

Appraiser Certification & Education Requirements

Colorado Revised Statutes require Assessors and appraisers to meet certain appraiser certification and educational requirements. Encompassed in these two broad areas of certification and educational requirements are responsibilities of maintaining a valid license to conduct appraisals and periodic continuing education requirements.

According to Colorado Revised Statutes, 39-2-110, "*To further improvement in appraisal and valuation procedures and methods and understanding and knowledge thereof the division of property taxation shall conduct annual instruction and discussion sessions in the nature of a school for assessors, their employees, and employees of the division for periods not exceeding fifteen days in length All assessors shall attend this annual school. Each assessor completing this school shall receive a certificate of achievement for his effort.*"

As a result, each Assessor must attend these schools sponsored by the Division of Property Taxation, State of Colorado annually. In addition, Assessors and their employees attend other schools, workshops, and seminars sponsor by the Division for the express purpose and intent further understanding and knowledge of specialty appraisal and administrative topics. Most of these schools, workshops, and seminars require mandatory attendance and successful completion of an examination.

In 1989, Congress enacted the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA).

This lengthy law was necessary to resolve the huge national problem of the thousands of savings and loan institutions and banks that had failed or were in serious financial trouble. The provisions of FIRREA included:

- Establishment of a federally chartered foundation to create uniform appraisal and certification standards for the industry.
- Establishment of a federal inter-agency council to establish appraisal standards to protect federally sponsored agencies, which buy and guarantee loans and insure deposits.
- Establishment of minimum education and experience levels for real estate appraisers.
- Directives to the states to implement legislation creating state licensing boards for the regulation and discipline of appraisers. Each state's legislation must conform to FIRREA.

These provisions have directly impacted Colorado County Assessors and appraisal employees. State legislation, namely Senate Bill 90-34 effective in 1990 created Title 12, Article 61, Section 7, C.R.S. House Bill 92-1177, effective in 1992, and House Bill 96-1080, effective in 1996, both amended Title 12, Article 61, Part 7, C.R.S. Colorado Revised Statute 12-61-706(5) requires appraiser employees of the County Assessor's office, but not the county assessor, to be registered, licensed, or certified.

Currently, all 63 County Assessors are licensed and certified by the Colorado Board of Real Estate Appraisers. In addition, most appraisers in each of the 63 County Assessor's offices are also licensed and certified. This licensing and certification process meets or exceeds the same

require for all other fee appraisers valuing property whether for property tax, loans, or other financing purposes.

The Board of Real Estate Appraisers has defined appraisal experience as specified numbers of hours of appraisal activity, accumulated across specified periods of time, depending on the level of license. The following areas of appraisal activity may constitute acceptable evidence of appraisal experience:

1. Ad valorem taxation;
2. Arbitration;
3. Business courses related to practice of real estate appraisal;
4. Construction cost estimating;
5. Ethics and standards of professional practice;
6. Land use planning, zoning, and taxation;
7. Management, leasing, brokerage, and timesharing;
8. Property development;
9. Real estate appraisal (valuation/evaluation);
10. Real estate law;
11. Real estate litigation;
12. Real estate financing and investment;
13. Real estate appraisal related computer applications;
14. Real estate securities and syndication;
15. Real property exchange; and
16. Such other topics as the Board may approve, upon its own motion or upon petition by the course provider or the licensee on a form provided by the Board.

There are four categories for licensure included in Colorado's legislation:

- Registered Appraiser (non-federal)
- Licensed Appraiser (FIRREA conforming)
- Certified Residential Appraiser (FIRREA conforming)
- Certified General Appraiser (FIRREA conforming)

All education requirements may be completed at any time prior to filling the application for licensure or certification. However, the education requirements must be completed when the application is filed. Appraisal education and training courses must be taken from course providers that have been approved by the Colorado Board of Real Estate Appraisers.

Each applicant must complete, as part of the total education and training hour requirement for initial registration, licensure, or certification, at least 15 hours classroom coverage of the Uniform Standards of Professional Appraisal Practice (USPAP). Such USPAP hours shall have been completed within the six year time period preceding application.

Applicants must take a series of appraisal education courses and training, which build upon and augment previous appraisal courses. Courses, which substantially repeat other course work in

terms of, content and level of instruction will not be accepted, at the discretion of the Board.

However, applicants are encouraged to list all appraisal education courses successfully completed. The Colorado Board of Real Estate Appraisers will make the final determination of total accredited hours. Currently, the education requirements for each level of licensure are listed as follows:

Registered Appraiser (non-federal)

75 Hours Appraisal Education & passing the appropriate examination

Licensed Appraiser (FIRREA conforming)

90 Hours Appraisal Education & passing the appropriate examination

Certified Residential Appraiser (FIRREA conforming)

120 Hours Appraisal Education & passing the appropriate examination

Certified General Appraiser (FIRREA conforming)

180 Hours Appraisal Education & passing the appropriate examination

Passing the examination does not guarantee the applicant will be licensed or certified. In addition to passing the examination, all classifications of appraisers must meet education requirements established by Colorado law and the Board of Real Estate Appraisers Rules. State Licensed and State Certified (FIRREA conforming) appraisers must also meet experience requirements established by Colorado law and Board Rules.

Continuing education rules apply to all classes of licensed and certified appraisers after renewal of their initial license or certificate. There is no continuing education requirement to renew the first license or certificate; the first license or certificate is valid for the balance of the calendar year in which it was issued. Subsequent licenses and certificates are valid for a three-year period during which continuing education requirements must be completed.

To renew, a licensee must complete the following classroom hours of continuing appraisal education, including at least four hours on appraiser ethics and USPAP during the three-year period through the expiration date on the license. Continuing education programs must be at least two hours in length and may cover a wide range of appraisal related topics.

Expiration Date	Continuing Education Hours
December 31, 1998	34 Hours (4 of Ethics/USPAP)
December 31, 1999	38 Hours (4 of Ethics/USPAP)
December 31, 2000 and thereafter	42 Hours (4 of Ethics/USPAP)

In summary, the certification and educational requirements imposed on the County Assessor is extensive. Additional and more detailed information concerning either process (certification or educational) may be obtained through your local County Assessor, the Division of Property Taxation, or the Board of Real Estate Appraisers.

