

April 5, 2001

S 1066. INCREASE APPRAISAL BOARD MEMBERSHIP. TO AMEND THE LAWS

REGULATING REAL ESTATE APPRAISERS. Makes numerous changes to GS Ch. 93E, the North Carolina Appraisers Act. (1) Adds "registration" to license and certificate as permissible means for one to engage in business of real estate appraisal. Makes conforming amendments allowing state-registered trainee to perform same activities as state-licensed or state-certified trainee; sets same limits on activities. Sets out procedures for state registration. (2) Authorizes North Carolina Appraisal Board to acquire, hold, rent, and otherwise deal with real property in the same manner as a private person or corporation, subject to approval of Governor and Council of State as to the acquisition, rental, encumbering, leasing, and sale of real property. Limits collateral pledged by Board for an encumbrance to Board's assets, income, and revenues. Allows Board to purchase, rent, or lease equipment and supplies and purchase insurance to cover Board's activities, operations, and employees. (3) Sets out qualifications for registration as a trainee. Amends qualifications for applicants for state-licensed or state-certified real estate appraiser and provides that applicant must meet classroom instructional hours set out in act or minimum requirement imposed by the federal government, whichever is greater. (4) Directs Board to investigate background of applicant to determine applicant's competency. Allows Board to investigate and consider disciplinary action taken against any other professional license of applicant, whether applicant has committed act which would be grounds for disciplinary action against real estate trainee or appraiser, and whether applicant has been convicted or pleaded guilty to any criminal act. (5) Requires trainees to perform all real estate appraisal related activities under "immediate, active, and personal supervision" of state-licensed or state-certified appraiser. Requires appraiser to sign reports and thereby accept shared responsibility for content of report. (6) Allows Board to set application fee for temporary trainee registration, appraiser licensure, or certification of \$150 (up from \$50). (7) Adds grounds for Board to suspend or revoke registration, license, or certification or to reprimand any registered trainee, licensee, or certificate holder following a hearing or by consent. New grounds are plea of guilty or no contest upon which final judgment is entered to offense which involves moral turpitude in which an essential element is dishonesty, fraud, or deceit; person has had registration, license, or certification suspended, revoked, or denied by a real estate licensing board in another state; person has had disciplinary action taken against another professional license; person has been adjudged mentally incompetent by a court, or person performs duties of appraiser while impaired by alcohol or drugs. (8) Adds new provisions relative to Board's investigations and complaints. Provides that documents containing information received, collected, or compiled in complaint or investigation are not public records; statement of charges within a notice of Board hearing, document admitted into evidence in hearing, and any final decisions and orders by Board are public records.

Act also amends GS 53-238 by adding influencing or attempting to influence outcome of a real estate appraisal sought in connection with mortgage loan or otherwise induce or attempt to induce a real estate appraiser to violate the Uniform Standards of Professional Appraisal Practice and by adding failing to pay within 30 days of delivery date for completed appraisals ordered by or for the mortgage lender or broker to list of prohibited activities of mortgage bankers and brokers.

Intro. by Hoyle.

Ref. to Commerce	GS 93E, 53
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June 26, 2001

S 1066. AMEND APPRAISERS ACT. Intro. 4/5/01. Senate committee substitute makes the following changes to 1st edition. Makes technical amendment to GS 93E-1-2.1 and 1-3(a), and amends GS 93E-1-3(c) to permit real estate broker or salesperson to perform comparative market analysis for compensation only for prospective or actual brokerage clients, or for real property involved in an employee relocation program. Amends GS 93E-1-3(f) to provide that trainee registration, license, or certificate is not required for person performing appraisals for property owned by person, partnership, association, or corporation for sole use of that entity and deletes proposed revision permitting written appraisal to be prepared by person not accredited only pursuant to an order by trier of fact. Amends definition of "comparative market analysis" in GS 93E-1-4(7a). Amends GS 93E-1-5 to require appointment of members of NC Appraisal Board from geographically diverse areas of the state. Makes technical amendment to GS 93E-1-9. Adds GS 53-348(7) to prohibit influencing or attempting to influence through coercion, extortion, or

bribery, the development, reporting, result, or review of a real estate appraisal sought in connection with a mortgage loan, and GS 53-348(8) to prohibit failing to promptly pay when due according to normal and customary business practices between lender and appraiser reasonable fees to real estate appraiser for appraisal services. Effective Oct. 1, 2001, except changes to Appraisal Board membership effective July 1, 2001.

July 12, 2001

S 1066. AMEND APPRAISERS ACT. Intro. 4/5/01. Senate committee substitute makes the following changes to 2nd edition. Makes several technical changes. Also amends requirements for certification as a certified residential real estate appraiser to include requirement that applicant have at least 2,500 hours or the minimum federal requirement of appraisal experience within the proceeding five years and over a period of at least 2 years (was 2 ½ years). Also changes experience required for certification as a general real estate appraiser to 3,000 hours or the minimum federal requirement within the proceeding 5 year period and over a period of at least 2 ½ years (was 2 years).

August 8, 2001

S 1066. AMEND APPRAISERS ACT. Intro. 4/5/01. House committee substitute makes the following changes to 3rd edition. Provides that GS 53-243.11, as enacted by either H 1106 or S 904, 2001 session, is amended by adding new subdivision (11) to make it unlawful for person in course of mortgage loan transaction to influence or attempt to influence through coercion, extortion, or bribery, the development, reporting, result, or review of real estate appraisal sought in connection with mortgage loan. This amendment becomes effective July 1, 2002, if either bill becomes law.

September 3, 2001

SL 2001-399 (S 1066). AMEND APPRAISERS ACT. AN ACT TO AMEND THE LAWS REGULATING REAL ESTATE APPRAISERS. Summarized in *Daily Bulletin* 4/5/01, 6/26/01, 7/12/01, and 8/8/01. Enacted Aug. 30, 2001. Section 3 is effective July 1, 2002. The remainder of this act becomes effective Oct. 1, 2001, except that the amendments made to GS 93E-1-5 by Section 1 of this act are effective with respect to appointments for terms beginning July 1, 2001, and after.