

**TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION**

Control 780 Department or Agency Alabama Real Estate Appraiser Board
Rule No. 780-X-13-.01
Rule Title: Adoption of Uniform Standards of Professional Appraisal Practice

 New X Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? Yes

Is there a reasonable relationship between the State's police power and the protection of the Public health, safety, or welfare? Yes

Is there another, less restrictive method of Regulation available that could adequately Protect the public? No

Does the proposed rule have the effect Of directly or indirectly increasing the costs Of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful To the public than the harm that might result from the absence of the proposed rule? N/A

Are all facets of the rulemaking process Designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer J. Lisa Brooks

Date 6-16-17

ALABAMA REAL ESTATE APPRAISERS BOARD
100 N. Union Street, Suite 370
Montgomery, Alabama 36104

June 16, 2017

Notice of Intended Action

Rule No. & Title: 780-X-13-.01 Adoption of Uniform Standards of Professional Appraisal Practice


Intended Action: Amendment

Substance of Amendment: To emphasize development of the Cost Approach to value in the appraisal of 1-4 residential new construction or previously unoccupied 1-4 residential properties.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Interested persons may submit their views regarding the proposed amended rule orally or in writing to the Alabama Real Estate Appraisers Board, P.O. Box 304355, Montgomery, Alabama 36130-4355; 334-242-8747 no later than 5:00 P.M. September 20, 2017. A public hearing will be held on July 20, 2017 at 9:30 A.M., 100 N. Union St., Third Floor conference room, RSA Union Building, Montgomery, Alabama, 36104.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written or oral comments concerning this change must be received by the Alabama Real Estate Appraisers Board no later than September 20, 2017 at 5:00 P.M., P.O. Box 304355, Montgomery, Alabama, 36130-4355 or 100 North Union Street, Suite 370, Montgomery, AL 36104 or 334-242-8747.

CONTACT PERSON AT AGENCY: Neva C. Conway
Assistant Attorney General



Lisa Brooks

780-X-13-.01 Adoption Of Uniform Standards Of Professional Appraisal Practice.

- (1) The Appraisal Foundation Uniform Standards of Professional Appraisal Practice as promulgated June 5, 1990, and/or as subsequently amended, are incorporated into the rules and regulations of the professional conduct (code of ethics) except as provided in subsection ~~(2)~~ (3) of this Rule which shall guide the behavior of licensed and certified real estate appraisers in Alabama. Copies of the Uniform Standards of Professional Appraisal Practice, may be obtained from The Appraisal Foundation located at 1155 15th Street NW, Suite 1111, Washington, D.C. 20005, or from the Board for a reasonable copying charge to be determined by the Board by resolution.
- (2) A cost approach to value is deemed reliable in cases of previously unoccupied new construction of 1-4 residential properties and applicable to the valuation process. An appraiser is responsible for the scope of work decision to determine what is required for credible assignment results and it is incumbent on the appraiser to provide a convincing explanation for the decision to exclude the cost approach for an appraisal that is in question.
- (23) Standard 3, Real Property and Personal Property Appraisal Review, Development and Reporting of the UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE, shall not apply to a licensed or certified real property appraiser who, as a board member, employee, or agent of the Alabama Real Estate Appraisers Board, reviews appraisals submitted to the Board for licensing consideration, complaint investigation, or disciplinary action.

Author: Alabama Real Estate Appraisers Board

Statutory Authority: Code of Ala. 1975, §§34-27A-23, 41-22-9.

History: Emergency adoption: Filed February 15, 1991; effective February 18, 1991. **Permanent adoption:** Filed April 8, 1991; effective May 15, 1991. **Amended:** November 20, 1992, effective December 26, 1992. **Amended:** Filed January 11, 1996; effective February 15, 1996. **Amended:** Filed August 21, 2001; effective September 25, 2001. **Amended:** Filed July 26, 2010; effective August 30, 2010. **Amended:**