

Regular Session, 2012

HOUSE BILL NO. 1014

BY REPRESENTATIVE HOFFMANN

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AN ACT

To amend and reenact R.S. 37:3397(B)(4), 3401(D), 3410, 3415.3(B)(10) and (11), 3415.13, and 3415.21 and to enact R.S. 37:3415.2(11), (12), and (13), 3415.3(C) and (D), and 3415.15, relative to real estate appraisals; to repeal the maximum time an individual may hold a real estate appraiser trainee license; to provide for reciprocity for real estate appraiser licenses; to define certain terms; to require an appraiser's license to perform appraisal reviews; to provide that administrative reviews of an appraisal do not require an appraiser's license; to require a surety bond; to provide for the competency of appraisers; to provide for customary and reasonable fees for appraisers; to provide for disclosure of fees paid to appraisers by appraisal management companies; to provide for the disclosure of administration fees charged by appraisal management companies; to require that administrative rules receive affirmative approval from the Louisiana Legislature; to repeal an outdated grandfathering clause; to provide for applicability; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 37:3397(B)(4), 3401(D), 3410, 3415.3(B)(10) and (11), 3415.13, and 3415.21 are hereby amended and reenacted and R.S. 37:3415.2(11), (12), and (13), 3415.3(C) and (D), and 3415.15 are hereby enacted to read as follows:

§3397. License classifications; criteria

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B.

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1 Uniform Standards of Professional Appraisal Practice or other stipulated
2 requirements.

3 (12) "Appraisal review" means the act or process of developing and
4 communicating an opinion about the quality of another appraiser's work that was
5 performed as part of an appraisal assignment. The term shall not include an
6 examination of an appraisal for grammatical, typographical, mathematical, or other
7 similar administrative errors that do not involve the appraiser's professional
8 judgment, including compliance with the elements of the client's statement of work.

9 (13) "Fee appraiser" means a person who is not an employee of the mortgage
10 loan originator or appraisal management company engaging the appraiser and is one
11 of the following:

12 (a) A state-licensed or certified appraiser who receives a fee for performing
13 an appraisal and certifies that the appraisal has been prepared in accordance with the
14 Uniform Standards of Professional Appraisal Practice.

15 (b) A company not subject to the requirements of §1124 of the Financial
16 Institutions Reform, Recovery, and Enforcement Act of 1989, 12 U.S.C. 3331 et
17 seq., that utilizes the services of state-licensed or certified appraisers and receives a
18 fee for performing appraisals in accordance with the Uniform Standards of
19 Professional Appraisal Practice.

20 §3415.3. License required

21 * * *

22 B. The license required by Subsection A of this Section shall, at a minimum,
23 include the following information:

24 * * *

25 (10) Proof that the entity has obtained and maintains a surety bond that meets
26 the requirements of Subsection D of this Section.

27 (11) An irrevocable Uniform Consent to Service of Process, pursuant to this
28 Chapter.

29 ~~(11) Any other information required by the board.~~

1 the Senate Committee on Commerce, Consumer Protection and International Affairs.
 2 If the board submits its proposed rules for affirmative approval and the legislature
 3 is not in session, the proposed rules shall be deemed affirmatively approved if forty-
 4 five days have elapsed from the date the proposed rules are received by the oversight
 5 committees and no hearing is held by either committee.

6 ~~C. Any appraisal management company doing business in this state at the~~
 7 ~~time of passage of this Act, may continue to perform such services without a license~~
 8 ~~until the earlier of either such time that the rules and regulations pertaining to this~~
 9 ~~Chapter have been approved in accordance with Subsections A and B of this Section~~
 10 ~~or January 1, 2011.~~

11 Section 2. The provisions of R.S. 37:3415.3(B)(10) and (C) shall apply to any new
 12 or renewed license after December 31, 2011, and only upon promulgation of rules by the
 13 board concerning the provisions of R.S. 37:3415.3(B)(10) and (C).

14 Section 3. This Act shall become effective upon signature by the governor or, if not
 15 signed by the governor, upon expiration of the time for bills to become law without signature
 16 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 17 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 18 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____