

PUBLIC PROTECTION CABINET
Real Estate Appraisers Board
(New Administrative Regulation)

831 KAR 3:001. Definitions for 831 KAR Chapter 3.

RELATES TO: KRS Chapter 324A, 12 U.S.C. § 3350

STATUTORY AUTHORITY: KRS 324A.015, 324A.020, 324A.035

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324A.020 and 324A.035 require the Real Estate Appraisers Board, with the review of the director of the Division of Real Property Boards, to promulgate administrative regulations necessary to carry out the provisions of KRS Chapter 324A. This administrative regulation is necessary to comply with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through 12 U.S.C. § 3351), and KRS Chapter 324A. This administrative regulation defines terms used in 831 KAR Chapter 3.

Section 1. Definitions.

- (1) "Accredited" means a college or university that grants credit toward a program for an associate, baccalaureate, graduate, or professional degree and that is chartered, licensed, or granted accreditation by an appropriately recognized educational association.
- (2) "Appraisal management company" is defined by KRS 324A.150(1).
- (3) "Appraisal management services" is defined by KRS 324A.150(2).
- (4) "Appraiser panel" is defined by KRS 324A.150(5).
- (5) "Approved instructor" means an instructor who has been approved by the board pursuant to 831 KAR 3:140 to teach continuing education or qualifying education.
- (6) "AQB" means the Appraiser Qualification Board of the Appraisal Foundation.
- (7) "AQB Criteria" means the Real Property Appraiser Qualification Criteria, January 1, 2026, of the Appraiser Qualification Board of the Appraisal Foundation.
- (8) "Assignment" for purposes of a temporary practice permit application, means one or more real estate appraisals and written or oral appraisal report(s) covered by a single contractual agreement.
- (9) "Associate real property appraiser" means an individual who has fulfilled the requirements for licensure as an associate real property appraiser established by the board. An associate real property appraiser is the functional equivalent to the credential of trainee real property appraiser denoted by the AQB.
- (10) "Bio-metric proctoring" means processes used to continually verify student identity, such as facial recognition, consistency in keystroke cadence, and the observation of activity in the testing location, and monitoring readily observable aberrant behavior or activity.
- (11) "Board" means the Kentucky Real Estate Appraisers Board created under KRS 324A.015.
- (12) "Certificate holder" or "licensee" means a person certified or licensed by the board.
- (13) "Certified general real property appraiser" means an appraiser who has fulfilled the requirements for certification established by the board to appraise real property in connection with federally and nonfederally related transactions.
- (14) "Certified residential real property appraiser" means an appraiser who has fulfilled the requirements for certification established by the board to perform appraisals on improved structures with up to four (4) residential units and vacant land.
- (15) "Class hour" means sixty (60) minutes, of which at least fifty (50) minutes are actual instruction attended by the student, including time for examinations.

- (16) "Class hour of distance education" means the course time for synchronous and asynchronous online instruction set forth in the Delivery Mechanism Approval process of the Course Approval Program Policies and Procedures of the AQB, January 1, 2026, or the AQB policy in effect at the time of submission of a provider's application for course approval to the board, whichever is later.
- (17) "Complaint" means a written allegation that a credential holder or Appraisal Management Company, or its controlling person or managing principal, has violated the requirements of KRS Chapter 324A or 831 KAR Chapter 3.
- (18) "Covered transaction" means any consumer credit transaction secured by the consumer's principal dwelling.
- (19) "Credential" means any license, certificate, and temporary practice permit, issued by the board.
- (20) "Credential holder" means an individual who has a license, certificate, or temporary practice permit issued by the board.
- (21) "Distance education" means any education process based on the geographical separation of instructor and student. Distance education may be synchronous, asynchronous, or hybrid.
- (a) "Asynchronous distance education" means the instructor and student interact non-simultaneously; the student progresses at the student's own pace and follows a structured course content and quiz and examination schedule.
- (b) "Hybrid distance education" means the instructor and student interact both in-person and online, through synchronous or asynchronous instruction.
- (c) "Synchronous distance education" means the instructor and student interact simultaneously online, by video teleconference, live webinar, or web-based meeting.
- (22) "Education provider" means a school or entity that teaches continuing or qualifying education courses, programs of study, or seminars.
- (23) "Federal financial institutions regulatory agencies" means a federal agency listed in 12 U.S.C. § 3350(6) that regulates lenders, or the loans guaranteed by them.
- (24) "Federally related transaction" is defined by KRS 324A.010(8).
- (25) "Licensed nonfederal real property appraiser" means an individual who has fulfilled the requirements for licensure established by the Board to appraise real property in connection with non-federally-related transactions.
- (26) "Licensed residential real property appraiser" means an appraiser who has fulfilled the requirements for licensure established by the board to appraise real property.
- (27) "Practical Applications of Real Estate Appraisal" or "PAREA" means programs approved by the AQB as an alternative to the traditional supervisor/trainee model for obtaining experience required for certification or licensure.
- (28) "Real estate-related financial transaction" means a transaction that involves the:
- (a) Sale, lease, purchase, investment in or exchange of real property, including an interest in real property, or the financing thereof;
- (b) Refinancing of real property, or an interest in real property; and
- (c) Use of real property, or an interest in property, as security for a loan or investment, including a mortgage-backed security.
- (29) "Registrant" means an appraisal management company registered with the Board.
- (30) "Required Core Curriculum" means the list of course topics established in 831 KAR 3:030 Section 5 through Section 9.
- (31) "Residential" means having one (1) to four (4) residential units.
- (32) "Submit" means in the context of an appraisal, correspondence, or other filing being submitted to the Board, the date and time of submission shall be calculated:
- (a) For mail: the date the mail is postmarked;
- (b) For electronic mail or other digital transmission to the Boards general email account or to a Board staff's email account: by the date and time of receipt;

- (c) For hand delivery: by the date the Board office receives the delivery; and
 - (d) For use of the online license renewal system: by the date and time the system receives the application for renewal.
- (33) "Uniform Standards of Professional Appraisal Practice" or "USPAP" means the standards of practice promulgated by the Appraisal Standards Board of the Appraisal Foundation as defined by KRS 324A.010(7).

JOHN DEXTER OUTLAW, Board Chairperson
TRACY CARROLL, Director
RAY A. PERRY, Secretary

APPROVED BY AGENCY: March 25, 2026

FILED WITH LRC: March 30, 2026 at 2:50 p.m.

PUBLIC HEARING AND 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.