

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 421

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO REAL ESTATE APPRAISERS; AMENDING SECTION 54-4107, IDAHO CODE,
2 TO REMOVE OBSOLETE LANGUAGE AND TO MAKE TECHNICAL CORRECTIONS; AMENDING
3 SECTION 54-4113, IDAHO CODE, TO SPECIFY CERTAIN REQUIREMENTS REGARDING
4 FEES RECEIVED BY THE BOARD AND TO MAKE TECHNICAL CORRECTIONS; AND AMEND-
5 ING SECTION 54-4126, IDAHO CODE, TO REMOVE OBSOLETE LANGUAGE, TO SPEC-
6 IFY THAT CERTAIN OWNERS AND CONTROLLING PERSONS SHALL MEET MINIMUM FED-
7 ERAL REQUIREMENTS, AND TO MAKE A TECHNICAL CORRECTION.
8

9 Be It Enacted by the Legislature of the State of Idaho:

10 SECTION 1. That Section 54-4107, Idaho Code, be, and the same is hereby
11 amended to read as follows:

12 54-4107. DISCIPLINARY PROCEEDINGS. (1) The board may refuse to issue,
13 refuse to renew or may suspend, revoke or otherwise sanction any license or
14 certificate issued under this chapter for any of the following:

15 (a) Procuring licensure or certification pursuant to this chapter by
16 knowingly making a false statement, submitting false information, re-
17 fusing to provide complete information in response to a question in an
18 application for licensure or certification or through any form of fraud
19 or misrepresentation;

20 (b) Being convicted of a felony;

21 (c) Making any substantial misrepresentation, false promises or false
22 or fraudulent representation;

23 (d) Violating the provisions of this chapter or any rules of the board;

24 (e) Being negligent or incompetent, ~~as defined in the uniform standards~~
25 ~~of professional appraisal practices,~~ in developing an appraisal, in
26 preparing an appraisal report or in communicating an appraisal;

27 (f) Accepting an appraisal assignment when the employment is contin-
28 gent upon the licensed or certified appraiser reporting a predetermined
29 estimate, analysis or opinion, or where the fee to be paid is contingent
30 upon the opinion, conclusion, or valuation reached, or upon the conse-
31 quences resulting from the appraisal assignment;

32 (g) Violating the confidential nature of governmental records to which
33 he gained access through employment as a licensed or certified ap-
34 praiser by a governmental agency;

35 (h) Entering into an agreement to perform specialized services for a
36 contingent fee, and failing to clearly state this fact in each written
37 and oral report;

38 (i) Failing as a state-licensed or certified real estate appraiser to
39 actively and personally supervise any person not licensed or certified
40 under the provisions of this chapter, who assists said state licensed or
41 certified appraiser in performing real estate appraisals;

1 (j) Having had a license or certificate to practice revoked, suspended
2 or otherwise sanctioned by any ~~other~~ state; or

3 (k) Failing to comply with a board order entered in a disciplinary mat-
4 ter.

5 (2) The board, or its duly appointed hearing officer, shall have the
6 power in any disciplinary proceeding under this chapter, to administer
7 oaths, take depositions of witnesses within or without the state in the man-
8 ner provided by law in civil cases, and may apply to any district court of
9 this state for a subpoena to require the attendance of such witnesses and the
10 production of such books, records and papers as it deems necessary. The fees
11 and mileage of the witnesses shall be the same as that allowed in the district
12 courts in civil cases, which fees and mileage shall be paid in the same manner
13 as other expenses of the board are paid. In any case of disobedience to, or
14 neglect of, any subpoena or subpoena duces tecum served upon any person, or
15 the refusal of any witness to testify to any matter regarding which he may
16 lawfully be interrogated, it shall be the duty of any district court in this
17 state on application by the board to compel compliance with the subpoena by
18 proceedings for contempt, as in the case of disobedience of the requirements
19 of a subpoena issued from such court or for refusal to testify therein. The
20 state-licensed or certified person accused in such proceedings shall have
21 the same right of subpoena.

22 (3) Except as otherwise provided in this chapter, all proceedings under
23 this chapter shall be in accordance with the administrative procedure act,
24 chapter 52, title 67, Idaho Code.

25 SECTION 2. That Section 54-4113, Idaho Code, be, and the same is hereby
26 amended to read as follows:

27 54-4113. FEES -- ISSUANCE OF LICENSES OR CERTIFICATES. (1) Every per-
28 son applying for examination or reexamination under this chapter shall pay
29 a fee equal to that charged by the national examining entity. If the result
30 of the examination of any applicant shall be satisfactory to the board, under
31 its rules, it shall issue to such applicant a license or certificate setting
32 forth the fact that he is a state-licensed or certified real estate appraiser
33 and authorized to practice his profession in this state. The fee for obtain-
34 ing a license or certificate under the provisions of this chapter shall be an
35 amount not to exceed five hundred dollars (\$500). The annual fee for renewal
36 or reinstatement of a license or certificate shall be an amount not to exceed
37 five hundred dollars (\$500), which shall be paid to the bureau. The board
38 shall adopt all fees by rule.

39 (2) In addition to those fees described in this chapter, the board may
40 collect from applicants for licensure or certification and holders of state
41 licenses or certificates of appraisal and remit to the appropriate agency
42 or instrumentality of the federal government any additional fees as may be
43 required to render Idaho state-licensed residential, certified residential
44 and general real estate appraisers eligible to perform appraisals in connec-
45 tion with federally related transactions.

46 (3) In addition to those fees described in this chapter, the board may
47 collect from an applicant for appraisal management company registration and
48 from a registered appraisal management company and remit to the appropri-
49 ate agency or instrumentality of the federal government any additional fees

1 required to provide appraisal management services in connection with feder-
2 ally related transactions.

3 (4) The board may collect continuing education provider application
4 fees in an amount not to exceed one hundred dollars (\$100) as established by
5 board rule.

6 (5) All fees received by the board under the provisions of this chapter
7 shall be deposited in the state treasury to the credit of the occupational
8 licenses account in the dedicated fund, and all costs and expenses incurred
9 by the board under the provisions of this chapter shall be a charge against
10 and paid from the account for such purposes. The fees collected under this
11 chapter shall be immediately available for the administration of this chap-
12 ter, the provisions of any other law notwithstanding.

13 SECTION 3. That Section 54-4126, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 54-4126. OWNERSHIP REQUIREMENTS -- CONTROLLING PERSONS. (1) No AMC
16 shall be registered in this state if the AMC is owned in whole or in part,
17 directly or indirectly, by any person who has had an appraiser license or
18 certificate refused, denied, canceled, surrendered in lieu of revocation,
19 or revoked in any state for substantive cause, as determined by the appropri-
20 ate state appraiser certifying and licensing agency. An AMC is not barred
21 from registration in this state if the license or certificate of the ap-
22 praiser with an ownership interest was not revoked for a substantive cause
23 and has been reinstated by the state or states in which the appraiser was
24 licensed or certified.

25 (2) No AMC shall be registered in this state if any natural person that
26 owns more than ten percent (10%) of the appraisal management company:

27 (a) Is determined by the board ~~not to have good moral character~~ to not be
28 in compliance with all minimum federal requirements; or

29 (b) Fails to submit to a background investigation, including a finger-
30 print-based criminal history check, carried out by the board.

31 (3) Each appraisal management company applying to the board for a reg-
32 istration in this state shall designate one (1) controlling person that will
33 be the main contact for all communication between the board and the appraisal
34 management company, and notify the board of any change in the appraisal man-
35 agement company's controlling person. The controlling person designated
36 pursuant to this subsection shall:

37 (a) Have never had a license or certificate to act as an appraiser re-
38 fused, denied, canceled, revoked or surrendered in lieu of revocation
39 for a substantive reason in any state, unless the person has subse-
40 quently had the license or certificate to act as an appraiser granted or
41 reinstated;

42 (b) ~~Be of good moral character~~ in compliance with all minimum federal
43 requirements, as determined by the board; and

44 (c) Submit to a background investigation, including a finger-
45 print-based criminal history check, carried out by the board.