

HOUSE BILL 42

C2, N1

0lr0800

(PRE-FILED)

By: **Delegate Conaway**

Requested: October 21, 2009

Introduced and read first time: January 13, 2010

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Appraisers – Knowledge of Value of Real Estate – Prohibited**

3 FOR the purpose of prohibiting a certified real estate appraiser or licensed real estate
4 appraiser from providing real estate appraisal services under certain
5 circumstances in which the certified real estate appraiser or licensed real estate
6 appraiser knows the asking price or the selling price of the real estate being
7 appraised; providing that a person who violates this Act is guilty of a
8 misdemeanor; establishing certain penalties; and generally relating to the
9 provision of real estate appraisal services.

10 BY adding to

11 Article – Business Occupations and Professions
12 Section 16–705.2
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2009 Supplement)

15 BY repealing and reenacting, with amendments,

16 Article – Business Occupations and Professions
17 Section 16–706
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2009 Supplement)

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

22 **Article – Business Occupations and Professions**

23 **16–705.2.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **A CERTIFIED REAL ESTATE APPRAISER OR LICENSED REAL ESTATE**
2 **APPRAISER MAY NOT PROVIDE REAL ESTATE APPRAISAL SERVICES IF THE**
3 **CERTIFIED REAL ESTATE APPRAISER OR LICENSED REAL ESTATE APPRAISER**
4 **KNOWS THE ASKING PRICE OR THE SELLING PRICE OF THE REAL ESTATE BEING**
5 **APPRAISED AT THE TIME THE APPRAISAL IS CONDUCTED.**

6 16-706.

7 **(a) [A] EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A**
8 **person who violates any provision of this title is guilty of a misdemeanor and on**
9 **conviction is subject to a fine not exceeding \$5,000 or imprisonment not exceeding 1**
10 **year or both.**

11 **(b) A PERSON WHO VIOLATES § 16-705.2 OF THIS SUBTITLE IS GUILTY**
12 **OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:**

13 **(1) FOR A FIRST OFFENSE, A FINE NOT EXCEEDING \$500;**

14 **(2) FOR A SECOND OFFENSE, A FINE NOT EXCEEDING \$1,000 AND**
15 **A MANDATORY 90-DAY SUSPENSION OF THE REAL ESTATE APPRAISER LICENSE**
16 **OR CERTIFICATION; AND**

17 **(3) FOR A THIRD OR SUBSEQUENT OFFENSE, A FINE NOT**
18 **EXCEEDING \$5,000 AND A MANDATORY 90-DAY SUSPENSION OF THE REAL**
19 **ESTATE APPRAISER LICENSE OR CERTIFICATION.**

20 **(c) (1) The Commission may impose on a person who violates any**
21 **provision of this title a penalty not exceeding \$5,000 for each violation.**

22 **(2) In setting the amount of the penalty, the Commission shall**
23 **consider:**

24 **(i) the seriousness of the violation;**

25 **(ii) the harm caused by the violation;**

26 **(iii) the good faith of the violator;**

27 **(iv) any history of previous violations by the violator; and**

28 **(v) any other relevant factors.**

29 **(3) The Commission shall pay any penalty collected under this**
30 **subsection into the General Fund of the State.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2010.