

MARYLAND REGISTER

Proposed Action on Regulations

Transmittal Sheet PROPOSED OR REPROPOSED Actions on Regulations	Date Filed with AELR Committee	TO BE COMPLETED BY DSD
		Date Filed with Division of State Documents
		Document Number
		Date of Publication in MD Register

1. Desired date of publication in Maryland Register: 6/24/2016

2. COMAR Codification

Title Subtitle Chapter Regulation

09 19 07 01

3. Name of Promulgating Authority

Department of Labor, Licensing, and Regulation

4. Name of Regulations Coordinator Telephone Number

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5. Name of Person to Call About this Document Telephone No.

Patti Schott 410-230-6165

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6. Check applicable items:

New Regulations

Amendments to Existing Regulations

Date when existing text was downloaded from COMAR online: May 9, 2016.

Subtitle 19 COMMISSION OF REAL ESTATE APPRAISERS, APPRAISAL MANAGEMENT COMPANIES AND HOME INSPECTORS

09.19.07 Fees

Authority: Business Occupations and Professions Article, §§16-216, 16-217 and 16-220, Annotated Code of Maryland

Notice of Proposed Action

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The Commission of Real Estate Appraisers, Appraisal Management Companies and Home Inspectors proposes to amend Regulation .01 Fees Owed the Commission under COMAR 09.19.07 Fees.

This action was considered at a public meeting of the Commission held on May 6, 2016, notice of which was published on the Commission's website pursuant to General Provisions Article, §3-302(c), Annotated Code of Maryland.

Statement of Purpose

The purpose of this action is to eliminate a fee charged to real estate appraisers to enable the Commission to generate sufficient funds to cover its direct and indirect costs incurred in its regulatory oversight of real estate appraisers and to lower its surplus funds to a more prudent level.

Comparison to Federal Standards

There is no corresponding federal standard to this proposed action.

Estimate of Economic Impact

I. Summary of Economic Impact.

The purpose of this action is to eliminate a \$15 fee charged to real estate appraisers for a change of name request or a change of address request.

II. Types of Economic Impact.

	Revenue (R+/R-)	
	Expenditure (E+/E-)	Magnitude
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A. On issuing agency:		
Commission of REAAMCHI	(R-)	\$300 annually
B. On other State agencies:	NONE	
C. On local governments:	NONE	
	Benefit (+)	
	Cost (-)	Magnitude
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D. On regulated industries or trade groups:		
(1) Real Estate Appraiser Trainee	(+)	\$15.00
(2) Licensed Real Estate Appraiser	(+)	\$15.00
(3) Certified Residential Real Estate Appraiser	(+)	\$15.00
(4) Certified General Real Estate Appraiser	(+)	\$15.00
E. On other industries or trade groups:	NONE	
F. Direct and indirect effects on public:	NONE	

III. Assumptions. (Identified by Impact Letter and Number from Section II.)

A. The elimination of the fee is not anticipated to have a material fiscal impact on the operation of the Commission or its ability to generate sufficient annual revenue to offset the direct and indirect costs attributable to the licensing of real estate appraisers.

D(1). The elimination of the \$15 fee will only impact the real estate appraiser trainees in that a fee will no longer be charged to change a name or address.

D(2). The elimination of the \$15 fee will only impact the licensed real estate appraisers in that a fee will no longer be charged to change a name or address.

D(3). The elimination of the \$15 fee will only impact the certified residential appraisers in that a fee will no longer be charged to change a name or address.

D(4). The elimination of the \$15 fee will only impact the certified general real estate appraisers in that a fee will no longer be charged to change a name or address.

Economic Impact on Small Businesses

The proposed action has minimal or no economic impact on small businesses.

Impact on Individuals with Disabilities

The proposed action has no impact on individuals with disabilities.

Opportunity for Public Comment

Comments may be sent to Patricia Schott, Executive Director, Commission of Real Estate Appraisers, Appraisal Management Companies and Home Inspectors, 500 N. Calvert Street #302, Baltimore, MD 21202, or call 410-230-6165, or email to patricia.schott@maryland.gov, or fax to 410-333-6314. Comments will be accepted through July 25, 2016. A public hearing has not been scheduled.

Open Meeting

Final action on the proposal will be considered by Commission of Real Estate Appraisers, Appraisal Management Companies and Home Inspectors during a public meeting to be held on August 9, 2016, at 500 N. Calvert Street, Baltimore, MD 21202.

Economic Impact Statement Part C

A. Fiscal Year in which regulations will become effective: FY 17

B. Does the budget for the fiscal year in which regulations become effective contain funds to implement the regulations?

No

C. If 'yes', state whether general, special (exact name), or federal funds will be used:

D. If 'no', identify the source(s) of funds necessary for implementation of these regulations:

There are no funds required to implement the proposed action.

E. If these regulations have no economic impact under Part A, indicate reason briefly:

F. If these regulations have minimal or no economic impact on small businesses under Part B, indicate the reason and attach small business worksheet.

The nominal fee of \$15 charged to appraisers to change a name or address is too small to have a material economic impact on small businesses.

G. Small Business Worksheet:

Impact Statement Part C — Legislative Information

Part C requests agencies to provide information required by the Department of Legislative Services in its report to the AELR Committee. Answer the questions in the space provided. Part C is not printed in the Maryland Register.

Small Business Analysis Worksheet

This worksheet is designed to assist the agency in determining if and how the proposal impacts small businesses. Quantify the number of affected small businesses and estimates of costs and benefits to small businesses if possible. State Government Article, §2-1505.2, includes the following definitions which are relevant to the analysis:

“Economic impact analysis” means an estimate of the cost or the economic benefit to small businesses that may be affected by a regulation proposed by an agency pursuant to Title 10, Subtitle 1 of this article.

“Small business” means a corporation, partnership, sole proprietorship, or other business entity, including its affiliates, that: (i) is independently owned and operated; (ii) is not dominant in its field; and (iii) employs 50 or fewer full-time employees.

1a. Intended Beneficiaries. Who are the intended beneficiaries of the proposed regulation? Are these intended beneficiaries primarily households or businesses?

Real estate appraisers are the intended beneficiaries of the proposed regulation.

1b. Intended Beneficiaries: Households. If households are the primary intended beneficiaries, will the proposal affect their income or purchasing power such that the volume or patterns of their consumer spending will change? If so, what directions of change would you anticipate? Will these expected spending changes have a disproportionate impact on small businesses? Can you descriptively identify the industries or types of business activities that are impacted?

There is no anticipated impact on households.

1c. Intended Beneficiaries: Businesses. If businesses are the intended beneficiaries, identify the businesses by industry or by types of business activities. How will businesses be impacted? Are these Maryland establishments disproportionately small businesses? If so, how will these Maryland small businesses be affected? Can you identify or estimate the present number of small businesses affected? Can you estimate the present total payroll or total employment of small businesses affected?

There is no anticipated impact on businesses.

2a. Other Direct or Indirect Impacts: Adverse. Businesses may not be the intended beneficiaries of the proposal. Instead, the proposal may direct or otherwise cause businesses to incur additional expenses of doing business in Maryland. Does this proposal require Maryland businesses to respond in such a fashion that they will incur additional work-time costs or monetary costs in order to comply? Describe how Maryland establishments may be adversely affected. Will Maryland small businesses bear a disproportionate financial burden or suffer consequences that affect their ability to compete? Can you estimate the possible number of Maryland small businesses adversely affected? (Note that small business compliance costs in the area of regulation are the sum of out-of-pocket (cash) costs plus time costs — usually expressed as payroll, akin to calculations for legislative fiscal notes. Precise compliance costs may be difficult to estimate, but the general nature of procedures that businesses must accomplish to comply can be described.)

There is no anticipated adverse impact from the fee elimination.

2b. Other Direct or Indirect Impacts: Positive. Maryland businesses may positively benefit by means other than or in addition to changed consumer spending patterns. How may Maryland businesses be positively impacted by this initiative? Will Maryland small businesses share proportionately or disproportionately in these gains? Can you estimate the possible number of Maryland small businesses positively affected?

There is no anticipated impact on businesses.

3. Long-Term Impacts. There are instances where the longer run economic impact effect from regulations differ significantly from immediate impact. For example, regulations may impose immediate burdens on Maryland small businesses to comply, but the overall restructuring of the industry as a consequence of monitoring and compliance may provide offsetting benefits to the affected small businesses in subsequent years. Can you identify any long run economic impact effects on Maryland small businesses that over time (a) may compound or further aggravate the initial economic impact described above, or (b) may mitigate or offset the initial economic impact described above?

There are no long-term economic impacts anticipated by this action.

4. Estimates of Economic Impact. State Government Article, §2-1505.2 requires that an agency include estimates, as appropriate, directly relating to: (1) cost of providing goods and services; (2) effect on the work force; (3) effect on the cost of housing; (4) efficiency in production and marketing; (5) capital investment, taxation, competition, and economic development; and (6) consumer choice.

There is no economic impact on items 1-6.

Attached Document:

Title 09 DEPARTMENT OF LABOR, LICENSING, AND REGULATION

Subtitle 19 COMMISSION OF REAL ESTATE APPRAISERS, APPRAISAL MANAGEMENT COMPANIES AND HOME INSPECTORS — REAL ESTATE APPRAISERS

Chapter 07 Fees

Authority: Business Occupations and Professions Article, §§16-216, 16-217 and 16-220, Annotated Code of Maryland

.01 Fees Owed the Commission.

A. (text unchanged)

B. (text unchanged)

C. Pursuant to Business Occupations and Professions Article, Title 16, Annotated Code of Maryland, the Commission shall set fees to produce funds to approximate the cost of maintaining the Commission. Fees charged by the Commission are as follows:

(1)—(2) (text unchanged)

[(3) Change of name or address — \$15;]

[(4)] (3)—[(14)] (13) (text unchanged)

D. (text unchanged)

STEVEN O'FARRELL

Chairman

Commission of Real Estate Appraisers, Appraisal Management
Companies and Home Inspectors