

BEFORE THE DEPARTMENT OF LABOR AND INDUSTRY
AND THE BOARD OF REAL ESTATE APPRAISERS
STATE OF MONTANA

In the matter of the amendment of)
ARM 24.101.413 renewal dates and)
requirements, 24.207.401 fees, and)
the adoption of NEW RULES I)
definitions and II through IV appraisal)
management)

NOTICE OF AMENDMENT AND
ADOPTION

TO: All Concerned Persons

1. On August 25, 2011, the Department of Labor and Industry (department) published MAR notice no. 24-207-33 regarding the public hearing on the proposed amendment and adoption of the above-stated rules, at page 1610 of the 2011 Montana Administrative Register, issue no. 16.

2. On September 15, 2011, a public hearing was held on the proposed amendment and adoption of the above-stated rules in Helena. Several comments were received by the September 23, 2011, deadline.

3. The board has thoroughly considered the comments received. A summary of the comments received and the board's responses are as follows:

ARM 24.207.401 and NEW RULE II(7)

COMMENT 1: Several commenters contended there is no statutory authority to base renewal fees on the number of appraisal engagements. Some commenters objected and stated that application costs would not be affected by business volume and fees should be commensurate with costs.

RESPONSE 1: The board has authority to adopt rules to implement and administer the provisions of Montana Code Annotated Title 37, chapter 54, to receive and review applications for licensure, and issue licenses to set and enforce standards, and adopt and enforce rules governing licensing, and to set fees commensurate with costs. The board anticipates that those real estate appraisal management companies (AMCs), that are involved in more transactions in Montana will generate higher costs than those which do little work in the state.

States already regulating AMCs have noted an increase in compliance costs associated with regulating these entities. The board expects that the majority of such costs will be associated with AMCs doing the most work in Montana. As the commenters observed, the board is required to set fees commensurate with costs and, therefore, the board determined that it had the authority to set renewal fees based upon the volume of work performed in the state.

ARM 24.207.401

COMMENT 2: One commenter suggested that if the board replaced the variable renewal fee with a uniform fee, there would be no need for a fee to report the AMC's number of engagements.

RESPONSE 2: The board concluded that having two categories of renewal fees will allow the board to ensure that fees for regulating AMCs will reflect the costs incurred in regulating them. Board staff will need to spend more time monitoring regulatory compliance of AMCs that do more work and, therefore, those AMCs that do the most work in the state should pay a higher renewal fee.

It is reasonable to charge a fee to report a firm's number of engagements. Firms with no Montana activity prior to renewal would report no activity and would not pay the additional reporting fees. For firms with engagements in Montana, the board will incur greater compliance monitoring costs, and those increased costs are reflected in the engagement reporting fee.

COMMENT 3: Several commenters stated that there is no statutory authority to require AMCs to file appraiser panel lists, and therefore, no authorization to charge a fee for filing or changing appraiser panel lists.

RESPONSE 3: The board determined it is necessary to request appraiser panel lists to verify that AMCs have complied with the requirements of 37-54-501(2)(f)-(h), MCA. The appraiser panel lists will assist the board in carrying out its audit function pursuant to 37-54-512, MCA. In addition, the board has the authority to request appraiser panel lists under 37-1-131, 37-1-134, 37-54-105, and 37-54-501(2)(l), MCA.

COMMENT 4: Numerous commenters objected that fees were higher than the average of fees charged by other states.

RESPONSE 4: The board is making every effort to ensure that fees charged to AMCs reflect the costs incurred to register and regulate them. The board will abate or reduce fees as required by law if collections exceed costs.

COMMENT 5: One commenter found the fees for minor changes, such as changes to fax numbers and electronic mail addresses, to be excessive.

RESPONSE 5: The fees proposed are consistent with what the board charges other licensees to update similar information.

COMMENT 6: One commenter noted that there is currently an annual fee for each appraiser on the AMC's appraiser panel, and asserted that the registry fee would be redundant and increase costs to consumers.

RESPONSE 6: The board only expects to charge the national registry fee required for each appraisal panel member of an AMC. If the final federal regulations promulgated by the Appraisal Subcommittee (ASC) do not require AMCs to pay a national registry fee for each appraiser on the AMC's panels, the board will not

collect the fee. To the extent that excess or redundant fees are collected, they will be abated or refunded.

COMMENT 7: One commenter stated that the board should not renew all AMCs on a single renewal date. The commenter asserted one renewal will be difficult for board staff to process all at once and the AMCs will not receive a full year of registration when they apply or renew toward the end of the renewal period.

RESPONSE 7: Historically, the board has found it much simpler to have all renewal and board processes occur at the same time.

COMMENT 8: One commenter asked that the board provide additional justification for the fees charged.

RESPONSE 8: The board believes the proposed fees are adequately justified as described in the reasonable necessity statements of the proposal notice and in the responses to specific comments described herein.

COMMENT 9: Several commenters suggested it is premature to begin collecting the annual registry fee before the ASC completed its work.

RESPONSE 9: The board will only collect the national registry fee as necessary to comply with federal requirements, which have not yet been finalized.

COMMENT 10: One commenter requested that the board cap audit charges so that AMCs are not confronted with unexpected expenses.

RESPONSE 10: The board must charge fees commensurate with costs. The board anticipates that most routine audit expenses will be covered by the AMC licensing fees. In the event that audit costs are not covered by licensing fees, the costs should be paid by the AMC, rather than by all board licensees.

COMMENT 11: One commenter asked that the board include the cost of performing audits in the license application and renewal fees.

RESPONSE 11: The board anticipates that routine audit costs will be covered by licensing fees, but extraordinary costs will be passed on to the AMC under review.

NEW RULE I

COMMENT 12: One commenter asked the board to clarify whether the information that must be provided about engagements is a number or more detailed information.

RESPONSE 12: Only the number of engagements must be reported in relation to the renewal process. The board may request more detailed information as part of an audit or disciplinary process.

COMMENT 13: One commenter noted that information about engagements is proprietary, and requiring this information of AMCs will result in more records requests, which will be burdensome for the board.

RESPONSE 13: Under 2-6-102(3), MCA, trade secrets included within public records are protected from disclosure. Pursuant to 30-14-402(4), MCA, trade secrets include information that derives actual or potential economic value from not being generally known to other persons who could obtain economic value from its disclosure or use. The board determined that the number of engagements performed by an AMC would constitute a trade secret, unless the firm has not made reasonable efforts to maintain the secrecy of this information.

COMMENT 14: Several commenters stated that filing updated appraiser panel lists will be time consuming and expensive for both the board and AMCs.

RESPONSE 14: The board determined that the requirement to update appraiser panel lists will encourage AMCs to maintain a stable list of qualified appraisal panel members year-round, instead of on an as-needed basis. Submission of the list will also encourage appraiser independence, will aid in the audit process, and will ensure that appraisers are removed only for cause. The requirement to file amendments should not discourage changes when appropriate and necessary.

NEW RULE II

COMMENT 15: One commenter contended the board lacks the authority to request license verification from AMCs.

RESPONSE 15: The board concluded that it is necessary to request information about licensure in other states to ensure adequate protection of the public. According to 37-1-316(7) and 37-1-137, MCA, the board is permitted to deny a license based upon disciplinary actions in other jurisdictions. Further, under 37-54-501(2)(I), MCA, the board has the authority to request information that is reasonably necessary to implement AMC registration. The board notes that all other licensees must provide information regarding licensure status in other states. The board is authorized to request verifications from AMCs.

NEW RULE II(1)(h)

COMMENT 16: Several commenters requested the board eliminate or modify the license verification requirement, asserting that most states are not yet prepared to provide them.

RESPONSE 16: The board has proposed these requirements now to prepare for the eventuality that all states will regulate AMCs. Until such time, the board will be flexible regarding the information required to verify licensure in states where it is required.

COMMENT 17: One commenter stated that New Rule II is overly burdensome and may cause delays in licensing, as AMCs will be required to obtain verifications from

all states in which the company is licensed. Most AMCs will be licensed in many, if not all, of the 50 states.

RESPONSE 17: Under 37-1-304(2), MCA, the board may issue a license prior to verification by other states when an applicant has requested verification and certified that the applicant is not subject to pending discipline in the other state. The board is confident there will be minimal delays in processing when other states are not able to verify licensure status in a timely manner.

NEW RULE II(1)(i)

COMMENT 18: Multiple commenters stated the requirement to report unprofessional conduct and legal actions against AMC owners, officers, directors, and controlling and contact persons is overly broad and vague. The commenters asked that this section be more narrowly tailored to match the statutory language from HB 188.

RESPONSE 18: The board agrees with the commenter and is amending the rule to limit this reporting requirement accordingly.

COMMENT 19: One commenter argued that the board should request only that information that is material to how an AMC conducts its business.

RESPONSE 19: The actions of ten percent owners, controlling persons, and contact persons can be an indicator of the performance of a company that acts through these individuals. The board concluded that acts which may constitute unprofessional conduct should be reported as part of the application and renewal process to allow the board to carry out its duty to protect the health, safety, and welfare of the public.

COMMENT 20: One commenter alleged the board does not have statutory authority to request detailed information regarding an AMC's business practices.

RESPONSE 20: The board has authority to investigate an AMC's practices pursuant to 37-1-137, 37-1-316(7), and 37-54-501(2)(I), MCA.

NEW RULE II(3), (4), and (5)

COMMENT 21: Several commenters argued that New Rule II does not allow AMCs adequate time to complete a restructuring of management, find a replacement contact person, and provide information to the board. The commenters also stated that the new rule imposes various deadlines for compliance, which creates confusion, and requested a single deadline.

RESPONSE 21: The board agrees with the commenters and is amending the rule to extend the time period to 30 days for all of the activities described therein.

COMMENT 22: One commenter suggested that re-registration should not be required, unless there is a change of majority ownership.

RESPONSE 22: The board does not intend to require that AMCs go through the registration process again when there is a change of ownership. Instead, an AMC that undergoes significant changes, such as in the business structure of the AMC or its ownership, is required to provide updated information to the board.

The board determined that the best method of reporting this information would be to have the AMC complete an application and pay any of the applicable fees under ARM 24.207.401(2)(b)-(e) and (j). The information in the updated application could be used to ensure that the restructured AMC remains compliant with the applicable statutes and administrative rules.

COMMENT 23: One commenter requested clarification as to which changes in business structure would require reporting to the board.

RESPONSE 23: The board responded that this rule was intended to require reporting of all changes in an AMC's designated contact person. The board will consider amending this subsection in the future if additional clarification is required.

NEW RULE II(6)

COMMENT 24: Several commenters noted that an AMC may not be aware of all pending or current investigations against it and its controlling persons. They suggested the language in this section should be amended to apply only to known and completed disciplinary actions or investigations.

RESPONSE 24: The board responded that if a person was not aware of an investigation or complaint, it could not be expected to report its existence. Thus, only known complaints, investigations, and disciplinary actions must be reported.

COMMENT 25: Multiple commenters maintained that only completed disciplinary actions should be reported, because the ASC web site does not include pending actions. As the statute authorizes consultation of the ASC web site regarding this information, the proposed rules are overly broad and burdensome.

RESPONSE 25: The pending language pertains only to complaints or disciplinary actions in process against the AMC itself, its controlling persons, and contract persons. Pending actions against members of an AMC's appraiser panel would not be reported by the AMC. The individual licensed appraisers on the panel would report actions pending against them at the time they renew their license.

COMMENT 26: Several commenters contended the board should not require reporting of complaints against other licensed individuals affiliated with the company. The board should limit reporting to completed disciplinary actions against an AMC itself and its controlling persons. This requirement will impose large compliance costs for the AMC if it is required to report on actions involving any AMC employee or independent contractor, rather than being limited to those specified in the statute.

RESPONSE 26: Section (6) will apply mainly to AMCs and their contact and controlling persons. The actions of other individuals who are affiliated with an AMC and licensed as appraisers may affect consumers in Montana and, therefore, disciplinary actions against those appraisers should be reported to the board. AMCs are not required to report pending actions against appraiser panel members and, therefore, the impact of this rule should be limited.

NEW RULE II(7)

COMMENT 27: One commenter objected that it was not clear how an AMC should calculate its number of engagements.

RESPONSE 27: The board explained that the number of engagements could be calculated by determining the number of times an appraiser completes an assigned appraisal. The completion of an appraisal assignment is the critical factor in this determination. Thus, if an appraisal is assigned to one appraiser, then reassigned to another appraiser who completes the assignment, there would be only one assignment. An engagement that is assigned during one licensing year and completed in another licensing year would count only once, during the year when the assignment was completed.

COMMENT 28: Some commenters noted that much of the information about an AMC's engagements is private and proprietary. Therefore, the board should only collect information about the AMC's number of engagements.

RESPONSE 28: The board is not interested in collecting information about each engagement as part of the renewal process. AMCs may be asked to provide more detailed information about engagements as part of the board's complaint or audit processes.

COMMENT 29: One commenter sought clarification that an AMC could fulfill its requirement to report engagements at the time of renewal.

RESPONSE 29: The board agreed that engagements could be reported on the AMC's renewal application.

NEW RULE II(8)

COMMENT 30: Numerous commenters suggested that New Rule II(8) and New Rule III(1) and (2) are not authorized by HB 188 and should be removed.

RESPONSE 30: The board determined that it was necessary to request appraiser panel lists to verify that AMCs have complied with the requirements of 37-54-501(2)(f)-(h), MCA. The appraiser panel lists will assist the board in carrying out its audit function pursuant to 37-54-512, MCA. In addition, the board has the authority to request appraiser panel lists under 37-1-131, 37-1-134, 37-54-105, and 37-54-501(2)(l), MCA.

COMMENT 31: One commenter suggested that the board change the ten-day notification period to thirty days, because it would allow more time for complications in the engagement process to be resolved before the addition of the appraiser is reported to the board.

RESPONSE 31: The board notes that a primary purpose of AMC registration is to encourage firms to maintain an ongoing and stable appraiser panel list of qualified licensees, and concluded that the ten-day notification requirement will encourage AMCs to maintain that stability.

COMMENT 32: One commenter stated that the board should limit the times that an AMC should update appraiser panel lists to just the period when an AMC is applying for licensure or renewing its registration.

RESPONSE 32: The board notes that an AMC may provide information about its appraisal panel at the time of application or renewal without incurring additional fees. Panel amendments will result in additional fees only when they take place outside of the application or renewal process. Additionally, off-cycle panel amendments due to appraisers' documented violations of the Uniform Standards of Professional Appraisal Practice (USPAP) would not result in additional charges to the AMC.

COMMENT 33: One commenter opined that since Montana is unique in requiring appraiser panel lists, complying with the requirements of this section will impose a major compliance and financial burden on AMCs.

RESPONSE 33: AMCs could be required to report changes to their appraiser panel lists as many as eleven times annually or only upon their annual renewal. Except for cases where appraisers are removed for USPAP violations, AMCs control how often their appraiser panel lists are modified and are in a position to minimize their own regulatory burden.

NEW RULE II(8) and III

COMMENT 34: One commenter speculated that the fee for updating an appraiser panel list might be a disincentive for an AMC to ensure that its list has only the best and most qualified appraisers.

RESPONSE 34: The board concluded that this fee will encourage AMCs to maintain stable lists of qualified appraisers. Appraisers can adjust the panel lists annually and appraisers not meeting minimum standards for appraisal practice can be removed from the list, both at no cost. The board will incur costs when appraiser panel lists are modified, so this fee will allow the board to recoup those costs and encourage AMCs to amend their panel only when it is necessary and appropriate.

COMMENT 35: Several commenters indicated that it would be too burdensome and expensive for AMCs to update their appraiser panel lists as often as required by the board.

RESPONSE 35: The board believes that the amendment fee will cover the cost of documenting changes in the panel. AMCs have the ability to control how often they are charged to amend their panel lists by limiting amendments to cases where changes are necessary.

COMMENT 36: One commenter objected that the exception for removing appraisers from the panel for USPAP violations was too narrow. The commenter suggested the exception should allow panel members to be removed for other reasons, such as other violations of state or federal law, upon the request of the appraiser, the expiration of the appraiser's license, etc.

RESPONSE 36: The board determined that most violations of state and federal law will also be USPAP violations, and in those circumstances, the AMC will be able to amend its panel without paying a fee. The board agrees that AMCs should be permitted to amend their appraiser panel lists without being charged when an appraiser requests removal from the panel or when an appraiser's license expires. The board may consider this change in a future rulemaking project.

NEW RULE III

COMMENT 37: One commenter requested that the board more narrowly tailor the requirement to provide information about an AMC's appraiser panel to reflect the requirements of HB 188.

RESPONSE 37: The board determined that it was necessary to request appraiser panel lists to verify that AMCs have complied with the requirements of 37-54-501(2)(f)-(h), MCA. The board contends that this requirement will impose a minimal compliance burden on AMCs. At any given time, an AMC knows who is on its panel. AMCs are merely being asked to provide this information during the application and renewal process, and whenever the panel is changed. AMCs are in complete control over how often their panel changes and, therefore, how often they will have to report to the board.

COMMENT 38: Several commenters stated that filing updated appraiser panel lists would be time consuming and expensive for both the board and AMCs.

RESPONSE 38: The board determined that the requirement to update appraiser panel lists would encourage AMCs to maintain a stable list of qualified appraisal panel members year-round instead of on an as-needed basis. It will also encourage appraiser independence. Furthermore, submission of the list will aid in the audit process and ensure that appraisers are removed only for cause. The requirement to file amendments should not discourage changes when appropriate and necessary.

COMMENT 39: Some commenters noted that appraiser panel lists are trade secrets of the AMC, which must be protected from disclosure. If the board collects this information, it could lead to additional costs to respond to information requests and to take appropriate precautions to protect this information.

RESPONSE 39: The board notes that under 2-6-102(3), MCA, trade secrets included within public records are protected from disclosure. Pursuant to 30-14-402(4), MCA, trade secrets include information that derives actual or potential economic value from not being generally known to other persons who could obtain economic value from its disclosure or use. The board concluded that an AMC's appraiser panel list would constitute a trade secret, unless the firm has not made reasonable efforts to maintain the secrecy of this information.

COMMENT 40: One commenter suggested that, rather than collecting each AMC's appraiser panel list, the board should require that AMCs certify the maintenance of a list of its panel members in accordance with HB 188 and that any removals of appraisers are done in accordance with the applicable statutes and regulations.

RESPONSE 40: The process proposed by the board will be the most efficient in terms of the audits mandated by 37-54-512, MCA. If an AMC can accurately make the certifications recommended by the commenter, providing an appraiser panel list to the board should be as easy as making the certification.

COMMENT 41: One commenter observed that individual appraisers may want to keep their lists of customers secret.

RESPONSE 41: The board will maintain the confidentiality of appraiser panel lists to protect the trade secrets and privacy interests of both the appraisers and AMCs.

NEW RULE IV

COMMENT 42: Some commenters objected that the record-keeping requirements were beyond what was authorized by HB 188.

RESPONSE 42: The board is authorized to inspect the record-keeping documentation described in 37-54-513, MCA, and any other documentation the board requests to validate compliance with Title 37, chapter 54, MCA. The records that AMCs will be required to keep will allow the board to verify the AMC's compliance with all of the mandates imposed by HB 188, including whether their required certifications were accurate, whether they have complied with the appraiser independence provisions, and whether the AMC has committed any form of unprofessional conduct described in 37-54-519, MCA. When viewed in the context of the overall regulatory scheme for AMCs, the record-keeping requirements proposed in this rule are clearly authorized and necessary to carry out the board's regulatory duties.

NEW RULE IV(1)(a)

COMMENT 43: Some commenters questioned whether it was technologically feasible for AMCs to maintain complete, locked PDF files of all appraisals.

RESPONSE 43: The board researched this issue prior to proposing New Rule IV and found that it is possible with current technology to maintain the required

information in locked PDF files. If it proves impossible due to changes in technology or for other reasons, the board will amend the rule.

NEW RULE IV(1)(g)

COMMENT 44: One commenter stated the requirement to keep all agreements with panel members was beyond what is allowed under HB 188.

RESPONSE 44: The board responded that agreements with appraisal panel members must be kept in order to verify that AMCs are not violating the appraiser independence provisions of 37-54-514, MCA, or other statutes pertaining to the relationship between appraisers and AMCs.

COMMENT 45: One commenter alleged that privacy concerns would prevent AMCs from disclosing some portions of agreements between appraiser panel members and AMCs.

RESPONSE 45: The board notes that agreements between AMCs and appraisers will only come into the possession of the board as a result of audit or compliance processes. This information will be protected by the board as private or trade secret information.

NEW RULE IV(1)(f) and (h)

COMMENT 46: One commenter observed that if the board requested the kind of information that AMCs are required to keep under this rule, the board should not disclose this information as it includes protected trade secrets and confidential client information.

RESPONSE 46: The board agreed that to the extent that the information described in New Rule IV(1)(f) and (h) is included private and/or trade secret material, the board would not be required to disclose it under public record and right to know laws.

NEW RULE IV(1)(h)

COMMENT 47: One commenter requested clarification regarding what owner information will need to be provided.

RESPONSE 47: The board concluded that AMCs should maintain records demonstrating that ten percent owners meet the requirements of 37-54-503, MCA, and documenting the owners' ownership interests in the company. Information related to prior criminal, disciplinary, and other legal actions against ten percent owners will be considered as part of the background examination mandated in 37-54-503(2), MCA. This information, as well as documentation regarding new actions against these individuals, should be kept as part of the AMC's records under the proposed rule.

NEW RULE IV(1)(i)

COMMENT 48: One commenter claimed the board should not require verifications of licensure for anyone other than appraiser panel members because HB 188 only allows the board to request this information from panel members.

RESPONSE 48: Under 37-54-503, MCA, the board must verify that ten percent owners have not had a license or certificate to act as an appraiser refused, denied, canceled, revoked, or surrendered, unless the license or certificate was subsequently granted or reinstated. Contact persons must be licensed pursuant to 37-54-504, MCA. According to 37-54-505, MCA, an AMC may not employ a person whose license was refused, denied, or canceled if that person has any responsibility for ordering appraisal reports, providing quality control examinations, or communicating with appraisers about appraisal deficiencies. Any individuals who are performing the annual appraisal reviews of appraisers on the AMC's appraiser panel required by 37-54-511, MCA, would need to be licensed in order to qualify to perform the review.

The board determined that licensing information must be kept for those who must be licensed in order to satisfy the provisions of HB 188 and those who must not be disqualified from their position as a result of prior denial or revocation of an appraisal license. For all of these individuals, either verification of licensure or the absence of action against a license is necessary.

NEW RULE IV(1)(j) and (k)

COMMENT 49: One commenter stated that the board needed to specify what proper documentation must be kept for quality control examinations and annual appraisal reviews.

RESPONSE 49: The board explained that AMCs must keep every written document pertaining to a quality control examination or an appraisal review. Much of this information is specifically detailed in the USPAP.

COMMENT 50: One commenter stated that, in general, the proposed rules were overly burdensome for both AMCs and the board.

RESPONSE 50: This comment has been addressed in previous responses.

4. The department has amended ARM 24.101.413 exactly as proposed.
5. The board has amended ARM 24.207.401 exactly as proposed.
6. The board has adopted NEW RULE I (24.207.406), NEW RULE III (24.207.1504), and NEW RULE IV (24.207.1507) exactly as proposed.
7. The board has adopted NEW RULE II (24.207.1501) with the following changes, stricken matter interlined, new matter underlined:

NEW RULE II REGISTRATION AND RENEWAL OF APPRAISAL MANAGEMENT COMPANIES (1) through (1)(h) remain as proposed.

(i) provide specific information requested by the board regarding the business practices, any civil, criminal, or administrative actions, ethical practice of the appraisal management company's individual owners of more than ten percent of the company, ~~corporation officers, directors,~~ and controlling and contact persons as part of the background examination pursuant to [HB 188 section 5].

(2) remains as proposed.

(3) When the ownership or business structure of a currently registered appraisal management company changes, the appraisal management company is required to complete a new appraisal management company registration application and pay the appropriate fees within ~~ten~~ 30 days of the change. Failure to notify and submit the appropriate application and fees to the board within ~~the ten~~ 30 days shall be cause for suspension or revocation of the appraisal management company's registration.

(4) When the individual designated as a controlling person by the registered appraisal management company is no longer employed, appointed, or contractually authorized by the appraisal management company to serve as the controlling person, the appraisal management company must submit an application to redesignate the controlling person. The application to redesignate the controlling person must be made on a form prescribed by the department, accompanied by the appropriate fees, and submitted to the board office within ~~20~~ 30 days. Failure to notify and submit the appropriate application and fees to the board within ~~20~~ 30 days shall be cause for suspension or revocation of the appraisal management company's registration.

(5) When the individual designated as the contact person by the registered appraisal management company is no longer the contact person and is not the designated owner or the controlling person of the appraisal management company, the appraisal management company must submit an application for change of contact person prescribed by the department and the appropriate fees to the board office within ~~ten~~ 30 days. Failure to notify and submit the appropriate application and fees to the board within ~~ten~~ 30 days shall be cause for suspension or revocation of the appraisal management company's registration.

(6) through (9) remain as proposed.

/s/ DARCEE L. MOE
Darcee L. Moe
Alternate Rule Reviewer

/s/ KEITH KELLY
Keith Kelly, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

Certified to the Secretary of State October 31, 2011