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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 3:070. Temporary practice permit.

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 Division of Real Property
9 Boards, to promulgate administrative regulations necessary to carry out the provisions of KRS
10 Chapter 324A. This administrative regulation is necessary to comply with Title XI of the Financial
11 Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through 12 U.S.C.
12 § 3351), and KRS Chapter 324A. Title XI § 1122(a), 12 U.S.C. § 3351(a) requires states to permit
13 temporary practice of appraisers for federally related transactions. This administrative regulation
14 describes eligibility requirements for temporary practice within Kentucky.

15 Section 1. Temporary practice permit.

16 (1) An individual who is a certified residential, a certified general, or a licensed residential
17 real property appraiser in another state may apply for a temporary practice permit for an appraisal
18 assignment in Kentucky within the scope of practice for the same credential in Kentucky as
19 established in 831 KAR 3:150 Section 1.

1 (2) An individual who is a certified residential, a certified general, or a licensed residential
2 real property appraiser in another state shall apply for a temporary practice permit in this state
3 by:

4 (a) Paying the fee established in administrative regulation 831 KAR 3:010 Section 1(1)(i);

5 and

6 (b) Filing with the board a notarized Temporary Practice Application, including:

7 1. An irrevocable consent that service of process in an action against the applicant arising
8 out of the applicant's appraisal activities in this state may be made by delivery on the board;

9 2. Information sufficient to identify the appraisal assignment to be performed under the
10 temporary practice permit, including the projected beginning and ending dates for performing the
11 appraisal assignment, except the applicant shall not divulge information concerning the appraisal
12 assignment that would breach the applicant's duty of confidentiality to a client under the provisions
13 of the Uniform Standards of Professional Appraisal Practice, incorporated by reference in 831
14 KAR 3:020; and

15 3. A letter of good standing or comparable written statement issued by the appraiser
16 licensing or certifying agency of each state where the individual holds a license or certification to
17 practice appraisal setting forth:

18 a. The applicant's name, business name, and address;

19 b. The type of license or certificate held by the applicant and the license or certificate
20 number;

21 c. The dates of licensure or certification and the expiration date of the applicant's current
22 license or certificate; and

1 d. A complete record of disciplinary actions taken or disciplinary proceedings pending
2 against the applicant.

3 (3) The board shall issue a temporary practice permit to perform the appraisal assignment
4 described in the application within five (5) business days of receipt of a completed application, if
5 the applicant complies with the requirements of paragraphs (1) and (2) of this section. If the board
6 is unable to issue a temporary practice permit within five (5) business days of receipt of a
7 completed application, it shall notify the applicant and document the reasons for delay.

8 Section 2. Limitations on temporary practice permits.

9 (1) A temporary practice permit issued to an applicant for a temporary practice permit shall
10 be valid only for the appraisal assignment listed on the applicant's Temporary Practice
11 Application.

12 (2) An individual shall submit a separate Temporary Practice Application and fee for each
13 appraisal assignment.

14 (3) A temporary practice permit shall expire six (6) months after issuance of the temporary
15 practice permit, except:

16 (4) Prior to the expiration of the temporary practice permit, an individual holding a
17 temporary practice permit may apply to the board for a single extension of time by:

18 (a) Filing a written request to the board describing the additional amount of time requested;
19 and

20 (b) Submitting documentation to support that additional time is needed to complete the
21 assignment.

22 (5) The holder of a temporary practice permit shall comply with all requirements for
23 practice of appraisal in Kentucky set forth in KRS Chapter 324A and 831 KAR Chapter 3.

1 (6) The board shall discipline the permit holder of a temporary practice permit for
2 violations of KRS Chapter 324A and 831 KAR Chapter 3 related to the appraisal assignment for
3 which a temporary practice permit was issued, in accordance with KRS Chapter 13B, 12 U.S.C.
4 3351(a)(2), and the requirements of the Appraisal Subcommittee of the Federal Financial
5 Institutions Council, Policy Statement 2, issued March 2018, and shall notify each state agency
6 where the permit holder holds licensure or certification to practice appraisal of any disciplinary
7 action taken by the board.

8 (7) A person holding a temporary practice permit shall not advertise or otherwise claim to
9 be a Kentucky state-licensed or state-certified appraiser.

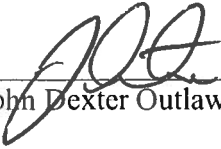
10 Section 2. Incorporation by Reference.

11 (1) “Temporary Practice Permit Application,” KREAB Form 007, March 2026, is
12 incorporated by reference.

13 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
14 law, at the Kentucky Real Estate Appraisers Board, 500 Mero Street, Frankfort, Kentucky 40601,
15 (502) 564-4000, Monday through Friday, 8 a.m. to 4:30 p.m. Eastern Time, and is available on the
16 board website, kreab.ky.gov.

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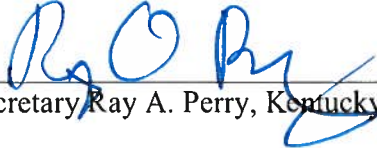
APPROVED: March 25, 2026



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, Tel. (502) 782-2618.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

831 KAR 3:070. Temporary practice permit.

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 sets standards for a temporary practice credential issued by the Kentucky Real Estate Appraisers Board.

(b) The necessity of this administrative regulation:

This regulation is necessary to establish requirements for temporary practice in accordance with Title XI § 1122(a), 12 U.S.C. § 3351(a), and Policy Statement 2 of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(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 including classifications of appraisers and certification and licensure.

(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 establish how appraisers may apply for temporary practice 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 affect an unknown number of prospective applicants for temporary practice. In 2024, the Board issued permits to [NUMBER] applicants for temporary permits.

(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 temporary practice 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 will be able to identify requirements for temporary practice permits.

(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 temporary practice.

FISCAL IMPACT STATEMENT

831 KAR 3:070. Temporary practice permit.

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, Title XI § 1122(a), 12 U.S.C. § 3351(a), and Policy Statement 2 of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(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 3:070. Temporary Practice Permit.

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, 12 U.S.C. 3351
- (2) State compliance standards.
KRS 324A.020, KRS 324A.035
- (3) Minimum or uniform standards contained in the federal mandate.
12 U.S.C. 3345, 12 U.S.C. 3347, 12 U.S.C. 3351
- (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 3:070. Temporary practice permit.

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

Phone: (502) 782-2618

Email: patrick.riley@ky.gov

“Temporary Practice Permit Application,” KREAB Form 007, March 2026, is a 2-page form for individuals seeking board approval to apply for a temporary practice permit in Kentucky.