

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

H

D

HOUSE DRH60350-LUF-98 (03/30)

Short Title: Amend Real Estate Appraisers Act/Fees.

(Public)

---

Sponsors: Representative Culpepper.

---

Referred to:

---

A BILL TO BE ENTITLED

1  
2 AN ACT TO AMEND THE LAWS UNDER THE NORTH CAROLINA  
3 APPRAISERS ACT REGARDING THE QUALIFICATIONS OF APPLICANTS  
4 FOR REGISTRATION, LICENSURE, OR CERTIFICATION AS REAL ESTATE  
5 APPRAISERS AND TO AUTHORIZE THE NORTH CAROLINA APPRAISAL  
6 BOARD TO INCREASE CERTAIN FEES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 93E-1-2.1 reads as rewritten:

9 **"§ 93E-1-2.1. Registration, license, or certificate required of real estate appraisers.**

10 ~~Beginning October 1, 1995, it shall be~~It is unlawful for any person in this State to act  
11 as a real estate appraiser, to directly or indirectly engage or assume to engage in the  
12 business of real estate appraisal, or to advertise or hold himself or herself out as  
13 engaging in or conducting the business of real estate appraisal without first obtaining a  
14 registration, license, or certificate issued by the Appraisal Board under the provisions of  
15 this Chapter. It ~~shall is~~ also ~~be~~unlawful, with regard to any real property where any  
16 portion of that property is located within this State, for any person to perform any of the  
17 acts listed above without first being registered, licensed, or certified by the Appraisal  
18 Board under the provisions of this Chapter."

19 **SECTION 2.** G.S. 93E-1-6 reads as rewritten:

20 **"§ 93E-1-6. Qualifications for State registration, licensure, and certification;  
21 applications; application fees; examinations.**

22 (a) Any person desiring to be registered as a trainee or to obtain licensure as a  
23 ~~State licensed~~licensed real estate appraiser or certification as a ~~State certified~~certified  
24 real estate appraiser shall make written application to the Board on the forms as are  
25 prescribed by the Board setting forth the applicant's qualifications for registration,  
26 licensure, or certification. Each applicant shall satisfy the following qualification  
27 requirements:

- 1 (1) Each applicant for registration as a trainee must demonstrate to the  
2 Board that the applicant possesses the knowledge and competence  
3 necessary to perform appraisals of real property, by having  
4 satisfactorily completed within the five-year period immediately  
5 preceding the date application is made, a course ~~approved by the~~  
6 ~~Board of instruction~~of instruction, approved by the Board, in real  
7 estate appraisal principles and practices consisting of at least 90 hours  
8 or the minimum requirement as imposed by the federal government,  
9 whichever is greater, of classroom instruction in subjects determined  
10 by the Board; and by satisfying any additional qualification the Board  
11 imposes by rule, not inconsistent with any requirements imposed by  
12 the federal government.
- 13 (1a) Each applicant for licensure as a ~~State-licensed~~licensed residential real  
14 estate appraiser shall have demonstrated that the applicant possesses  
15 the knowledge and competence necessary to perform appraisals of real  
16 property by having satisfactorily completed within the five-year period  
17 immediately preceding the date application is made a course ~~approved~~  
18 ~~by the Board of instruction~~of instruction, approved by the Board, in  
19 real estate appraisal principles and practices consisting of at least 90  
20 hours or the minimum requirement as imposed by the federal  
21 government, whichever is greater, of classroom instruction in subjects  
22 determined by the Board; shall present evidence satisfactory to the  
23 Board of at least 2,000 hours or the minimum requirement as imposed  
24 by the federal government, whichever is greater, of experience in real  
25 estate appraising; and shall satisfy the additional qualifications as may  
26 be imposed by the Board by rule, not inconsistent with any  
27 requirements imposed by the federal government; or shall possess  
28 education or experience which is found by the Board in its discretion  
29 to be equivalent to the above requirements. Effective January 1, 2008,  
30 the category of State-licensed real estate appraiser is eliminated. Each  
31 individual holding this license on January 1, 2008, shall be issued a  
32 trainee registration.
- 33 (2) Each applicant for certification as a ~~State-certified~~certified residential  
34 real estate appraiser shall have demonstrated that the applicant  
35 possesses the knowledge and competence necessary to perform  
36 appraisals of real property as the Board may prescribe by having  
37 satisfactorily completed, within the five-year period immediately  
38 preceding the date the application is made, a course ~~approved by the~~  
39 ~~Board of instruction~~of instruction, approved by the Board, in real  
40 estate appraisal principles and practices consisting of at least 120  
41 hours, or the minimum requirement as imposed by the federal  
42 government, whichever is greater, of classroom instruction in subjects  
43 determined by the Board; shall present evidence satisfactory to the  
44 Board of at least 2,500 hours or the minimum requirement as imposed

1 by the federal government, whichever is greater, of experience in real  
2 estate appraising within the five-year period immediately preceding  
3 the date application is made, and over a period of at least two calendar  
4 years; and shall satisfy the additional qualifications criteria as may be  
5 imposed by the Board by rule, not inconsistent with any requirements  
6 imposed by the federal government; or shall possess education and  
7 experience which is found by the Board in its discretion to be  
8 equivalent to the above requirements. Effective January 1, 2008, each  
9 applicant for certification as a certified residential real estate appraiser  
10 shall have completed a course of instruction, approved by the Board, in  
11 real estate principles and practices consisting of at least 200 hours.  
12 Each applicant shall also hold an associate degree or higher from an  
13 accredited college, junior college, community college, or university or  
14 have successfully completed at least 21 semester credit hours of  
15 college courses from an accredited college, junior college, community  
16 college, or university in English composition, principles of economics,  
17 finance, higher mathematics, such as geometry or algebra, statistics,  
18 introduction to computers, and business or real estate law.

- 19 (3) Each applicant for certification as a ~~State-certified~~certified general real  
20 estate appraiser shall have demonstrated that the applicant possesses  
21 the knowledge and competence necessary to perform appraisals of all  
22 types of real property by having satisfactorily completed, within the  
23 five-year period immediately preceding the date application is made, a  
24 course ~~approved by the Board of instruction~~of instruction, approved by  
25 the Board, in general real estate appraisal practices consisting of at  
26 least 180 hours or the minimum requirement as imposed by the federal  
27 government, whichever is greater, of classroom instruction in subjects  
28 determined by the Board; shall present evidence satisfactory to the  
29 Board of at least 3,000 hours or the minimum requirement as imposed  
30 by the federal government, whichever is greater, of experience in real  
31 estate appraising within the five-year period immediately preceding  
32 the date application is made, and over a period of at least two and  
33 one-half calendar years, fifty percent (50%) of which must be in  
34 appraising nonresidential real estate; and shall satisfy the additional  
35 qualifications criteria as may be imposed by the Board by rule, not  
36 inconsistent with any requirements imposed by the federal  
37 government; or the applicant shall possess education or experience  
38 which is found by the Board in its discretion to be equivalent to the  
39 above requirements. Effective January 1, 2008, each applicant for  
40 certification as a certified general real estate appraiser shall have  
41 completed a course of instruction, approved by the Board, in general  
42 real estate principles and practices consisting of at least 300 hours.  
43 Each applicant shall also hold a bachelors degree or higher from an  
44 accredited college or university or have successfully completed at least

1                   30 semester credit hours of college courses from an accredited college  
2                   or university in English composition, macro and micro economics,  
3                   finance, higher mathematics, such as geometry or algebra, statistics,  
4                   introduction to computers, business or real estate law, and two elective  
5                   courses in accounting, geography, business management, or real estate.

6           (4) Repealed by Session Laws 2001-399, s. 1.

7           (b) Each application for registration as a trainee or for State licensure or  
8 certification as a real estate appraiser shall be accompanied by a fee of ~~one hundred fifty~~  
9 ~~dollars (\$150.00),~~ two hundred dollars (\$200.00), plus any additional fee as may be  
10 necessary to defray the cost of any competency examination administered by a private  
11 testing service.

12           (c) Any person who files with the Board an application for State registration,  
13 licensure, or certification as a real estate appraiser shall be required to pass an  
14 examination to demonstrate the person's competence. The Board shall also make an  
15 investigation as it deems necessary into the background of the applicant to determine  
16 the applicant's qualifications with due regard to the paramount interest of the public as  
17 to the applicant's competency, honesty, truthfulness, and integrity. In addition, the  
18 Board may investigate and consider whether the applicant has had any disciplinary  
19 action taken against any other professional license in North Carolina or any other state,  
20 or if the applicant has committed or done any act which, if committed or done by any  
21 real estate trainee or appraiser, would be grounds under the provisions hereinafter set  
22 forth for disciplinary action including the suspension or revocation of registration,  
23 licensure, or certification, or whether the applicant has been convicted of or pleaded  
24 guilty to any criminal act. If the results of the investigation shall be satisfactory to the  
25 Board, and the applicant is otherwise qualified, then the Board shall issue to the  
26 applicant a trainee registration, license or certificate authorizing the applicant to act as a  
27 registered trainee real estate appraiser, State-licensed real estate appraiser, or a  
28 State-certified real estate appraiser in this State.

29           (d) If the applicant has not affirmatively demonstrated that the applicant meets  
30 the requirements for registration, licensure, or certification, action on the application  
31 will be deferred pending a hearing before the Board."

32           **SECTION 3.** G.S. 93E-1-7(a) reads as rewritten:

33           "(a) Trainee registrations, licenses, and certificates issued under this Chapter shall  
34 expire on the 30th day of June of every year and shall become invalid after that date  
35 unless renewed prior to the expiration date by filing an application with and paying to  
36 the Executive Director of the Board the fee of ~~two hundred dollars (\$200.00),~~ three  
37 hundred dollars (\$300.00). As a prerequisite to the renewal of a trainee registration or a  
38 real estate appraiser license or certificate, the trainee registration holder, the licensee, or  
39 the certificate holder must satisfy any continuing education requirements that may be  
40 prescribed by the Board under subsection (b) of this section; provided, however, that  
41 members of the General Assembly are exempt from this requirement during their term  
42 of office. The Board may adopt rules establishing a system of trainee registration,  
43 license, and certificate renewal in which trainee registrations, licenses, and certificates  
44 expire annually with varying expiration dates."

1

**SECTION 4.** This act is effective when it becomes law.