

State of Kansas

## Department of Revenue Division of Property Valuation

### Notice of Hearing on Proposed Administrative Regulation

A public hearing will be conducted at 1 p.m., Monday, April 4, 2016, in the conference room of the Office of the Secretary of Revenue, 2<sup>th</sup> Floor, Docking State Office Building, 915 S.W. Harrison Street, Topeka, Kansas 66612-1585, to consider amendments to an existing administrative regulation of the Secretary of Revenue, K.A.R. 93-6-3, establishing continuing education requirements for maintaining the designation of registered mass appraiser.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed amendments. All interested parties may submit written comments prior to the hearing to Marilyn Cathey, Public Service Administrator, Division of Property Valuation, 4<sup>th</sup> Floor, Docking State Office Building, 915 S.W. Harrison Street, Topeka, Kansas 66612-1585 (marilyn.cathey@kdor.ks.gov).

All interested parties will be given a reasonable opportunity to present their views, orally or in writing, concerning the adoption of the proposed amendments during the hearing. In order to give all persons an opportunity to present their views, it may be necessary to request each participant to limit any oral presentations to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed amendments and economic impact statement in an accessible format. Request for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Marilyn Cathey at 785-296-2365. Handicapped parking is located in State Parking Lot No. 2, southeast of the Docking State Office Building facing 10<sup>th</sup> Street, and the east entrance to the Docking State Office Building is accessible.

A summary of the proposed amendments and their economic impact follows:

**93-6-3. Continuing education requirements.** The proposed amendments to the regulation add the new 7-hour National USPAP Update for Mass Appraisal by the Appraisal Standards Board of the Appraisal Foundation (IAAO course 181) as an alternative course available to maintain the registered mass appraiser (RMA) designation. With the creation of the National USPAP Update for Mass Appraisal in

2015 by the Appraisal Standards Board of the Appraisal Foundation (IAAO course 181), the Kansas standards of mass appraisal workshop is no longer needed. The Department of Revenue continues to estimate the cost of continuing education will range from \$415 to \$850 per year, depending on the courses selected. These costs will be borne by the registered mass appraiser, except where the county elects to pay for the courses. There will be no economic impact on the general public, except as indicated above.

Copies of the proposed amendments and the economic impact statement may be obtained from the Division of Property Valuation or may be accessed from the Division's website at <http://www.ksrevenue.org/pvd.html>.

Nick Jordan  
Secretary of Revenue

**93-6-3. Continuing education requirements.** (a)(1) Each individual who has obtained the registered mass appraiser (RMA) designation shall successfully complete at least 120 hours of continuing education every four years in order to retain the designation. "Hour," as used in this regulation, shall mean one clock-hour of at least 50 minutes. The four-year period shall correspond with the four-year appointment period for county appraisers pursuant to K.S.A. 19-430, and amendments thereto. Each individual who first obtains the RMA designation during any of the six-month periods of the appointment period specified in this paragraph shall successfully complete course hours during the remainder of the appointment period as follows:

First six months .....	120 hours
Second six months .....	105 hours
Third six months .....	90 hours
Fourth six months .....	75 hours
Fifth six months .....	60 hours
Sixth six months .....	45 hours
Seventh six months .....	30 hours

An individual who obtains the RMA designation during the final six months of the appointment period shall not be required to complete any course hours.

No more than half of the course hours shall be obtained from workshops or seminars.

(2)(A)(i) At least 60 hours of continuing education shall be accumulated through appraisal courses, each of which shall require the successful completion of a written exam. No more than 21 of these 60 hours may be accumulated through online courses, each of which shall include a nonproctored exam.

(ii) The remaining 60 hours of continuing education may be seminar hours.

(B) At least 90 hours of continuing education shall be completed during each four-year period. No more than 30 hours may be carried forward from one four-year period to the next four-year period.

(b) The continuing education courses shall include those established by the director of property valuation for an eligible Kansas appraiser pursuant to K.S.A. 19-432, and amendments thereto. In addition, each individual with the RMA designation shall complete the following courses ~~and workshop~~ during each four-year period:

(1) IAAO (international association of assessing officers) course 151, IAAO course 181, or IAAO course 191 or equivalent course approved by the secretary of revenue; and

(2) the Kansas property tax law course or the Kansas property tax law update course; ~~and~~

~~(3) the Kansas standards of mass appraisal workshop.~~ (Authorized by and implementing K.S.A. ~~2012~~ 2015 Supp. 19-430; effective, T-93-8-29-97, Aug. 29, 1997; effective Dec. 5, 1997; amended April 20, 2001; amended Dec. 20, 2013; amended P- \_\_\_\_\_.)

## ECONOMIC IMPACT STATEMENT

This is the economic impact statement for proposed amendments to permanent regulation 93-6-3. This regulation is required by K.S.A. 2015 Supp. 19-430.

- I. **A BRIEF DESCRIPTION OF PROPOSED REGULATION AND ITS INTENDED EFFECT:** K.A.R. 93-6-3 establishes continuing education requirements to retain the RMA (registered mass appraiser) designation. The RMA was created in 1997 as a designation with a primary emphasis on education and experience relevant to the Kansas ad valorem property tax system. With the creation of the 7-hour National USPAP Update for Mass Appraisal in 2015 by the Appraisal Standards Board of the Appraisal Foundation (IAAO course 181), the Kansas standards of mass appraisal workshop is no longer needed.
  
- II. **WHETHER OR NOT THE PROPOSED REGULATION IS MANDATED BY FEDERAL LAW AS A REQUIREMENT FOR PARTICIPATING IN OR IMPLEMENTING A FEDERAL PROGRAM:** This regulation is not mandated by federal law, and therefore, the regulation does not exceed the requirements of federal law.
  
- III. **DESCRIPTION OF THE COST, THE PERSONS WHO WILL BEAR THE COST, AND THOSE WHO WILL BE AFFECTED BY THE PROPOSED REGULATIONS:** Continuing education requirements involve cost, *i.e.*, the cost of the prescribed courses, travel, lodging and time away from the appraiser's regular duties. The cost is borne by the appraiser in some instances and by the employing county in other instances where the county elects to pay for the courses. Currently, in part, an individual with an RMA designation is required to complete IAAO course 151 or IAAO course 191, or equivalent, once every four years. The proposed amendment to the

regulation adds the new 7-hour National USPAP Update for Mass Appraisal by the Appraisal Standards Board of the Appraisal Foundation (IAAO course 181) as an alternative course available to maintain the RMA designation. No additional cost should be incurred by the appraiser as IAAO course 181 is added as an option. The appraiser will be required to complete only one of the three course options every four years. In order to prevent duplication of course material, the proposed amendment removes the Kansas standards of mass appraisal workshop, a Kansas Department of Revenue workshop, as a requirement to maintain the RMA designation. At the time of the last amendment to this regulation in 2013, the Department of Revenue estimated the cost of continuing education to range from \$415 to \$850 per year depending on courses selected. This estimate does not change as a result of this proposed amendment to the regulation. Private Citizens will not bear the cost, except as explained above. There are no costs to the Kansas Department of Revenue.

- IV. **A DESCRIPTION OF ANY LESS COSTLY OR LESS INTRUSIVE METHODS THAT WERE CONSIDERED BY THE STATE AGENCY FOR ACHIEVING THE STATED PURPOSE OF THE REGULATIONS AND THE REASONS THAT THOSE METHODS WERE REJECTED IN FAVOR OF THE PROPOSED REGULATIONS:** The RMA was created in 1997 as a designation with a primary emphasis on education and experience relevant to the Kansas ad valorem property tax system. Prior to the creation of the RMA designation, K.S.A. 19-430 required county appraisers to obtain a designation from either the International Association of Assessing Officers or the Kansas Real Estate Appraisal Board. As a Kansas Department of Revenue sponsored designation, efforts have been made to keep the cost of obtaining and maintaining the RMA designation as low as possible. The only way to make the proposed regulation less intrusive would be to prescribe less continuing education for county appraisers. This alternative was rejected because the position of county appraiser demands a highly qualified individual who can value property in compliance with the constitution and laws of Kansas and who can instill confidence in his or her appraisals by the public.
- V. **SUMMARY:** This regulation will not impact the revenue of cities, counties or school districts.