REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

201 KAR 050:090. Supervision of associates.
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Subject Headings: Boards and Commissions, Real Estate, Licensing, Fees

(1) Provide a brief summary of:

(a) What this administrative regulation does:
This regulation establishes requirements for the associates and supervisors of associates licensed by the Kentucky Real Property Appraisers Board ("Board").

(b) The necessity of this administrative regulation:
This regulation is necessary to establish standards for associates and supervision of associates in accordance with federal requirements for state boards that license or certify appraisers for federally related transactions.

(c) How this administrative regulation conforms to the content of the authorizing statutes:
Under KRS 324A.035, "Requirements established by the board relating to appraisers of federally related transactions shall not exceed the minimum requirements established by federal law or regulation." Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through 12 U.S.C. § 3351) requires a state appraiser program to adopt or implement the minimum requirements for supervisory appraisers set forth in the Real Property Appraiser Qualification Criteria of the Appraiser Qualifications Board of the Appraisal Foundation. KRS 324A.035(3)(d) requires the board to establish by administrative regulations requirements for professional appraisal practice including standards for experience.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:
This administrative regulation will assist the Board in effective oversight of associates and supervision of associates.

(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 administrative regulation implements the following legislation enacted within the previous five years: H.B. 172, 2021 Ky. Acts ch. 21 (eff. June 29, 2021); H.B. 403, 2024 Ky. Acts ch. 182 (eff. July 15, 2024); and H.B. 355, 2026 Ky. Acts ch. 172 (eff. July 15, 2026).

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:
This administrative regulation will affect the 1,281 appraisers, 145 associate appraisers, 2 nonfederal appraisers, and the 99 appraisal management companies ("AMCs") currently licensed by the Board, as well as all new applicants for licensure.

(5) Provide an analysis of how the entities identified in question (4) 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 (4) will have to take to comply with this administrative regulation or amendment:
Current associate real property appraisers and supervisory appraisers will need to understand and abide by the provisions of this regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4):
Associate real property appraisers will need to pay costs associated with education as required in this regulation.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4):
Associate real property appraisers and supervisory appraisers will have clear guidelines in conformity with federal requirements.

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

(a) Initially:
The initial costs associated with administering this administrative regulation are currently indeterminable because the staffing needs and timing of personnel hires for the newly created Kentucky Real Property Appraisers Board, H.B. 355, 2026 Ky. Acts ch. 172 (eff. July 15, 2026), have not yet been determined.

(b) On a continuing basis:
The continuing costs associated with administering this administrative regulation are currently indeterminable because the staffing needs and timing of personnel hires for the newly created

Kentucky Real Property Appraisers Board, established H.B. 355, 2026 Ky. Acts ch. 172 (eff. July 15, 2026), have not yet been determined.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:
(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:
The Kentucky Real Property Appraisers Board was created by established H.B. 355, 2026 Ky. Acts ch. 172 (eff. July 15, 2026) and has a provisional budget approved by the Board. This budget includes three employees who will implement and enforce 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:
It is currently indeterminable whether an increase in fees or funding will be necessary to implement this administrative regulation because the staffing needs and timing of personnel hires for the newly created Kentucky Real Property Appraisers Board, established H.B. 355, 2026 Ky. Acts ch. 172 (eff. July 15, 2026), have not yet been determined.

(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 supervisors and associates.