

Joint Task Force Addressing Racial Disparities in Home Ownership

Appraiser Training and Education Requirements Proposal

August 18, 2022

Proposal

Amend [ORS 674.310](#) (2021) to incorporate the fair housing and implicit bias language used for mortgage brokers and real estate agents in 2021. The proposed amendment is shown in bold below.

(2) Rules adopted by the Appraiser Certification and Licensure Board to govern real estate appraiser certification and licensure shall conform with the requirements of the federal Act. The board shall adopt rules including but not limited to:

(a) Establishing programs for the certification, licensure or registration of individuals who engage in real estate appraisal activity.

*(b) Establishing educational requirements for certification or licensure of appraisers and for the registration of appraiser assistants that ensure protection of the public interest and comply with the requirements of the federal Act, **including on state and federal fair housing laws and topics of implicit bias, including racial bias**. Education requirements for state licensed appraisers and state certified appraisers must meet the minimum criteria established by the Appraiser Qualification Board of the Appraisal Foundation.*

(c) Establishing a professional code of responsibility for state certified appraisers and state licensed appraisers that is in conformance with the federal Act.

(d) Providing for registration of out-of-state appraisers as provided for under ORS 674.120.

Background

The Oregon Appraiser Certification and Licensure Board was created in 1991 with the responsibility to protect the public and Oregon financial institutions through regulation and supervision of licensed and certified real estate appraisers and appraisal management companies in the state. In addition, the board ensures that real estate appraisals are issued in writing and conducted in compliance with Oregon statutes and administrative rules and the Uniform Standards of Professional Appraisal Practice. The board is a semi-independent agency with seven full-time staff members and eight board members appointed by the Governor.

[ORS 674.310](#) (2021) requires the Appraiser Certification and Licensure Board to adopt rules governing the certification and licensure of appraisers in Oregon.

(2) Rules adopted by the Appraiser Certification and Licensure Board to govern real estate appraiser certification and licensure shall conform with the requirements of the federal Act. The board shall adopt rules including but not limited to:

(a) Establishing programs for the certification, licensure or registration of individuals who engage in real estate appraisal activity.

(b) Establishing educational requirements for certification or licensure of appraisers and for the registration of appraiser assistants that ensure protection of the public interest and comply with the requirements of the federal Act. Education requirements for state licensed appraisers and state certified appraisers must meet the minimum criteria established by the Appraiser Qualification Board of the Appraisal Foundation.

(c) Establishing a professional code of responsibility for state certified appraisers and state licensed appraisers that is in conformance with the federal Act.

(d) Providing for registration of out-of-state appraisers as provided for under ORS 674.120.

Information provided on the Board's website ([How to Become an Appraiser](#)) does not specify any requirements for training or education on racial bias or appraiser responsibilities under state or federal fair housing laws. The website does list the hours required for certain courses, which are set in rule.

The Board's administrative rules specifying Qualifying Education Course Content Guidelines ([OAR 161-020-0110](#)) do not call out fair housing or valuation bias. Only the Continuing Education Course Content Guidelines ([OAR 161-020-0120](#)) specify valuation bias, fair housing, and/or equal opportunity as acceptable topics for continuing education courses.

Problem Statement

National studies have identified differences in appraisals depending on whether the homeowner was white, a person of color, or a member of another protected class. While much of the lending process is now completed online, appraisals continue to be done in person. Appraisers are covered by Oregon's fair housing statutes.

The 2019 Task Force on Addressing Racial Disparities in Home Ownership recommended improving the education and training required of, and provided to, mortgage and real estate professionals to cover homebuyer assistance programs and incorporate racial bias training. [House Bill 2703 \(2021\)](#) required a three-hour course on federal and state fair housing laws prior to real estate license application or renewal every two years. [House Bill 2007 \(2021\)](#) allowed the Department of Consumer and Business Services to require implicit bias training for mortgage loan originators.