

## **CHAPTER 649**

### **(House Bill 1326)**

AN ACT concerning

#### **Commission of Real Estate Appraisers and Home Inspectors – Supervising Appraisers**

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

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

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

#### **Article – Business Occupations and Professions**

16–101.

- (a) In this title the following words have the meanings indicated.
- (b) (1) “Appraisal” means an analysis, conclusion, or opinion about the nature, quality, utility, or value of interests in or aspects of identified real estate.
- (2) “Appraisal” includes:
  - (i) a valuation appraisal;
  - (ii) an analysis assignment; and
  - (iii) a review assignment.

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

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

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

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

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

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

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

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

(2) “Certified real estate appraiser” includes:

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

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

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

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

(i) "Home inspector" means an individual who provides home inspection services for compensation.

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

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

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

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

(n) "Provide home inspection services" means to provide home inspection services as a licensed home inspector.

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

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

(2) "Real estate" includes:

(i) an interest in a condominium; and

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

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

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

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

(r) “Supervising appraiser” means a [licensed] **CERTIFIED RESIDENTIAL** real estate appraiser or a certified **GENERAL** real estate appraiser who has the responsibility of supervising one or more real estate appraiser trainees.

(s) (1) “Supervision” means the responsibility of a supervising appraiser to provide on-site direction or immediately available direction, through written instructions or by electronic means, to real estate appraiser trainees performing real estate appraisal services.

(2) “Supervision” includes a supervising appraiser accepting direct responsibility for a real estate appraisal prepared by the real estate appraiser trainee while the trainee is under the supervising appraiser’s direction on a specific appraisal assignment.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July 1, 2007~~ January 1, 2008.

**Approved by the Governor, May 17, 2007.**