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Exempt Action Final Regulation Agency Background Document

Agency name	Real Estate Appraiser Board
Virginia Administrative Code (VAC) citation(s)	18 VAC 130-20
Regulation title(s)	Real Estate Appraiser Regulations
Action title	Exempt action to comply with federally mandated background checks
Final agency action date	August 9, 2016
Date this document prepared	September 12, 2016

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA) or an agency's basic statute, the agency is not required, however, is encouraged to provide information to the public on the Regulatory Town Hall using this form. Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, Executive Orders 17 (2014) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

Please provide a brief summary of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

Section 1116 [12 U.S.C. 3345] of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA – Real Estate Appraisal Reform) authorizes the Appraisal Qualifications Board (AQB) of The Appraisal Foundation (TAF) to set the minimum criteria for states to license and certify real estate appraisers. The AQB's minimum qualification requirements are expressed in "The Real Property Appraiser Qualification Criteria" (Criteria). The Criteria can be accessed at: <http://www.dpor.virginia.gov/uploadedFiles/MainSite/Content/Boards/Appraisers/40AQBQual.pdf>.

As a result of amendments to the Criteria by the AQB in 2015, the Real Estate Appraiser Board Regulations must be updated to comply with the background check provisions noted below, that go into effect on January 1, 2017 (pursuant to Part VI on page 9):

- A. *All applicants for a real property appraiser credential shall possess a background that would not call into question public trust.*
- B. *Applicants shall provide state appraiser regulatory agencies with all of the information and documentation necessary for the jurisdiction to determine the applicant's fitness for licensure or certification.*
- C. *An applicant shall not be eligible for a real property appraiser credential if, during at least the five(5) year period immediately preceding the date of the application for licensing or certification, the applicant has been convicted of, or pled guilty or nolo contendere to a crime that would call into question the applicant's fitness for licensure.*

Board Regulation 18 VAC 130-20-30.5 (General qualifications for licensure) must be amended to comply with the January 1, 2017, effective date of the Criteria. The regulation is being amended to require that real estate appraiser license applicants submit to fingerprinting and a background check to ensure the applicant does not have a conviction which would call into question the applicant's fitness for licensure. Currently, there is no mandate that an applicant provide this information.

Statement of final agency action

Please provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

On August 9, 2016, the Real Estate Appraiser Board voted to adopt the exempt action to amend Regulation 18 VAC 130-20-30.5.

Family impact

Please assess the impact of this regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The proposed changes are not expected to have an impact on families.