

# HOUSE BILL 1326

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71r0088

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By: **Chair, Economic Matters Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Introduced and read first time: February 28, 2007

Assigned to: Rules and Executive Nominations

Re-referred to: Economic Matters, March 2, 2007

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2007

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Commission of Real Estate Appraisers and Home Inspectors – Supervising**  
3 **Appraisers**

4 FOR the purpose of altering the term “supervising appraiser” as it relates to  
5 provisions of law regulating real estate appraisers and home inspections, so that  
6 it means a certified residential or certified general real appraiser who has  
7 certain responsibilities; and providing for a delayed effective date.

8 BY repealing and reenacting, with amendments,  
9 Article – Business Occupations and Professions  
10 Section 16–101  
11 Annotated Code of Maryland  
12 (2004 Replacement Volume and 2006 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article – Business Occupations and Professions**

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**EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 16–101.

2 (a) In this title the following words have the meanings indicated.

3 (b) (1) “Appraisal” means an analysis, conclusion, or opinion about the  
4 nature, quality, utility, or value of interests in or aspects of identified real estate.

5 (2) “Appraisal” includes:

6 (i) a valuation appraisal;

7 (ii) an analysis assignment; and

8 (iii) a review assignment.

9 (3) “Appraisal” does not include an opinion to a potential seller or  
10 third party by a person licensed under Title 17 of this article about the recommended  
11 listing price or recommended purchase price of real estate, provided that the opinion is  
12 not referred to as an appraisal.

13 (c) “Appraisal report” means any communication, oral or written, of an  
14 appraisal.

15 (d) (1) “Certificate” means, unless the context requires otherwise, a  
16 certificate issued by the Commission that allows an individual to provide certified real  
17 estate appraisal services.

18 (2) “Certificate” includes, unless the context requires otherwise, each  
19 of the following certificates:

20 (i) a certificate to provide certified real estate appraisal services  
21 for general real estate; and

22 (ii) a certificate to provide certified real estate appraisal services  
23 for residential real estate.

24 (e) “Certified appraisal report” means an appraisal report prepared and  
25 signed by a certified real estate appraiser.

26 (f) (1) “Certified real estate appraiser” means, unless the context requires  
27 otherwise, an individual who is certified by the Commission to provide certified real  
28 estate appraisal services.

1           (2)    “Certified real estate appraiser” includes:

2                   (i)    a certified real estate appraiser for general real estate; and

3                   (ii)   a certified real estate appraiser for residential real estate.

4           (g)    “Commission” means the State Commission of Real Estate Appraisers  
5 and Home Inspectors.

6           (h)    “Home inspection” means a written evaluation of one or more of the  
7 components of an existing residential building, including the heating system, cooling  
8 system, plumbing system, electrical system, structural components, foundation, roof,  
9 masonry structure, exterior and interior components, or any other related residential  
10 housing component.

11           (i)    “Home inspector” means an individual who provides home inspection  
12 services for compensation.

13           (j)    “License” means, unless the context requires otherwise, a license issued  
14 by the Commission to provide real estate appraisal services or to provide home  
15 inspection services.

16           (k)    “Licensed home inspector” means an individual who is licensed by the  
17 Commission to provide home inspection services.

18           (l)    “Licensed real estate appraiser” means an individual who is licensed by  
19 the Commission to provide real estate appraisal services.

20           (m)    “Provide certified real estate appraisal services” means to provide real  
21 estate appraisal services as a certified real estate appraiser.

22           (n)    “Provide home inspection services” means to provide home inspection  
23 services as a licensed home inspector.

24           (o)    “Provide real estate appraisal services” means to make for consideration  
25 an appraisal of real estate or prepare or sign an appraisal report in connection with a  
26 federally related transaction, as defined in the federal Financial Institutions Reform,  
27 Recovery, and Enforcement Act of 1989.

28           (p)    (1)   “Real estate” means any interest in real property that is located in  
29 the State or elsewhere.

30                   (2)    “Real estate” includes:

- 1 (i) an interest in a condominium; and
- 2 (ii) a time-share estate or a time-share license, as those terms  
3 are defined in § 11A-101 of the Real Property Article.
- 4 (q) “Real estate appraiser trainee” means an individual who is licensed by  
5 the Commission to provide real estate appraisal services while:
- 6 (1) under the supervision of a supervising appraiser; and
- 7 (2) in training to become a licensed real estate appraiser or certified  
8 real estate appraiser.
- 9 (r) “Supervising appraiser” means a [licensed] **CERTIFIED RESIDENTIAL**  
10 real estate appraiser or a certified **GENERAL** real estate appraiser who has the  
11 responsibility of supervising one or more real estate appraiser trainees.
- 12 (s) (1) “Supervision” means the responsibility of a supervising appraiser  
13 to provide on-site direction or immediately available direction, through written  
14 instructions or by electronic means, to real estate appraiser trainees performing real  
15 estate appraisal services.
- 16 (2) “Supervision” includes a supervising appraiser accepting direct  
17 responsibility for a real estate appraisal prepared by the real estate appraiser trainee  
18 while the trainee is under the supervising appraiser’s direction on a specific appraisal  
19 assignment.
- 20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
21 ~~July 1, 2007~~ January 1, 2008.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.