



**MONTANA
ADMINISTRATIVE
REGISTER**



**BOARD OF REAL ESTATE APPRAISERS
DEPARTMENT OF LABOR AND INDUSTRY**

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-261.1

Summary

Implementation of House Bill 246 pertaining to substantial equivalency and updating the reference to the Real Property Appraiser Qualification criteria

Hearing Date and Time

Tuesday, January 13, 2026, at 2:00 p.m.

Virtual Hearing Information

A public hearing will be held via remote conferencing to consider the proposed changes to the agency's rules. There will be no in-person hearing. Interested parties may access the remote conferencing platform in the following ways:

Join Zoom Meeting: <https://mt-gov.zoom.us/j/84022653601>

Meeting ID: 840 2265 3601; Password: 2183858339

Dial by Telephone: +1 646 558 8656

Meeting ID: 840 2265 3601; Password: 2183858339

Comments

Concerned persons may present their data, views, or arguments at the hearing. Written data, views, or arguments may also be submitted at dli.mt.gov/rules or P.O. Box 1728, Helena, Montana 59624. Comments must be received by Friday, January 16, 2026, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Tuesday, January 6, 2026, at 5:00 p.m.

Contact

Department of Labor and Industry
(406) 444-5466
laborlegal@mt.gov
Montana Relay: 711

Rulemaking Actions

AMEND

The rule proposed to be amended is as follows, stricken matter interlined, new matter underlined:

24.207.203 INCORPORATION BY REFERENCE OF THE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA

- (1) Except as stated in (3) and ARM 24.207.508 regarding ad valorem tax appraisal experience, the board adopts and incorporates by reference the Real Property Appraiser Qualification Criteria (AQB Criteria), effective January 1, ~~2022~~ 2026, in its entirety, inclusive of the criteria, interpretations, guide notes, and Q&A, and Policy Statements, published by the Appraiser Qualifications Board of the The Appraisal Foundation. ~~The Real Property Appraiser Qualification Criteria are commonly referred to as the "AQB criteria."~~ A copy of the criteria AQB Criteria and policy statements are available from the The Appraisal Foundation at www.appraisalfoundation.org, or 1155 15th Street NW, Suite 1111, Washington, DC 20005.
- (2) The AQB ~~criteria~~ Criteria covers the qualifying experience, education, examination, and background check requirements necessary to become a trainee, trainee supervisor, licensed appraiser, or certified appraiser; and the standards, scopes of practice, and continuing education requirements for each category of licensure.
- (3) The board amends the following AQB Criteria:

- (a) "Criteria Specific to Continuing Education," Part III F, paragraph ~~11~~ 12 is amended with the addition of the following: "The board has a two-year continuing education cycle."
- (b) "Criteria Specific to Continuing Education," Part III F, paragraph ~~13~~ 14, ~~delete~~ is amended to replace the first sentence and replace with the following: "If after audit, a credential holder is determined to be deficient in continuing education, the state board will offer a 60-day opportunity to cure and complete all required education hours for that continuing education cycle. If the credential holder fails to cure the continuing education deficiency, the state board will place the credential holder in an "administrative suspension" status and report the credential holder to the national registry as AQB-noncompliant until the audited deficiency and any accrued deficiency is cured. A demonstrated pattern of deficiencies may result in referral to the board for ~~traditional~~ disciplinary action."
- (c) "Background Checks," Part VII, paragraph C, is amended ~~with the addition of~~ to include the following: "As provided by Title 37, chapter 1, part 2, MCA, the board may not base a denial of a license solely on a previous criminal conviction unless it finds, after investigation, the applicant has not been sufficiently rehabilitated as to warrant the public trust."

Authorizing statute(s): 37-1-131, 37-54-105, MCA

Implementing statute(s): 37-1-131, 37-1-203, 37-1-321, 37-54-105, MCA

Reasonable Necessity Statement

These revisions are reasonably necessary to update references to the Real Property Appraiser Qualification (AQB) in order to reflect the forthcoming amendments to the AQB Criteria, including changes to its effective date. The edits ensure consistency with the most current standards as promulgated by the AQB.

ADOPT

The rule proposed to be adopted is as follows:

NEW RULE 1 SUBSTANTIAL EQUIVALENCY

- (1) The board adopts and incorporates by reference the 2025 substantial equivalency list for the Board of Real Estate Appraisers publication. The publication is available on the board's website.

- (2) The board intends to review the publication annually. However, failure to review or adopt a new list does not change the effectiveness of the adoption of this rule.
- (3) License applications from individuals licensed in substantially equivalent states are routine applications as to the education, examination, and experience requirements for licensure. Applications may be nonroutine on other bases.

Authorizing statute(s): 37-1-131, MCA

Implementing statute(s): 37-1-304, MCA

Reasonable Necessity Statement

The 2025 Montana Legislature passed House Bill 246 which was signed by the Governor April 3, 2025, and became effective October 1, 2025. The bill standardizes substantial equivalency determinations in professional licensing and eliminates duplicative statutory sections regarding equivalency and reciprocity.

While historically available to applicants licensed in other states or jurisdictions, licensure by substantial equivalency has never been consistent among the professional licensing boards and programs. House Bill 246 creates a standard definition for determining substantial equivalency to be uniformly utilized by all the boards and programs when processing endorsement applications. This will create overall efficiencies in processing endorsement applications and reduce licensing wait times for applicants and employers.

To implement the legislation and further the endorsement licensing process, the board is proposing to adopt NEW RULE 1. The board has compared current licensure standards of the fifty United States for board licensees and determined those that are substantially equivalent per the definition in 37-1-302, MCA. This new rule will adopt and incorporate by reference the board initial approved list of states having substantially equivalent licensing standards. The list will be published on the board website. The board will analyze other states' licensing standards annually, and update the published list as needed.

Small Business Impact

Pursuant to 2-4-111, MCA, the Montana small businesses that will probably be affected by the proposed rule changes are individual property appraisers. The board has determined that the proposed rule changes will not create a significant and direct impact on these small businesses. Documentation of the small business impact analysis is available upon request.

Bill Sponsor Notification

The bill sponsor contact requirements apply and have been fulfilled. The primary bill sponsor was contacted on July 7, 2025, by electronic mail.

Interested Persons

The agency maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by the agency. Persons wishing to have their name added to the list may sign up at dli.mt.gov/rules or by sending a letter to P.O. Box 1728, Helena, Montana 59624 and indicating the program or programs about which they wish to receive notices.

Rule Reviewer

Quinlan L. O'Connor

Approval

Sarah Swanson, Commissioner

Approval

Pete Fontana, Chair, Board of Real Estate Appraisers