
By: **Delegate Krysiak**

Introduced and read first time: February 9, 2001

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Appraisers - Qualifications of Applicants for Licensure or**
3 **Certification - Trainees**

4 FOR the purpose of requiring an applicant for licensure or certification as a real
5 estate appraiser to complete certain work experience requirements as a real
6 estate appraiser trainee; requiring the State Commission of Real Estate
7 Appraisers to include real estate appraiser trainees on a certain roster;
8 requiring the Commission to issue certain documents of good standing to real
9 estate appraiser trainees; providing that certain work experience hours
10 completed before the effective date of this Act may be accepted by the State
11 Commission of Real Estate Appraisers under certain circumstances; and
12 generally relating to real estate appraisers.

13 BY repealing and reenacting, with amendments,
14 Article - Business Occupations and Professions
15 Section 16-213, 16-214, 16-302, and 16-503
16 Annotated Code of Maryland
17 (2000 Replacement Volume and 2000 Supplement)

18 BY repealing and reenacting, without amendments,
19 Article - Business Occupations and Professions
20 Section 16-101, 16-5A-01, 16-5A-02, and 16-5A-03
21 Annotated Code of Maryland
22 (2000 Replacement Volume and 2000 Supplement)

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

25 **Article - Business Occupations and Professions**

26 16-101.

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

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

3 (2) "Appraisal" includes:

4 (i) a valuation appraisal;

5 (ii) an analysis assignment; and

6 (iii) a review assignment.

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

11 (c) "Appraisal report" means any communication, oral or written, of an
12 appraisal.

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

16 (2) "Certificate" includes, unless the context requires otherwise, each of
17 the following certificates:

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

20 (ii) a certificate to provide certified real estate appraisal services
21 for residential real estate.

22 (e) "Certified appraisal report" means an appraisal report prepared and
23 signed by a certified real estate appraiser.

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

27 (2) "Certified real estate appraiser" includes:

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

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

30 (g) "Commission" means the State Commission of Real Estate Appraisers.

31 (h) "License" means, unless the context requires otherwise, a license issued by
32 the Commission to provide real estate appraisal services.

1 (i) "Licensed real estate appraiser" means an individual who is licensed by
2 the Commission to provide real estate appraisal services.

3 (j) "Provide certified real estate appraisal services" means to provide real
4 estate appraisal services as a certified real estate appraiser.

5 (k) "Provide real estate appraisal services" means to make for consideration
6 an appraisal of real estate or prepare or sign an appraisal report in connection with a
7 federally related transaction, as defined in the federal Financial Institutions Reform,
8 Recovery, and Enforcement Act of 1989.

9 (l) (1) "Real estate" means any interest in real property that is located in
10 the State or elsewhere.

11 (2) "Real estate" includes:

12 (i) an interest in a condominium; and

13 (ii) a time-share estate or a time-share license, as those terms are
14 defined in § 11A-101 of the Real Property Article.

15 (m) "Real estate appraiser trainee" means an individual who is licensed by the
16 Commission to provide real estate appraisal services while:

17 (1) under the supervision of a supervising appraiser; and

18 (2) in training to become a licensed real estate appraiser or certified real
19 estate appraiser.

20 (n) "Supervising appraiser" means a licensed real estate appraiser or a
21 certified real estate appraiser who has the responsibility of supervising one or more
22 real estate appraiser trainees.

23 (o) (1) "Supervision" means the responsibility of a supervising appraiser to
24 provide on-site direction or immediately available direction, through written
25 instructions or by electronic means, to real estate appraiser trainees performing real
26 estate appraisal services.

27 (2) "Supervision" includes a supervising appraiser accepting direct
28 responsibility for a real estate appraisal prepared by the real estate appraiser trainee
29 while the trainee is under the supervising appraiser's direction on a specific appraisal
30 assignment.

31 16-213.

32 (a) The Commission shall issue at least annually a roster that shows:

33 (1) the name of each LICENSED REAL ESTATE APPRAISER TRAINEE,
34 licensed real estate [appraiser] APPRAISER, and certified real estate appraiser; and

1 (2) the name and place of business of each licensed real estate appraiser
2 and certified real estate appraiser.

3 (b) On request, the Commission shall make available to the public a copy of
4 the roster at a reasonable price that the Commission sets.

5 16-214.

6 On request, the Commission shall issue a document of good standing to a
7 LICENSED REAL ESTATE APPRAISER TRAINEE, licensed real estate [appraiser]
8 APPRAISER, or certified real estate appraiser who:

9 (1) is in good standing in the State; and

10 (2) pays the issuance fee set by the Commission.

11 16-302.

12 (a) To qualify for a real estate appraisal license, an applicant shall be an
13 individual who meets the requirements of this section.

14 (b) An applicant shall be of good character and reputation.

15 (c) An applicant shall be at least 18 years old.

16 (d) (1) An applicant shall satisfy the minimum real estate appraiser
17 qualifications for licensure established under the federal Financial Institutions
18 Reform, Recovery, and Enforcement Act of 1989.

19 (2) AN APPLICANT SHALL HAVE COMPLETED AT LEAST 2,000 HOURS
20 PROVIDING REAL ESTATE APPRAISER SERVICES AS A REAL ESTATE APPRAISER
21 TRAINEE UNDER THE SUPERVISION OF A LICENSED OR CERTIFIED APPRAISER.

22 [(2)] (3) Classroom hours of study required by this section may be
23 conducted by:

24 (i) an accredited university, college, or community or junior college;

25 (ii) an approved appraisal society, institute, or association; or

26 (iii) another school that the Commission approves.

27 [(3)] (4) The Commission shall approve all courses of study required
28 under this section.

29 (e) Except as otherwise provided in this subtitle, the applicant shall pass an
30 examination given by the Commission or the Commission's designee under this
31 subtitle.

32 (f) (1) If an applicant is not a resident of the State, the applicant shall
33 submit to the Commission an irrevocable consent, as provided under this subsection.

1 (2) The consent required under this section shall specify that service of
2 process on the Secretary shall bind the applicant in any action about the provision of
3 real estate appraisal services brought against the applicant in any county of the
4 State.

5 (g) The Commission shall adopt additional requirements under this section if
6 necessary to comply with the minimum real estate appraiser qualifications
7 established under the federal Financial Institutions Reform, Recovery, and
8 Enforcement Act of 1989.

9 (h) The Commission may monitor and review any course of study approved
10 under this section.

11 16-503.

12 (a) To qualify for a certificate for residential or general real estate appraisal,
13 an applicant shall be an individual who meets the requirements of this section.

14 (b) (1) An applicant shall:

15 (i) be of good character and reputation;

16 (ii) be at least 18 years old; and

17 (iii) satisfy the minimum real estate appraiser qualifications for
18 residential certification or general certification, as appropriate, established under the
19 federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

20 (2) AN APPLICANT SHALL HAVE COMPLETED AT LEAST 2,000 HOURS
21 PROVIDING REAL ESTATE APPRAISER SERVICES AS A REAL ESTATE APPRAISER
22 TRAINEE UNDER THE SUPERVISION OF A LICENSED OR CERTIFIED APPRAISER.

23 [(2)] (3) Classroom hours of study required under this section may be
24 conducted by:

25 (i) an accredited university, college, or community or junior college;

26 (ii) an approved appraisal society, institute, or association; or

27 (iii) another school that the Commission approves.

28 [(3)] (4) The Commission shall approve all courses of study required
29 under this section.

30 (c) An applicant shall pass the examination for a certificate for residential or
31 general real estate appraisal given by the Commission or the Commission's designee
32 under this subtitle.

33 (d) (1) If an applicant is not a resident of the State, the applicant shall
34 submit to the Commission an irrevocable consent, as provided under this subsection.

1 (2) The consent required under this subsection shall specify that service
2 of process on the Secretary of State shall bind the applicant in any action about the
3 provision of certified real estate appraisal services against the applicant in any
4 county of the State.

5 (e) An applicant shall meet any other requirement that the Commission
6 adopts by regulation.

7 (f) The Commission shall adopt additional requirements under this section if
8 necessary to comply with the minimum real estate appraiser qualifications
9 established under the federal Financial Institutions Reform, Recovery, and
10 Enforcement Act of 1989.

11 16-5A-01.

12 (a) To qualify for a real estate appraiser trainee license, an applicant shall
13 meet the requirements set by the Commission.

14 (b) An applicant for a real estate appraiser trainee license shall:

15 (1) submit an application to the Commission on the form that the
16 Commission requires;

17 (2) be of good character and reputation;

18 (3) be at least 18 years old;

19 (4) provide evidence, as required by the Commission, that the applicant
20 has successfully completed 75 tested hours of Commission-approved real estate
21 appraisal courses of which 15 hours shall be classroom hours in the subject of the
22 uniform standards of professional appraisal practice; and

23 (5) pay to the Commission an application fee established by the
24 Commission.

25 (c) (1) If an applicant is not a resident of the State, the applicant shall
26 submit to the Commission an irrevocable consent as provided under this subsection.

27 (2) The consent required under this subsection shall specify that service
28 of process on the Secretary shall bind the applicant in any action about the provision
29 of real estate appraisal services brought against the applicant in any county of the
30 State.

31 16-5A-02.

32 While a real estate appraiser trainee license is in effect, it authorizes the
33 licensee, while under the direction and supervision of a supervising appraiser, to
34 provide real estate appraisal services as provided under § 16-307 of this title.

1 16-5A-03.

2 (a) A supervising appraiser shall:

3 (1) review, sign, and certify that the real estate trainee's appraisal report
4 complies with the uniform standards of professional appraisal practice;

5 (2) physically inspect each appraised property with the real estate
6 appraiser trainee until the supervising appraiser determines that the real estate
7 appraiser trainee is competent in accordance with paragraph (3) of this subsection;

8 (3) determine that the real estate appraiser trainee meets the
9 competency requirements of the uniform standards of professional appraisal practice;

10 (4) at least once a month, sign and affix the supervising appraiser's
11 license or certification number to the real estate appraiser trainee's experience log;

12 (5) ensure that the tasks assigned a real estate appraiser trainee will,
13 over time, provide the full range of experience required by the Commission;

14 (6) provide the real estate appraiser trainee with a copy of all appraisal
15 reports prepared by the real estate appraiser trainee that the Commission requests
16 for review; and

17 (7) keep copies of appraisal reports prepared by the real estate appraiser
18 trainee for the later of:

19 (i) 5 years; or

20 (ii) 5 years after final disposition of any judicial proceeding in
21 which testimony was given.

22 (b) A real estate appraiser trainee shall:

23 (1) keep separate experience logs for each supervising appraiser;

24 (2) sign appraisal reports that the real estate appraiser trainee prepares;
25 and

26 (3) upon request, provide experience logs to the Commission.

27 (c) A real estate appraiser trainee may have more than one supervising
28 appraiser.

29 (d) A real estate appraiser trainee may obtain copies of appraisal reports
30 which were prepared by that trainee from the supervising appraiser.

31 (e) An appraiser trainee is subject to the uniform standards of professional
32 appraisal practice.

1 SECTION 2. AND BE IT FURTHER ENACTED, That work experience hours
2 providing real estate appraisal services completed by an applicant for licensure as a
3 licensed or certified appraiser before October 1, 2001, are not required to be
4 completed under the supervision of a licensed or certified appraiser and may be
5 accepted by the State Commission of Real Estate Appraisers toward satisfying the
6 requirements for licensure as a licensed or certified appraiser under the Federal
7 Institutions Reform, Recovery, and Enforcement Act of 1989.

8 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2001.