

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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**SENATE BILL 1408
Judiciary II (Criminal) Committee Substitute Adopted 5/17/07**

Short Title: Clarify Disciplinary Action/Appraisers Board.

(Public)

Sponsors:

Referred to:

March 26, 2007

A BILL TO BE ENTITLED

1
2 AN ACT TO CLARIFY DISCIPLINARY AUTHORITY OF THE NORTH
3 CAROLINA APPRAISAL BOARD UNDER THE NORTH CAROLINA
4 APPRAISERS ACT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 93E-1-12(a) reads as rewritten:

7 "(a) The Board may take disciplinary action against registered trainees and
8 State-licensed or State-certified real estate appraisers. Upon its own motion or the
9 complaint of any person, the Board may investigate the actions of any person registered
10 as a trainee or licensed or certified as a real estate appraiser under this Chapter, any
11 person who performs appraisals without an appropriate registration, license, or
12 certificate, or any person who holds himself or herself out to be registered as a trainee or
13 licensed or certified as a real estate appraiser when the person holds no registration,
14 license, or certificate. Under no circumstances shall the Board investigate any person
15 registered as a trainee or licensed or certified as a real estate appraiser under this
16 Chapter upon an anonymous complaint. If the Board finds probable cause to believe that
17 a person registered as a trainee or licensed or certified as a real estate appraiser under
18 this Chapter has violated any of the provisions of this Chapter, the Board may hold a
19 hearing on the allegations of misconduct.

20 The Board may suspend or revoke the registration, license, or certificate granted to
21 any person under the provisions of this Chapter or reprimand any registered trainee,
22 licensee, or certificate holder if, following a hearing or by consent, the Board finds the
23 registered trainee, licensee, or certificate holder to have:

- 24 (1) Procured registration, licensure, or certification pursuant to this
25 Chapter by making a false or fraudulent representation;
26 (2) Made any willful or negligent misrepresentation or any willful or
27 negligent omission of material fact;
28 (3) Accepted an appraisal assignment when the employment is contingent
29 upon the appraiser reporting a predetermined result, analysis, or

1 opinion, or when the fee to be paid for the performance of the
2 appraisal assignment is contingent upon the opinion, conclusion, or
3 valuation reached or upon consequences resulting from the appraisal
4 assignment;

5 (4) Acted or held himself or herself out as a registered trainee or a
6 State-licensed or State-certified real estate appraiser when not so
7 registered, licensed, or certified;

8 (5) Failed as a State-licensed or State-certified real estate appraiser to
9 actively and personally supervise any person not licensed or certified
10 under this Chapter who assists the State-licensed or State-certified real
11 estate appraiser in performing real estate appraisals;

12 (6) Failed to make available to the Board for its inspection without prior
13 notice, originals or true copies of all written contracts engaging the
14 person's services to appraise real property, and all reports and
15 supporting data assembled and formulated by the appraiser in
16 preparing the reports;

17 (7) Paid a fee or valuable consideration to any person for acts or services
18 performed in violation of this Chapter;

19 (8) Acted as a real estate appraiser in an unworthy or incompetent manner
20 as to endanger the interest of the public;

21 (9) Violated any of the standards of practice for real estate appraisers or
22 any other rule promulgated by the Board;

23 (10) Performed any other act which constitutes improper, fraudulent, or
24 other dishonest conduct; or

25 (11) Violated any of the provisions of this Chapter.

26 The Executive Director of the Board shall transmit a certified copy of all final orders
27 of the Board suspending or revoking registrations, licenses, or certificates issued under
28 this Chapter to the clerk of superior court of the county in which the licensee or
29 certificate holder maintains the person's principal place of business. The clerk shall
30 enter these orders upon the judgment docket of the county."

31 **SECTION 2.** G.S. 93E-1-12 is amended by adding a new subsection to read:

32 "(c1) During the course of an investigation of a person registered as a trainee or
33 licensed or certified as a real estate appraiser under this Chapter, the Board may send to
34 the trainee or licensed or certified real estate appraiser a letter of inquiry asking the
35 trainee or licensed or certified real estate appraiser to respond to the inquiry. The letter
36 of inquiry shall state the subject matter being investigated. Upon receipt of the letter of
37 inquiry, the trainee or licensed or certified real estate appraiser shall respond to the
38 Board within 30 calendar days. A trainee or licensed or certified real estate appraiser
39 shall include in the written response copies of all documents requested by the Board in
40 the letter of inquiry."

41 **SECTION 3.** This act becomes effective October 1, 2007, and applies to
42 complaints made and letters of inquiry sent on or after that date.