of Real Estate Appraisers engages in rulemaking to implement Colorado law in a manner consistent with the requirements of Title XI of the federal Financial Institutions Reform, Recovery and Enforcement Act of 1989.

The rulemaking process is set by § 24-4-103, C.R.S., and involves notice to the public, hearing(s), adoption of rules, and publication. General notice is accomplished through filing with the Secretary of State and publication in the Colorado Register. To request rulemaking notices, please visit <https://dre.colorado.gov/division-of-real-estate/about-the-division/rules-notices-of-rule-making-hearings#hearing> for placement on the rulemaking notice list.

While rulemaking may occur at any time, the Board prefers to adopt new and amended rules in the fall, with January 1 of the next year as the effective date. Rules are published in the Colorado Real Estate Manual.

For the latest version of the Rules of the Colorado Board of Real Estate Appraisers, please visit: <https://dre.colorado.gov/division-of-real-estate/about-the-division/rules-notices-of-rule-making-hearings>

*Colorado Real Estate Manual***DEPARTMENT OF REGULATORY AGENCIES****Division of Real Estate****\* RULES GOVERNING THE PRACTICE OF REAL ESTATE APPRAISERS OF THE  
BOARD OF REAL ESTATE APPRAISERS<sup>1</sup>****4 CCR 725-2***[Editor's Notes follow the text of the rules at the end of this CCR Document.]***CHAPTER 1: DEFINITIONS**

- 1.1. FIRREA: The Financial Institutions Reform, Recovery and Enforcement Act of 1989 as amended.
- 1.2. Title XI, FIRREA: That part of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 known as the Appraisal Reform Amendments, and also known as 12 U.S.C. sections 3331 through 3355, as amended.
- 1.3. Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council: A subcommittee created within the Federal Financial Institutions Examination Council as a result of Title XI, FIRREA, or its successor entity, to provide oversight of the appraiser regulatory system.
- 1.4. The Appraisal Foundation (TAF): An organization that is the source of appraisal standards, qualifications, and ethical conduct in all valuation disciplines to assure public trust in the valuation profession.
- 1.5. Appraiser Qualifications Board (AQB) of TAF: The AQB establishes the minimum education, experience, and Examination requirements for real property appraisers to obtain state certifications. In addition, the AQB performs a number of ancillary duties related to real property and personal property appraiser qualifications.
- 1.6. Appraisal Standards Board (ASB) of TAF: The ASB develops, interprets, and amends the USPAP.
- 1.7. Division of Real Estate (Division): Has the same meaning pursuant to section 12-10-101(2), C.R.S.
- 1.8. Director of the Division (Director): Has the same meaning pursuant to section 12-10-101(1), C.R.S.
- 1.9. Colorado Real Estate Appraiser Licensing Act: That portion of Colorado statutes known as sections 12-10-601 through 623, *et seq.*, C.R.S. as amended.
- 1.10. Board: The Colorado Board of Real Estate Appraisers created and further defined pursuant to section 12-10-603, C.R.S.
- 1.11. Board Rules or Rules: Those rules adopted by the Board pursuant to the Colorado Real Estate Appraiser Licensing Act.
- 1.12. Real Property Appraiser Qualification Criteria (Criteria): Pursuant to section 12-10-606(1) and (2), C.R.S. as amended, the Board incorporates by reference in compliance with section 24-4-103(12.5), C.R.S., the Real Property Appraiser Qualification Criteria adopted by the AQB of TAF on August 24, 2021, including the Required Core Curricula, Guide Notes, and Interpretations relating to the real property appraiser classifications as defined in Rules 1.21., 1.22., and 1.23. This Rule 1.12. excludes and does not incorporate by reference the following: the trainee real property appraiser classification and qualification requirements; the supervisory appraiser requirements; supervisory appraiser/trainee appraiser course objectives and outline; or any later amendments or additions of the Criteria. A certified copy of the Real

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<sup>1</sup> The Rules Governing the Practice of Real Estate Appraisers of the Board of Real Estate Appraisers are subject to change through the rulemaking process. Check the Division website for updates.

Property Appraiser Qualification Criteria is on file and available for public inspection at the Office of the Board at 1560 Broadway, Suite 925, Denver, Colorado 80202. Copies of the Real Property Appraiser Qualification Criteria may be examined at the Internet website of TAF at [www.appraisalfoundation.org](http://www.appraisalfoundation.org), and copies may be ordered through that mechanism. TAF may also be contacted at 1155 15th Street, NW, Suite 1111, Washington, DC 20005, or by telephone at (202) 347-7722 or telefax at (202) 347-7727. The Real Property Appraiser Qualification Criteria is effective as of January 1, 2022.

- 1.13. Uniform Standards of Professional Appraisal Practice (USPAP): has the same meaning pursuant to section 12-10-602(10), C.R.S.
- 1.14. Jurisdiction: All fifty (50) states, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands.
- 1.15. Examination: The examination(s) developed by or contracted for the Board and issued or approved by the AQB, if applicable.
- 1.16. Person: A natural person or an organization, partnership, proprietorship, association, cooperative, estate, trust, or government unit.
- 1.17. Applicant: Any Person applying for a license, Credential Upgrade, or Temporary Practice Permit.
- 1.18. Initial License: The first license granted by the Board to an Applicant pursuant to section 12-10-606, C.R.S. An Applicant may apply for an initial license at any credential level as long as all requirements for such credential level have been met pursuant to these Rules. An initial license is valid through December 31 of the year of issuance.
- 1.19. Credential Upgrade: A Licensee, who has been granted a license pursuant to section 12-10-606, C.R.S., may submit an application to the Board requesting an upgrade of the Licensee's credential if the Licensee has completed the real estate appraisal Qualifying Education, experience, and Examination requirements as set forth in Chapter 2 of these Rules for the credential for which the Licensee is applying. If the Board grants the requested credential, the upgraded license will expire on the same date of the Licensee's current license cycle prior to the upgrade.
- 1.20. Licensee: A collective term used to refer to a Person who has been licensed by the Board as a Licensed Ad Valorem Appraiser, Licensed Appraiser, Certified Residential Appraiser, Certified General Appraiser, Controlling Appraiser, or an AMC as applicable.
- 1.21. Licensed Appraiser: A Person who has been granted a license pursuant to section 12-10-606(1)(b)(IV), C.R.S. as a Licensed Appraiser by the Board as a result of meeting the real estate appraisal Qualifying Education, experience, and Examination requirements as set forth in Rule 2.2., or as a result of licensure through endorsement from another Jurisdiction as set forth in Chapter 9 of these Rules. The scope of practice for the Licensed Appraiser is limited to, if competent for the assignment, appraisal of non-complex one (1) to four (4) unit residential properties having a Transaction Value of less than \$1,000,000 and complex one (1) to four (4) unit residential properties having a Transaction Value of less than \$400,000, or as allowed by section 12-10-606(4), C.R.S. For non-federally related transactions, the scope of practice may include vacant or unimproved land that is to be used for development for a one (1) to four (4) unit Residential Property, or vacant or unimproved land for which the highest and best use is a one (1) to four (4) unit Residential Property. In compliance with Rule 1.52, the scope of practice does not include vacant or unimproved land that has the potential for subdivision development for which the subdivision development analysis method of land valuation is necessary and applicable.
- 1.22. Certified Residential Appraiser: A Person who has been granted a license pursuant to section 12-10-606(1)(b)(II), C.R.S., as a Certified Residential Appraiser by the Board as a result of meeting the real estate appraisal Qualifying Education, experience, and Examination requirements as set forth in Rule 2.3., or as a result of licensure through endorsement from another Jurisdiction as set forth in Chapter 9 of these Rules. The scope of practice for the

- Certified Residential Appraiser is limited to, if competent for the assignment, appraisal of one (1) to four (4) unit residential properties without regard to Transaction Value or complexity, or as allowed by section 12-10-606(4), C.R.S. Such scope of practice includes vacant or unimproved land that is to be used for development for a one (1) to four (4) unit Residential Property, or vacant or unimproved land for which the highest and best use is a one (1) to four (4) unit Residential Property. In compliance with Rule 1.52., the scope of practice for a Certified Residential Appraiser does not include vacant or unimproved land that has the potential for subdivision development for which the subdivision development analysis method of land valuation is necessary and applicable.
- 1.23. Certified General Appraiser: A Person who has been granted a license pursuant to section 12-10-606(1)(b)(I), C.R.S. as a Certified General Appraiser by the Board as a result of meeting the real estate appraisal Qualifying Education, experience, and Examination requirements as set forth in Rule 2.4., or as a result of licensure through endorsement from another Jurisdiction as set forth in Chapter 9 of these Rules. The scope of practice for the Certified General Appraiser will be, if competent for the assignment, appraisal of all types of real property.
  - 1.24. Licensed Ad Valorem Appraiser: A Person who has been granted a license pursuant to section 12-10-606(1)(b)(III), C.R.S., as a Licensed Ad Valorem Appraiser by the Board as a result of meeting the real estate appraisal Qualifying Education and Examination requirements as set forth in Rule 2.9. A Licensed Ad Valorem Appraiser cannot conduct appraisal assignments outside the scope of the appraiser's official duties as a County Assessor, an employee of a County Assessor's Office, or as an employee with the Division of Property Taxation within the Department of Local Affairs.
  - 1.25. Appraisal Management Company or AMC: Has the same meaning pursuant to section 12-10-602(2)(a), C.R.S.
  - 1.26. Controlling Appraiser: A Person who holds a certified credential and who is designated by the AMC. The Controlling Appraiser is responsible for the licensed practices of the AMC, all persons employed by the AMC and the requirements set forth in Chapter 17 of these Rules.
  - 1.27. Fee: The prescribed non-refundable license Fee as set by the Division.
  - 1.28. Deemed Complete: An Applicant has submitted a complete and satisfactory application in compliance with sections 12-10-606(1)(a) and 12-10-607(1), C.R.S. that includes the Fee and the accompanying required documentation as set forth in Chapters 2, 3, 4, 5, 6 and 17 of these Rules.
  - 1.29. Active: A current, Valid license that allows a Person to engage in real estate appraisal activities within their licensed level scope of practice.
  - 1.30. Inactive: A Licensee who holds a Valid license shown in the Board's records as being Inactive is not permitted to engage in any activities requiring licensure. To maintain licensure on Inactive status, a Licensee must continue to renew their license and meet the Continuing Education requirements as set forth in Chapter 7 of these Rules as applicable.
  - 1.31. Valid: A license that is approved and shown in the Board's records as either Active or Inactive as well as being eligible for renewable status.
  - 1.32. Temporary Practice Permit: A permit issued pursuant to section 12-10-611(3), C.R.S. as amended and Chapter 10 of these Rules allowing an appraiser licensed or certified in another Jurisdiction to appraise property in Colorado under certain conditions without obtaining Colorado licensure.
  - 1.33. Qualifying Education: Real estate appraisal education courses completed for credit toward the licensing requirements set forth in Chapter 2 of these Rules and meeting the requirements of Chapter 3 of these Rules. Qualifying education courses must be at least fifteen (15) classroom hours in length except for the 8-hour course on Valuation Bias and Fair Housing Laws and Regulations and must include an examination.

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- 1.34. Continuing Education: Real estate and real estate appraisal related courses completed for credit toward meeting the continuing education requirements set forth in Chapter 7 of these Rules.
- 1.35. Accredited College or University: A higher education institution (i.e., accredited college, junior college, community college or university) accredited by the Commission on Colleges, a regional or national accreditation association, or an accrediting agency that is recognized by the U. S. Secretary of Education.
- 1.36. College Level Examination Program (CLEP): A group of standardized tests created and administered by the College Board to assess college-level knowledge in certain subject areas and provide a mechanism for earning college credits without taking college courses.
- 1.37. Distance Education: Any education process based on the geographical separation of student and instructor. Components of distance education include Synchronous, Asynchronous, and Hybrid.
- 1.38. The Course Approval Program (CAP) of TAF: A voluntary program established by the AQB to provide a minimum level of acceptance for real property appraisal education courses satisfying the Criteria as defined in Rule 1.12.
- 1.39. Synchronous Distance Education: The instructor and students interact simultaneously online, similar to a phone call, video chat, live webinar, or web-based meeting.
- 1.40. Asynchronous Distance Education: The instructor and student interaction is non-simultaneous; the students progress at their own pace and follow a structured course content and quiz/exam schedule.
- 1.41. Hybrid Course Education: Learning environments that allow for both in-person and online (synchronous or asynchronous) interaction.
- 1.42. Bio-Metric Proctoring: A student's identity is continually verified through processes, such as facial recognition, consistency in keystroke cadence, and the observation of activity in the testing location. Aberrant behavior or activity can be readily observed.
- 1.43. Practical Applications of Real Estate Appraisal (PAREA): Training programs designed to offer practical experience in a simulated and controlled environment, incorporating the concepts learned in a participant's Qualifying Education. Multiple types of training techniques may be utilized, including, but not limited to computer-based learning; video gaming; video tutorial; virtual assistant; and virtual reality training.
- 1.44. Evaluation: has the same meaning pursuant to section 12-10-602(5.5), C.R.S.
- 1.45. Appraisal (Valuation) Process: The analysis of factors that create value to develop an opinion of value. Steps in the analytical process are: defining the problem; determining an appropriate scope of work; gathering and analyzing general and specific data; applying the appropriate analyses, procedures and methodology; the application of reconciliation criteria to reach a final defined value opinion; and correctly reporting that opinion in compliance with the USPAP.
- 1.46. Draft Appraisal: A draft appraisal must be identified and labeled as a "draft". The purpose of issuing a draft appraisal cannot be to allow the client and/or the intended user(s) to improperly influence the appraiser.
- 1.47. Amendment: A written modification of any appraisal, which is dated and signed by the appraiser, and delivered to the client. An amendment is a true and integral component of an appraisal. Amendments may also be referred to as correction pages.
- 1.48. Review Appraiser: An appraiser, who is actively credentialed in a Jurisdiction that is in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.3., who performs a review of another appraiser's work subject to the USPAP Standard 3. A review appraiser is not required to obtain a Colorado appraiser's license unless the review appraiser arrives at his or her own opinion of value for real property located in Colorado.
- 1.49. Contingent Fee: Compensation paid to a Person who is licensed as a licensed or certified appraiser, as a result of reporting a predetermined value or direction of value that favors the cause of the client, the amount of value opinion, the attainment of a stipulated result, or the

- occurrence of a subsequent event directly related to the appraiser's opinion and specific to the assignment's purpose. A Person licensed as a licensed or certified appraiser employed by a business entity which is compensated by a contingent fee is considered to be compensated by a contingent fee.
- 1.50. Signature: As defined in the USPAP, and including all methods of indicating a signature, such as, without limitation, a handwritten mark, digitized image, coded authentication number, stamped impression, embossed or applied seal, or other means.
  - 1.51. Transaction Value: For purposes of these Rules transaction value means:
    - A. For appraisal assignments carried out as part of a loan transaction, the amount of the loan; or
    - B. For appraisal assignments carried out for other than a loan transaction, the market value of the real property interest.
  - 1.52. Residential Property: Properties comprising one (1) to four (4) residential units; also includes building sites suitable for development to one (1) to four (4) residential units. Residential property does not include land for which a subdivision analysis or appraisal is necessary.
  - 1.53. Non-Residential Property: Properties other than those comprised of one (1) to four (4) residential units and building sites suitable for development to one (1) to four (4) residential units. Non-residential property includes, without limitation, properties comprised of five (5) or more Dwelling units, farm and ranch, retail, manufacturing, warehousing, office properties, large vacant land parcels, and other properties not within the definition of residential property as defined in Rule 1.52.
  - 1.54. Complex Residential Property: Properties comprising one (1) to four (4) residential Dwelling units, or land suitable for development to one (1) to four (4) residential units exhibiting complex appraisal factors such as atypical form of ownership, atypical size, atypical design characteristics, atypical locational characteristics, atypical physical condition characteristics, landmark designation, non- conforming zoning, lack of appraisal data, and other similar factors. Complex residential property does not include land for which a subdivision analysis or appraisal is necessary.
  - 1.55. Good Standing: A Licensee, AMC, or Controlling Appraiser must:
    - A. Not have been subject to a stipulation and a final agency order or final agency order, the terms of which were completed not less than three (3) years prior, or had a license revoked or permanently surrendered for any of the violations pursuant to sections 12-10-613, 12-10-614, 12-10-616 or 12-10-617, C.R.S. A license will be considered to be in good standing three years following the completion of all terms of an executed stipulation or final agency order.
    - B. Not have been subject to a stipulation for diversion, the terms of which have not been fully completed. A Licensee will be considered to be in good standing once all terms of the stipulation of diversion have been successfully completed.
  - 1.56. Panel Size Threshold: Has the same meaning pursuant to section 12-10-604(1)(a)(IV), C.R.S.
  - 1.57. Panel: Has the same meaning pursuant to section 12-10-602(8), C.R.S.
  - 1.58. Federally Regulated AMC: Has the same meaning pursuant to section 12-10-607(9), C.R.S.
  - 1.59. AMC Registry Fee: The annual fee collected from AMC that meet the Panel Size Threshold, including state-licensed AMC and Federally Regulated AMCs, for transmitting to the ASC. The fee is calculated by multiplying the number of licensed or certified appraisers who provided an appraisal in connection with a Covered Transaction on the AMC's Panel in Colorado during the Reporting Period by the registry fee as prescribed by the ASC.
  - 1.60. AMC National Registry: The registry of state-licensed AMCs and Federally Regulated AMCs maintained by the ASC.
  - 1.61. Reporting Period:
    - A. For State-licensed AMCs:
      - 1. Applying for Initial Licensure, the previous twelve (12) month period or the period the AMC has been in business, whichever period is less.



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2. Applying for renewal, the twelve (12) month period beginning November 1 of the prior year through October 31 of the year of renewal.
3. Applying for reinstatement of an expired license, the twelve (12) month period beginning November 1 of the year prior to expiration through October 31 of the year of expiration.
- B. For Federally Regulated AMCs reporting to the state, the twelve (12) month period beginning November 1 of the prior year through October 31 of the current year.
- 1.62. Consumer Credit: Credit offered or extended to a consumer primarily for personal, family, or household purposes.
- 1.63. Covered Transaction: Any Consumer Credit transaction secured by the consumer's principal Dwelling.
- 1.64. Creditor: A Person who regularly extends Consumer Credit:
  - A. That is subject to a finance charge or is payable by written agreement in more than four installments (not including a down payment), and to whom the obligation is initially payable, either on the face of the note or contract, or by agreement when there is no note or contract; or
  - B. If the Person extended the credit (other than credit subject to the requirements of high cost mortgages) more than five (5) times for transactions secured by a Dwelling in the preceding calendar year. If a Person did not meet these numerical standards in the preceding calendar year, the numerical standards will be applied to the current calendar year. A Person regularly extends Consumer Credit if, in any 12-month period, the Person originates more than one (1) credit extension that is subject to the requirements of high cost mortgages or one (1) or more such credit extensions through a mortgage broker.
- 1.65. Dwelling: A residential structure that contains one (1) to four (4) units, whether or not that structure is attached to real property. This includes an individual condominium unit, cooperative unit, mobile home, and trailer, if it is used as a residence.
- 1.66. Secondary Mortgage Market Participant: A guarantor or insurer of mortgage-backed securities, or an underwriter or issuer of mortgage-backed securities. Secondary mortgage market participant only includes an individual investor in a mortgage-backed security if that investor also serves in the capacity of a guarantor, insurer, underwriter, or issuer for the mortgage-backed security.
- 1.67. Safe and Secure Manner: Reasonable measures are taken to minimize the risk of loss, damage, or theft.
- 1.68. Petitioner: For the purposes of implementing the provisions of Chapter 14 of these Rules, any Person who has filed with the Board a petition or has been granted leave to intervene by the Board for a declaratory order pursuant to section 24-4-105(11), C.R.S. and as set forth in Chapter 14 of these Rules.

## **CHAPTER 2: REQUIREMENTS FOR LICENSURE AS A REAL ESTATE APPRAISER**

- 2.1. Repealed.
- 2.2. Licensed Appraiser: An Applicant for this level of licensure must successfully complete the following requirements as set forth in the Criteria as defined and incorporated by reference in Rule 1.12.:
  - A. Real estate appraisal Qualifying Education:
    1. Basic Appraisal Principles: 30 hours;
    2. Basic Appraisal Procedures: 30 hours;
    3. Valuation Bias and Fair Housing Laws and Regulations: 8 hours (course completion mandatory after January 1, 2026);
    4. 15-Hour National USPAP Course: 15 hours;
    5. Residential Market Analysis and Highest and Best Use: 15 hours;

6. Residential Appraiser Site Valuation and Cost Approach: 15 hours;
  7. Residential Sales Comparison and Income Approaches: 30 hours; and
  8. Residential Report Writing and Case Studies: 15 hours.
- B. Real estate appraisal experience: An Applicant for licensure as a Licensed Appraiser must demonstrate to the satisfaction of the Board that the Applicant completed at least one thousand (1,000) hours of appraisal experience in no fewer than six (6) months as set forth in Chapter 5 of these Rules and all of the Applicant's experience was obtained after January 30, 1989 and in compliance with the USPAP.
- C. Real estate appraisal Examination:
1. The prerequisites to taking the Licensed Appraiser Examination are:
    - a. One hundred fifty (150) or beginning January 1, 2026, one hundred fifty-eight (158) creditable class hours as set forth in subsection A. of the Rule; and
    - b. One thousand (1,000) hours of qualifying experience completed in no fewer than six (6) months.
  2. After receiving approval from the Board, an Applicant, who is not currently licensed or certified and in Good Standing in another Jurisdiction, has up to twenty-four (24) months to take and pass the Licensed Appraiser Examination.
  3. An Applicant must successfully complete the Licensed Appraiser Examination as set forth in Chapter 4 of these Rules. The only alternative to successful completion of the Licensed Appraiser Examination is the successful completion of the Certified Residential Appraiser or Certified General Appraiser Examination.
- 2.3. Certified Residential Appraiser: An Applicant for this level of licensure must successfully complete the following requirements as set forth in the Criteria as defined and incorporated by reference in Rule 1.12.:
- A. Real estate appraisal Qualifying Education:
1. Basic Appraisal Principles: 30 hours;
  2. Basic Appraisal Procedures: 30 hours;
  3. Valuation Bias and Fair Housing Laws and Regulations: 8 hours (course completion mandatory after January 1, 2026);
  4. 15-hour National USPAP Course: 15 hours;
  5. Residential Market Analysis and Highest and Best Use: 15 hours;
  6. Residential Appraiser Site Valuation and Cost Approach: 15 hours;
  7. Residential Sales Comparison and Income Approaches: 30 hours;
  8. Residential Report Writing and Case Studies: 15 hours;
  9. Statistics, Modeling and Finance: 15 hours;
  10. Advanced Residential Applications and Case Studies: 15 hours; and
  11. Appraisal Subject Matter Elective: 20 hours or 12 hours after January 1, 2026.
- B. College-level or in lieu of education options:
1. An Applicant for the Certified Residential Appraiser credential must satisfy at least one (1) of the following six (6) options:
    - a. Hold a Bachelor's Degree in any field of study from an Accredited College or University as defined by Rule 1.35.;
    - b. Hold an Associate's Degree from an Accredited College or University as defined by Rule 1.35., in a field of study related to:
      - i. Business Administration;
      - ii. Accounting;
      - iii. Finance;
      - iv. Economics; or



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- v. Real Estate.
  - c. Successful completion of thirty (30) semester hours of college-level courses that cover each of the following specific topic areas and hours:
    - i. English Composition (3 semester hours);
    - ii. Macroeconomics (3 semester hours);
    - iii. Microeconomics (3 semester hours);
    - iv. Finance (3 semester hours);
    - v. Algebra, Geometry, or higher mathematics (3 semester hours);
    - vi. Statistics (3 semester hours);
    - vii. Computer Science (3 semester hours);
    - viii. Business Law or Real Estate Law (3 semester hours); and
    - ix. Two (2) elective courses in any of the topics listed above or in Accounting, Geography, Agricultural Economics, Business Management, or Real Estate (3 semester hours each).
  - d. Successful completion of at least thirty (30) semester hours of examinations created and administered by the CLEP, as defined in Rule 1.36., from each of the following specific subject matter areas and hours:
    - i. College Algebra (3 semester hours);
    - ii. College Composition (6 semester hours);
    - iii. College Composition Modular (3 semester hours);
    - iv. College Mathematics (6 semester hours);
    - v. Principles of Macroeconomics (3 semester hours);
    - vi. Principles of Microeconomics (3 semester hours);
    - vii. Introductory Business Law (3 semester hours); and
    - viii. Information Systems (3 semester hours).
  - e. Any combination of subsections B.1.c. and B.1.d. of this Rule that ensures coverage of all topics and hours identified in subsection B.1.c. of this Rule.
  - f. As an alternative to the college-level education requirements in subsections B.1.a.,b.,c.,d. and e. of this Rule, an Applicant that has held a Licensed Appraiser credential for a minimum of five (5) years may qualify for a Certified Residential Appraiser credential if the Applicant has had no record of any adverse, final, and non-appealable disciplinary action affecting the Licensed Appraiser's legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential Appraiser credential.
- 2. All college-level education must be obtained from a degree-granting institution by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education.
  - 3. An Applicant with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:
    - a. An accredited, degree-granting domestic college or university;
    - b. A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or

- c. 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.
  - C. Real estate appraisal experience: An Applicant for licensure as a Certified Residential Appraiser must demonstrate to the satisfaction of the Board that the Applicant completed at least one thousand five hundred (1,500) hours of appraisal experience as set forth in Chapter 5 of these Rules and all of the Applicant's experience was obtained after January 30, 1989 and in compliance with the USPAP. Real estate appraisal experience must have been gained across a period of not less than twelve (12) months.
  - D. Real estate appraisal Examination:
    - 1. The prerequisites to taking the Certified Residential Appraiser Examination are:
      - a. Two hundred (200) creditable class hours as set forth in subsection A. of this Rule;
      - b. Completion of the college-level education option requirements as set forth in subsection B. of this Rule.; and
      - c. One thousand five hundred (1,500) hours of qualifying experience completed in no fewer than twelve (12) months as set forth in subsection C. of the Rule.
    - 2. After receiving approval from the Board, an Applicant, who is not currently licensed or certified and in Good Standing in another Jurisdiction, has up to twenty-four (24) months to take and pass the Certified Residential Appraiser Examination.
    - 3. An Applicant must successfully complete the Certified Residential Appraiser Examination as set forth in Chapter 4 of these Rules. The only alternative to successful completion of the Certified Residential Appraiser Examination is the successful completion of the Certified General Appraiser Examination.
- 2.4. Certified General Appraiser: An Applicant for this level of licensure must successfully complete the following requirements as set forth in the Criteria as defined and incorporated by reference in Rule 1.12.:
  - A. Real estate appraisal Qualifying Education:
    - 1. Basic Appraisal Principles: 30 hours;
    - 2. Basic Appraisal Procedures: 30 hours;
    - 3. Valuation Bias and Fair Housing Laws and Regulations: 8 hours (course completion mandatory after January 1, 2026);
    - 4. 15-Hour National USPAP Course: 15 hours;
    - 5. General Appraiser Market Analysis and Highest and Best Use: 30 hours;
    - 6. Statistics, Modeling and Finance: 15 hours;
    - 7. General Appraiser Sales Comparison Approach: 30 hours;
    - 8. General Appraiser Site Valuation and Cost Approach: 30 hours;
    - 9. General Appraiser Income Approach: 60 hours;
    - 10. General Appraiser Report Writing and Case Studies: 30 hours; and
    - 11. Appraisal Subject Matter Electives: 30 hours or 22 hours after January 1, 2026.
  - B. College-level education:
    - 1. An Applicant for the Certified General Appraiser credential must hold a Bachelor's degree, or higher, from an Accredited College or University as defined by Rule 1.35.
    - 2. An Applicant with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

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- a. An accredited, degree-granting domestic college or university;
  - b. A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
  - c. 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.
- C. Real estate appraisal experience: An Applicant for licensure as a Certified General Appraiser must demonstrate to the satisfaction of the Board that the Applicant completed at least three thousand (3,000) hours of appraisal experience, of which one thousand five hundred (1,500) hours must be in non-residential appraisal work as set forth in Chapter 5 of these Rules and all of the Applicant's experience was obtained after January 30, 1989 and in compliance with the USPAP. Real estate appraisal experience must have been gained across a period of not less than eighteen (18) months.
- D. Real estate appraisal Examination:
  - 1. The prerequisites to taking the Certified General Appraiser Examination are:
    - a. Three hundred (300) creditable class hours as set forth in subsection A. of this Rule.;
    - b. Completion of the college-level education requirements as set forth in subsection B. of this Rule.; and
    - c. Three thousand (3,000) hours of qualifying experience, of which no less than one thousand five hundred (1,500) hours must be in non-residential appraisal work, completed in no fewer than eighteen (18) months.
  - 2. After receiving approval from the Board, an Applicant, who is not currently licensed or certified and in Good Standing in another Jurisdiction, has up to twenty-four (24) months to take and pass the Certified General Appraiser Examination.
  - 3. An Applicant must successfully complete the Certified General Appraiser Examination as set forth in Chapter 4 of these Rules.
- 2.5. Repealed.
- 2.6. Repealed.
- 2.7. Repealed.
- 2.8. Licensed Ad Valorem Appraiser: An Applicant for this level of licensure must be a County Assessor, an employee of a County Assessor's Office, or an employee of the Division of Property Taxation in the Department of Local Affairs.
- 2.9. Licensed Ad Valorem Appraiser: An Applicant for this level of licensure must successfully complete the following requirements, or the substantial equivalent thereof:
  - A. Real estate appraiser Qualifying Education:
    - 1. Introduction to Ad Valorem Mass Appraisal: no less than 35 hours;
    - 2. Basic Appraisal Principles: no less than 30 hours;
    - 3. Basic Appraisal Procedures: no less than 30 hours;
    - 4. Valuation Bias and Fair Housing Laws and Regulations: 8 hours (course completion mandatory after January 1, 2026); and
    - 5. 15-Hour National USPAP Course: 15 hours.
  - B. Real Estate Appraisal examination: successful completion of the Ad Valorem Appraiser examination as set forth in Chapter 4 of these Rules; and
  - C. Ad Valorem employment: a signed certification by the applicant that the applicant meets the employment requirements set forth in Rule 2.8.
- 2.10. Repealed.

### **CHAPTER 3: STANDARDS FOR REAL ESTATE APPRAISAL QUALIFYING EDUCATION PROGRAMS**

- 3.1. Repealed.
- 3.2. Qualifying Education must be taken from providers approved by the Board. In order to be approved, Qualifying Education courses and the providers must meet the following standards at the time it is offered:
  - A. Course content was developed by Persons qualified in the subject matter and instructional design;
  - B. Course content is current and corresponds with the common body of knowledge;
  - C. The instructor is qualified with respect to content and teaching methods, and the body of knowledge;
  - D. The number of participants and the physical facilities are consistent with the teaching method;
  - E. An examination is included for measuring the information learned;
  - F. The educational offering will be developed and communicated in a manner as to promote and maintain a high level of public trust in appraisal practice; and
  - G. Meet the class hour requirements as set forth in Rule 3.5.
- 3.3. The following may be approved as providers of Qualifying Education provided that the standards set forth in Rule 3.2. are maintained and the education providers have complied with all other requirements of the state of Colorado:
  - A. Accredited College or University as defined in Rule 1.35.;
  - B. Professional appraisal and real estate related organizations;
  - C. State or federal government agencies;
  - D. Proprietary schools holding valid certificates of approval from the Colorado Division of Private Occupational Schools, Department of Higher Education;
  - E. Providers approved by other Jurisdictions, provided the Jurisdiction's appraiser regulation program is in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.3.;
  - F. Providers approved under the CAP as defined in Rule 1.38.; and
  - G. Such other providers as the Board may approve upon petition of the provider or the applicant in a form acceptable to the Board.
- 3.4. On or after January 1, 1991, in order to be approved by the Board, each education provider must maintain for a period of five (5) years from the last course offering, and provide to the Board upon request, information regarding the Qualifying Education course offerings including, but not limited to the following:
  - A. Outline or syllabus;
  - B. All texts, workbooks, handouts or other course materials;
  - C. Instructors and their qualifications, including selection, training and evaluation criteria;
  - D. Course examinations;
  - E. Dates and locations of course offerings; and
  - F. Student attendance records.
- 3.5. The number of hours credited must be equivalent to the actual number of instruction and testing contact hours.
  - A. Synchronous Distance Education courses provide for instruction and interaction substantially the same as on-site classroom courses. Synchronous Distance Education courses meet class hour requirements if they comply with the following:
    - 1. A class hour must be sixty (60) minutes, of which at least fifty (50) minutes are instruction attended by the student. The prescribed number of class hours includes time for examinations.

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2. Synchronous Distance Education courses are offered by approved course providers as set forth in Rule 3.3.
- B. Asynchronous Distance Education courses meet class hour requirements if they comply with the following:
  1. The course must provide active student engagement as set forth in Rule 3.14.
  2. Content approval is obtained from the AQB, the Division, other state appraiser regulatory jurisdictions, or an Accredited 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 US Secretary of Education. Non-academic credit college courses provided by a college must be approved by the AQB or a state appraiser regulatory jurisdiction.
  3. Course delivery mechanism approval is obtained from one of the following sources:
    - a. The AQB;
    - b. An AQB approved organization providing approval of course design and delivery;
    - c. An Accredited College or University that qualifies for content approval as set forth in subsection B.2. of this Rule that awards academic credit for the distance education course; or
    - d. A qualifying Accredited College or University for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.
- C. Hybrid Course Education courses meet class hour requirements if they comply with the following:
  1. In-person course sessions meet the class hour requirements as set forth in subsection A.1. of this Rule and courses are offered by approved course providers as set forth in Rule 3.3.
  2. Synchronous Distance Education course sessions meet the requirements as set forth in subsection A. of this Rule.
  3. Asynchronous Distance Education course sessions meet the class hour requirements as set forth in subsection A.1. of this Rule, courses are offered by approved course providers as set forth in Rule 3.3., and meet the requirements as set forth in subsection B. of this Rule.
- 3.6. Each Qualifying Education course offering must be at least fifteen (15) hours in duration except for the 8-hour course on Valuation Bias and Fair Housing Laws and Regulations, and must include an examination pertinent to the material covered, and be comprised of segments of not less than one (1) classroom hour.
- 3.7. Qualifying Education courses and corresponding examinations must be successfully completed by the Applicant. Successful completion means the Applicant has attended the offering, participated in course activities, and achieved a passing score on the course examination.
- 3.8. Repealed.
- 3.9. It is the Applicant's responsibility to verify that a Qualifying Educational course offering has been approved by the Board, if the Applicant wishes to claim credit for the course.
- 3.10. Repealed.
- 3.11. Hours of Qualifying Education accepted in satisfaction of the education requirement of one level of licensure may be applied toward the requirement for another level and need not be repeated. Applicants are responsible for demonstrating coverage of the required topics.
- 3.12. The following factors must be used to convert Accredited College or University course credits into qualifying education hours:
  - A. Semester Credits x 15.00 = Hours

- B. Quarter Credits x 10.00 = Hours
- 3.13. Applicants must successfully complete Qualifying Education which builds upon and augments previous courses. Qualifying Education courses which substantially repeat or duplicate other course work in terms of content and level of instruction will not be accepted. The Board will give appropriate consideration to courses where substantive changes in content have occurred.
- 3.14. To be acceptable for Qualifying Education, Asynchronous Distance Education offerings must incorporate methods and activities that promote active student engagement and participation in the learning process. Among those methods and activities acceptable are written exercises which are graded and returned to the student, required responses to computer based presentations, provision for students to submit questions during teleconferences, and examinations proctored by an independent third party, who is an official approved by the college or university, or by the sponsoring organization. Bio-Metric Proctoring is acceptable. Simple reading, viewing or listening to materials without active student engagement and participation in the learning process is not sufficient to satisfy the requirements of this Rule 3.14.
- 3.15. As to Qualifying Education courses completed in other Jurisdictions with appraiser regulatory programs that are in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.3., the Board will accept the number of hours of education accepted by that Jurisdiction.
- 3.16. To be acceptable for Qualifying Education, Synchronous Distance Education and Asynchronous Distance Education courses must meet the other requirements of Chapter 3 of these Rules, and must include a written, closed book final examination proctored by an independent third party, or other final examination testing procedure acceptable to the Board. Bio-Metric Proctoring is acceptable. Examples of acceptable examination proctors include public officials who do not supervise the student, secondary and higher education school officials, and public librarians. Failure to observe this requirement may result in rejection of the course and/or course provider by the Board for that Applicant, and may result in the Board refusing or withdrawing approval of any courses offered by the provider.
- 3.17. All Qualifying Education courses in the USPAP begun on and after January 1, 2003, and offered through Asynchronous Distance Education modalities must meet the requirements as set forth in Rule 3.5.B. or be approved through the CAP as defined in Rule 1.38., and taught by an instructor certified by the AQB who is also a state certified appraiser.
- 3.18. Course providers must provide a course completion certificate to each student who successfully completes a Qualifying Education course in the manner set forth in Rule 3.7. The Board does not mandate the exact form of course completion certificates; however, the following information must be included:
- A. Name of course provider;
  - B. Course title, which must describe topical content, or the Criteria Core Curriculum module title;
  - C. Course number, if any;
  - D. Course dates;
  - E. Number of approved education hours;
  - F. Statement that the required examination was successfully completed;
  - G. Method of course delivery: in-person, Synchronous Distance Education, or Asynchronous Distance Education;
  - H. Name of student; and
  - I. For all USPAP courses begun on and after January 1, 2003, the name(s) and AQB USPAP instructor certification number(s) of the instructor(s).
- 3.19. The provisions of Rule 3.3. notwithstanding, Qualifying Education courses begun on and after January 1, 2004 and offered through Asynchronous Distance Education modalities must meet the requirements as set forth in Rule 3.5.B. or be approved through the CAP as defined



- in Rule 1.38. The Board will not accept Asynchronous Distance Education courses begun on and after January 1, 2004 that have not met the requirements of Rule 3.5.B. or have not been approved through the CAP.
- 3.20. All Qualifying Education courses in the USPAP must be presented using the most recent edition and the most recent version of the National USPAP Course (real property) or equivalent as approved by the AQB, with the exception that courses begun in the three (3) months preceding the effective date of a new edition may be presented using the next succeeding USPAP edition and course version, if available from TAF.
- 3.21. All Qualifying Education courses begun on or after January 1, 2008, must meet the requirements as set forth in Rule 3.5. or be approved through the CAP. On a limited case by case basis, the Director may approve in advance of the course offering if the Director determines, in writing, that the public is not served by requiring that the specific course meet the requirements 3.5.B. or be approved through CAP. Course providers seeking such an exemption must provide the Director with all requested information the Director deems necessary.
- 3.22. By offering Qualifying Education approved by the Board, each provider agrees to comply with the relevant statutes, and Rules and to permit the Board to audit said courses at any time and at no cost.
- 3.23. Introduction to Ad Valorem Mass Appraisal courses that have been approved by the Board as Qualifying Education can be used for credit as appraisal subject matter electives for Applicants seeking licensure as a Certified Residential Appraiser or Certified General Appraiser.
- 3.24. Applicants are required to provide copies of course completion certificates to the Board as set forth in Rule 6.1.

#### **CHAPTER 4: STANDARDS FOR REAL ESTATE APPRAISAL LICENSING EXAMINATIONS**

- 4.1. Any Person wishing to apply for any appraiser's license must register for and achieve a passing score on the appropriate level of Examination with the testing service designated by the Board. No other examination results will be accepted. The appropriate levels of Examination for the respective levels of licensure are as follows:
- |                               |                                  |
|-------------------------------|----------------------------------|
| License Level                 | Examination                      |
| Licensed Ad Valorem Appraiser | Licensed Ad Valorem Appraiser    |
| Appraiser                     | Licensed Real Property Appraiser |
| Residential Appraiser         | Certified Residential Appraiser  |
| General Appraiser             | Certified General Appraiser      |
- 4.2. Examinees must comply with the standards of test administration established by the Board and the testing service. Notwithstanding the standards of the testing service location(s), examinees may use financial calculators during the examination process. The memory functions of any such calculator must be cleared by the testing service staff prior to the beginning and after the conclusion of the Examination.
- 4.3. A passing score on an Examination must be attained within two (2) years from the issuance date of the Letter of Exam Eligibility, except in the case of the Ad Valorem Examination, as set forth in Rule 6.1.B.4. Failure to successfully pass the Examination within the two (2) year period will result in the application being denied.
- 4.4. Examinations will be given only to duly qualified Applicants for an appraiser's license; however, one instructor from each appraisal Qualifying Education course provider approved as set forth in Rule 3.3 may take the Examination one time during any twelve (12) month period in order to conduct research for course content.
- 4.5. Each Examination for a license may, as determined by the Board, be a separate Examination.

- 4.6. Examinations developed by or contracted for the Board for licensed and certified appraisers must comply with the Criteria as defined in Rule 1.12., if applicable.
- 4.7. Repealed.
- 4.8. Repealed.

## **CHAPTER 5: STANDARDS FOR REAL ESTATE APPRAISAL EXPERIENCE**

- 5.1. The quantitative experience requirements must be satisfied by time spent on the Appraisal Process. Acceptable experience includes appraisal, appraisal review, appraisal consulting, and mass appraisal experience where the appraiser demonstrates proficiency in the development and reporting of the assignment results utilizing recognized appraisal principles and methodology during the Appraisal Process as defined by Rule 1.45. The Board may consider other experience upon petition by the Applicant. All experience must be obtained after January 30, 1989 and comply with the USPAP. If the Applicant obtains experience under the guidance of another credentialed appraiser, the appraiser providing guidance must be appropriately credentialed for the type of appraisal assignment performed and in Good Standing as defined by Rule 1.55.
- 5.2. Repealed.
- 5.3. Reports or file memoranda claimed as evidence of meeting experience requirements must have been prepared in conformance with the edition of the USPAP in effect as of the date of the appraisal report.
- 5.4. Repealed.
- 5.5. The Board reserves the right to verify an Applicant's or Licensee's evidence of appraisal experience by such means as it deems necessary, including, but not limited to requiring the following:
  - A. Submission of a detailed log of appraisal activity on the form or in the manner specified by the Board;
  - B. Submission of appraisal reports, workfiles or file memoranda;
  - C. Employer affidavits or interviews;
  - D. Client affidavits or interviews; and
  - E. Submission of appropriate business records.
- 5.6. Repealed.
- 5.7. Repealed.
- 5.8. There need not be a client in a traditional sense (e.g., a client hiring an appraiser for a business purpose) in order for an appraisal to qualify for experience. Experience gained for work without a traditional client can meet any portion of the total experience requirement.

Practicum courses that are approved by the CAP or the Board can satisfy the nontraditional client experience requirement. A practicum course must include the generally applicable methods of the Appraisal Process for the credential level. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research, containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with the USPAP. Assignments must require problem solving skills for a variety of property types for the credential level. Experience credit will be granted for the actual classroom hours of instruction, and hours of documented research and analysis as awarded from the practicum course approval process.

- 5.9. Each application for licensure as set forth in Rules 2.2., 2.3., or 2.4. must be accompanied by a log of real estate appraisal experience on a form or in the manner specified by the Board or a certificate of completion as set forth in Rule 5.14. The experience log must include the following:
  - A. Type of property;
  - B. Date of report;
  - C. Address of appraised property;

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- D. Description of work performed by the Applicant, and scope of review and supervision of the supervising appraiser, if applicable;
  - E. Number of actual work hours by the Applicant on the assignment;
  - F. The signature and state license number of the supervisor, if applicable. Separate experience logs must be maintained for each supervising appraiser, if applicable;
  - G. An attestation certifying the accuracy and truthfulness of the information contained within the experience log; and
  - H. The Applicant's signature.
- 5.10. Repealed.
- 5.11. An Applicant for licensure as a Colorado Licensed Appraiser, a Colorado Certified Residential Appraiser or a Colorado Certified General Appraiser must demonstrate that the Applicant is capable of performing appraisals that are compliant with the USPAP. As set forth in Rule 5.5., the Board may verify an Applicant's appraisal experience by such means as it deems necessary, including but not limited to requiring the Applicant to submit a detailed log of appraisal experience, appraisal reports, and/or work files. Staff within the Division or appraisers selected by the Division may review an Applicant's appraisal reports and work files to determine whether the Applicant is capable of performing appraisals that are compliant with the USPAP and as set forth in Rule 13.8.
- 5.12. PAREA programs approved by the AQB may serve as an alternative to the traditional experience requirements as set forth in Rules 2.2.B., 2.3.C., 2.4.C. and these Chapter 5 Rules.
- 5.13. In order to qualify as creditable experience, PAREA programs must be AQB approved and meet all the required elements found in the PAREA section of the Criteria as defined and incorporated by reference in Rule 1.12.
- 5.14. Applicants using PAREA training as alternative experience must submit a certificate of completion, subject to the following:
- A. Applicants may not receive partial credit for PAREA training;
  - B. Applicants may not receive a certificate of completion until all required components of PAREA training have been successfully completed and approved by a program mentor;
  - C. Certificates of completion must be signed by an individual from the training entity qualified to verify an Applicant's successful completion; and
  - D. Certificates of completion must not contain an expiration date or other constraints that either limit or restrict the Applicant's ability to receive appropriate credit.
- 5.15. Applicants successfully completing approved PAREA programs may receive the following experience credit:
- A. Applicants completing an approved licensed residential program:
    - 1. Licensed Appraiser Credential: up to 100 percent of the required experience hours as set forth in Rule 2.2.B.
    - 2. Certified Residential Credential: up to 67 percent of the required experience hours as set forth in Rule 2.3.C.
    - 3. Certified General Credential: up to 33 percent of the total required experience as set forth in Rule 2.4.C., none of which is eligible towards the required non-residential hours.
  - B. Applicants completing an approved certified residential program:
    - 1. Licensed Appraiser Credential: up to 100 percent of the required experience hours as set forth in Rule 2.2.B.
    - 2. Certified Residential Credential: up to 100 percent of the required experience hours as set forth in Rule 2.3.C.
    - 3. Certified General Credential: up to 50 percent of the total required experience as set forth in Rule 2.4.C., none of which is eligible towards the required non-residential hours.

## **CHAPTER 6: APPLICATION FOR LICENSURE**

- 6.1. Except as provided under Chapter 9 of these Rules, an Applicant must complete and submit an application as follows:
- A. Licensure for a Licensed Appraiser, Certified Residential Appraiser or Certified General Appraiser credential:
    - 1. An Applicant for an Initial License must submit a set of fingerprints to the Colorado Bureau of Investigation for the purpose of conducting a state and national criminal history record check prior to submitting an application.
    - 2. Complete the Board created application and submit the application with the supporting documentation to include: Qualifying Education course completion certificates, college transcripts, and experience log.
    - 3. Upon the Board approving the education and experience requirements, a **“Letter of Exam Eligibility”** will be issued.
    - 4. After the issuance of the **“Letter of Exam Eligibility”**, schedule the appropriate Examination with the examination provider approved by the Board.
    - 5. After successfully passing the appropriate Examination as set forth in Rule 4.1., submit a copy of the Examination results with proof of the required errors and omissions insurance policy as set forth in Rule 6.10.
    - 6. An application is Deemed Complete at the time that all required supporting documentation and the Fee are received by the Board.
  - B. Licensure for a Licensed Ad Valorem Appraiser credential:
    - 1. Complete the Board created application and submit the application with the supporting documentation to include: Qualifying Education course completion certificates, a copy of the Examination results as set forth in Rule 4.1. and proof of employment with a qualified employer as defined in Rule 1.24.
    - 2. Applicants for a Licensed Ad Valorem Appraiser credential are not required to submit a set of fingerprints for the purpose of conducting a state and national criminal history record check and are also exempt from the errors and omissions insurance requirements.
    - 3. An application is Deemed Complete at the time that all required supporting documentation and the Fee are received by the Board.
    - 4. Applicants for a Licensed Ad Valorem Appraiser credential will not receive nor are required to show proof of a **“Letter of Exam Eligibility”**.
- 6.2. Invalid Payment. If the Fees accompanying any application made to the Board are paid for by check and the check is not immediately paid upon presentment to the bank upon which the check was drawn, or if payment is submitted in any other manner and payment is denied, rescinded, or returned as invalid, the application will be canceled. The application or renewal must be re-submitted to the Board along with full payment of any Fees and payment of the fee required by State Fiscal Rules for the clerical services necessary for invalid payment.
- 6.3. Review of Application Completeness. All applications will be reviewed by the Division for completeness of all required supporting documents and the Fee. If the application is deemed incomplete by the Division, the Applicant will be notified in writing of the deficiencies identified within the application and will have thirty (30) days to provide the documentation; otherwise, the application will be canceled, and the Fee will be forfeited.
- 6.4. Once the application is Deemed Complete, the Board will timely process the application. The Board reserves the right to require additional information and documentation from an Applicant to determine compliance with applicable laws and regulations, and to verify any information and documentation submitted.

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- 6.5. Submission of an application does not guarantee issuance of a license, or issuance of a license within a specific period of time. Applicants must observe the provisions of section 12-10-619, C.R.S., and Chapter 12 of these Rules. Applicants will not represent themselves as being Licensees of the Board until the license has been issued by the Board.
- 6.6. Pursuant to sections 12-10-606(6)(a) and 12-10-607(3), C.R.S., the Board must establish the fitness standards that an Applicant for a license must demonstrate. An Applicant must demonstrate that they do not possess a background that could call into question the public trust. Some of the criteria that the Board may evaluate in determining whether the public trust may be called into question are:
- A. Whether the Applicant has previously had an appraiser credential revoked;
  - B. Whether the Applicant has previously had a professional license disciplined in any Jurisdiction;
  - C. Whether the Applicant has been convicted of, or pled guilty to, entered a plea of nolo contendere to, or received a deferred judgment and sentence to a crime. An Applicant will not be eligible for a license if, during at least the five (5) year period immediately preceding the date of application for a license, the Applicant has been convicted of, plead guilty to, or entered a plea of nolo contendere to a crime that would call into question the applicant's fitness for licensure; and
  - D. Whether the Applicant has failed to demonstrate that they possess the character necessary to command the confidence of the community and to warrant a determination that the Applicant will operate honestly, fairly and efficiently within the scope and purpose of real property appraisal practice.
- 6.7. Applicants who have at any time in the past been convicted of, entered a plea of guilty to, entered a plea of nolo contendere to, entered an Alford plea to, or received a deferred judgment and sentence to any felony or misdemeanor offense, excluding misdemeanor traffic offenses, municipal code violations, petty offenses, or has such charges pending must submit with their application the required documentation as listed below. If the required documentation is no longer available, the Applicant must provide written confirmation by the appropriate authority that such documentation is no longer available. For any charges or convictions which have been dismissed, expunged, or sealed, the Applicant must include court document(s) evidencing the dismissal, expungement, or sealing of the criminal case(s). Failure to provide the required documentation within the time frame as set forth in Rule 6.3. will result in the cancelation of the application and forfeiture of the Fee. In addition to the required documentation, Applicants may submit supplemental documentation as listed below to demonstrate their rehabilitation, prior professional licensure and general fitness for consideration by the Board.
- A. Required documentation includes:
    - 1. Court case disposition, registry of action, or a case action summary, which must include the following information:
      - a. Offense(s) convicted of;
      - b. Statute(s) or municipal code(s) violated;
      - c. Classification(s) of offense(s) (i.e. felony or misdemeanor);
      - d. Date of conviction;
      - e. Date of sentencing;
      - f. Sentencing Terms; and
      - g. Status of case.
        - i. If the sentencing and probation terms have been completed, the status of case should show as closed or dismissed.
        - ii. If the sentencing and probation terms have not been completed, documentation must be submitted that shows current compliance with the sentencing and probation terms. Proof of current compliance should include a letter from the

- parole or probation officer and, if applicable, a payment history from the court showing a current account balance of payment.
- 2. Police Officer's report(s), arrest report(s), or incident report(s);
- 3. A signed written explanation of the circumstances surrounding each violation and, including the statement attesting that "I have no other criminal violations either past or pending, other than those I have stated on the application"; and
- 4. Any other information or documentation that the Board deems necessary.
- B. Supplemental documentation includes:
  - 1. Employment history for the preceding five (5) years;
  - 2. Letter(s) of recommendation; and
  - 3. A personal written statement that demonstrates and evidences the Applicant's rehabilitation, prior professional licensure and general fitness.
- 6.8. Pursuant to sections 12-10-607(4), 12-10-607(5), 12-10-607(6) and 12-10-612(1), C.R.S., an Applicant who has any past or pending administrative disciplinary actions or findings from any Jurisdiction regarding the Applicant's appraiser registration, license, certificate or any other professional license must submit with their application the following information and documentation as listed below that is relevant and available to the Applicant. If the required documentation is no longer available or accessible, the Applicant must provide written confirmation by the appropriate authority that such documentation is no longer available or the reasons why the document is not accessible. Failure to provide the required documentation within the time frame as set forth in Rule 6.3. will result in the cancellation of the application and forfeiture of the Fee.
  - A. Any final agency order(s);
  - B. Any consent order(s);
  - C. Any stipulation(s);
  - D. Any investigative report(s); and
  - E. A signed written explanation of the circumstances surrounding each disciplinary action.
- 6.9. Prior to an application for licensure, a Person may request that the Board issue a preliminary advisory opinion regarding the potential effect that previous professional conduct, criminal conviction(s), plea(s) of guilt, Alford plea(s) or nolo contendere plea(s), deferred judgment(s) and sentence for criminal offense(s), or violation(s) of the real estate appraiser license law may have on a future formal application for licensure. A Person requesting such an opinion is not an Applicant for licensure. The Board may, at its sole discretion, issue an opinion which will not be binding on the Board; is not appealable; and will not limit the authority of the Board to investigate a future application for licensure. However, if the Board issues a favorable advisory opinion, the Board may elect to adopt such advisory opinion as the final decision of the Board without further investigation or hearing. The issuance of a negative or unfavorable opinion will not prohibit a Person from submitting an application for licensure. A Person requesting an opinion must do so in a form prescribed by the Board. Such form must be supported and documented by, without limitation, the following:
  - A. Pending or Past Criminal Record  
The required and supplemental documentation as set forth in Rule 6.7. for any pending or past criminal record.
  - B. Pending or Past Professional Disciplinary Action(s)  
The documentation as set forth in Rule 6.8. for any pending or past professional conduct.
- 6.10. Every appraiser with an Active license, or Applicant for an Active license appraiser's credential, must have in effect a policy of errors and omissions insurance to cover all acts requiring a license. Appraisers employed by a local, state, or federal government entity are



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exempt from the errors and omissions insurance requirements but would need to comply with this Rule 6.10. if performing licensed activities outside the capacity of their employment with a government entity.

- A. The Division will enter into a contract with a qualified insurance carrier to make available to all Licensees and license applicants a group policy of insurance under the following terms and conditions:
  - 1. The insurance carrier is licensed or authorized by the Colorado Division of Insurance to write policies of errors and omissions insurance in this state.
  - 2. The insurance carrier maintains an A.M. best rating of “A-” or better.
  - 3. The insurance carrier will collect premiums, maintain records and report names of those insured and a record of claims to the Board on a timely basis and at no expense to the Board.
  - 4. The insurance carrier has been selected through a competitive bidding process.
  - 5. The contract and policy are in conformance with this Rule 6.10. and all relevant Colorado statutory requirements.
- B. The group policy must provide, at a minimum, the following terms of coverage:
  - 1. Coverage for all acts for which a real estate appraiser’s license is required to the extent of the professional appraisal work the appraiser is permitted by their credential level to perform, except those illegal, fraudulent, or other acts which are normally excluded from such coverage.
  - 2. That the coverage cannot be canceled by the insurance carrier except for nonpayment of the premium or in the event a Licensee becomes Inactive, is revoked or an Applicant is denied a license.
  - 3. The coverage afforded by the policy must not contain exclusions for coverage of claims for damages reasonably expected in connection with professional appraisal services, including, but not limited to, claims for damages made by or on behalf of the Federal Deposit Insurance Corporation (FDIC), the Federal Housing Finance Agency (FHFA), or any other state or federal agency having regulatory authority over a lender or financial institution, and claims arising from failure of a financial institution.
  - 4. Pro-ration of premiums for coverage which is purchased during the course of a calendar year but with no provision for refunds of unused premiums.
  - 5. Coverage is for not less than \$100,000 coverage per claim, with an aggregate limit of not less than \$300,000 per individual, not including costs of investigation and defense.
  - 6. A deductible amount for each occurrence of not more than \$1,000 for claims and no deductible for legal expenses and defense.
  - 7. The obligation of the carrier to defend all covered claims and the ability of the insured Licensee to select counsel of choice subject to the written permission of the carrier, which must not be unreasonably withheld.
  - 8. The ability of a Licensee, upon payment of an additional premium, to obtain higher or excess coverage or to purchase additional coverage from the group carrier as may be determined by the carrier.
  - 9. The ability of a Licensee, upon payment of an additional premium to obtain an extended reporting period of not less than three hundred sixty-five (365) days.
  - 10. A conformity endorsement allowing a Colorado resident Licensee to meet the errors and omissions insurance requirement for an Active license in another group mandated state without the need to purchase separate coverage in that state.

11. Policy must not be issued or underwritten using a “self-rated” application form. A “self-rated” application is defined as being an application where a policy is issued based on the answers listed on the application with no subsequent underwriter review.
  12. Prior acts coverage must be offered to licensees with continuous past coverage.
- C. Licensees or Applicants may obtain errors and omissions coverage independent of the group plan from any insurance carrier subject to the following terms and conditions:
1. Individual policies must, at a minimum, comply with the following conditions and the insurance carrier must certify compliance in an affidavit issued to the insured Licensee or Applicant in a form specified by the Board. The insurance carrier agrees to immediately notify the Board of any cancellation or lapse in coverage. Independent individual coverage must provide, at a minimum, the following:
    - a. The insurance carrier is in compliance with all applicable rules and statutes set forth by the Colorado Division of Insurance, and, if required, are licensed or authorized to write policies of Errors and Omissions Insurance in this state.
    - b. The insurance carrier maintains an A.M. best rating of “A-” or better.
    - c. The contract and policy are in conformance with all relevant Colorado statutory requirements.
    - d. Coverage includes all acts for which an appraiser’s credential is required, except those illegal, fraudulent or other acts which are normally excluded from such coverage.
    - e. Coverage cannot be canceled by the insurance provider, except for nonpayment of the premium or in the event the Licensee becomes Inactive, is revoked or an Applicant is denied a license. Cancellation notice must be provided in manner that complies with section 10-4-109.7, C.R.S.
    - f. Coverage is for not less than \$100,000 per claim, with an annual aggregate limit of not less than \$300,000 per individual, not including costs of investigation and defense.
    - g. A deductible amount for each occurrence of not more than \$1,000 for claims, and no deductible for legal expenses and defense.
    - h. The ability of a Licensee, upon payment of an additional premium to obtain an extended reporting period of not less than three hundred sixty- five (365) days.
    - i. The coverage afforded by the policy must not contain exclusions for coverage of claims for damages reasonably expected in connection with professional appraisal services, including, but not limited to, claims for damages made by or on behalf of the Federal Deposit Insurance Corporation, the Federal Housing Finance Authority, or any other state or federal agency having regulatory authority over a lender or financial institution, and claims arising from the failure of a financial institution.
    - j. The policy may not be issued or underwritten using a “self-rated” application. A “self-rated” application is defined as being an application where a policy is issued based on the answers listed on the application with no subsequent underwriter review.
    - k. Prior acts coverage must be offered to Licensees with continuous past coverage.

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2. For firms that carry policies that cover one (1) or more Licensees associated with that firm, all requirements listed in subsection C.1. of this Rule will apply, except subsections C.1.f. and C.1.g. of this Rule will be replaced with the following:
  - a. The per claim limit must be not less than \$1,000,000, not including the costs of investigation and defense.
  - b. The aggregate limit must be not less than \$1,000,000, not including the costs of investigation and defense.
  - c. The maximum deductible amount for each occurrence must not exceed \$10,000 and the provider must look to the insured for payment of any deductible. There must not be a deductible for legal expenses and defense.
- D. Applicants for licensure, activation, renewal, and reinstatement must certify compliance with this Rule 6.10. and section 12-10-608, C.R.S. on forms or in a manner prescribed by the Board. Any Active Licensee who so certifies and fails to obtain errors and omissions coverage or to provide proof of continuous coverage, either through the group carrier or directly to the Board, will be placed on Inactive status:
  1. Immediately, if certification of current insurance coverage is not provided to the Board; or
  2. Immediately upon the expiration of any current insurance when certification of continued coverage is not provided.
- 6.11. Upon expiration of the Initial License, the license cycle will be a two (2) year licensing period commencing on January 1 of year one (1) and expiring on December 31 of year two (2).
- 6.12. Repealed.

### **CHAPTER 7: CONTINUING EDUCATION REQUIREMENTS**

- 7.1. For Initial Licenses, as defined in Rule 1.18, the following continuing education requirements apply:
  - A. For Initial Licenses issued before July 1 of any year, Licensees must complete fourteen (14) hours of Continuing Education as a condition of renewal.
  - B. For Initial Licenses issued on or after July 1 of any year, there will be no Continuing Education requirement as a condition of renewal.
  - C. Continuing Education requirements established by Chapter 7 of these Rules will apply to all other license renewals.
- 7.2. Except as provided under Rule 7.1., in order to be eligible for license renewal, a Licensee must successfully complete the following Continuing Education requirements within the specified time frames:
  - A. Twenty-eight (28) hours of real estate appraisal Continuing Education, completed at any time during the two (2) year licensing period.
  - B. The 7-hour National USPAP Continuing Education Course, or its AQB-approved equivalent, every two (2) calendar years.
    1. Such 7-hour National USPAP Continuing Education Course must be in the form of a course approved by the AQB and taught by an instructor certified by the AQB and who is also a state certified appraiser. Equivalency will be determined through the CAP or by an alternate method established by the AQB.
    2. An AQB certified USPAP instructor who successfully completes the Instructor Recertification Course and exam (if an exam is required) within

- their current Continuing Education cycle will have satisfied the 7-Hour National USPAP Continuing Education Course requirement.
3. Successful completion of the 7-hour National USPAP Continuing Education Course will be credited toward the twenty-eight (28) hours of Continuing Education required during every two (2) year licensing period.
  4. The 15-hour National USPAP Course is not a substitute for the 7-hour National USPAP Continuing Education Course.
- C. A course which meets the content requirements of the AQB Valuation Bias and Fair Housing Laws and Regulations Outline, every two (2) calendar years beginning January 1, 2026.
1. The first time a Licensee completes the Continuing Education requirement for this course, the course length must be seven (7) hours. If a Licensee successfully completed a seven (7) hour (plus one (1) hour exam) course as part of their Qualifying Education, they have satisfied this requirement.
  2. Every two (2) calendar years thereafter, the course length must be at least four (4) hours.
  3. Successful completion of the four (4) and seven (7) hour Valuation Bias and Fair Housing Laws and Regulations Courses will be credited toward the required twenty-eight (28) hours of Continuing Education required during every two (2) year licensing period,
- D. Continuing Education requirements must be completed after the effective date of the license to be renewed and prior to the expiration of such license.
- 7.3. Continuing real estate appraisal education must be taken from providers approved by the Board. In order to be approved by the Board, Continuing Education must meet the following standards:
- A. It must have been developed by Persons qualified in the subject matter and instructional design;
  - B. It must be current;
  - C. The instructor must be qualified with respect to content and teaching methods;
  - D. The number of participants and the physical facilities are consistent with the teaching method(s); and
  - E. Meet the class hour requirements as set forth in Rule 7.13.
- The Board, at its discretion, may require an evaluation in a manner determined by the Board of an educational offering to ensure compliance with the standards set forth in Rule 7.3. By offering real estate appraisal Continuing Education approved by the Board, each provider agrees to comply with relevant statutes and Rules and to permit Board audit of said courses at any time and at no cost. If the Board determines that the offering fails to comply with the standards of Rule 7.3., the Board will notify the provider of such deficiency and work with the provider to correct such deficiency prior to the next class offering. If such deficiency is not corrected, then the Board may withdraw approval of the provider, instructor and/or the class.
- 7.4. The following may be approved as providers of continuing appraisal education, provided the standards set forth in Rule 7.3. are maintained, and provided they have complied with all other requirements of the state of Colorado:
- A. Accredited College or University as defined in Rule 1.35.;
  - B. Professional appraisal and real estate related organizations;
  - C. State or federal government agencies;
  - D. Proprietary schools holding valid certificates of approval from the Colorado Division of Private Occupational Schools, Department of Higher Education;
  - E. Continuing Education completed in other Jurisdictions, providers approved by such other Jurisdiction, provided that the Jurisdiction's appraiser regulation program is in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.3.;

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- F. The providers of Continuing Education approved under the CAP as defined in Rule 1.38.; and
  - G. Other providers as the Board may approve upon petition of the education provider or Licensee in a form acceptable to the Board.
- 7.5. Continuing Education providers must, at their own expense, maintain for a period of five (5) years from the last course offering, and provide to the Board on request, information regarding the educational offerings including, but not limited to the following:
- A. Outline or syllabus;
  - B. All texts, workbooks, handouts or other materials;
  - C. Instructors and their qualifications, including selection, training and evaluation criteria;
  - D. Examinations (if any);
  - E. Dates and locations of offerings; and
  - F. Student attendance records;
- 7.6. Continuing Education must be at least two (2) class hours in duration including examination time (if any). Continuing Education programs and courses are intended to maintain and improve the appraiser's skill, knowledge, and competency. Continuing Education courses and programs may include, without limitation, these real estate and real estate appraisal topics:
- A. Ad valorem taxation;
  - B. Arbitration, dispute resolution;
  - C. Courses related to the practice of real estate appraisal or consulting;
  - D. Development cost estimating;
  - E. Ethics and standards of professional practice, USPAP;
  - F. Valuation bias and fair housing laws and regulations;
  - G. Land use planning, zoning;
  - H. Management, leasing, timesharing;
  - I. Property development, partial interests;
  - J. Real estate law, easements, and legal interests;
  - K. Real estate litigation, damages, condemnation;
  - L. Real estate financing and investment;
  - M. Real estate appraisal related computer applications;
  - N. Real estate securities and syndication;
  - O. Developing opinions of real property value in appraisals that also include personal property and/or business value;
  - P. Seller concessions and impact on value;
  - Q. Energy efficient items and "green building" appraisals; and/or
  - R. Other topics as the Board may approve, upon its own motion or upon petition by the course provider or the Licensee in a form acceptable to the Board.
- 7.7. The Board will award Continuing Education credit to credentialed appraisers who attend a Board's public meeting under the following conditions:
- A. Credit will be awarded for a single Board meeting per license cycle; and
  - B. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours.
- 7.8. The Board may consider alternatives to continuing real estate appraisal education such as teaching, authorship of textbooks or articles, educational program developments or similar activities for up to one-half of the required Continuing Education. Licensees desiring Continuing Education credit for alternative activities must petition the Board for approval in writing and prior to commencement of the alternative activity.
- 7.9. The act of applying for renewal constitutes a statement that the Licensee has complied with the Continuing Education requirements of the Colorado Real Estate Appraiser Licensing Act and Board Rules. The Board reserves the right to require a Licensee to provide satisfactory documentary evidence of completion of continuing appraisal education requirements. The

Board may at its option require such submission as part of the renewal process or subsequent to renewal.

- 7.10. Repealed.
- 7.11. An appraiser may repeat courses or programs previously completed, subject to the limitation that no course or program may be repeated more frequently than once every Continuing Education cycle, which is the same as the appraiser's license cycle. Education in the USPAP, or its AQB- approved equivalent, is not subject to this limitation.
- 7.12. Continuing real estate appraisal education must be successfully completed by the Licensee. Successful completion means either in-class or Synchronous Distance Education attendance at the offering and participation in class activities. Successful completion of courses undertaken through Asynchronous Distance Education requires compliance with the provisions of Rule 7.14. The teaching of continuing real estate appraisal education will constitute successful completion, if also in compliance with Rule 7.8.; however, credit will be given for only one (1) presentation of a particular offering during each licensing period.
- 7.13. The number of hours credited must be equivalent to the actual number of instruction and testing contact hours.
  - A. Synchronous Distance Education courses provide for instruction and interaction substantially the same as on-site classroom courses. Synchronous Distance Education courses meet class hour requirements if they comply with the following:
    - 1. A class hour must be sixty (60) minutes, of which at least fifty (50) minutes are instruction attended by the student. The prescribed number of class hours includes time for examinations.
    - 2. Synchronous Distance Education courses are offered by approved course providers as set forth in Rule 7.4.
  - B. Asynchronous Distance Education courses meet class hour requirements if they comply with the following:
    - 1. The course must provide active student engagement as set forth in Rule 7.14.
    - 2. Content approval is obtained from the AQB, the Division, other state appraiser regulatory jurisdictions, or an Accredited 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 US Secretary of Education. Non-academic credit college courses provided by a college must be approved by the AQB or a state appraiser regulatory jurisdiction.
    - 3. Course delivery mechanism approval is obtained from one of the following sources:
      - a. The AQB;
      - b. An AQB approved organization providing approval of course design and delivery;
      - c. An Accredited College or University that qualifies for content approval as set forth in subsection B.2. of this Rule that awards academic credit for the distance education course; or
      - d. A qualifying Accredited College or University for content approval with a distance education delivery program that approves the course design and delivery that incorporate interactivity.
  - C. Hybrid Course Education courses meet class hour requirements if they comply with the following:
    - 1. In-person course sessions meet the class hour requirements as set forth in subsection A.1. of this Rule and courses are offered by approved course providers as set forth in Rule 7.4.
    - 2. Synchronous Distance Education course sessions meet the requirements as set forth in subsection A. of this Rule.



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3. Asynchronous Distance Education course sessions meet the class hour requirements as set forth in subsection A.1. of this Rule, courses are offered by approved course providers as set forth in Rule 7.4., and meet the requirements as set forth in subsection B. of this Rule.
- 7.14. Asynchronous Distance Education offerings must include methods and activities which promote active student engagement and participation in the learning process. Among those methods and activities acceptable are written exercises which are graded and returned to the student, required responses in computer based presentations, provision for students to submit questions during teleconferences, and examinations proctored by an independent third party. Bio-Metric Proctoring is acceptable. Simple reading, viewing, or listening to materials is not sufficient engagement in the learning process to satisfy the requirements of this Rule 7.14.
- 7.15. With respect to Continuing Education completed in other Jurisdictions with appraiser regulatory programs that are in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.3., the Board will accept the number of hours of Continuing Education accepted by that Jurisdiction.
- 7.16. Repealed.
- 7.17. Repealed.
- 7.18. Continuing Education content must have a clear application to real estate appraisal practice. Motivational courses, personal growth, or self-improvement courses, general business courses and general computing courses are unacceptable to satisfy the Continuing Education requirements established by these Rules.
- 7.19. Repealed.
- 7.20. A Licensee who is a resident of a Jurisdiction other than the state of Colorado that imposes Continuing Education requirements consistent with the criteria promulgated by the AQB may comply with the Continuing Education requirements of Chapter 7 of these Rules by documenting, in a manner prescribed by the Board, compliance with the Continuing Education requirements of their Jurisdiction of residence. In the event the Jurisdiction of residence does not impose Continuing Education requirements consistent with the Criteria promulgated by the AQB, the Licensee must comply with the Continuing Education requirements established by Chapter 7 of these Rules.
- 7.21. A Licensee who renews a license subject to a Continuing Education requirement must retain documentary evidence of compliance with these Continuing Education requirements for a period of not less than five (5) years after the expiration of the license being renewed.
- 7.22. Course providers must provide each student who successfully completes a Continuing Education course in the manner set forth in Rule 7.12. a course completion certificate. The Board will not mandate the exact form of course certificates; however, the following information must be included:
  - A. Name of course provider;
  - B. Course title, which must describe topical content;
  - C. Course number, if any;
  - D. Course dates;
  - E. Number of Continuing Education hours;
  - F. Statement that the required examination was successfully completed, if an examination is a regular part of the course;
  - G. Method of course delivery: in-person, Synchronous Distance Education, or Asynchronous Distance Education;
  - H. Name of student; and
  - I. For the USPAP courses begun on and after January 1, 2003, the name and AQB USPAP instructor certification number of the instructor.
- 7.23. The provisions of Rule 7.4. notwithstanding, real estate appraisal Continuing Education offered through Asynchronous Distance Education must meet the requirements as set forth in

- Rule 7.13.B. or be approved through the CAP, unless the provider is a government agency that has sought an exemption from the Board.
- 7.24. Repealed.
- 7.25. Qualifying Education completed by a Licensee to satisfy the class hour requirements for a different credentialed license level than the Licensee's current credential may simultaneously count towards the Continuing Education requirements of their current license cycle.
- 7.26. Upon written notification from the Board, Licensees must provide copies of course certificates to the Board. Failure to provide copies of course certificates within the time set by the Board in its notification will be grounds for disciplinary action unless the Board has granted an extension of time for providing the certificates.
- 7.27. Upon written request and receipt of the necessary supporting documentation established by the Board, the Board may grant a deferral for Continuing Education compliance for licensees returning from active military duty. Licensees returning from active military duty may be placed on Active status for up to ninety (90) days pending completion of all Continuing Education requirements established pursuant to Chapter 7 of these Rules.

## **CHAPTER 8: RENEWAL, REINSTATEMENT, INACTIVATION, SURRENDER OR REVOCATION OF LICENSURE**

- 8.1. Repealed.
- 8.2. Repealed.
- 8.3. Repealed.
- 8.4. Repealed.
- 8.5. No holder of an expired license which may be reinstated may apply for a new license of the same type. Such Person must reinstate the expired license pursuant to section 12-10-610(1), C.R.S., and these Rules. Nothing in this Rule 8.5. will act to prevent a Person from applying for and receiving a license with higher qualification requirements than those of the expired license.
- 8.6. All Licensees in Active or Inactive license status must provide the Board with the following information: (1) a current mailing address and phone number for the Licensee; (2) a current email address for the Licensee if applicable; and (3) such other contact information as may be required by the Board from time to time. Each Licensee must inform the Board within ten (10) calendar days of any change in such contact information on a form or in the manner prescribed by the Board. The mailing address provided by the Licensee will be considered the Licensee's address of record. A change of mailing address without notification to the Board will result in the Inactivation of the appraiser's license.
- 8.7. Repealed.
- 8.8. The holder of a license or Temporary Practice Permit may surrender such to the Board. The Board may deem a surrendered license or Temporary Practice Permit as permanently relinquished. Such relinquishment will not remove the holder from the Jurisdiction of the Board for acts committed while holding a license or Temporary Practice Permit. A license or Temporary Practice Permit that is relinquished during the pendency of an investigation or a disciplinary action will be reported to the National Registry as having been surrendered in lieu of discipline. A Person who relinquishes a license or Temporary Practice Permit may not reinstate the same, but must reapply and meet the current requirements for Initial Licensure.
- 8.9. Upon Inactivation, revocation, suspension, surrender, relinquishment, or expiration of a license or Temporary Practice Permit, the holder must:
- A. Immediately cease all activities requiring licensure or a Temporary Practice Permit;
  - B. In the instance of revocation, suspension, relinquishment, or surrender, immediately return to the Board or delete any physical and digital license document or Temporary Practice Permit;

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- C. Immediately cease all actions which represent the holder to the public as actively being licensed or being the holder of a Temporary Practice Permit, including, without limitation, the use of advertising materials, forms, letterheads, business cards, correspondence, internet website content, statements of qualifications, and the like.
- 8.10. A Person reinstating an expired license must do so in a form prescribed by the Board. Reinstatement of licensure pursuant to section 12-10-610(1), C.R.S., may be granted upon completion of the Continuing Education requirements as set forth in Chapter 7 of these Rules and payment of the appropriate Fee(s). A license expired more than two (2) years will not be eligible for reinstatement and an application for a new license must be made.
- 8.11. A Licensee may, without limitation, renew licensure on Inactive status. A Licensee requesting to Activate an Inactive license must be in compliance with the Continuing Education requirements as set forth in Rule 8.18. and do so in a form prescribed by the Board.
- 8.12. Repealed.
- 8.13. Repealed.
- 8.14. Repealed.
- 8.15. Repealed.
- 8.16. Repealed.
- 8.17. A Licensed Ad Valorem Appraiser must be a County Assessor, an employee of a County Assessor's Office, or an employee of the Division of Property Taxation in the Department of Local Affairs. If a Licensed Ad Valorem Appraiser is no longer a County Assessor, leaves the employ of a County Assessor's Office, or leaves the employ of the Division of Property Taxation within the Department of Local Affairs, the Licensed Ad Valorem Appraiser must notify the Board within three (3) business days in a manner acceptable to the Board. Upon such notification or discovery by the Board, the Licensed Ad Valorem Appraiser will be placed on Inactive status. The Licensed Ad Valorem Appraiser will not be returned to Active status unless the Licensee signs a certification that he or she is currently a County Assessor, an employee of a County Assessor's Office or an employee of the Division of Property Taxation in the Department of Local Affairs and the Board verifies the Licensee's employment.
- 8.18. A Licensee desiring to Activate an Inactive license as defined in Rule 1.30. must complete all required Continuing Education hours that would have been required if the Licensee had been on Active status for the entire period of Inactivation, including the most recent version of the National USPAP Continuing Education Course or its equivalent as approved by the CAP as defined in Rule 1.38.

## **CHAPTER 9: LICENSURE BY ENDORSEMENT AND PORTABILITY OF PROFESSIONAL LICENSES OF SERVICEMEMBERS AND THEIR SPOUSES**

- 9.1. Pursuant to section 12-10-611(1) and (2), C.R.S., licensure by endorsement will be subject to the following restrictions and requirements:
  - A. The Board may issue licenses by endorsement only to those Persons holding an Active license or certificate from another Jurisdiction which is substantially equivalent to those described in Rules 1.21., 1.22. or 1.23., with qualification requirements substantially equivalent to those in Rules 2.2., 2.3. or 2.4., respectively;
  - B. The Applicant must be the holder of an Active license or certificate in Good Standing under the laws of another Jurisdiction;
  - C. The appraiser regulatory program of the Jurisdiction where the Applicant holds an Active license or certificate in Good Standing must be in compliance with Title XI, FIRREA, as determined by the ASC as defined in Rule 1.38.;
  - D. The Applicant must apply for licensure by endorsement on a form provided by the Board, pay the specified Fees and meet all other Board requirements, including the

- submission of a set of fingerprints to the Colorado Bureau of Investigation for the purpose of conducting a state and national fingerprint-based criminal history record check pursuant to section 12-10-606(6)(a), C.R.S.;
- E. The Applicant must apply for and be issued by the Board a license by endorsement prior to undertaking appraisal activities in Colorado that would require licensure in Colorado; and
  - F. A license issued by endorsement will be subject to the same renewal requirements as a license issued pursuant to section 12-10-606, C.R.S., and Chapters 7 and 8 of these Rules.
- 9.2. Portability of professional licenses of servicemembers and their spouses. When a service member or spouse relocates their residency to Colorado because of military orders for military service, and the servicemember or spouse possesses a Valid licensed or certified credential issued by another Jurisdiction, the Board will grant the servicemember or spouse the authority to practice in Colorado at the license level substantially equivalent to those described in Rules 1.21., 1.22. or 1.23 conditional on the following requirements being met:
- A. Provide a copy of the military orders indicating that the new residency will be in Colorado;
  - B. The servicemember or spouse must remain in Good Standing with the Jurisdiction that issued the license;
  - C. The servicemember or spouse must have held an Active license during the two (2) years immediately preceding the relocation to Colorado;
  - D. The servicemember or spouse must apply for licensure on a form provided by the Board, pay the specified Fee, and provide proof of having in effect a policy of errors and omissions insurance as set forth in Rule 6.10.;
  - E. The servicemember or spouse must submit to the authority of the Board for purposes of standards of professional appraisal practices, disciplinary procedures, and fulfillment of any Continuing Education requirements; and
  - F. The ability to practice in Colorado is valid as long as the military orders are in effect.

## **CHAPTER 10: TEMPORARY PRACTICE IN COLORADO**

- 10.1. Pursuant to section 12-10-611 (3), C.R.S., a Temporary Practice Permit may be issued to the holder of an Active appraiser's license or certificate from another Jurisdiction. Such Temporary Practice Permit must be subject to the following restrictions and requirements:
- A. The Applicant must apply for and be issued a Temporary Practice Permit prior to their commencement of a real property appraisal in Colorado that is part of a federally related transaction;
  - B. The Applicant's business is temporary in nature and the Applicant must identify in writing the appraisal assignment(s) to be completed under the Temporary Practice Permit prior to being issued a Temporary Practice Permit;
  - C. The Temporary Practice Permit will be valid only for the appraisal assignment(s) listed thereon;
  - D. The Applicant must be the holder of an Active license or certificate in Good Standing under the laws of another Jurisdiction;
  - E. The Applicant must apply for a Temporary Practice Permit on a form provided by the Board, pay the specified Fees, and meet all other Board requirements; and
  - F. Temporary Practice Permits are available only to Persons holding Active licensure at levels substantially equivalent to those defined in Rules 1.22., 1.23., or 1.24. Temporary Practice Permits are not available to Persons holding licensure in another Jurisdiction at a trainee, apprentice, associate, intern, or other entry level.
- 10.2. No Person may be issued more than four (4) Temporary Practice Permits in any rolling twelve (12) month period.

- 10.3. A Temporary Practice Permit issued pursuant to Chapter 10 of these Rules will be valid for the period of time necessary to complete the original assignment(s) listed thereon, including time for client conferences and expert witness testimony. A Temporary Practice Permit issued pursuant to Chapter 10 of these Rules will not be valid for completion of additional or update assignments involving the same property or properties. Additional or update assignments involving the same property or properties are new assignments, thereby requiring a new Temporary Practice Permit or licensure by endorsement as provided in Chapter 9 of these Rules.

## **CHAPTER 11: STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE**

- 11.1. The current edition of the USPAP as defined in section 12-10-602(10), C.R.S. is adopted by the Board pursuant to section 12-10-613(1)(g), C.R.S.
- 11.2. A Licensee using the services of an unlicensed assistant under the provisions of section 12-10-621, C.R.S. as amended, or the services of another Licensee in the preparation of appraisals or other work products will, consistent with the USPAP, supervise each such assistant or Licensee in an active, diligent and personal manner. When any portion of the work involves significant real property appraisal assistance, the Licensee must summarize and state the research, analysis and reporting contributions of each such assistant or other Licensee within each such report or other work product in a manner specified in the USPAP Standard 2.
- 11.3. A Licensee performing any consulting services pursuant to section 12-10-602(5) C.R.S., must not represent any analysis, opinion, or conclusions as an independent appraisal assignment. In compliance with sections 12-10-613(1)(g) and 12-10-616(1)(b), (c) and (d), C.R.S., a Licensee compensated by a Contingent Fee as defined in Rule 1.49., must disclose in a clear and conspicuous manner in any oral report, or the letter of transmittal, summary of salient facts and conclusions, statement of limiting conditions, and certifications of any written report the following:
- A. A Contingent Fee is being paid;
  - B. The Licensee is performing a consulting service and not an independent appraisal; and
  - C. The attainment of a stipulated result is not subject to compliance with the USPAP.
- 11.4. Licensed and certified appraisers performing Evaluations pursuant to section 12-10-606(7)(a), C.R.S., must include the following disclaimer on the first page of the report: **“This is an evaluation not subject to compliance with Standards 1 and 2 of the Uniform Standards of Professional Appraisal Practice.”** Licensed and certified appraisers performing an Evaluation must comply with the Ethics, Record-keeping, Competency, and Scope-of-Work Rules of the USPAP.

## **CHAPTER 12: LICENSE TITLES, LICENSE DOCUMENTS, AND SIGNATURES**

- 12.1. The descriptive license titles defined in Rules 1.21., 1.22., 1.23., 1.32., 1.24., 1.25., and 1.26. must only be used by Persons who hold such Board issued license or Temporary Practice Permit in Good Standing, as defined in Rule 1.55.
- 12.2. Repealed.
- 12.3. Repealed.
- 12.4. In each appraisal report or other appraisal related work product, the license held by the appraiser(s) must be clearly identified by using the license titles defined in Board Rules 1.21., 1.22., 1.23., and 1.24. and including the license number. Such license titles and numbers must be identified wherever the Licensee signs, by any means or method, the report or other work product, including, but not limited to the:
- A. Letter of transmittal;

- B. Certification of the appraiser(s); and
  - C. Appraisal or other work product report form or document, including addenda thereto.
- 12.5. Repealed.
- 12.6. An appraiser practicing in Colorado under authority of a Temporary Practice Permit must identify the state where they hold licensure, the type of license and the license number, and must further state they hold a Temporary Practice Permit and state the permit number in all instances where license type and number are required under Chapter 12 of these Rules.
- 12.7. The real estate appraiser's license or Temporary Practice Permit document and identification card issued to an Initial Applicant or Licensee will remain the property of the Board. Such document and card must be surrendered to the Board immediately upon demand and any digital copy deleted. The reasons for such demand may include, but are not limited to, suspension, revocation, surrender, or relinquishment.
- 12.8. When complying with either Rule 12.4. or Rule 12.6., an appraiser must use the full license or Temporary Practice Permit title in Rules 1.21., 1.22., 1.23., 1.32., and 1.24., or must use the appropriate abbreviation as listed below, followed by the license or Temporary Practice Permit number. Use of initials only, such as the alphabetical prefix included with each Board issued number to identify the type of license or Temporary Practice Permit is prohibited except when necessary to comply with federally implanted data collection or reporting requirements (e.g., FNMA ("Fannie Mae") or FHLMC ("Freddie Mac") implemented policies or guidelines).
- |                                  |                                    |
|----------------------------------|------------------------------------|
| Licensed Ad Valorem Appraiser:   | Lic. Ad Val App. or Lic. Ad Val    |
| Licensed Appraiser:              | Lic. App. or Lic. Appr.            |
| Certified Residential Appraiser: | Crt. Res. App. or Cert. Res. Appr. |
| Certified General Appraiser:     | Crt. Gen. App. or Cert. Gen. Appr. |
| Temporary Practice Permit:       | Temp. Prac. Prmt.                  |
- 12.9. Repealed.
- 12.10. When stating the type of license or Temporary Practice Permit held, and the number thereof, an appraiser may make use of an impression, provided such impression is legible on each copy of the appraisal report or other work product.
- 12.11. Where appraisal report forms or other work product forms do not allow space for placing the information set forth in Rule 12.4. or Rule 12.6. immediately following the name and Signature of the appraiser the required information will be placed in the closest reasonable available space on the same page.
- 12.12. The holder of a license or Temporary Practice Permit in Good Standing may copy the license or Temporary Practice Permit document for inclusion in an appraisal report or other appraisal work product. Such copy must have the word "COPY" prominently displayed so as to substantially overlay the printed portions of the license or Temporary Practice Permit document.
- 12.13. The requirements of Chapter 12 of these Rules must be complied with in any electronic copy or transmittal of an appraisal report or other appraisal related work product.
- 12.14. No holder of a license or Temporary Practice Permit, or any other Person, will make or cause to be made or allow to be made, any alteration to a Board-issued license or Temporary Practice Permit document or copy thereof, other than as set forth in Rule 12.12.
- 12.15. No Licensee may affix or allow to be affixed the name or Signature of a Licensee to an appraisal report or other appraisal related work product without the express permission of the Licensee for that specific assignment, report, or other work product. Licensees must not give blanket permission for affixing their Signature to appraisal reports or other work products and may only authorize the use of their Signature on an assignment-by-assignment basis.
- 12.16. No Licensee will permit, through action or inaction, their name or Signature to be affixed to an appraisal report or other appraisal related work product without first personally examining and approving the final version of such report or other work product.



## **CHAPTER 13: DISCIPLINARY PROCEDURES**

- 13.1. Complaints alleging violation of the Colorado Real Estate Appraiser Licensing Act or the Board Rules must be in writing on a form or in the manner prescribed by the Board. Nothing in this Rule 13.1. will act to prevent the Board from acting upon its own motion to open a complaint.
- 13.2. Pursuant to section 12-10-604(1)(c), C.R.S., and section 24-4-105(3), C.R.S., any disciplinary hearing conducted on behalf of the Board may, at the discretion of the Board, be conducted by an Administrative Law Judge from the Office of Administrative Courts of the Department of Personnel & Administration.
- 13.3. Repealed.
- 13.4. A Licensee or a holder of a Temporary Practice Permit has a duty to respond and provide requested documents for investigations.
  - A. Licensees and holders of Temporary Practice Permits must provide the Board with all information required by this Rule.
    1. Licensees and holders of Temporary Practice Permits will receive written notification from the Board that an investigation has been initiated and a copy of the complaint. All requested information must be submitted in accordance with the timeline established in the notification letter. An extension of time may be requested.
      - a. The Licensee or holder of a Temporary Practice Permit may request an extension of time to comply if:
        - i. The request is reasonable and in writing; and
        - ii. The request is received by the Board prior to the expiration date as set forth in the notification letter sent by the Board.
      - b. Any and all extensions granted are at the discretion of the Board.
    2. Failure to provide all requested information will be grounds for disciplinary action regardless of whether the underlying complaint results in further investigation or subsequent action by the Board.
  - B. The response from the Licensee or holder of a Temporary Practice Permit must contain the following:
    1. A complete and specific answer to the factual recitations, allegations or averments made in the complaint filed against the Licensee or holder of a Temporary Practice Permit, whether made by a member of the public or on the Board's own motion;
    2. A complete and specific response to any additional questions, allegations or averments presented in the notification letter;
    3. Any documents or records requested in the notification letter; and
    4. Any further information relative to the complaint that the Licensee or holder of a Practice Permit believes to be relevant or material to the matters addressed in the notification letter.
  - C. All documents required in this Rule must be kept in a Safe and Secure Manner. Electronic storage is acceptable as long as the information is accessible.
- 13.5. The holder of a Board-issued license or Temporary Practice Permit, including an owner of more than ten (10) percent of a licensed AMC, must inform the Board in writing within thirty (30) days of any disciplinary action taken by any other state, district, territorial, or provincial real estate appraiser or AMC licensing authority. For purposes of this Rule 13.5, disciplinary action may include, without limitation, actions such as fines, required education, probation, suspension, revocation, letters of censure, debarment, required supervision, and the like.
- 13.6. Pursuant to section 24-34-106, C.R.S., when a Licensee is required to complete real estate appraisal education as part of stipulation, final agency order, or stipulation for diversion, no

portion of any such courses or programs will be creditable toward Continuing Education or qualifying education requirements.

- 13.7. Pursuant to sections 12-10-613(1)(a) and (k), C.R.S., a Licensee must inform the Board in writing within thirty (30) days of conviction of, entering a plea of guilty to, entering a plea of nolo contendere to, entering an Alford plea to, or receiving a deferred judgment and sentence to any felony or misdemeanor offense, excluding misdemeanor traffic offenses, municipal code violations or petty offenses. A Licensee must inform the Board in writing within thirty (30) days of any disciplinary action taken against any professional licenses held by the Licensee, excluding the Licensee's Colorado appraisal credential. For purposes of this Rule 13.7., disciplinary action include, without limitation, actions such as imposition of fines, required or remedial education, probation, suspension, revocation, letters of censure, debarment, mandatory supervision, and the like.
- 13.8. Board members, Division staff and contractors hired by the Division are not required to comply with USPAP in performance of the official duties that include, but are not limited to:
- A. Investigations;
  - B. Work experience reviews conducted during license application processing;
  - C. The review or analysis of investigative findings, experience reviews, and/or work product reviews resulting from Board case resolutions; or
  - D. The review of the appraisal as part of an application.

An investigation or review conducted by staff, a member of the Board or a contractor hired by the Division is not considered an "appraisal review" or an "appraisal" as defined by the USPAP.

- 13.9. A holder of a Board-issued license or Temporary Practice Permit must respond in writing to any correspondence from the Board requiring a response. The written response must be submitted within the time period provided by the Board. The Board will send such correspondence to the holder's address of record filed with the Board. Failure to submit a timely written response will be grounds for disciplinary action.
- 13.10. Repealed.
- 13.11. A Controlling Appraiser must inform the Board in writing within thirty (30) days of conviction of, entering a plea of guilty to, entering a plea of nolo contendere, entering an Alford plea, or receiving a deferred judgment and sentence to any misdemeanor or felony relating to the conduct of an appraisal, theft, embezzlement, bribery, fraud, misrepresentation, or deceit, or any other like crime under Colorado law, federal law, or the laws of other jurisdictions.
- 13.12. A Controlling Appraiser, or an approved designee of a licensed AMC, must inform the Board in writing within thirty (30) days regarding the following:
- A. An owner of an appraisal management company, possessing more than ten percent ownership of the licensed entity, has been convicted of, entered a plea of guilty to, entered a plea of nolo contendere, entered an Alford plea, or receiving a deferred judgment and sentence to any misdemeanor or felony relating to the conduct of an appraisal, theft, embezzlement, bribery, fraud, misrepresentation, or deceit, or any other like crime under Colorado law, federal law, or the laws of other Jurisdictions; and
  - B. An owner of an AMC, possessing any percentage ownership of the licensed entity, has had an appraiser license or certificate refused, denied, cancelled, surrendered in lieu of revocation, or revoked in any jurisdiction.

## **CHAPTER 14: DECLARATORY ORDERS**

- 14.1. Petition for a Declaratory Order
- Pursuant to section 24-5-105(11), C.R.S., a Petitioner may petition the Board for a declaratory order to terminate controversies or to remove uncertainties as to the applicability of any statutory provision, rule, or order of the Board as it would apply to the Petitioner.

14.2. Parties to the Proceeding

The parties to any proceeding as set forth in Chapter 14 of these Rules will be the Board and the Petitioner. Any other person may seek leave of the Board to intervene in such a proceeding. Permission to intervene will be granted at the sole discretion of the Board. A petition to intervene must set forth the same matters as set forth in Rule 14.3.

14.3. Petition Contents

Any petition filed as set forth in Chapter 14 of these Rules must state the following:

- A. The name and address of the Petitioner;
- B. The statute, rule, or order to which the petition relates;
- C. A concise statement of all the facts and law necessary to show the nature of the controversy or uncertainty and the manner in which the statute, rule, or order in question applies or potentially applies to the Petitioner; and
- D. The Petitioner may submit a concise statement of the declaratory order.

14.4. Board's Considerations Whether or Not to Rule:

The Board may determine, in its sole discretion and without prior notice to the Petitioner, whether or not to rule upon a petition. In determining whether or not to rule upon a petition filed as set forth in Chapter 14 of these Rules, the Board may consider the following matters, among others:

- A. Whether a ruling on the petition will terminate a controversy or remove uncertainties as to the applicability to the Petitioner of any statutory provision, rule, or order of the Board.
- B. Whether the petition involves any subject, question, or issue which is the subject of a formal or informal matter or investigation currently pending before the Board or a court involving one or more of the Petitioners.
- C. Whether the petition involves any subject, question, or issue which is the subject of a formal or informal matter or investigation currently pending before the Board or a court not involving the Petitioner.
- D. Whether the petition seeks a ruling on a hypothetical question.
- E. Whether the Petitioner has some other adequate legal remedy, other than an action for declaratory order which will terminate the controversy or remove any uncertainty as to the applicability to the Petitioner of the statute, rule, or order in question.

14.5. Board Determines Not to Rule

If the Board determines it will not rule on a petition, the Board will issue its written decision disposing of the petition, stating the reasons for declining to rule upon the petition. A copy of the decision will be provided to the Petitioner. A decision not to rule on a petition for a declaratory order is not final agency action subject to judicial review.

14.6. Board Determines to Rule

If the Board determines that it will rule on the petition:

- A. The Board may order the Petitioner to file an additional written brief, memorandum, statement of position, or request the Petitioner to submit additional facts or arguments in writing.
- B. The Board may take administrative notice of facts pursuant to the Administrative Procedure Act, section 24-4-105(8), C.R.S., and may utilize its experience, technical competence, and specialized knowledge when ruling on the petition.
- C. The Board may set the petition, upon due notice to the Petitioner, for a non-evidentiary hearing.
- D. The Board may, upon due notice to the Petitioner, set the petition for hearing for the purpose of obtaining additional facts or information, or to determine the truth of any facts set forth in the petition, or to hear oral arguments on the petition. Notice to the Petitioner setting such formal hearing will set forth, to the extent known, the factual or other matters into which the Board intends to inquire. The Petitioner will have the burden of proving all of the facts stated in the petition, all of the facts necessary to

- show the nature of the controversy or uncertainty and the manner in which the statute, rule, or order in question applies or potentially applies to the Petitioner and any other facts the Petitioner desires the Board to consider.
- E. Any ruling by the Board may be based solely on the matters set forth in the petition or may be based on any amendments to the petition, any information gathered by the Board through a non-evidentiary hearing, formal hearing or otherwise, or any facts the Board may take administrative notice of. Upon ruling on a petition, the Board will issue its written order stating its basis for the order. A copy of the order will be provided to the Petitioner.
- 14.7. Declaratory Orders Subject to Judicial Review  
Any declaratory order of a petition as set forth in Chapter 14 of these Rules will constitute agency action subject to judicial review pursuant to section 24-4-106, C.R.S.

## **CHAPTER 15: BOARD REVIEW OF INITIAL DECISIONS AND EXCEPTIONS**

- 15.1. Written Form, Filing Requirements, and Service
- A. All pleadings must be in written form, and mailed with a certificate of service to the Board.
- B. All pleadings must be filed with the Board on or before the date the filing is due. Computation of time for the filing timelines for Chapter 15 of these Rules is pursuant to section 2-4-108, C.R.S. A pleading is considered filed upon receipt by the Board. Chapter 15 of these Rules do not provide for any additional time for service by mail.
- C. All pleadings must be filed with the Board and not with the Office of Administrative Courts. Any pleadings filed in error with the Office of Administrative Courts will not be considered. The Board's address is:
- Colorado Board of Real Estate Appraisers  
1560 Broadway, Suite 925  
Denver, Colorado 80202
- D. All pleadings must be served on the opposing party on the date which the pleading is filed with the Board. Electronic service between the parties is encouraged. The date and manner of delivery must be noted on the certificate of service.
- 15.2. Initial Decision  
Upon receipt of the initial decision prepared and filed by the Administrative Law Judge from the Office of Administrative Courts, the Division will timely mail a copy of the initial decision to the parties at their respective addresses of record with the Board pursuant to section 24-4-105(16)(a), C.R.S.
- 15.3. Board's Authority to Review the Initial Decision  
Pursuant to section 24-4-105(14)(a)(II), C.R.S., the Board may initiate a review of an initial decision on its own motion within thirty (30) days of the date on which the Division mails the initial decision to the parties. A letter from the Division initiating the review of the initial decision constitutes a motion within the meaning of section 24-4-105(14)(a)(II), C.R.S.
- 15.4. Appeal of the Initial Decision by the Parties
- A. Any party wishing to reverse or modify an initial decision of an Administrative Law Judge must file written exceptions with the Board in accordance with the procedures and time frames as set forth in Rule 15.5.
- B. If neither party appeals the initial decision by filing exceptions, the initial decision will become the final order of the Board after thirty (30) days from the date on which the Division mails the initial decision pursuant to section 24-4-105(14)(b)(III), C.R.S. Failure to file exceptions will result in a waiver of the right to judicial review of the final order of the Board unless the portion of the final order subject to review differs from the contents of the initial decision pursuant to section 24-4-105(14)(c), C.R.S.

15.5. Filing of Exceptions

- A. Pursuant to section 24-4-105(15)(a), C.R.S., any party seeking to file exceptions must initially file with the Board a designation of the relevant parts of the record and parts of the hearing transcript within twenty (20) days of the date on which the Division mails the initial decision to the parties.
- B. Transcripts:

Any party may designate the entire transcript, or may identify witness(es) whose testimony is to be transcribed, the legal ruling or argument to be transcribed, or other information necessary to identify a portion of the transcript. However, no transcript is required if the Board's review is limited to pure questions of law. The deadline for filing exceptions depends on whether either of the parties designates a portion of the transcript.

  - 1. If the parties do not designate parts of the transcript, exceptions are due within thirty (30) days from the date on which the Division mails the initial decision to the parties. Both parties' exceptions are due on the same day.
  - 2. Any party wishing to designate all, or any part, of the transcript must adhere to the following procedures:
    - a. Transcripts will not be deemed part of a designation unless specifically identified and ordered.
    - b. If one party designates a portion of the transcript, the other party may file a supplemental designation in which that party may designate additional portions of the transcript. The supplemental designation must be filed with the Board and served on the other party within ten (10) days after the date on which the original designation was filed.
    - c. Any party who designates a transcript must order the transcript by the date on which they file their designation with the Board whether they are filing an original or supplemental designation.
    - d. The party ordering a transcript must direct the court reporter or transcribing service to complete and file with the Board the original transcript and one (1) copy within thirty (30) days of their order.
    - e. The party that designates a transcript must pay for such transcripts.
    - f. Transcripts that are ordered and not filed with the Board in a timely manner due to non-payment, insufficient payment, or failure to direct as set forth above may not be considered by the Board.
    - g. Upon receipt of transcripts identified in all designations and supplemental designations, the Board will mail a notification to the parties stating that the transcripts have been received by the Board.
    - h. Exceptions are due within thirty (30) days from the date on which such notification is mailed. Both parties' exceptions are due on the same date.
- C. A party's exceptions must include specific objections to the initial decision.
- D. Either party may file a response to the other party's exceptions. All responses must be filed within ten (10) days of the date on which the exceptions were filed with the Board. Subsequent replies will not be considered except for good cause shown.
- E. The Board may in its sole discretion grant an extension of time to file exceptions or responses or may delegate the discretion to grant such an extension of time to the Board's authorized representative.

15.6. Request for Oral Arguments

- A. All requests for oral argument must be in writing and included with a party's exceptions or response.
- B. The Board or its authorized representative may grant or deny a request for oral argument. If an oral argument is granted, each party will have ten (10) minutes to

present their argument. Questioning by members of the Board will not count against the allocated ten (10) minutes.

- C. The Board or its authorized representative may extend the time for oral arguments upon good cause shown.

15.7. Final Orders

- A. The Board may deliberate and vote on exceptions immediately following oral arguments or the Board may take the matter under advisement.
- B. When the Board votes on exceptions, whether after oral arguments or at a subsequent Board meeting, the ruling of the Board will not be considered final until a written order is issued.
- C. The date of the Board's final order is the date on which the written order is signed, irrespective of any motions for reconsideration that are filed.

**CHAPTER 16: Repealed**

**CHAPTER 17: LICENSING REQUIREMENTS FOR APPRAISAL MANAGEMENT COMPANIES**

- 17.1. The Board has set forth in Rule 6.6 the fitness standards that an Applicant for a license must demonstrate. To assist the Board in making the determination whether the Applicant has satisfied the fitness requirements of Rule 6.6, an Applicant for an AMC or a Controlling Appraiser's license who has past or pending criminal action(s) or professional disciplinary action(s) must submit their application for licensure in accordance with subsection A. and B. of this Rule.

- A. Applicants who have at any time in the past been convicted of, entered a plea of guilty to, entered a plea of nolo contendere, entered an Alford plea, or received a deferred judgment and sentence to a misdemeanor (excluding misdemeanor traffic violations) or a felony or any like municipal code violation, or has such charges pending must submit with their application required documentation. The documentation pursuant to this Rule, and the Board's consideration of same, must be handled in accordance with the procedures and requirements set forth in Rule 6.7.
- B. An Applicant who has any past or pending administrative disciplinary actions or findings of an appraiser registration, license, certificate or any other professional license from Colorado or any other Jurisdiction must submit with their application information and documentation that is relevant and available to the Applicant. The information and documentation pursuant to this Rule, and the Board's consideration of same, must be handled in accordance with the procedures and requirements set forth in Rule 6.8.

- 17.2. Prior to application for licensure for an AMC or as a Controlling Appraiser, a Person may request that the Board issue a preliminary advisory opinion regarding the potential effect that previous professional conduct, criminal conviction(s), plea(s) of guilt or nolo contendere, deferred judgment(s) and sentence for criminal offense(s), or violation(s) of the real estate appraiser license law may have on a future formal application for licensure. All requests for a preliminary advisory opinion pursuant to this Rule, and the Board's consideration of same, must be handled in accordance with the procedures and requirements set forth in Rule 6.9.

- 17.3. Initial Licenses will expire on December 31 of the year of issuance. All AMC and Controlling Appraiser licenses expire annually on December 31.

- 17.4. An AMC must have a Controlling Appraiser, with an Active Controlling Appraiser's license, to perform services requiring a license. If the Controlling Appraiser leaves the employment of the AMC, the Controlling Appraiser or an authorized representative of the AMC must notify the Board within three (3) business days in a manner acceptable to the Board. Upon such notification or discovery by the Board, the license of the AMC will be placed on Inactive



- status unless or until a replacement Controlling Appraiser has been identified by the AMC and approved by the Board or a temporary Controlling Appraiser license is timely processed by the Division.
- 17.5. The Controlling Appraiser license will be placed on Inactive status upon notification to the Board that the Controlling Appraiser has left the employ of the AMC. The Controlling Appraiser license will remain on Inactive status until the license expires or the Controlling Appraiser is designated to be the responsible party for an AMC.
- 17.6. A Person's license cannot be transferred for use of the licensed name or license for the benefit of another person, partnership, limited liability company, or corporation.
- 17.7. The Controlling Appraiser, or an authorized representative, must notify the Board within ten (10) business days of any change in ownership of the AMC including a change in ownership that increases an existing individual's total ownership to more than ten (10) percent.
- 17.8. The Board may refuse to issue a license to a partnership, limited liability company, or corporation if the name of said corporation, partnership, or limited liability company is the same as that of any Person's whose license has been suspended or revoked in any Jurisdiction or is so similar as to be easily confused with that of the suspended or revoked person or entity by members of the general public.
- 17.9. No license will be issued to an AMC under a trade name, corporate name, partnership name, or limited liability company name which is identical to another licensed AMC. A license will not be issued to an individual proprietorship that adopts a trade name which includes the following words: corporation, partnership, limited liability company, limited, incorporated, or the abbreviations thereof.
- 17.10. All applications will contain a certification that the Controlling Appraiser is responsible for the AMC. All applications will require the AMC to identify at least one authorized representative responsible for contacting the Board when there has been a change in the employment of the Controlling Appraiser or there is a change in the ownership of the entity.
- 17.11. When an application for licensure as an AMC is submitted, the Controlling Appraiser must certify the following:
- A. If the AMC is a corporation, that the corporation complies with section 12-10-607(8)(c), C.R.S. and that the Controlling Appraiser has been authorized by the corporation as the Controlling Appraiser for the corporation.
  - B. If the AMC is a partnership, that the partnership complies with section 12-10-607(8)(a), C.R.S. and that the Controlling Appraiser has been authorized by the partnership as the Controlling Appraiser for the partnership.
  - C. If the AMC is a limited liability company, that the company complies with section 12-10-607(8)(b), C.R.S. and that the Controlling Appraiser has been authorized by the company as the Controlling Appraiser for the limited liability company.
- 17.12. An AMC is not required to be domiciled in Colorado in order to obtain a license, if the company maintains a definite place of business in another Jurisdiction and is registered as a foreign entity with the Colorado Secretary of State.
- 17.13. If the AMC has no registered agent registered in Colorado, such registered agent is not located under its registered agent name at its registered agent address, or the registered agent cannot with reasonable diligence be served, the Controlling Appraiser, on behalf of the AMC, may be served by registered mail or by certified mail, return receipt requested, addressed to the entity at its principal address and to the Controlling Appraiser's address of record. Service is perfected at the earliest of:
- A. The date the Controlling Appraiser receives the process, notice, or demand;
  - B. The date shown on the return receipt, if signed by or on behalf of the Controlling Appraiser; or
  - C. Five (5) days after mailing.
- 17.14. Applicants for licensure, Activation, renewal, or reinstatement as an AMC must certify compliance with section 12-10-609, C.R.S. in a manner prescribed by the Board.

- A. The AMC must maintain at all times a surety bond subject to the following terms and conditions:
    - 1. Be for a minimum of \$ 25,000.00;
    - 2. Be in conformance with all relevant Colorado statutory requirements; and
    - 3. Cover acts contemplated for AMCs under part 6 of article 10 of title 12 during the period of licensure by the AMC.
  - B. Any licensed AMC that certifies compliance and fails to maintain a surety bond, or to provide proof of continuous coverage, will be placed on Inactive status:
    - 1. Immediately if a current surety bond is not provided to the Board; or
    - 2. Immediately upon the expiration of any current surety bond when certification of continued coverage is not provided.
- 17.15. An AMC or Controlling Appraiser whose license has been placed on Inactive status must:
- A. Cease any activities requiring a license.
  - B. Cease all advertising of licensed services.
  - C. If an AMC, inform all clients of the company's license status and inability to provide any services requiring a license.
  - D. If an AMC, ensure that all appraisal fees collected from the client(s) have been accounted for and disbursed pursuant to section 12-10-614(1)(h), C.R.S.
  - E. If an AMC, fees for services requiring a license can be collected for licensed services performed prior to Inactivation of the license.
- 17.16 Repealed.
- 17.17 Repealed.
- 17.18 A temporary Controlling Appraiser's license may be issued to a corporation, partnership, or limited liability company to prevent hardship. No application for a temporary Controlling Appraiser's license will be approved unless the designated individual is a certified appraiser, in Good Standing. The temporary license is valid for ninety (90) days. Upon application and showing of good cause, the Board may extend a temporary license for one additional ninety (90) day period.
- 17.19 Applicants for licensure, renewal, or reinstatement as an AMC must complete the following:
- A. The Controlling Appraiser must report and certify:
    - 1. The number of licensed or certified appraisers that provided an appraisal in connection with a Covered Transaction on the AMC's Panel in Colorado during the Reporting Period;
    - 2. The total number of licensed or certified appraisers on the Panel in Colorado, whether or not the appraisers provided an appraisal in connection with a Covered Transaction, during the Reporting Period; and
    - 3. The total number of licensed or certified appraisers on the Panel in all states that the AMC is licensed during the Reporting Period.
  - B. Submit to the Division the AMC Registry Fee for AMCs that meet the Panel Size Threshold and the AMC minimum requirements pursuant to section 12-10-607(9), C.R.S., along with the application for Initial Licensure, renewal, or reinstatement.
- 17.20 Federally Regulated AMCs must report to the Division the information required to be submitted by the Division to the ASC pursuant to the ASC's policies regarding the determination of the AMC Registry Fee and annually submit the AMC Registry Fee for AMCs that meet the Panel Size Threshold.
- 17.21 A licensed or certified appraiser who is part of an AMC's Panel will remain on the Panel until the date on which the Controlling Appraiser:
- A. Sends written notice to the appraiser removing the appraiser from the Panel, with an explanation of its action; or
  - B. Receives written notice from the appraiser asking to be removed from the Panel or notice of the death or incapacity of the appraiser.

## *Chapter 7: Rules and Regulations for Appraisers*

- 17.22 If a licensed or certified appraiser is removed from a Panel as set forth in Rule 17.21., but the Controlling Appraiser subsequently accepts the appraiser for consideration for future assignments or engages the appraiser at any time during the twelve (12) months after the appraiser's removal, the removal will be considered not to have occurred, and the appraiser will be considered to have been part of the Panel without interruption.
- 17.23 Invalid Payment. If the Fees accompanying any application made to the Board are paid for by check and the check is not immediately paid upon presentment to the bank upon which the check was drawn, or if payment is submitted in any other manner and payment is denied, rescinded, or returned as invalid, the application will be canceled. The application or renewal must be re-submitted to the Board along with full payment of any Fees and payment of the fee required by State Fiscal Rules for the clerical services necessary for invalid payment.
- 17.24. Review of Application Completeness. All applications will be reviewed by the Division for completeness of all required supporting documents and the Fee. If the application is deemed incomplete by the Division, the Applicant will be notified in writing of the deficiencies identified within the application and will have thirty (30) days to provide the documentation. Otherwise, the application will be canceled, and the Fee will be forfeited.
- 17.25. Once the application is Deemed Complete, the Board will timely process the application. The Board reserves the right to require additional information and documentation from an Applicant to determine compliance with applicable laws and regulations, and to verify any information and documentation submitted.
- 17.26. Submission of an application does not guarantee issuance of a license, or issuance of a license within a specific period of time. Applicants will not represent themselves as being Licensees of the Board until the license has been issued by the Board.

## **CHAPTER 18: PROFESSIONAL STANDARDS – APPRAISAL MANAGEMENT COMPANIES**

- 18.1 An AMC must have and follow a written policy in place regarding the annual audit of appraisals completed for Colorado assignments during the previous Reporting Period. The policy must have an effective date and memorialize the dates any modifications are made. The policy must outline, at a minimum, the following:
  - A. Appraisal Selection. The audit sample must be randomly selected and a USPAP Standard 3 Review must be performed on not less than two percent (2%) of all appraisal reports performed by appraisers for the AMC during the previous Reporting Period. A minimum of at least one (1) USPAP Standard 3 Review must be performed for each appraiser who completed a Colorado appraisal assignment during that Reporting Period.
  - B. Risk-Based Reviews. If an AMC maintains a risk-based review process, the AMC is required to comply with Subsection A. of this Rule only for those appraisers for whom a USPAP Standard 3 Review was not performed under the risk-based appraisal review process.
  - C. Review Criterion. The appraisals must be evaluated for compliance with state and federal regulations, including the USPAP.
  - D. Reviewer Qualifications. The individual(s) performing the audit of the appraisals must possess a certified credential in this state or any Jurisdiction and be competent to appraise residential real estate.
  - E. Appraisal Deficiencies. The AMC must have procedures in place to address material deficiencies that affect the value conclusion or the credibility of the report with the appraiser. Material violations of the USPAP or the Colorado Real Estate Appraiser Licensing Act must be reported to the Board.

The Board may evaluate an AMC's compliance with its own audit policies during an investigation.

- 18.2 For each Colorado appraisal assignment, an AMC must maintain the following documents or records in a Safe and Secure Manner for a period of at least five (5) years, or at least two (2) years after the final disposition of any judicial proceeding in which a representative of the AMC provided testimony related to the assignment, whichever period expires last:
- A. Contractual agreements with clients.
  - B. Any documents associated with the engagement of an appraiser used to appraise Colorado real estate.
  - C. All correspondence with a client or an appraiser regarding a specific assignment, including an accounting of payments received from the client and paid to the appraiser.
  - D. Appraisals, appraisal reviews, appraisal updates, recertifications of value, certificates of completion, broker price opinions or competitive market analyses, comparable property checks, rent schedules or income analyses, measurements, building sketches, and any client approved forms.
  - E. A list of all licensed or certified appraisers on the AMC's Panel.
  - F. Copies of final appraisal reports reviewed as set forth in Rule 18.1, findings and any subsequent correspondence with the appraiser, client, or Board.
  - G. Copies of all processes and controls pursuant to section 12-10-614(1)(a)(II), C.R.S. Records may be maintained in electronic format, but must be produced upon request by the Board and must be in a format that has the continued capability to be retrieved and legibly printed. Upon request by the Board, printed records must be produced.
- 18.3 For all Colorado appraisal assignments, an AMC must disclose its Colorado license number in writing in the engagement letter with an appraiser.
- 18.4 Pursuant to section 12-10-614(1)(h), C.R.S., when a bona fide dispute exists regarding the performance or quality of an appraisal, the AMC must notify the appraiser in writing of the reason for the dispute, how the dispute may be resolved, and what payment will not be made for the appraisal until the dispute is resolved. The AMC must notify the appraiser of the dispute and grounds for nonpayment within sixty (60) days of completion of the appraisal.