

Secretary of State  
Certificate and Order for Filing  
**PERMANENT ADMINISTRATIVE RULES**

I certify that the attached copies\* are true, full and correct copies of the PERMANENT Rule(s) adopted on October 21, 2009 by the  
Date prior to or same as filing date

Appraiser Certification and Licensure Board OAR Chapter 161  
Agency and Division Administrative Rules Chapter Number

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to become effective upon filing . Rulemaking Notice was published in the September 2009 Oregon Bulletin.\*\*  
Date upon filing or later Month and Year

**RULE CAPTION**

Permanent adoption of rules creating new definition, adopting biennial budget and amending pre-requisite licensing requirements  
Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.

**RULEMAKING ACTION**  
List each rule number separately, 000-000-0000.

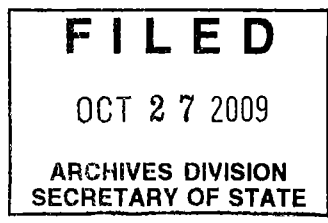
**ADOPT:**

**AMEND:** 161-002-0000, 161-006-0025, 161-010-0035, and 161-010-0045

**REPEAL:**

**RENUMBER:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.

**AMEND & RENUMBER:** Secure approval of rule numbers with the Administrative Rules Unit prior to filing.



ORS 182.462, ORS 183.355(1)(a), ORS 674.305(7) and ORS 674.310(2)  
Stat. Auth. Other Authority

Title XI of the Federal Financial Reform, Recovery and Enforcement Act of 1989 (12 USC 3310 et seq.)  
Other Authority

ORS 674.305(7), and 674.310(2)  
Stats. Implemented

**RULE SUMMARY**

Permanently amends Oregon Administrative Rule 161, Division 002, Rule 0000 regarding definitions; Division 6, Rule 0025 regarding the Board's 2009-2011 biennium budget; Division 10, Rule 0035 regarding prerequisite education and experience requirements for state certified general appraisers; and Division 10, Rule 0045 regarding prerequisite education and experience requirements for state certified residential appraisers.

Authorized Signer

Bob Keith  
Printed name

10-27-09  
Date

\*With this original, file one photocopy of certificate, one paper copy of rules listed in Rulemaking Actions, and electronic copy of rules.  
\*\*The Oregon Bulletin is published on the 1st of each month and updates the rule text found in the Oregon Administrative Rules Compilation. Notice forms must be submitted to the Administrative Rules Unit, Oregon State Archives, 800 Summer Street NE, Salem, Oregon 97310 by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a Saturday, Sunday or legal holiday when Notice forms are accepted until 5:00 pm on the preceding workday. ARC 930-2005

ACLB 4. 2009

**APPRAISER CERTIFICATION AND LICENSURE BOARD ADMINISTRATIVE RULES  
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**DIVISION 2  
DEFINITIONS**

**161-002-0000 Definitions**

As used in OAR 161-01-005 to 161-50-050, the following terms (whether capitalized or not) shall have the following meanings:

- (1) **“Accredited College or University”** means a college or university that is accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.
- (2) **“Administrator”** means the administrator of the Board appointed by the Board.
- (3) **“Affiliate”** means a business organization sharing with a financial institution or insurance company some aspect of common ownership and control.
- (4) **“Appraisal”** or **“Real Estate Appraisal”** means “appraisal” as defined in USPAP.
- (5) **“Appraisal Foundation”** means the Appraisal Foundation established on November 30, 1987, as a not-for-profit corporation under the laws of Illinois.
- (6) **“Appraisal Report”** means “report” as defined in USPAP.
- (7) **“Appraiser Assistant”** or **“AA”** means a person who is not licensed or certified as an appraiser, but is registered as an appraiser assistant under ORS 674.310, and who assists with real estate appraisal activity under the direct supervision of a certified or licensed appraiser.
- (8) **“Appraisal Subcommittee”** or **“ASC”** means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council (FFIEC) established pursuant to the Federal Act.
- (9) **“Board”** or **“ACLB”** means the Appraiser Certification and Licensure Board established under ORS Chapter 674.
- (10) **“Certificate”** means the document issued by the Board indicating that the person named thereon has satisfied the requirements for certification as a state certified residential or state certified general appraiser.
- (11) **“Classroom hour”** as used in reference to qualifying and continuing education means 50 minutes out of each 60 minute segment.
- (12) **“Completion”** means interpreting, analyzing and reconciling data or compiled data, including reviewing and adopting another person’s interpretations and reconciliations as one’s own.
- (13) **“Complex one-to-four family residential property appraisal”** means an appraisal in which the property to be appraised, market conditions, or form of ownership is atypical. For example, atypical factors may include, but are not limited to:
  - (a) Architectural style;
  - (b) Age of improvements;
  - (c) Size of improvements;
  - (d) Size of lot;
  - (e) Neighborhood land use;
  - (f) Potential environmental hazard liability;
  - (g) Property interests;
  - (h) Limited readily available comparable sales data; or
  - (i) Other unusual factors.
- (14) **“Continuing Education”** means education that is creditable toward the education requirements that must be satisfied to renew a license, certificate or appraiser assistant registration.
- (15) **“Direct Supervision”** of an appraiser assistant means:
  - (a) disclosing in the appraisal report that the supervising appraiser has inspected the subject property both inside and out, and has made an exterior inspection of all comparables relied upon in the appraisal or disclose that the supervising appraiser did not inspect the subject property both inside and out, and did not inspect the exterior of comparables relied upon in the appraisal; and
  - (b) reviewing the appraiser assistant’s appraisal report(s) to ensure research of general and specific data has been adequately conducted and properly reported, application of appraisal principles and methodologies has been properly applied, that any analysis is sound and adequately reported, and that any analysis,

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opinions, or conclusions are adequately developed and reported so that the appraisal report is not misleading;  
and

(c) reviewing the appraiser assistant's work product and discussing with the appraiser assistant any edits, corrections or modifications that need to be made to that work product to satisfy OAR 161-002-0000(14)(b);  
and

(d) accepting sole and total responsibility for the appraisal report by signing the appraisal report and certifying that the appraisal report has been prepared in compliance with the current edition of the Uniform Standards of Professional Appraisal Practice.

(16) **"Federal Act"** means Title XI of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C 3310 et seq.).

(17) **"Federal Financial Institution Regulatory Agency"** means:

(a) The Board of Governors of the Federal Reserve System;

(b) The Federal Deposit Insurance Corporation;

(c) The Office of the Comptroller of the Currency;

(d) The Office of Thrift Supervision; or

(e) The National Credit Union Administration.

(18) **"Financial Institution"** means an insured depository institution as defined in section 3 of the Federal Deposit Insurance Act or an insured credit union as defined in section 101 of the Federal Credit Union Act.

(19) **"Good Standing"** means the status of a person whose license, certificate or registration is not currently suspended or been revoked.

(20) **"Issuance"** means the act of communicating the opinion of value either in writing or orally.

(21) **"License"** means the document issued by the Board indicating that the person named thereon has satisfied all requirements for licensure as a state licensed appraiser.

(22) **"Licensee"** means any person who holds an active or inactive Oregon appraiser license, certified residential appraiser certificate, or certified general appraiser certificate.

(23) **"Mortgage banker"** has the meaning defined in ORS 59.840.

(24) **"Non-residential"** appraising means to render a value on real property other than one-to-four family residential properties.

(25) **"One-to-four family residential property"** means a property that includes one to four residential units and is residential in character, i.e., zoning, land use.

(26) **"Preparation"** means compiling data, including reviewing and adopting such compiled data as one's own.

(27) **"Prerequisite education"** means the initial qualifying educational requirements to become licensed or certified with the Board.

(28) **"Professional real estate activity"** has the meaning defined in ORS 696.010.

(29) **"Qualifying Education"** means education that is creditable toward the education requirements for initial licensure or certification under one or more of the three real estate appraiser classifications.

(30) **"Real estate appraisal activity"** has the meaning defined in ORS 674.100.

(31) **"Real Estate"** or **"Real Property"** means an identified parcel or tract of land, together with any improvements, that includes easements, rights-of-way, undivided or future interests or similar rights in a tract of land, but does not include mineral rights, timber rights, growing crops, water rights or similar interests severable from the land when the transaction does not involve the associated parcel or tract of land.

(32) **"State Certified General Appraiser** or **"SCGA"** means an individual who has been certified as a state certified general appraiser by the Board.

(33) **"State Certified Residential Appraiser** or **"SCRA"** means an individual who has been certified as a state certified residential appraiser by the Board.

(34) **"State Licensed Appraiser** or **"SLA"** means an individual who has been licensed as a state licensed appraiser by the Board.

(35) **"Subdivision"** means either an act of subdividing land or an area or a tract of land subdivided to create four or more lots within a calendar year.

(36) **"Supervising Appraiser"** means a licensee who is directly supervising appraiser assistants pursuant to OAR 161-025-0025.

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(37) **“Supervising Appraiser Endorsement”** means the document issued by the Board indicating that the licensee named thereon has satisfied all requirements of OAR 161-010-0085 to be a Supervising Appraiser.

(38) **“Transaction Value”** means:

- (a) For loans or other extensions of credit, the amount of the loan or extension of credit; and
- (b) For sales, leases, purchases and investments in or exchange of real property, the market value of the real property interest involved; and
- (c) For the pooling of loans or interest in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property.
- (d) For determinations of the transaction value of real property or interests in real property in circumstances other than described in the proceeding (a) to (c) of this section, the market value of the real property interest involved.
- (e) In condemnation or partial taking actions, the transaction value is deemed to be the value of the larger parcel before the taking.

(39) **“Uniform Standards of Professional Appraisal Practice”** or **“USPAP”** means the standards adopted and published by the Appraisal Standards Board of the Appraisal Foundation dated April 27, 1987, as amended January 1, 2008.

(40) **“Workfile”** means “workfile” as defined in USPAP.

Stat. Auth.: ORS 674.305 & 674.310

Stats. Implemented: ORS 674

Hist.: ACLB 2-1991(Temp), f. & cert. ef. 7-1-91; ACLB 7-1991, f. & cert. ef. 12-23-91; ACLB 1-1993(Temp), f. & cert. ef. 3-3-93; ACLB 1-1994, f. & cert. ef. 2-1-94, Renumbered from 161-010-0000; ACLB 4-1994, f. & cert. ef. 7-27-94; ACLB 4-1994, f. & cert. e f. 7-27-94; ACLB 2-1996, f. & cert. ef. 2-13-96; ACLB 1-1997(Temp), f. 10-13-97, cert. ef. 1-1-98; ACLB 1-1998, f. 6-24-98, cert. ef. 7-1-98; ACLB 1-1999, f. 1-28-99, cert. ef. 3-31-99; ACLB 1-2000, f. & cert. ef. 2-29-00; ACLB 1-2001(Temp), f. & cert. ef. 1-26-01 thru 7-25-01; ACLB 2-2001, f. 4-11-01, cert. ef. 4-12-01; ACLB 3-2001(Temp), f. & cert. ef. 7-12-01 thru 1-8-02; ACLB 1-2002, f. & cert. ef. 2-26-02; ALCB 2-2002, f. & cert. ef. 5-30-02; ACLB 2-2003, f. & cert. ef. 1-27-03; ACLB 1-2004, f. & cert. ef. 2-3-04; ACLB 2-2004, f. 5-25-04, cert. ef. 6-1-04; ACLB 1-2005, f. & cert. ef. 1-12-04; ACLB 4-2005, f. & cert. ef. 11-2-05; ACLB 1-2006(Temp), f. 6-29-06, cert. ef. 7-1-06 thru 12-28-06; ACLB 2-2006, f. & cert. ef. 7-26-06; ACLB 5-2007(Temp), f. 11-1-07, cert. ef. 1-1-08 thru 6-27-08; ACLB 1-2008, f. & cert. ef. 5-13-08; ACLB 3-2008, f. & cert. ef. 8-13-08; ACLB 2-2009(Temp), f. 1-28-09, cert. ef. 1-30-09 thru 7-28-09

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**DIVISION 6**  
**ORGANIZATION, ADMINISTRATION AND PROCEDURES**

**161-006-0025 Budget**

The Board hereby adopts by reference the Board's 2009-2011 Biennium Budget of \$1,465,421 covering the period from July 1, 2009 through June 30, 2011. The Board will amend budgeted accounts as necessary within the approved budget of \$1,465,421 for the effective operation of the Board. The Board will not exceed the approved 2009-2011 Biennium Budget without amending this rule, notifying holders of licenses, and holding a public hearing thereon as required by ORS Chapter 182.462(1)(2). Copies of the budget are available from the Board's office.

Stat. Auth.: ORS 674.305(8) & 674.310

Stats. Implemented: ORS 674

Hist.: ACLB 4-2001(Temp), f. & cert. ef. 9-12-01 thru 3-1-02; ACLB 1-2002, f. & cert. ef. 2-26-02; ACLB 1-2003(Temp), f. & cert. ef. 1-14-03 thru 7-11-03; ACLB 3-2003, f. & cert. ef. 5-1-03; ACLB 4-2003(Temp), f. 6-25-03, cert. ef. 7-1-03 thru 12-28-03; ACLB 5-2003, f. & cert. ef. 11-10-03; ACLB 2-2005(Temp), f. 6-16-05, cert. ef. 7-1-05 thru 12-28-05; ACLB 4-2005, f. & cert. ef. 11-2-05; ACLB 2-2007(Temp), f. 6-6-07, cert. ef. 7-1-07 thru 11-30-07; BOC 1-2007, f. 10-31-07, cert. ef. 11-1-07; ACLB 3-2009(Temp), f. 5-15-09, cert. ef. 7-1-09 thru 11-30-09

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**DIVISION 10  
LICENSURE AND CERTIFICATION REQUIREMENTS**

**161-010-0035 Prerequisite Experience and Education Requirements for State Certified General Appraisers**

As a prerequisite to taking the examination for certification as a state certified general appraiser, an applicant shall present evidence satisfactory to the Administrator that the applicant has:

- (1) At least 3,000 cumulative hours of acceptable appraisal experience, including at least 1,500 hours of appraisal experience in non-residential appraising. "Cumulative" is defined as meaning that experience may be acquired over any time period of at least thirty (30) months.
- (2) Successfully completed not less than 300 class hours of acceptable appraisal courses as set forth in OAR 161-020-0110(2)(d). Included within that requirement, each applicant shall have successfully completed the 15-hour Appraisal Foundation's National USPAP Course, or its equivalent, within four (4) years preceding the date of application and have successfully passed an examination thereon.
- (3) A Bachelors degree or higher from an accredited college or university, unless the requirements of paragraph (4) below are satisfied.
- (4) In lieu of the Bachelors degree, an applicant for state certified general appraiser shall successfully pass all of the following collegiate level subject matter courses from an accredited college, junior college, community college or university:
  - (a) English Composition;
  - (b) Micro Economics;
  - (c) Macro Economics;
  - (d) Finance;
  - (e) Algebra, Geometry, or higher mathematics;
  - (f) Statistics;
  - (g) Computer Science;
  - (h) Business or Real Estate Law; and
  - (i) Two elective courses in accounting, geography, agricultural economics, business management, or real estate.

Total hours of equivalent college courses in lieu of a Bachelors degree: 30 semester credit hours or its equivalent for the state certified general appraiser. If an accredited college or university accepts the College-Level Examination Program (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

Stat. Auth.: ORS 674.305 & 674.310

Stats. Implemented: ORS 674

Hist.: ACLB 2-1991(Temp), f. & cert. ef. 7-1-91; ACLB 7-1991, f. & cert. ef. 12-23-91; ACLB 7-1991, f. & cert. ef. 12-23-91; ACLB 1-1994, f. & cert. ef. 2-1-94, Renumbered from 161-010-0030 & 161-010-0040; ACLB 1-1997(Temp), f. 10-13-97, cert. ef. 1-1-98; ACLB 1-1998, f. 6-24-98, cert. ef. 7-1-98; ACLB 1-2002, f. & cert. ef. 2-26-02; ACLB 3-2003, f. & cert. ef. 5-1-03; ACLB 1-2008, f. & cert. ef. 5-13-08; ACLB 3-2008, f. & cert. ef. 8-13-08; ACLB 2-2009(Temp), f. 1-28-09, cert. ef. 1-30-09 thru 7-28-09

**161-010-0045 Prerequisite Experience and Education Requirements for State Certified Residential Appraisers**

As a prerequisite to taking the examination for certification as a state certified residential appraiser, an applicant shall present evidence satisfactory to the Administrator that the applicant has:

- (1) At least 2,500 cumulative hours of acceptable appraisal experience. "Cumulative" is defined as meaning that experience may be acquired over any time period of at least twenty-four (24) months.
- (2) Successfully completed not less than 200 class hours of acceptable appraisal courses as set forth in OAR 161-020-0110(2)(c). Included within that requirement, each applicant shall have successfully completed the 15-hour Appraisal Foundation's National USPAP Course, or its equivalent, within four (4) years preceding the date of application and have successfully passed an examination thereon.
- (3) An Associate degree or higher from an accredited college or university, unless the requirements of paragraph (4) below are satisfied.

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(4) In lieu of the Associate degree, an applicant for state certified residential appraiser shall successfully pass all of the following collegiate level subject matter courses from an accredited college, junior college, community college or university:

- (a) English Composition;
- (b) Principles of Economics (Micro or Macro);
- (c) Finance;
- (d) Algebra, Geometry, or higher mathematics;
- (e) Statistics;
- (f) Computer Science; and
- (g) Business or Real Estate Law.

Total hours of equivalent college courses in lieu of an Associate degree: 21 semester credit hours or its equivalent for the state certified residential appraiser. If an accredited college or university accepts the College-Level Examination Program (CLEP) examination(s) and issues a transcript for the exam, showing its approval, it will be considered as credit for the college course.

Stat. Auth.: ORS 674.305 & 674.310

Stats. Implemented: ORS 674

Hist.: ACLB 1-1994, f. & cert. ef. 2-1-94; ACLB 1-1997(Temp), f. 10-13-97, cert. ef. 1-1-98; ACLB 1-1998, f. 6-24-98, cert. ef. 7-1-98; ACLB 1-2002, f. & cert. ef. 2-26-02; ACLB 3-2003, f. & cert. ef. 5-1-03; ACLB 3-2005, f. & cert. ef. 7-22-05; ACLB 1-2008, f. & cert. ef. 5-13-08; ACLB 3-2008, f. & cert. ef. 8-13-08; ACLB 2-2009(Temp), f. 1-28-09, cert. ef. 1-30-09 thru 7-28-09