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**LEGISLATIVE RESEARCH COMMISSION**

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**MEMORANDUM**

TO: Patrick Riley, General Counsel, Public Protection Cabinet for Real Estate Appraisers Board

FROM: Ange Darnell, Regulations Compiler

RE: Proposed New Administrative Regulations – 831 KAR 003:001; 831 KAR 003:010; 831 KAR 003:020; 831 KAR 003:030; 831 KAR 003:040; 831 KAR 003:050; 831 KAR 003:060; 831 KAR 003:070; 831 KAR 003:080; 831 KAR 003:090; 831 KAR 003:100; 831 KAR 003:110; 831 KAR 003:120; 831 KAR 003:130; 831 KAR 003:140; 831 KAR 003:150; 831 KAR 003:160; 831 KAR 003:170; 831 KAR 003:180; 831 KAR 003:190; 831 KAR 003:200 & 831 KAR 003:210.

DATE: March 30, 2026

A copy of each administrative regulation listed above is enclosed for your files. If these administrative regulations follow the standard KRS Chapter 13A timeline, they would be tentatively scheduled for a full review by the Administrative Regulation Review Subcommittee at its **JULY 2026** meeting.

Pursuant to KRS 13A.280, **if** comments are received during the public comment period, a Statement of Consideration or a one-month extension request for these regulations would be due **by noon on July 15, 2026**. Please reference KRS 13A.270 and 13A.280 for other requirements relating to the public hearing and public comment period and Statements of Consideration.

If you have questions, please contact us at RegsCompiler@LRC.ky.gov or (502) 564-8100.

Enclosures

1 PUBLIC PROTECTION CABINET

2 Kentucky Real Estate Appraisers Board

3 (New Administrative Regulation)

4 831 KAR 3:020. General requirements for certification and licensure.

5 RELATES TO: KRS Chapter 324A, 12 U.S.C. § 3350

6 STATUTORY AUTHORITY: KRS 324A.035

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 324A.020 and 324A.035 require  
8 the Real Estate Appraisers Board, with the review of the director of the Kentucky Division of Real  
9 Property Boards, to promulgate administrative regulations necessary to carry out the provisions of  
10 KRS Chapter 324A. This administrative regulation is necessary to comply with Title XI of the  
11 Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through  
12 12 U.S.C. § 3351), and KRS Chapter 324A. KRS 324A.035(3)(a) and (b) require the board to  
13 establish by administrative regulations requirements for classifications of appraisers and  
14 certification and licensure. KRS 324A.035(2) requires the board to establish by administrative  
15 regulation licensure of appraisers of real property in nonfederally related transactions. KRS  
16 324A.065 requires the board to establish and collect fees for certification or licensure as an  
17 appraiser. KRS 12.245, KRS 12.334, KRS 12.354, and KRS 12.357 require state agencies to  
18 process applications of military servicemembers, veterans, and spouses with requirements specific  
19 to education, licensing, and fees. The Real Property Appraiser Qualification Criteria of the  
20 Appraiser Qualification Board of the Appraisal Foundation requires certain military  
21 servicemembers be held to the criteria in effect on January 1, 2026. This administrative regulation

1 describes general requirements for certification and licensure, requirements for individuals  
2 applying under KRS 12.245, KRS 12.334, KRS 12.354, and KRS 12.357, and requirements for  
3 licensure of nonfederally related transactions.

4 Section 1. Types of Appraisers.

5 (1) An appraiser for a federally related transaction shall be a(n):

6 (a) Associate real property appraiser;

7 (b) Licensed residential real property appraiser;

8 (c) Certified residential real property appraiser; or

9 (d) Certified general real property appraiser.

10 (2) The board may license nonfederal real property appraisers pursuant to Section 4 of this  
11 administrative regulation.

12 Section 2. General Requirements for Certification or Licensure. Except as provided by  
13 Sections 3 and 4 of this administrative regulation, certification or licensure shall be granted if an  
14 applicant:

15 (1) Meets the education requirements established by 831 KAR 3:030;

16 (2) Meets the appraisal experience requirements established by 831 KAR 3:040;

17 (3) Meets the examination requirements established by 831 KAR 3:050;

18 (4) Completes and submits a notarized application form for the type of certification or  
19 licensure sought, incorporated by reference in Section 5 of this administrative regulation;

20 (5) Submits to a national fingerprint-supported criminal background check in accordance  
21 with 831 KAR 3:080;

22 (6) Pays the initial application fee established in 831 KAR 3:010 Section 1(1)(a); and

1 (7) For applications for licensed residential real property appraiser, certified residential real  
2 property appraiser, and certified general real property appraiser, pays the roster fee established in  
3 831 KAR 3:010 Section 1(1)(f).

4 Section 3. Armed Forces and Military Spousal Exception.

5 (1) Applicants for licensure or certification seeking to claim an exception under KRS  
6 12.245, KRS 12.334, KRS 12.354, or KRS 12.357, shall so indicate by marking the appropriate  
7 selection box and shall submit supporting documentation.

8 (2) The board shall review an application claiming an exception under KRS 12.245, KRS  
9 12.334, KRS 12.354, or KRS 12.357, within thirty (30) days of receipt by the board.

10 (3) An applicant who was a member of a Reserve component of the U.S. Armed Forces,  
11 who was pursuing an appraiser licensure or certification prior to December 1, 2011, and who was  
12 called to active duty between December 1, 2011 and December 31, 2014, may satisfy the  
13 examination, education, and experience requirements under the 2008 AQB Real Property  
14 Appraiser Qualification Criteria instead of the requirements in this administrative regulation for a  
15 time period equal to the applicant's time of active duty, plus twelve (12) months.

16 Section 4. Licensed Nonfederal Real Property Appraisers.

17 (1) An applicant shall be licensed as a nonfederal real property appraiser if:

18 (a) The applicant possesses a:

- 19 1. High school diploma; or  
20 2. General equivalency diploma; and

21 (b) Applies to the board on the Application for Nonfederal Real Property Appraiser  
22 License.

1 (2) A licensed nonfederal real property appraiser shall not be required to meet the  
2 conditions established for the:

3 (a) Certification of:

4 1. General real property appraisers; or

5 2. Residential real property appraisers.

6 (b) Licensure of licensed residential real property appraisers.

7 (3) A licensed nonfederal real property appraiser shall not perform real property appraisals  
8 of property that is the subject of a federally related transaction.

9 (4) The provisions of this section shall not apply to persons who, prior to April 7, 1992,  
10 have engaged in the appraisal of real property for at least ten (10) years. Applicants who wish to  
11 be limited to appraisals of nonfederally related transactions, and who have engaged in the appraisal  
12 of real estate for at least ten (10) years prior to April 7, 1992, shall be licensed as nonfederal real  
13 property appraisers.

14 Section 5. Incorporation by Reference.

15 (1) The following material is incorporated by reference:

16 (a) “Nonfederal Real Property Appraiser Application,” KREAB Form 001, March 2026.

17 (b) “Associate Real Property Appraiser Application,” KREAB Form 002, March 2026;

18 (c) “Licensed Residential Real Property Appraiser Application,” KREAB Form 003,  
19 March 2026;

20 (d) “Certified Residential Real Property Appraiser Application,” KREAB Form 004,  
21 March 2026;

22 (e) “Certified General Real Property Appraiser Application,” KREAB Form 005, March  
23 2026; and


1 (f) “Uniform Standards of Professional Appraisal Practice (USPAP),” 2024 Edition,  
2 published by The Appraisal Foundation.


3 (2) This material may be inspected, copied, or obtained, subject to applicable copyright  
4 law, at the Kentucky Real Estate Appraisers Board, 500 Mero Street, Frankfort, Kentucky, 40601,  
5 (502) 564-4000, Monday through Friday, 8 a.m. to 4:30 p.m. Eastern Time, and is available on the  
6 board website, [kreab.ky.gov](http://kreab.ky.gov).


7 (3) The Uniform Standards of Professional Appraisal Practice (USPAP), 2024 Edition, is  
8 also available online at <https://www.appraisalfoundation.org>.

9

APPROVED: March 25, 2026

  
\_\_\_\_\_  
John Dexter Outlaw, Chairperson, Kentucky Real Estate Appraisers Board

  
\_\_\_\_\_  
Tracy Carroll, Director, Division of Real Property Boards

  
\_\_\_\_\_  
Secretary Ray A. Perry, Kentucky Public Protection Cabinet

## PUBLIC HEARING AND PUBLIC COMMENT PERIOD

A public hearing on this administrative regulation shall be held on June 24, 2026, at 1:00 P.M. Eastern Time at the Mayo-Underwood Building, Room 133CE, 500 Mero Street, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be canceled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through June 30, 2026. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board, 500 Mero Street, Frankfort, Kentucky 40601, Email [patrick.riley@ky.gov](mailto:patrick.riley@ky.gov), Tel. (502) 782-2618.

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

831 KAR 3:020. General requirements for certification and licensure.

Contact Person: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board

Phone: (502) 782-2618

Email: patrick.riley@ky.gov

Subject Headings: Boards and Commissions, Real Estate, Licensing, Fees

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This regulation provides general requirements for licensure or certification by the Kentucky Real Estate Appraisers Board (“Board”).

(b) The necessity of this administrative regulation:

This regulation is necessary to establish requirements for certification and licensure.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

KRS 324A.035 authorizes and requires the Board to promulgate administrative regulations for certification or licensure of appraisers who perform appraisals of real property in federally related transactions and for certification or licensure of appraisers of real property in nonfederally related transactions.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

The Board is charged with licensing and regulating the practice of appraisal in Kentucky. This administrative regulation will clarify the application process and general standards for certification and licensure of appraisers in Kentucky.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

Not applicable.

(b) The necessity of the amendment to this administrative regulation:

Not applicable.

(c) How the amendment conforms to the content of the authorizing statutes:

Not applicable.

(d) How the amendment will assist in the effective administration of the statutes:

Not applicable.

(3) Does this administrative regulation or amendment implement legislation from the previous five years?

Yes, this regulation implements the following legislation from the previous five years.

HB 172 (Acts Chapter 21) "AN ACT relating to the Kentucky Real Estate Appraisers Board;" effective June 29, 2021.

HB 403 (Acts Chapter 182) "AN ACT relating to real property boards;" effective July 15, 2024.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

As of October 22, 2025, the Board licenses and regulates over 1,564 individual appraisers and 106 appraisal management companies ("AMCs") that will be affected by this administrative regulation, as follows: 721 Certified General Real Property Appraisers, 664 Certified Residential Real Property Appraiser, 13 Licensed Residential Real Property Appraisers, and 166 Associate Real Property Appraisers. This regulation will impact an unknown number of prospective applicants for certification and licensure. This regulation will affect an unknown number of prospective applicants for certification and licensure.

(5) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:

Current licensees will not need to take any new steps to comply with this regulation. This regulation is a new regulation and recodification of prior 201 KAR Chapter 30. Prospective applicants for licensure will need to follow the requirements set forth in this administrative regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

This regulation will impose no new costs on licensees.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):

Prospective applicants for licensure will be able to identify requirements for licensure.

(6) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

There will be no additional cost to the Board to implement this administrative regulation initially.

(b) On a continuing basis:

There will be no additional cost to the Board to implement this administrative regulation on a continuing basis.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:

There is no additional funding necessary to implement this administrative regulation.

(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

The implementation of this administrative regulation requires no increase in fees or funding.

(9) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

This administrative regulation does not establish any fees and neither directly nor indirectly increases any fees.

(10) TIERING: Is tiering applied? (Explain why or why not):

No, tiering is not applied because this administrative regulation applies equally to all applicants for certification and licensure.

## FISCAL IMPACT STATEMENT

831 KAR 3:020. General requirements for certification and licensure.

Contact Person: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board

Phone: (502) 782-2618

Email: patrick.riley@ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.

KRS 324A.015, KRS 324A.020, KRS 324A.035, KRS Chapter 324A, 12 U.S.C. § 3350

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act:

(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions: The Kentucky Real Estate Appraisers Board (“Board”) is the agency responsible for implementing this regulation. No other divisions of state or local government entities should be affected.

(b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

1. Expenditures:

For the first year: There is no cost to administer this administrative regulation for the first year.

For subsequent years: There is no cost to administer this administrative regulation for subsequent years.

2. Revenues:

For the first year: This administrative regulation is not intended to generate revenue for any state or local government agency for the first year.

For subsequent years: This administrative regulation is not intended to generate revenue for any state or local government agency for subsequent years.

3. Cost Savings:

For the first year: There are no cost savings to administer this administrative regulation for the first year.

For subsequent years: There are no cost savings to administer this administrative regulation for subsequent years.

(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts): None

(b) Estimate the following for each affected local entity identified in (4)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a): N/A

(b) Estimate the following for each regulated entity identified in (5)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(6) Provide a narrative to explain the following for each entity identified in (3)(a), (4)(a), and (5)(a):

(a) Fiscal impact of this administrative regulation: None.

(b) Methodology and resources used to reach this conclusion: Methodology and resources used are the fiscal department within the Public Protection Cabinet, Division of Real Property Boards.

(7) Explain, as it relates to the entities identified in (3)(a), (4)(a), and (5)(a):

(a) Whether this administrative regulation will have a “major economic impact”, as defined by KRS 13A.010(14): This administrative regulation is not intended or anticipated to have a major economic impact as defined by KRS 13A.010(14).

(b) The methodology and resources used to reach this conclusion: Methodology and resources used are the fiscal department within the Public Protection Cabinet, Division of Real Property Boards.

## FEDERAL MANDATE ANALYSIS COMPARISON

831 KAR 3:020. General requirements for certification and licensure.

Contact Person: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board

Phone: (502) 782-2618

Email: patrick.riley@ky.gov

- (1) Federal statute or regulation constituting the federal mandate.  
12 U.S.C. 3345, 12 U.S.C. 3347
- (2) State compliance standards.  
KRS 324A.020, KRS 324A.035, KRS 324A.065, KRS 12.245, KRS 12.334, KRS 12.354, KRS 12.357
- (3) Minimum or uniform standards contained in the federal mandate.  
12 U.S.C. 3345, 12 U.S.C. 3347
- (4) Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate?  
This administrative regulation does not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate.
- (5) Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements.  
This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements.

## STATEMENT OF MATERIAL INCORPORATED BY REFERENCE

831 KAR 3:020. General requirements for certification and licensure.

Contact Person: Patrick Riley, General Counsel, Kentucky Real Estate Appraisers Board

Phone: (502) 782-2618

Email: patrick.riley@ky.gov

“Nonfederal Real Property Appraiser Application,” KREAB Form 001, March 2026, is a 1-page form for individuals interested in applying for a license as an appraiser for nonfederally related transactions in Kentucky, including a checklist and instructions.

“Associate Real Property Appraiser Application,” KREAB Form 002, March 2026, is a 2-page form for individuals interested in applying for certification as an associate real property appraiser in Kentucky, including a checklist and instructions.

“Licensed Residential Real Property Appraiser Application,” KREAB Form 003, March 2026, is a 2-page form for individuals interested in applying for certification as a licensed residential real property appraiser in Kentucky, including a checklist and instructions.

“Certified Residential Real Property Appraiser Application,” KREAB Form 004, March 2026, is a 2-page form for individuals interested in applying for certification as a certified residential real property appraiser in Kentucky, including a checklist and instructions.

“Certified General Real Property Appraiser Application,” KREAB Form 005, March 2026, is a 2-page form for individuals interested in applying for certification as a certified general real property appraiser in Kentucky, including a checklist and instructions.

“Uniform Standards of Professional Appraisal Practice” (USPAP), 2024 edition, is a 68-page book which provides the standards of professional practice guidance to certificate and license holders.