

DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Real Estate Appraiser Licensing
- 2) Code Citation: 68 Ill. Adm. Code 1455
- 3)

<u>Section Numbers:</u>	<u>Adopted Actions:</u>
1455.10	Amendment
1455.100	Amendment
1455.110	Amendment
1455.130	Amendment
1455.140	Amendment
1455.150	Amendment
1455.160	Amendment
1455.190	Amendment
1455.240	Amendment
1455.316	Amendment
- 4) Statutory Authority: Implementing and authorized by the Real Estate Appraiser Licensing Act of 2002 [225 ILCS 458].
- 5) Effective Date of Rules: March 23, 2018
- 6) Does this rules contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? Yes. Please see Section 1455.10 for updated AQB and USPAP references.
- 8) A copy of the adopted rules, including any material incorporated by reference, is on file in the principal office of the Division of Real Estate and is available for public inspection.
- 9) Notice of Proposal published in the *Illinois Register*: 41 Ill. Reg. 12643; October 13, 2017
- 10) Has JCAR issued a Statement of Objection to this rulemaking? No
- 11) Differences between Proposal and Final Version
 - a) Section 1455.10, in the definition of "USPAP" change "January 1, 2016 through December 31, 2017" to "January 1, 2018 through December 31, 2019".

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- b) Section 1455.160(a)(2), in the second sentence strike "but less than two years," and following "required" add "for that year". Also, the following sentence has been added to the end of this subsection "An additional 14 hours of CE is required for the following year, pursuant to subsection (a)(1)."
- c) Section 1455.240(a), on the first line, change "2017" to "2018-2019".
- d) Section 1455.316(a)(3), on the last line, following "competence" add " in accordance with the Competency Rule of USPAP".
- 12) Have all changes agreed upon by the Agency and JCAR been made as indicated in the agreements issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rules currently in effect? No
- 14) Are there any rulemakings pending on this Part? No
- 15) Summary and Purpose of Rulemaking: These amendments have updated references to the latest USPAP Standards edition, amended various provisions to coincide with federal regulatory guidelines at the request of the Appraisal Subcommittee, established a new continuing education completion deadline, made minor administrative changes to the disciplinary process and criminal background check requirements, and other minor clean up.
- 16) Information and questions regarding these adopted rules shall be directed to:

Department of Financial and Professional Regulation
Attention: Craig Cellini
320 West Washington, 3rd Floor
Springfield IL 62786

217/785-0813
fax: 217/557-4451

The full text of the Adopted Amendments begins on the next page:

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TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER VII: DEPARTMENT OF FINANCIAL AND PROFESSIONAL REGULATION
SUBCHAPTER b: PROFESSIONS AND OCCUPATIONSPART 1455
REAL ESTATE APPRAISER LICENSING

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1455.10 Definitions

SUBPART B: LICENSING REQUIREMENTS

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1455.110 Application for Renewal of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Late Renewal of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Reinstatement of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Application for Military Deferral; Expiration Date

1455.120 Conversion of a State Licensed Real Estate Appraiser License to an Associate Real Estate Appraiser License; Late Conversion; No Issuance of State Licensed Real Estate Appraiser License (Repealed)

1455.130 Application for Temporary Practice Permit; Term of Permit; Scope of Practice; Regulatory Responsibility; Notice

1455.140 Issuance of Certificate to Real Estate Appraisers; Temporary Practice Permits

SUBPART C: EDUCATION REQUIREMENTS

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1455.150 Qualifying Education Requirements; State Certified General Real Estate

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- Appraiser; State Certified Residential Real Estate Appraiser; Associate Real Estate Trainee Appraiser; Non-Resident Qualifying Education; In Lieu of Requirements; Foreign Degrees
- 1455.160 Continuing Education Requirements for State Certified General Real Estate Appraiser, State Certified Residential Real Estate Appraiser, and Associate Real Estate Trainee Appraiser; Non-Resident Continuing Education Approval

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- 1455.350 Education Provider Application; Requirements
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- 1455.365 Practicum Course Requirements
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- 1455.375 ~~Prerequisite~~ Prerequisite Education Course – Supervisor-Trainee Course
- 1455.380 Instructors for the Supervisor-Trainee Conditional Education Course
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- 1455.400 Curriculum for Continuing Education Courses; Continuing Education Credit for Participation Other Than as a Student
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- 1455.450 Appraiser Applicants – Transition Provisions (Repealed)
1455.460 Education Providers, Pre-License and Continuing Education Courses – Transition Provisions (Repealed)

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- 1455.470 Applicability (Repealed)
1455.480 Administrative Law Judges (Repealed)
1455.490 Disqualification of an Administrative Law Judge (Repealed)
- 1455.APPENDIX A Caption for a Case Filed by the Division (Repealed)
1455.APPENDIX B Caption for a Case Filed by the Petitioner (Repealed)

AUTHORITY: Implementing and authorized by the Real Estate Appraiser Licensing Act of 2002 [225 ILCS 458].

SOURCE: Emergency rules adopted at 16 Ill. Reg. 16196, effective September 30, 1992, for a maximum of 150 days; rules adopted at 17 Ill. Reg. 1589, effective January 26, 1993; emergency amendment at 17 Ill. Reg. 6668, effective April 19, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 13494, effective July 30, 1993; amended at 18 Ill. Reg. 2379, effective January 28, 1994; emergency amendment at 18 Ill. Reg. 3006, effective February 10, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 8428, effective May 24, 1994; amended at 19 Ill. Reg. 9176, effective June 26, 1995; emergency amendment at 19 Ill. Reg. 12503, effective August 16, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 16604, effective December 1, 1995; amended at 20 Ill. Reg. 6488, effective April 30, 1996; recodified from Chapter VII, Department of Professional Regulation, to Chapter VIII, Office of Banks and Real Estate, pursuant to PA 89-23 and PA 89-508, at 20 Ill. Reg. 11984; amended at 21 Ill. Reg. 1685, effective January 27, 1997; amended at 21 Ill. Reg. 5538, effective April 18, 1997; emergency amendment at 22 Ill. Reg. 4132, effective February 4, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 8534, effective April 29, 1998, for a maximum of 150 days; old Part repealed by emergency rulemaking at 22 Ill. Reg. 12979, effective July 1, 1998, for a maximum of 150 days; new Part adopted by emergency rulemaking at 22 Ill. Reg. 13011, effective July 1, 1998, for a maximum of 150 days; old Part repealed and new Part adopted at 22 Ill. Reg. 20815, effective November 20, 1998; old Part repealed at 26 Ill. Reg. 10883 and new Part adopted by emergency rulemaking at 26 Ill. Reg. 10844, effective July 1, 2002, for a maximum of 150 days; old Part repealed at 26 Ill. Reg. 17689 and new Part adopted at 26 Ill. Reg. 17692, effective November 27, 2002; emergency amendment at 27 Ill. Reg. 14653, effective August 29, 2003, for a

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maximum of 150 days; amended at 28 Ill. Reg. 824, effective December 29, 2003; amended at 29 Ill. Reg. 16445, effective October 13, 2005; amended at 31 Ill. Reg. 4741, effective March 9, 2007; amended at 33 Ill. Reg. 7121, effective May 14, 2009; amended at 35 Ill. Reg. 1967, effective January 20, 2011; amended at 35 Ill. Reg. 19505, effective November 17, 2011; amended at 37 Ill. Reg. 2668, effective April 1, 2013; amended at 37 Ill. Reg. 19189, effective December 31, 2013; amended at 38 Ill. Reg. 5887, effective February 24, 2014; amended at 39 Ill. Reg. 7939, effective June 1, 2015; amended at 41 Ill. Reg. 12583, effective October 6, 2017; amended at 42 Ill. Reg. 6386, effective March 23, 2018.

SUBPART A: DEFINITIONS

Section 1455.10 Definitions

Unless otherwise clarified by this Part, definitions set forth in the Act also apply for the purposes of this Part.

"Act" means the Real Estate Appraiser Licensing Act of 2002 [225 ILCS 458].

"Applicant" means a person applying for licensure under this Act as a State Certified General Real Estate Appraiser, State Certified Residential Real Estate Appraiser, or Associate Real Estate Trainee Appraiser. Any applicant or any person who holds himself or herself out as an applicant is considered a licensee for purposes of enforcement, investigation, hearings, and the Illinois Administrative Procedure Act [5 ILCS 100].

"Appraisal management company" means any corporation, limited liability company, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly performs the following appraisal management services:

administers networks of independent contractors or employee appraisers to perform real estate appraisal assignments for clients;

receives requests for real estate appraisal services from clients and, for a fee paid by the client, enters into an agreement with one or more independent appraisers to perform the real estate appraisal services contained in the request; or

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otherwise serves as a third-party broker of appraisal management services between clients and appraisers. [225 ILCS 459/10]

"AQB" means the Appraiser Qualification Board of the Appraisal Foundation.

"AQB 2015 Criteria" means the Real Property Appraiser Qualification Criteria (effective January 1, 2015, no later amendments or editions), published July 2016 by the Appraiser Qualifications Board of The Appraisal Foundation, 1155 15th Street, NW, Suite 1111, Washington DC 20005.

"Board" means the Real Estate Appraisal Administration and Disciplinary Board.

"CE Completion Deadline" means June 30 of each odd-numbered year.

"Classroom hour" or "hour" as it pertains to the education requirements means classroom attendance for a minimum of 50 minutes of lecture or its equivalent through a distance education program approved by the Division.

"Client" means the party or parties who engage an appraiser, by employment or contract, in a specific assignment. If an appraisal management company is the party engaging the appraiser, the appraisal management company is considered the client.

"Continuing education" means education that is creditable toward the education requirements that must be satisfied to renew licensure or certification, as set forth in Section 1455.160.

"Department" means the Department of Financial and Professional Regulation.

"Director" means the Director of the Department of Financial and Professional Regulation-Division of Real Estate.

"Division" means the Department of Financial and Professional Regulation-Division of Real Estate.

"Experience/work log" means the form described in Section 1455.190 that verifies an appraiser's experience and work history.

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"Extraordinary assumption" means a specifically labeled assumption, directly related to a specific assignment that, if found to be false, could alter the appraiser's opinions or conclusions

"Hypothetical condition" means a condition that is specifically stated to be contrary to what exists, but is supposed to exist for the purpose of analysis.

"Jurisdictional exception" means an assignment condition established by applicable law or regulation, which precludes an appraiser from complying with a part of USPAP.

"License" means a certificate of authority, permit or registration issued by the Division.

"Licensee" means a person who has been issued a license under the Act or this Part. Anyone who holds himself or herself out as a licensee or who is accused of unlicensed practice is considered a licensee for purposes of enforcement, investigation, hearings, and the Illinois Administrative Procedure Act.

"Master agreement" means a written service agreement between a traditional client and a real estate appraiser, appraisal firm, appraisal management company or panel of approved appraisers.

"Non-traditional client" means the Division or an approved practicum course provider.

"Practicum course instructor" means a Certified Residential Appraiser or a Certified General Appraiser in good standing with the Division who is authorized to conduct an approved practicum course.

"Prerequisite education" means any education course that does not meet AQB requirements under qualifying education but is necessary prior to being issued an Illinois appraiser credential as an Associate Real Estate Trainee Appraiser.

"Qualifying education" means education that is creditable toward the requirements set forth in Section 1455.150.

"Quantitative experience" means actual time spent on the appraisal process.

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"Renewal Deadline" means September 30 of each odd-numbered year.

"Required core curriculum" means a set of appraisal subject matter major headings known as modules that requires a specified number of educational hours at each credential level. (See 225 ILCS 458/5-10(a)(5).)

"Residential" means composed of 1 to 4 residential units.

"Secretary" means the Secretary of the Department of Financial and Professional Regulation.

"Traditional client" means a client who hires an appraiser to complete an assignment by employment or contract for business purposes.

"True copy" means a photocopy or an electronic copy of the entire report transmitted to the client.

"USPAP" means the Uniform Standards of Professional Appraisal Practice promulgated by the Appraisal Standards Board pursuant Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 USC 3331 et seq.) published biennially by the Appraisal Standards Board of The Appraisal Foundation, 1155 15th Street N.W., Suite 1111, Washington DC 20005 (effective January 1, 2018 through December 31, 2019, January 1, 2014 through December 31, 2015, no later amendments or editions).

"Waiver valuation" means a specific valuation product utilized by the Illinois Department of Transportation, under Section 5-5(e-5) of the Act, to establish a basis for determining just compensation.

"Waiver valuator" means an employee of the Illinois Department of Transportation, a registered county or municipal engineer, or a municipal employee who is permitted to complete or co-sign a waiver valuation, not to exceed \$10,000, prepared in accordance with the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC 4601-4655) or prepared pursuant to the federal Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs regulations (49 CFR 24)

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"Work-file" means documentation necessary to support an appraiser's analyses, opinions and conclusions, including, but not limited to, the name of the client and the identity, by name or type, of any other intended users; true copies of any written reports, documented on any type of media; summaries of any oral reports or testimony, or a transcript of testimony, including the appraiser's signed and dated certification; and all other data, information and documentation necessary to support the appraiser's opinions and conclusions and to show compliance with USPAP, or references to the locations of other documentation. A work-file in support of a Restricted Use or Restricted Appraisal Report must be sufficient for the appraiser to produce an Appraisal Report.

"Web Form" means a web page that allows a user to enter data that is sent to a server for processing.

"Written Engagement" means a defined relationship between a real estate appraiser or appraisers and the client. It states the terms, conditions and scope of the appraisal service request, including but not limited to compensation.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

SUBPART B: LICENSING REQUIREMENTS

Section 1455.100 Application for a State Certified General Real Estate Appraiser License and a State Certified Residential Real Estate Appraiser License; Application for an Associate Real Estate Trainee Appraiser License; Application by Non-Resident for Licensure by Endorsement

- a) Each applicant for a State Certified General Real Estate Appraiser License and a State Certified Residential Real Estate Appraiser License shall submit to the Division:
 - 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) The fee required by Section 1455.320;
 - 3) Proof of successful completion of the qualifying education requirements

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as provided by Section 1455.150;

- 4) A score report/application that provides proof of successful completion of the qualifying education and experience requirements as provided by Subparts C and D;
 - 5) Proof of successful completion of the examination authorized by the Division and endorsed by the AQB; and
 - 6) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.
- b) Each applicant for an Associate Real Estate Trainee Appraiser License shall submit to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) The fee required by Section 1455.320;
 - 3) Proof of successful completion of the qualifying education requirements within 5 years prior to initial application, as provided by Subpart C;
 - 4) A score report/application that provides proof of successful completion of the examination authorized by the Division;
 - 5) Proof of successful completion of any required conditional education offering; and
 - 6) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.
- c) Each non-resident applicant for a State Certified General Real Estate Appraiser license or a State Certified Residential Real Estate Appraiser license applying by endorsement shall submit to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;

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- 2) The fee required by Section 1455.320; ~~and~~
- 3) A certification of good standing from the jurisdiction of the applicant's place of residence or by a search by the Division of the Appraisal Subcommittee's (ASC) National Registry history that may be obtained from the ASC at 1401 H Street N.W., Suite 760, Washington DC 20005 or at its website at www.asc.gov; ~~and~~
- 4) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

Section 1455.110 Application for Renewal of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Late Renewal of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Reinstatement of State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License; Application for Military Deferral; Expiration Date

- a) Each applicant for renewal of a State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License shall submit to the Division:
 - 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) The fee required by Section 1455.320; ~~and~~
 - 3) Proof of successful completion of the continuing education requirements as provided by Subpart C; ~~and~~
 - 4) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.

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- b) Any person who fails to submit a renewal application and renew his or her license by the expiration date of the license may renew his or her license for a period of 2 years following the expiration date of his or her license by submitting to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) The fee and late penalty required by Section 1455.320; ~~and~~
 - 3) Proof of successful completion of the continuing education requirements as provided by Subpart C; ~~and~~
 - 4) Satisfactory completion of a criminal background check, as required by Section 5-32 of the Act.
- c) For the purposes of this Section, all licenses shall expire on September 30 of odd numbered years.
- d) Any person who fails to renew pursuant to subsection (b) shall not be eligible to renew his or her license, and must meet the requirements of a new applicant as required by the Act and subsection (f).
- e) License renewals shall not be processed until proof of successful completion of continuing education is submitted and awarded credit by the Division. Licensees unable to provide satisfactory evidence of completed continuing education for the prescribed renewal cycle shall have their license automatically suspended.
- f) Each applicant for reinstatement of a State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, and Associate Real Estate Trainee Appraiser License shall submit to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) The fee required by Section 1455.320; ~~and~~

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- 3) Proof of successful completion of the continuing education requirements as provided by Subpart C; and:
 - 4) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.
- g) Licensees with military deferrals, upon returning from active duty, shall submit to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;
 - 2) A copy of their DD 214 (Report of Separation);
 - 3) The fee required by Section 1455.320;
 - 4) Proof of successful completion of the continuing education requirements as provided by Subpart C; and
 - 5) Effective January 1, 2015, an applicant in a Reserve component of the U.S. Armed Forces who was pursuing an appraiser license or certification prior to December 1, 2011, and who was called to active duty between December 1, 2011 and December 31, 2014, may satisfy the qualifications required under the AQB 2008 Criteria for an additional time period after January 1, 2015. The extension of time shall be equal to the applicant's time of active duty, plus 12 months.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

Section 1455.130 Application for Temporary Practice Permit; Term of Permit; Scope of Practice; Regulatory Responsibility; Notice

- a) Each non-resident applicant for a temporary practice permit issued pursuant to Section 5-50 of the Act shall submit to the Division:
- 1) An application, provided by the Division and signed by the applicant, on which all questions have been answered;

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- 2) A certification of good standing from the jurisdiction of the applicant's place of residence or by a search by the Division of the ASC National Registry; ~~and~~
 - 3) The fee required by Section 1455.320; ~~and~~
 - 4) Satisfactory completion of a criminal background check, as required by Section 5-22 of the Act.
- b) The term for a temporary practice permit shall be 6 months from the date of issuance and may be extended for a period of an additional 6 months by request in writing to the Division. The Division shall not issue contemporaneous temporary practice permits involving multiple clients within any 6 month period.
 - c) Any person issued a temporary practice permit shall be limited to a specific appraisal assignment. For the purposes of this Section, the term "assignment" shall mean one or more real estate appraisals and written appraisal reports that are covered by a contract to provide an appraisal. A copy of the master agreement, as defined in Section 1455.10, must be supplied to the Division in the absence of a specific engagement.
 - d) Any person issued a temporary practice permit shall be subject to the provisions of the Act and this Part, and the Division shall take regulatory responsibility for any person violating any provisions of the Act and this Part while the person is practicing in the State of Illinois.
 - e) If the Division takes any disciplinary action against an appraiser practicing in the State of Illinois under a temporary practice permit, it shall notify the jurisdiction of the appraiser's place of residence.
 - f) Persons issued a temporary practice permit shall affix the temporary practice permit number, issuance date, expiration date of the temporary practice permit, and permit title within the body of the report beneath the licensee's signature, on the certification page and wherever the signature appears.
 - g) The permit title is "Illinois Temporary Practice Permit". Temporary Practice Permit assignments covered by a master agreement, as defined in Section 1455.10, or a written engagement must include, at a minimum, the date of the

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master agreement, the intended user, the intended use, the property type and the location of the Illinois property that is the subject of the report.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

Section 1455.140 Issuance of Certificate to Real Estate Appraisers; Temporary Practice Permits

- a) The Division shall issue a certificate of licensure ~~and a pocket card~~ to all real estate appraisers approved for licensure under the Act and this Part. The certificate shall include the name, license number, address and rank of the real estate appraiser and the date of expiration.
- b) The Division shall issue a certificate for a temporary practice permit to all real estate appraisers approved to practice on a temporary permit. The certificate shall include the name, temporary practice permit number and address of the real estate appraiser and the expiration date of the temporary practice permit.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

SUBPART C: EDUCATION REQUIREMENTS

Section 1455.150 Qualifying Education Requirements; State Certified General Real Estate Appraiser; State Certified Residential Real Estate Appraiser; Associate Real Estate Trainee Appraiser; Non-Resident Qualifying Education; In Lieu of Requirements; Foreign Degrees

- a) Residential
An applicant for licensure as a State Certified Residential Real Estate Appraiser shall meet the following criteria:
 - 1) 2500 hours of experience obtained during no fewer than 24 months is required, of which, no less than 50% must be in residential 1 to 4 families, USPAP compliant, appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified;
 - 2) 200 hours of modular appraisal education as stated in the Guide Notes

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(GN-1) of the AQB 2015 Criteria;

- 3) Bachelor's degree or higher or equivalent (see subsection (g)) from an accredited college, community college or university; and
 - 4) If an individual applicant for licensure submits integrated course credit for approval, the course must have been approved by the Course Approval Program of the AQB and a topic matrix revealing the exact number of hours for each section of course content must be provided for review. Only integrated course credit bundled together to equal a module will be accepted. Partial credit toward a module will not be accepted. It is the applicant's responsibility to demonstrate compliance as part of the application.
- b) Any person who makes application for an Associate Real Estate Trainee Appraiser License shall be required, as a pre-requisite to examination, to successfully complete 75 classroom hours of qualifying education in subjects related to real estate appraisal, as outlined by Subpart H, and shall include 15 hours of instruction relative to USPAP that is approved by the AQB and taught by an AQB certified instructor. All qualifying education requirements shall only be accepted from education providers and courses approved by the Division. All 75 hours of qualifying education for the Associate Real Estate Trainee Appraiser credential must be completed within 5 years prior to the date of initial application.
- c) The Division may accept evidence of successful completion of qualifying education credit from another jurisdiction, if that jurisdiction's requirements are substantially the same as the State of Illinois' and meet the minimum licensing requirements of the AQB 2015 Criteria and may be in modular format for licensure after January 1, 2015. A real estate appraiser who wishes to obtain credit for qualifying education courses not licensed by the Division shall submit to the Division:
- 1) An application provided by the Division requesting approval for qualifying education credit, signed by the applicant, on which all questions are answered;
 - 2) A certificate of successful completion provided by the education provider, a certification by the jurisdiction of the appraiser's place of residence of

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successful completion of the requested qualifying education credit, or any other evidence to be considered by the Division; and

3) The fee required by Section 1455.320.

d) General

An applicant for licensure as a State Certified General Real Estate Appraiser who has not gained appraisal experience shall meet the following criteria:

- 1) 3000 hours of experience obtained during no fewer than 30 months is required, of which 1,500 hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified;
- 2) 300 hours of modular appraisal education as stated in the Required Core Curriculum of the AQB 2015 Criteria;
- 3) Bachelors degree or higher or equivalent (see subsection (g)), from an accredited college or university; and
- 4) If an individual applicant for licensure submits integrated course credit for approval, the course must have been approved by the Course Approval Program of the AQB and a topic matrix revealing the exact number of hours for each section of course content must be provided for review. Only integrated course credit bundled together to equal a module will be accepted. Partial credit toward a module will not be accepted. It is the applicant's responsibility to demonstrate compliance as part of the application.

e) The Division may accept evidence of successful completion of qualifying education credit from another jurisdiction, if that jurisdiction's requirements are substantially the same as the State of Illinois' and meet the minimum licensing requirements of the AQB 2015 Criteria and may be in modular format for licensure after January 1, 2015. A real estate appraiser who wishes to obtain credit for qualifying education courses not licensed by the Division shall submit to the Division:

- 1) An application provided by the Division requesting approval for

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qualifying education credit, signed by the applicant, on which all questions are answered;

- 2) A certificate of successful completion provided by the education provider, a certification by the jurisdiction of the appraiser's place of residence of successful completion of the requested qualifying education credit, or any other evidence to be considered by the Division; and
 - 3) The fee required by Section 1455.320.
- f) Credit toward qualifying education requirements may also be obtained via the completion of a graduate (masters or doctoral) degree in Real Estate from an accredited college or university approved by The Association to Advance Collegiate Schools of Business, or a regional or national accreditation agency recognized by the U.S. Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.
- g) Applicants seeking credit for foreign degrees shall have an evaluation of their education credentials to convert the credentials to American equivalent semester credits and courses. Only vendors and organizations recognized by the Illinois State Board of Education will be permitted to conduct the evaluations.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

Section 1455.160 Continuing Education Requirements for State Certified General Real Estate Appraiser, State Certified Residential Real Estate Appraiser, and Associate Real Estate Trainee Appraiser; Non-Resident Continuing Education Approval

- a) CE Credit
- 1) A State Certified General Real Estate Appraiser, State Certified Residential Real Estate Appraiser, or Associate Real Estate Trainee Appraiser who makes application to renew his or her real estate appraiser license shall successfully complete the equivalent of 14 hours of approved continuing education per year preceding the renewal, e.g., a total of 28 hours of approved continuing education for a 2 year renewal. Continuing education credit will only be accepted from education providers and courses approved by the Division.

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- 2) If a real estate appraiser was issued an initial license for less than 185 days prior to the expiration of the license, then no continuing education is required for that renewal. If a real estate appraiser has held a license 185 days or more prior to the expiration, ~~but less than two years,~~ then 14 hours of approved continuing education is required for that year. An additional 14 hours of CE is required for the following year, pursuant to subsection (a)(1).
- 3) A real estate appraiser must complete the 7-hour National USPAP Update Course or its equivalent as determined by the AQB or an alternate method established by the AQB taught by an AQB certified instructor who also hold a current appraiser certification by a state during each pre-renewal period prior to renewing or converting his or her real estate appraiser license, unless the real estate appraiser was issued his or her initial license for a period of less than 185 days prior to the expiration date. A real estate appraiser must complete the 7-hour National USPAP Update Course or its equivalent by June 30 of an even-numbered year, following the release of USPAP. Those real estate appraisers issued a license more than 6 months after the effective date of USPAP shall complete the 7-hour National USPAP Update Course within 6 months after licensure.
- 4) Pursuant to 1455.320(g)(7), the Department, at its discretion, may assess an administrative fee at a rate of \$100 per credit hour for CE courses completed after the deadline. The administrative fee shall not exceed \$2,000.
- 5) Beginning in 2019, and for each renewal thereafter, a licensee seeking renewal shall complete CE by the June 30 CE Completion Deadline. The Division shall conduct audits to verify compliance with this Section. If, during an audit, the Division determines that a licensee may be deficient in complying with CE requirements, the Division may notify the licensee of the possible deficiency. The licensee shall have until the September 30 Renewal Deadline to submit to the Division evidence of compliance with CE requirements.
 - A) If satisfactory evidence of compliance with CE requirements is submitted by the September 30 Renewal Deadline that indicates

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that the licensee complied with the June 30 CE Completion Deadline, the Division will process the licensee renewal.

- B) If the licensee cannot submit evidence of having been in compliance with CE requirements by the June 30 CE Completion Deadline, the licensee shall have until the September 30 Renewal Deadline to submit evidence of having attained compliance with CE requirements by completing courses offered after the June 30 CE Completion Deadline. The evidence of course completion must be accompanied by an administrative fee of \$100 per credit hour for courses completed after the June 30 CE Completion Deadline. The administrative fee shall not exceed \$2,000. The evidence will not be considered if the required fee is not submitted. If the evidence is satisfactory, the Division will process a license renewal. Credit hours taken or submitted after the June 30 CE Completion Deadline in satisfaction of a CE deficiency may not be used as credit for the next renewal period.
- C) If the licensee submits an application for renewal and fails to submit satisfactory evidence of compliance with CE requirements, or fails to pay any administrative fee by the September 30 Renewal Deadline, the failure shall be evidence of a violation of Section 1455.310(e) regarding unprofessional conduct in applying for renewal of, or to procure, a license, and as set forth in Section 15-10 of the Act. The Division shall send notice to the licensee, indicating the commencement of disciplinary proceedings that may result in public discipline.

b) CE Credit from Another Jurisdiction

The Division may accept evidence of successful completion of continuing education credit from another jurisdiction if that jurisdiction's requirements are substantially the same as the State of Illinois' and meet the recommendations of the AQB, and if the credit was earned and submitted by the June 30 CE Compliance Deadline ~~during the appropriate pre-renewal period~~. A real estate appraiser who wishes to obtain credit for continuing education courses not licensed by the Division shall submit to the Division:

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- 1) An application provided by the Division requesting approval for continuing education credit, signed by the applicant, on which all questions are answered;
 - 2) A certificate of successful completion provided by the education provider or a certification by the jurisdiction of the appraiser's place of residence of successful completion of the requested continuing education credit; and
 - 3) The fee required by Section 1455.320.
- c) CE Requirements Regarding Renewal, Restoration or Reinstatement
Prior to returning to active status, a licensee not authorized to practice must complete all required CE hours that would have been required if the licensee was in an active status. The required hours must also include the current 7 hour National USPAP Update Course or its equivalent. The license will not be restored to active status unless and until all requirements of this Part are met.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

SUBPART D: EXPERIENCE REQUIREMENTS

Section 1455.190 Verification of Experience Credit

All applicants shall verify experience credit on forms provided by the Division. Those forms shall include information on the type of property, date of report, address of appraised property, description of work performed and number of work hours. The Division may audit such verification and, if requested, the applicant must provide experience documentation in the form of reports or file memoranda and should support the experience claimed. The Division, at its discretion, will determine the validity of all appraisal experience credit in conformity with criteria recommended by the AQB. All experience must be USPAP compliant. An applicant's experience must be in appraisal work conforming to Standards 1, 2, 3, 4, 5 and/or 6 in which the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions. The Division, at its discretion, will determine the validity of all appraisal experience credit in conformity with criteria recommended by the AQB.

- a) For applicants intending to upgrade to a State Certified Residential Real Estate Appraiser License:

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- 1) No more than 30% of the residential experience shall be claimed for appraisal review or appraisal consulting assignments.
 - 2) No more than 30% of the residential experience shall be claimed for the appraisal of vacant land.
 - 3) No more than 30% of the total experience shall be non-residential assignments.
 - 4) No less than 50% of the total experience submitted shall contain signed certifications by the applicant.
 - 5) All experience logs must contain original signatures.
- b) For applicants intending to upgrade to a State Certified General Real Estate Appraiser License:
- 1) No more than 30% of the experience shall be claimed for appraisal review or appraisal consulting assignments.
 - 2) No more than 30% of the residential experience shall be claimed for the appraisal of vacant land.
 - 3) No less than 50% of the total experience submitted shall contain signed certifications by the applicant.
 - 4) All experience logs must contain original signatures (not stamps or digital signatures).
- e) ~~Real Estate Mass Appraisal/Ad Valorem Experience~~
- ~~1) Each applicant seeking acceptance of experience as an assessment official, or as deputy or employee of an assessment official, in applying for a State Certified General Real Estate Appraiser License, State Certified Residential Real Estate Appraiser License, or Associate Real Estate Trainee Appraiser License shall submit to the Division:~~

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- A) ~~An application provided by the Division and signed by the applicant on which all questions have been answered;~~
 - B) ~~A notarized Real Estate Mass Appraisal/Ad Valorem Affidavit;~~
 - C) ~~The Assessment Experience Certification;~~
 - D) ~~A completed work log;~~
 - E) ~~The fee required by Section 1455-320.~~
- 2) ~~The applicant must demonstrate qualitative experience through no fewer than 5 appraisals for ad valorem tax assessment purposes utilizing or considering the three approaches to value. If the applicant is intending to upgrade to a State Certified General Real Estate Appraiser License, then 3 of the 5 must be non-residential samples.~~
- cd) Practicum courses that are approved by the AQB Course Approval Program or by the Division shall satisfy the non-traditional client experience requirement.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

SUBPART E: BUSINESS PRACTICES; STANDARDS AND SCOPE OF PRACTICE

Section 1455.240 Uniform Standards of Professional Appraisal Practice (USPAP)

- a) Pursuant to Section 10-10 of the Act, the ~~2018-2019~~2015 USPAP are hereby incorporated by reference with no later amendments or editions.
- b) All real estate appraisers licensed under the Act shall practice in accordance with USPAP except where the standards are contrary to Illinois law or public policy (USPAP, Jurisdictional Exception).
- c) All investigators, board members, auditors and examiners employed or retained by the Division are exempt from the requirements of USPAP Standard 3 while performing an investigation, audit or examination.

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- d) If the Division files a formal complaint alleging violations of USPAP, a USPAP Standard 3 review shall be utilized by the Division at a formal hearing. The Division may limit the scope of the USPAP Standard 3 review to exclude valuation.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)

SUBPART F: ENFORCEMENT PROVISIONS

Section 1455.316 Supervisor and Trainee Requirements

- a) Requirements of a Supervising Appraiser
- 1) A supervising appraiser shall provide to the Division in writing the name and address of each Associate Real Estate Trainee Appraiser within 10 days after engagement, and notify the Division in writing within 10 days after termination of the engagement on a form provided by the Division.
 - 2) A supervising appraiser shall instruct and directly supervise an Associate Real Estate Trainee Appraiser for any classification of license or certificate in the entire preparation of each appraisal. A supervising appraiser shall provide direct supervision, being personally and physically present, during a minimum of the first 500 hours of experience for no fewer than 25 assignments or thereafter until such time as the supervising appraiser determines the Associate Real Estate Trainee is competent within the meaning of the AQB's "Real Property Qualification Criteria" effective January 1, 2015. If a State Certified General Real Estate Appraiser is supervising an Associate Real Estate Trainee Appraiser, all appraisals completed during the first 500 hours of experience may be non-residential appraisals. The supervising appraiser shall approve and sign all final appraisal documents certifying that the appraisals are in compliance with USPAP.
 - 3) A supervising appraiser's determination of competence shall not be unreasonably withheld. A supervising appraiser shall not cause a trainee to exceed an additional 350 hours of experience beyond the 500 hours required by subsection (a)(2), without good cause, in determining that a

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trainee lacks competence in accordance with the Competency Rule of USPAP.

- 4) A supervising appraiser shall hold an active valid license issued under the Act as a Certified General Real Estate Appraiser or a Certified Residential Real Estate Appraiser. The license held by the supervising appraiser shall be in good standing and shall not have been subject to any disciplinary action within any jurisdiction within the last 3 years that affects the supervisory appraiser's legal eligibility to engage in appraisal practice. A supervisory appraiser subject to a disciplinary action would be considered to be in "good standing" 3 years after the successful completion/termination of the sanction imposed against the appraiser. An Illinois certified appraiser seeking to supervise any Associate-Real Estate Trainee Appraisers, prior to being permitted to supervise, must complete:
- A) the six-hour Illinois Supervisor-Trainee Course; or
 - B) the three-hour AQB portion of the Illinois Supervisor-Trainee Course followed within one-year by the Illinois jurisdictional portion.
- b) Requirements of an Associate Real Estate Trainee Appraiser
- 1) An Associate Real Estate Trainee Appraiser shall provide to the Division, in writing, the name and address of each supervising appraiser within 10 days of engagement, on a form provided by the Division, and shall notify the Division, on a form provided by the Division, within 10 days after termination of the engagement.
 - 2) An Associate Real Estate Trainee Appraiser shall maintain an appraisal log for each supervising appraiser. The supervising appraiser and the trainee shall be jointly responsible for maintaining the appraisal experience log. The log must, at a minimum, include the following in the log for each appraisal:
 - A) Type of property;
 - B) Date of report;

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- C) Property description;
- D) Description of work performed by the trainee and scope of review and supervision by the supervising appraiser;
- E) Number of actual work hours by the trainee on the assignment; and
- F) The signature and State license number of the supervising appraiser.

(Source: Amended at 42 Ill. Reg. 6386, effective March 23, 2018)