

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1270

Short Title: Amend Real Estate Appraisers Act/Fees.

(Public)

Sponsors: Representative Culpepper.

Referred to: Finance.

April 19, 2005

A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

(1) Each applicant for registration as a trainee must demonstrate to the Board that the applicant possesses the knowledge and competence

1 necessary to perform appraisals of real property, by having
2 satisfactorily completed within the five-year period immediately
3 preceding the date application is made, a course ~~approved by the~~
4 ~~Board of instruction~~of instruction, approved by the Board, in real
5 estate appraisal principles and practices consisting of at least 90 hours
6 or the minimum requirement as imposed by the federal government,
7 whichever is greater, of classroom instruction in subjects determined
8 by the Board; and by satisfying any additional qualification the Board
9 imposes by rule, not inconsistent with any requirements imposed by
10 the federal government.

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

31 (2) Each applicant for certification as a ~~State-certified~~certified residential
32 real estate appraiser shall have demonstrated that the applicant
33 possesses the knowledge and competence necessary to perform
34 appraisals of real property as the Board may prescribe by having
35 satisfactorily completed, within the five-year period immediately
36 preceding the date the application is made, a course ~~approved by the~~
37 ~~Board of instruction~~of instruction, approved by the Board, in real
38 estate appraisal principles and practices consisting of at least 120
39 hours, or the minimum requirement as imposed by the federal
40 government, whichever is greater, of classroom instruction in subjects
41 determined by the Board; shall present evidence satisfactory to the
42 Board of at least 2,500 hours or the minimum requirement as imposed
43 by the federal government, whichever is greater, of experience in real
44 estate appraising within the five-year period immediately preceding

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

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

1 finance, higher mathematics, such as geometry or algebra, statistics,
2 introduction to computers, business or real estate law, and two elective
3 courses in accounting, geography, business management, or real estate.

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

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

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

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

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

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

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