

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

831 KAR 3:090. 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 supervision of associates licensed by the Kentucky Real Estate Appraisers Board (“Board”).

(b) The necessity of this administrative regulation:

This regulation is necessary to establish standards for the 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:

The Board is charged with licensing and regulating the practice of appraisal in Kentucky. This administrative regulation will assist the Board in effective oversight of 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 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 and current licensees who wish to engage in a supervisor relationship.

(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 associate real property appraisers and supervisory appraisers will need to familiarize themselves with the provisions of this regulation regarding registration and supervision requirements. This regulation is a new regulation and partial recodification of 201 KAR 30:040 Section 5. The board shall notify stakeholders prior to the effective date of this regulation to remind current associate real property appraisers and supervisory appraisers of the requirements of this regulation and the necessity to register with the board.

(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):

Associate real property appraisers and supervisory appraisers will have clear guidelines in conformity with federal requirements. Members of the public who receive appraisal services performed by associate real property appraisers will benefit from increased effectiveness of board monitoring and tracking of supervisory appraisers.

(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 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:

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 supervisors and associates.