

HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Commerce to Original House Bill No. 823 by Representative Greene

1 AMENDMENT NO. 1

2 On page 1, line 2, after "reenact" delete the remainder of the line and insert in lieu thereof
3 the following:

4 "R.S. 37:3415.3(B)(10) and (11), 3415.13, and 3415.21 and to enact R.S. 37:3415.2(11),
5 (12), and (13), 3415.3(C) and (D), and 3415.15,"

6 AMENDMENT NO. 2

7 On page 1, delete lines 3 through 7 in their entirety and insert in lieu thereof the following:

8 "relative to real estate appraisals; to define certain terms; to require an
9 appraiser's license to perform appraisal reviews; to provide that
10 administrative reviews of an appraisal do not require an appraiser's license;
11 to require a surety bond; to provide for the competency of appraisers; to
12 provide for customary and reasonable fees for appraisers; to provide for
13 disclosure of fees paid to appraisers by appraisal management companies; to
14 provide for the disclosure of administration fees charged by appraisal
15 management companies; to require that administrative rules receive
16 affirmative approval from the Louisiana Legislature; to repeal an outdated
17 grandfathering clause; to provide for applicability; to"

18 AMENDMENT NO. 3

19 On page 1, line 10, change "R.S. 37:3415.3(B)(10) and (11)" to "R.S. 37:3415.3(B)(10) and
20 (11), 3415.13, and 3415.21"

21 AMENDMENT NO. 4

22 On page 1, at the beginning of line 11, change "R.S. 37:3415.3(C) is" to "R.S.
23 37:3415.2(11), (12), and (13), 3415.3(C) and (D), and 3415.15 are"

24 AMENDMENT NO. 5

25 On page 1, between lines 11 and 12, insert the following:

26 "§3415.2. Definitions
27 As used in this Chapter, the following words have the meaning
28 ascribed to them in this Section unless the context clearly indicates
29 otherwise:

30 * * *

31 (11) "Administrative review", "compliance review", "quality check",
32 or "QC" means a process that checks an appraisal report for compliance with
33 the Uniform Standards of Professional Appraisal Practice or other stipulated
34 requirements.

35 (12) "Appraisal review" means the act or process of developing and
36 communicating an opinion about the quality of another appraiser's work that
37 was performed as part of an appraisal assignment. The term shall not include
38 an examination of an appraisal for grammatical, typographical, mathematical,
39 or other similar administrative errors that do not involve the appraiser's

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1 professional judgment, including compliance with the elements of the client's
2 statement of work.

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

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

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

14 AMENDMENT NO. 6

15 On page 1, line 18, change "Subsection C" to "Subsection D"

16 AMENDMENT NO. 7

17 On page 2, between lines 3 and 4, insert the following:

18 "C.(1) A person who performs an appraisal review for an appraisal
19 management company shall be licensed or certified in Louisiana.

20 (2) An administrative review may be performed by any individual,
21 including a certified appraiser."

22 AMENDMENT NO. 8

23 On page 2, line 4, change "C.(1)" to "D.(1)"

24 AMENDMENT NO. 9

25 On page 2, between lines 19 and 20 insert the following:

26 §3415.13. Adherence to standards; competency
27 A. Each appraisal management company seeking to be licensed in
28 this state shall certify to the board on an annual basis that it has a system in
29 place to review on a periodic basis the work of all appraisers that are
30 performing real estate appraisal services for the appraisal management
31 company to ensure that the real estate appraisal services are being conducted
32 in accordance with Uniform Standards of Professional Appraisal Practice.
33

34 B. Before or at the time of making an assignment to an appraiser, an
35 appraisal management company shall verify that the appraiser receiving the
36 assignment satisfies each provision of the competency rule of the Uniform
37 Standards of Professional Appraisal Practice for the appraisal being assigned.
38

39 §3415.15. Fees; customary and reasonable; disclosure

40 A. An appraisal management company shall compensate appraisers
41 at a rate that is customary and reasonable for appraisals being performed in
42 the market area of the property being appraised, consistent with the
43 presumptions of compliance under federal law.

44 B. An appraisal management company shall separately state to the
45 client all of the following:

46 (1) The fees paid to an appraiser for appraisal services.

47 (2) The fees charged by the appraisal management company for
48 services associated with the management of the appraisal process, including
49 procurement of the appraiser's services.

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