

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1485
Commerce, Small Business and Entrepreneurship Committee Substitute Adopted
6/14/07

Short Title: Amend NC Appraisers Act/Fees.

(Public)

Sponsors:

Referred to:

March 27, 2007

A BILL TO BE ENTITLED

AN ACT AMENDING EDUCATION REQUIREMENTS FOR REAL ESTATE APPRAISERS UNDER THE NORTH CAROLINA APPRAISERS ACT, ELIMINATING THE CATEGORY OF LICENSED RESIDENTIAL REAL ESTATE APPRAISER, AND AUTHORIZING THE NORTH CAROLINA APPRAISAL BOARD TO ESTABLISH AND 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 also be~~is also 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-1-3 reads as rewritten:

"§ 93E-1-3. When registration, license, or certificate not required.

(a) No trainee registration, license, or certificate shall be issued under the provisions of this Chapter to a partnership, association, corporation, firm, or group. However, nothing herein shall preclude a registered ~~trainee, State licensed or State certified~~trainee or licensed or certified real estate appraiser from rendering appraisals for or on behalf of a partnership, association, corporation, firm, or group, provided the appraisal report is prepared by a ~~State licensed or State certified~~licensed or certified real estate appraiser or by a registered trainee under the immediate personal direction of, the ~~State licensed or State certified~~licensed or certified real estate appraiser

1 and is reviewed and signed by that ~~State-licensed or State-certified~~licensed or certified
2 appraiser.

3 (b) Repealed by Session Laws 2001-399, s. 1.

4 (c) Nothing in this Chapter shall preclude a real estate broker or
5 ~~salesman~~licensed under Chapter 93A of the General Statutes from performing a
6 comparative market analysis as defined in G.S. 93E-1-4, provided the person does not
7 represent himself or herself as being a registered trainee or a ~~State-licensed or~~
8 ~~State-certified~~licensed or certified real estate appraiser. A real estate broker or
9 ~~salesperson~~ may perform a comparative market analysis for compensation or other
10 valuable consideration only for prospective or actual brokerage clients or for real
11 property involved in an employee relocation program.

12 (d) Nothing in this Chapter shall abridge, infringe upon, or otherwise restrict the
13 right to use the term "certified ad valorem tax appraiser" or any similar term by persons
14 certified by the Department of Revenue to perform ad valorem tax appraisals, provided
15 that the term is not used in a manner that creates the impression of certification by the
16 State to perform real estate appraisals other than ad valorem tax appraisals.

17 (e) Nothing in this Chapter shall entitle a registered trainee or a ~~State-licensed or~~
18 ~~State-certified~~licensed or certified real estate appraiser to appraise real estate for ad
19 valorem tax purposes unless the person has first been certified by the Department of
20 Revenue pursuant to G.S. 105-294.

21 (f) A trainee registration, license, or certificate is not required under this Chapter
22 for:

- 23 (1) Any person, partnership, association, or corporation that performs
24 appraisals of property owned by that person, partnership, association,
25 or corporation for the sole use of that person, partnership, association,
26 or corporation;
- 27 (2) Any court-appointed commissioner who conducts an appraisal
28 pursuant to a judicially ordered evaluation of property;
- 29 (3) Any person to qualify as an expert witness for court or administrative
30 agency testimony, if otherwise qualified;
- 31 (4) A person who appraises standing timber so long as the appraisal does
32 not include a determination of value of any land;
- 33 (5) Any person employed by a lender in the performance of appraisals
34 with respect to which federal regulations do not require a licensed or
35 certified appraiser; and
- 36 (6) A person who performs ad valorem tax appraisals and is certified by
37 the Department of Revenue under G.S. 105-294 or G.S. 105-296;

38 however, any person who is registered, licensed, or certified under this Chapter and who
39 performs any of the activities set forth in subdivisions (1) through (5) of this subsection
40 must comply with all of the provisions of this Chapter."

41 **SECTION 3.** G.S. 93E-1-3.1 reads as rewritten:

42 **"§ 93E-1-3.1. Prohibited use of title; permissible use of title.**

43 (a) It shall be unlawful for any person to assume or use the title "registered
44 trainee", "~~State-licensed~~licensed real estate appraiser", "~~State-certified~~certified real

1 estate appraiser", or any title, designation, or abbreviation likely to create the impression
2 of registration, licensure, or certification as a real estate appraiser, unless the person is
3 registered, licensed, or certified by the Appraisal Board in accordance with the
4 provisions of this Chapter. The Board may adopt for the exclusive use of persons
5 licensed or certified under the provisions of this Chapter, a seal, symbol, or other mark
6 identifying the user as a ~~State-licensed or State-certified~~licensed or certified real estate
7 appraiser.

8 (b) Any person certified as a real estate appraiser by an appraisal trade
9 organization shall retain the right to use the term "certified" or any similar term in
10 identifying the person to the public, provided that:

- 11 (1) In each instance wherein the term is used, the name of the certifying
12 organization or body is prominently and conspicuously displayed
13 immediately adjacent to the term; and
- 14 (2) The use of the term does not create the impression of certification by
15 the State.

16 This subsection does not entitle any person certified only by a trade organization to
17 conduct an appraisal that requires a State registration, license, or certification.

18 (c) The term "registered trainee", "~~State-licensed~~licensed real estate appraiser",
19 "~~State-certified~~certified real estate appraiser", or any similar term shall not be used
20 following or immediately in connection with the name of a partnership, association,
21 corporation, or other firm or group, or in a manner that might create the impression of
22 registration, licensure, or certification as a real estate appraiser under this Chapter."

23 **SECTION 4.** G.S. 93E-1-4 reads as rewritten:

24 "**§ 93E-1-4. Definitions.**

25 When used in this Chapter, unless the context otherwise requires, the term:

- 26 (1) "Appraisal" or "real estate appraisal" means an analysis, opinion, or
27 conclusion as to the value of identified real estate or specified interests
28 therein performed for compensation or other valuable consideration.
- 29 (2) "Appraisal assignment" means an engagement for which an appraiser
30 is employed or retained to act, or would be perceived by third parties
31 or the public as acting, as a disinterested third party in rendering an
32 unbiased appraisal.
- 33 (3) "Appraisal Board" or "Board" means the North Carolina Appraisal
34 Board established under G.S. 93E-1-5.
- 35 (4) "Appraisal Foundation" or "Foundation" means The Appraisal
36 Foundation established on November 20, 1987, as a not-for-profit
37 corporation under the laws of Illinois.
- 38 (5) "Appraisal report" means any communication, written or oral, of an
39 appraisal.
- 40 (6) "Certificate" means that document issued by the North Carolina
41 Appraisal Board evidencing that the person named therein has satisfied
42 the requirements for certification as a ~~State-certified~~certified real estate
43 appraiser and bearing a certificate number assigned by the Board.

- 1 (7) "Certificate holder" means a person certified by the Board under the
2 provisions of this Chapter.
- 3 (7a) "Certified general real estate appraiser" means a person who holds a
4 current, valid certificate as a certified general real estate appraiser
5 issued under the provisions of this Chapter.
- 6 (7b) "Certified residential real estate appraiser" means a person who holds a
7 current, valid certificate as a certified residential real estate appraiser
8 issued under the provisions of this Chapter.
- 9 ~~(7a)~~(7c) "Comparative market analysis" means the analysis of sales of
10 similar recently sold properties in order to derive an indication of the
11 probable sales price of a particular property by a licensed real estate
12 ~~broker or salesperson.~~broker.
- 13 (8) "License" means that document issued by the North Carolina
14 Appraisal Board evidencing that the person named therein has satisfied
15 the requirements for licensure as a ~~State-licensed~~licensed real estate
16 appraiser and bearing a license number assigned by the Board.
- 17 (8a) "Licensed residential real estate appraiser" means a person who holds
18 a current, valid license as a licensed residential real estate appraiser
19 issued under the provisions of this Chapter.
- 20 (9) "Licensee" means a person licensed by the Board under the provisions
21 of this Chapter.
- 22 (10) "Real estate" or "real property" means land, including the air above
23 and ground below and all appurtenances and improvements thereto, as
24 well as any interest or right inherent in the ownership of land.
- 25 (11) "Real estate appraiser" or "appraiser" means a person who for a fee or
26 valuable consideration develops and communicates real estate
27 appraisals or otherwise gives an opinion of the value of real estate or
28 any interest therein.
- 29 (12) "Real estate appraising" means the practice of developing and
30 communicating real estate appraisals.
- 31 (13) "Residential real estate" means any parcel of real estate, improved or
32 unimproved, that is exclusively residential in nature and that includes
33 or is intended to include a residential structure containing not more
34 than four dwelling units and no other improvements except those
35 which are typical residential improvements that support the residential
36 use for the location and property type. A residential unit in a
37 condominium, town house, or cooperative complex, or planned unit
38 development is considered to be residential real estate.
- 39 ~~(14) "State-certified general real estate appraiser" means a person who~~
40 ~~holds a current, valid certificate as a State-certified general real estate~~
41 ~~appraiser issued under the provisions of this Chapter.~~
- 42 ~~(15) "State-certified residential real estate appraiser" means a person who~~
43 ~~holds a current, valid certificate as a State-certified residential real~~
44 ~~estate appraiser issued under the provisions of this Chapter.~~

- 1 (16) ~~"State licensed residential real estate appraiser" means a person who~~
2 ~~holds a current, valid license as a State licensed residential real estate~~
3 ~~appraiser issued under the provisions of this Chapter.~~
4 (17) "Temporary appraiser licensure or certification" means the issuance of
5 a temporary license or certificate by the Board to a person licensed or
6 certified in another state who enters this State for the purpose of
7 completing a particular appraisal assignment.
8 (18) "Trainee", "registered trainee", or "trainee real estate appraiser" means
9 a person who holds a current, valid registration as a trainee real estate
10 appraiser issued under the provisions of this Chapter.
11 (19) "Trainee registration" or "registration as a trainee" means the
12 document issued by the North Carolina Appraisal Board evidencing
13 that the person named therein has satisfied the requirements of
14 registration as a trainee real estate appraiser and bearing a registration
15 number assigned by the Board."

16 **SECTION 5.** G.S. 93E-1-6 reads as rewritten:

17 **"§ 93E-1-6. Qualifications for State registration, licensure, and certification;**
18 **applications; application fees; examinations.**

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

- 25 (1) Each applicant for registration as a trainee must demonstrate to the
26 Board that the applicant possesses the knowledge and competence
27 necessary to perform appraisals of real property, by having
28 satisfactorily completed within the five-year period immediately
29 preceding the date application is made, a course ~~approved by the~~
30 ~~Board of instruction~~of instruction, approved by the Board, in real
31 estate appraisal principles and practices consisting of at least 90 hours
32 ~~or the minimum requirement as imposed by the federal government,~~
33 ~~whichever is greater,~~ of classroom instruction in subjects determined
34 by the Board; and by satisfying any additional qualification the Board
35 imposes by rule, not inconsistent with any requirements imposed by
36 the ~~federal government.~~Appraisal Foundation.
37 (1a) Each applicant for licensure as a ~~State licensed~~licensed residential real
38 estate appraiser shall have demonstrated that the applicant possesses
39 the knowledge and competence necessary to perform appraisals of real
40 property by having satisfactorily completed within the five-year period
41 immediately preceding the date application is made a course ~~approved~~
42 ~~by the Board of instruction~~of instruction, approved by the Board, in
43 real estate appraisal principles and practices consisting of at least ~~90~~
44 150 hours ~~or the minimum requirement as imposed by the federal~~

1 ~~government, whichever is greater,~~ of classroom instruction in subjects
2 determined by the Board; shall present evidence satisfactory to the
3 Board of at least 2,000 hours or the minimum requirement as imposed
4 by the ~~federal government,~~Appraisal Foundation, whichever is greater,
5 of experience in real estate appraising; and shall satisfy the additional
6 qualifications as may be imposed by the Board by rule, not
7 inconsistent with any requirements imposed by the ~~federal~~
8 ~~government,~~Appraisal Foundation; or shall possess education or
9 experience which is found by the Board in its discretion to be
10 equivalent to the above requirements.

11 (2) Each applicant for certification as a ~~State-certified~~certified residential
12 real estate appraiser shall have demonstrated that the applicant
13 possesses the knowledge and competence necessary to perform
14 appraisals of real property as the Board may prescribe by having
15 satisfactorily completed, within the five-year period immediately
16 preceding the date the application is made, a course ~~approved by the~~
17 ~~Board of instruction~~of instruction, approved by the Board, in real
18 estate appraisal principles and practices consisting of at least ~~120~~200
19 hours, or the minimum requirement as imposed by the ~~federal~~
20 ~~government,~~Appraisal Foundation, whichever is greater, of classroom
21 instruction in subjects determined by the Board; shall present evidence
22 satisfactory to the Board of at least 2,500 hours, or the minimum
23 requirement as imposed by the ~~federal government,~~Appraisal
24 Foundation, whichever is greater, of experience in real estate
25 appraising within the five-year period immediately preceding the date
26 application is made, and over a period of at least two calendar years;
27 and shall satisfy the additional qualifications criteria as may be
28 imposed by the Board by rule, not inconsistent with any requirements
29 imposed by the ~~federal government,~~Appraisal Foundation; or shall
30 possess education and experience which is found by the Board in its
31 discretion to be equivalent to the above requirements.

32 (3) Each applicant for certification as a ~~State-certified~~certified general real
33 estate appraiser shall have demonstrated that the applicant possesses
34 the knowledge and competence necessary to perform appraisals of all
35 types of real property by having satisfactorily completed, within the
36 five-year period immediately preceding the date application is made, a
37 course ~~approved by the Board of instruction~~of instruction, approved by
38 the Board, in general real estate appraisal practices consisting of at
39 least ~~180 hours~~300 hours, or the minimum requirement as imposed by
40 the ~~federal government,~~Appraisal Foundation, whichever is greater, of
41 classroom instruction in subjects determined by the Board; shall
42 present evidence satisfactory to the Board of at least 3,000 hours or the
43 minimum requirement as imposed by the ~~federal~~
44 ~~government,~~Appraisal Foundation, whichever is greater, of experience

1 in real estate appraising within the five-year period immediately
2 preceding the date application is made, and over a period of at least
3 two and one-half calendar years, fifty percent (50%) of which must be
4 in appraising nonresidential real estate; and shall satisfy the additional
5 qualifications criteria as may be imposed by the Board by rule, not
6 inconsistent with any requirements imposed by the ~~federal~~
7 ~~government~~; Appraisal Foundation; or the applicant shall possess
8 education or experience which is found by the Board in its discretion
9 to be equivalent to the above requirements.

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

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

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

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

39 **SECTION 6.** Effective January 1, 2008, G.S. 93E-1-6, as amended by
40 Section 5 of this act, reads as rewritten:

41 "**§ 93E-1-6. Qualifications for registration and certification; applications;**
42 **application fees; examinations.**

43 (a) Any person desiring to be registered as a trainee or to obtain certification as a
44 certified real estate appraiser shall make written application to the Board on the forms as

1 are prescribed by the Board setting forth the applicant's qualifications for registration or
2 certification. Each applicant shall satisfy the following qualification requirements:

3 (1) Each applicant for registration as a trainee ~~must~~shall:

4 a. Have obtained a high school diploma or its equivalent; and

5 b. ~~demonstrate~~Demonstrate to the Board that the applicant
6 possesses the knowledge and competence necessary to perform
7 appraisals of real property, ~~by~~by: (i) having satisfactorily
8 completed within the five-year period immediately preceding
9 the date application is made, a course of instruction, approved
10 by the Board, in real estate appraisal principles and practices
11 consisting of at least 90 hours of classroom instruction in
12 subjects determined by the Board; and ~~by~~(ii) satisfying any
13 additional qualification the Board imposes by rule, not
14 inconsistent with any requirements imposed by the Appraisal
15 Foundation.

16 (1a) ~~Each applicant for licensure as a licensed residential real estate~~
17 ~~appraiser shall have demonstrated that the applicant possesses the~~
18 ~~knowledge and competence necessary to perform appraisals of real~~
19 ~~property by having satisfactorily completed within the five year period~~
20 ~~immediately preceding the date application is made a course of~~
21 ~~instruction, approved by the Board, in real estate appraisal principles~~
22 ~~and practices consisting of at least 150 hours of classroom instruction~~
23 ~~in subjects determined by the Board; shall present evidence~~
24 ~~satisfactory to the Board of at least 2,000 hours or the minimum~~
25 ~~requirement as imposed by the Appraisal Foundation, whichever is~~
26 ~~greater, of experience in real estate appraising; and shall satisfy the~~
27 ~~additional qualifications as may be imposed by the Board by rule, not~~
28 ~~inconsistent with any requirements imposed by the Appraisal~~
29 ~~Foundation; or shall possess education or experience which is found~~
30 ~~by the Board in its discretion to be equivalent to the above~~
31 ~~requirements.~~

32 (2) Each applicant for certification as a certified residential real estate
33 appraiser ~~shall have demonstrated~~shall:

34 a. Hold an associate's degree or higher from an accredited college,
35 junior college, community college, or university; or have a high
36 school diploma or its equivalent and have successfully
37 completed at least 21 semester credit hours of college courses
38 from an accredited college, junior college, community college,
39 or university in English composition, principles of economics,
40 finance, higher mathematics, such as geometry or algebra,
41 statistics, introduction to computers, and business or real estate
42 law;

43 b. Demonstrate that the applicant possesses the knowledge and
44 competence necessary to perform appraisals of real property as

1 the Board may prescribe by having satisfactorily completed,
2 within the five-year period immediately preceding the date the
3 application is made, a course of instruction, approved by the
4 Board, in real estate appraisal principles and practices
5 consisting of at least 200 hours, ~~or the minimum requirement as~~
6 ~~imposed by the Appraisal Foundation, whichever is greater, of~~
7 ~~classroom instruction in subjects determined by the Board; shall~~
8 ~~present~~ hours;

- 9 c. Present evidence satisfactory to the Board of at least 2,500
10 hours, or the minimum requirement as imposed by the
11 Appraisal Foundation, whichever is greater, of experience in
12 real estate appraising within the five-year period immediately
13 preceding the date application is made, and over a period of at
14 least two calendar years; and ~~shall satisfy~~
15 d. Satisfy the additional qualifications criteria as may be imposed
16 by the Board by rule, not inconsistent with any requirements
17 imposed by the Appraisal Foundation; or
18 e. ~~shall possess~~ Possess education and experience which is found
19 by the Board in its discretion to be equivalent to the above
20 requirements.

21 (3) Each applicant for certification as a certified general real estate
22 appraiser ~~shall have demonstrated~~ shall:

- 23 a. Hold a bachelor's degree or higher from an accredited college or
24 university; or have a high school diploma or its equivalent and
25 have successfully completed at least 30 semester credit hours of
26 college courses from an accredited college or university in
27 English composition, macroeconomics and microeconomics,
28 finance, higher mathematics, such as geometry or algebra,
29 statistics, introduction to computers, and business or real estate
30 law and two elective courses in accounting, geography,
31 business management, or real estate;
32 b. Demonstrate that the applicant possesses the knowledge and
33 competence necessary to perform appraisals of all types of real
34 property by having satisfactorily completed, within the
35 five-year period immediately preceding the date application is
36 made, a course of instruction, approved by the Board, in general
37 real estate appraisal practices consisting of at least 300 hours, ~~or~~
38 ~~the minimum requirement as imposed by the Appraisal~~
39 ~~Foundation, whichever is greater, of classroom instruction in~~
40 ~~subjects determined by the Board; shall present~~ hours;
41 c. Present evidence satisfactory to the Board of at least 3,000
42 hours or the minimum requirement as imposed by the Appraisal
43 Foundation, whichever is greater, of experience in real estate
44 appraising within the five-year period immediately preceding

1 the date application is made, and over a period of at least two
2 and one-half calendar years, fifty percent (50%) of which must
3 be in appraising nonresidential real estate; and ~~shall satisfy~~

4 d. Satisfy the additional qualifications criteria as may be imposed
5 by the Board by rule, not inconsistent with any requirements
6 imposed by the Appraisal Foundation; or

7 e. Possess education or experience
8 which is found by the Board in its discretion to be equivalent to
9 the above requirements.

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

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

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

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

38 **SECTION 7.** G.S. 93E-1-6.1 reads as rewritten:

39 **"§ 93E-1-6.1. Trainee supervision.**

40 All trainees shall perform all real estate appraisal-related activities under the
41 immediate, active, and personal supervision of a ~~State licensed or~~
42 ~~State certified~~ licensed or certified real estate appraiser. All appraisal reports must be
43 signed by the ~~State licensed or State certified~~ appraiser who supervised the trainee. By

1 signing the appraisal report, the ~~State-licensed or State-certified~~ appraiser accepts
2 shared responsibility, with the trainee, for the content of and conclusions in the report."

3 **SECTION 8.** G.S. 93E-1-7 reads as rewritten:

4 **"§ 93E-1-7. Registration, license and certificate renewal; renewal fees; continuing**
5 **education; reinstatement; replacement registrations, licenses and**
6 **certificates; registration, licensure, and certification history; address**
7 **changes.**

8 (a) Trainee registrations, licenses, and certificates issued under this Chapter shall
9 expire on the 30th day of June of every year and shall become invalid after that date
10 unless renewed prior to the expiration date by filing an application with and paying to
11 the Executive Director of the Board the fee of ~~two hundred dollars (\$200.00)~~two
12 hundred twenty-five dollars (\$225.00). As a prerequisite to the renewal of a trainee
13 registration or a real estate appraiser license or certificate, the trainee registration holder,
14 the licensee, or the certificate holder must satisfy any continuing education requirements
15 that may be prescribed by the Board under subsection (b) of this section. The members
16 of the General Assembly are exempt from this requirement and any education program
17 regarding trainee supervision during their term of office. The Board may adopt rules
18 establishing a system of trainee registration, license, and certificate renewal in which
19 trainee registrations, licenses, and certificates expire annually with varying expiration
20 dates.

21 (b) The Board may by rule require, as a prerequisite to trainee registration,
22 license, or certificate renewal, the completion of Board-approved education courses in
23 subject matters determined by the Board, or courses determined by the Board to be
24 equivalent to the instruction, not inconsistent with any requirements of federal
25 authorities.

26 (b1) Course sponsors shall pay to the Board a fee of five dollars (\$5.00) for each
27 licensee completing an approved continuing education course conducted by the sponsor.

28 (b2) The Board shall not charge a course application fee, a course renewal fee, or
29 any other fee for a continuing education course offered by a North Carolina college,
30 university, junior college, or community or technical college accredited by the Southern
31 Association of Colleges and Schools or an agency of the federal, State, or local
32 government.

33 (c) All trainee registrations, licenses, and certificates reinstated after the
34 expiration dates shall be subject to a late filing fee of ~~five dollars (\$5.00)~~ten dollars
35 (\$10.00) per month for each month or part thereof that the trainee registration, license,
36 or certificate is lapsed, not to exceed ~~sixty dollars (\$60.00)~~one hundred twenty dollars
37 (\$120.00). The late filing fee shall be in addition to the required renewal fee. In the
38 event a trainee, licensee, or certificate holder fails to reinstate the trainee registration,
39 license, or certificate within 12 months after the expiration date thereof, the Board may,
40 in its discretion, consider the person as not having been previously registered, licensed,
41 or certified, and thereby subject to the provisions of this Chapter relating to the issuance
42 of an original trainee registration, license, or certificate, including the examination
43 requirements set forth herein. Applications to reinstate trainee registrations, licenses, or

1 certificates expired for 12 or more months shall be accompanied by the fee required for
2 an original trainee registration, license, or certificate.

3 (d) Replacement trainee registrations, licenses, and certificates may be issued by
4 the Board upon payment of ~~five dollars (\$5.00)~~ ten dollars (\$10.00) by the trainee,
5 licensee, or certificate holder. Certification by the Board of the trainee registration
6 history or the licensure or certification history of a person registered, licensed, or
7 certified under this Chapter shall be made only after the payment of a fee of ten dollars
8 (\$10.00) to the Board."

9 **SECTION 9.** G.S. 93E-1-8 reads as rewritten:

10 **"§ 93E-1-8. Education program approval and fees.**

11 (a) The Board may by rule prescribe minimum standards for the approval and
12 renewal of approval of schools and other course sponsors and their instructors to
13 conduct appraiser prelicensing and precertification courses required by G.S. 93E-1-6(a).
14 Such standards may address subject matter, program structuring, instructional materials,
15 requirements for satisfactory course completion, instructors' qualifications, and other
16 related matters relevant to the provision of such courses in a manner that best serves the
17 public interest. The standards may require that schools and course sponsors obtain
18 approval for the content of prelicensing and precertification courses from the Appraiser
19 Qualifications Board of the Appraisal Foundation as part of the application process with
20 the Appraisal Board and pay any fees directly to the Appraiser Qualifications Board as
21 required by the Appraiser Qualifications Board for the approval.

22 (b) The Board may by rule set nonrefundable fees chargeable to private real
23 estate appraisal schools or course sponsors, including appraisal trade organizations, for
24 the approval and annual renewal of approval of their prelicensing and precertification
25 courses required by G.S. 93E-1-6(a), or equivalent courses. ~~Such~~ The fees shall be ~~forty~~
26 ~~dollars (\$40.00)~~ one hundred dollars (\$100.00) per course for approval and ~~twenty~~
27 ~~dollars (\$20.00)~~ per course for renewal of approval of private school courses, and three
28 ~~hundred dollars (\$300.00) per course for approval and fifty dollars (\$50.00) per course~~
29 ~~for renewal of approval for course sponsors, including appraisal trade~~
30 ~~organizations.~~ approval. No fees shall be charged for the approval or renewal of approval
31 to conduct appraiser prelicensing or precertification courses where such courses are
32 offered by a North Carolina college, university, junior college, or community or
33 technical college accredited by the Southern Association of Colleges and Schools, or an
34 agency of the federal, State, or local government.

35 (c) The Board may by rule prescribe minimum standards for the approval and
36 annual renewal of approval of schools and other course sponsors and their instructors to
37 conduct appraiser continuing education courses. Such standards may address subject
38 matter, instructional materials, requirements for satisfactory course completion,
39 minimum course length, instructors' qualifications, and other related matters relevant to
40 the provision of such courses in a manner that best serves the public interest.

41 (d) Nonrefundable fees of one hundred dollars (\$100.00) per course may be
42 charged to schools and course sponsors for the approval to conduct appraiser continuing
43 education courses and fifty dollars (\$50.00) per course for renewal of approval.
44 However, no fees shall be charged for the approval or renewal of approval to conduct

1 appraiser continuing education courses where such courses are offered by a North
2 Carolina college, university, junior college, or community or technical college
3 accredited by the Southern Association of Colleges and Schools, or by an agency of the
4 federal, State, or local government. A nonrefundable fee of fifty dollars (\$50.00) per
5 course may be charged to current or former licensees or certificate holders requesting
6 approval by the Board of a course for continuing education credit when approval of
7 such course has not been previously obtained by the offering school or course sponsor."

8 **SECTION 10.** G.S. 93E-1-12(a) reads as rewritten:

9 "(a) The Board may take disciplinary action against registered trainees and
10 State-licensed or State-certified real estate appraisers. Upon its own motion or the
11 complaint of any person, the Board may investigate the actions of any person registered
12 as a trainee or licensed or certified as a real estate appraiser under this Chapter, any
13 person who performs appraisals without an appropriate registration, license, or
14 certificate, or any person who holds himself or herself out to be registered as a trainee or
15 licensed or certified as a real estate appraiser when the person holds no registration,
16 license, or certificate. If the Board finds probable cause to believe that a person
17 registered as a trainee or licensed or certified as a real estate appraiser under this
18 Chapter has violated any of the provisions of this Chapter, the Board may hold a hearing
19 on the allegations of misconduct.

20 The Board may suspend or revoke the registration, license, or certificate granted to
21 any person under the provisions of this Chapter or reprimand any registered trainee,
22 licensee, or certificate holder if, following a hearing or by consent, the Board finds the
23 registered trainee, licensee, or certificate holder to have:

- 24 (1) Procured registration, licensure, or certification pursuant to this
25 Chapter by making a false or fraudulent representation;
- 26 (2) Made any willful or negligent misrepresentation or any willful or
27 negligent omission of material fact;
- 28 (3) Accepted an appraisal assignment when the employment is contingent
29 upon the appraiser reporting a predetermined result, analysis, or
30 opinion, or when the fee to be paid for the performance of the
31 appraisal assignment is contingent upon the opinion, conclusion, or
32 valuation reached or upon consequences resulting from the appraisal
33 assignment;
- 34 (4) Acted or held himself or herself out as a registered trainee or a
35 ~~State-licensed or State-certified~~licensed or certified real estate
36 appraiser when not so registered, licensed, or certified;
- 37 (5) Failed as a ~~State-licensed or State-certified~~licensed or certified real
38 estate appraiser to actively and personally supervise any person not
39 licensed or certified under this Chapter who assists the ~~State-licensed~~
40 ~~or State-certified~~licensed or certified real estate appraiser in
41 performing real estate appraisals;
- 42 (6) Failed to make available to the Board for its inspection without prior
43 notice, originals or true copies of all written contracts engaging the
44 person's services to appraise real property, and all reports and

1 supporting data assembled and formulated by the appraiser in
2 preparing the reports;

3 (7) Paid a fee or valuable consideration to any person for acts or services
4 performed in violation of this Chapter;

5 (8) Acted as a real estate appraiser in an unworthy or incompetent manner
6 as to endanger the interest of the public;

7 (9) Violated any of the standards of practice for real estate appraisers or
8 any other rule promulgated by the Board;

9 (10) Performed any other act which constitutes improper, fraudulent, or
10 other dishonest conduct; or

11 (11) Violated any of the provisions of this Chapter.

12 The Executive Director of the Board shall transmit a certified copy of all final orders
13 of the Board suspending or revoking registrations, licenses, or certificates issued under
14 this Chapter to the clerk of superior court of the county in which the licensee or
15 certificate holder maintains the person's principal place of business. The clerk shall
16 enter these orders upon the judgment docket of the county."

17 **SECTION 11.** G.S. 93E-1-12(c) reads as rewritten:

18 "(c) When a person registered as a trainee or licensed or certified as a real estate
19 appraiser under this Chapter is accused of any act, omission, or misconduct which
20 would subject the person to disciplinary action, the registered trainee, licensee, or
21 certificate holder, with the consent and approval of the Board, may surrender his or her
22 registration, license, or certificate and all the rights and privileges pertaining to it for a
23 period of time established by the ~~Board~~ Board of at least five years. A person who
24 surrenders his or her registration, license, or certificate shall not thereafter be eligible
25 for or submit any application for registration, licensure, or certification as a real estate
26 appraiser during the period that the registration, license, or certificate is surrendered."

27 **SECTION 12.** After January 1, 2008, the North Carolina Appraisal Board
28 will no longer issue a license for a licensed residential real estate appraiser. Any
29 individual holding a license as a licensed residential real estate appraiser on that date
30 shall be allowed to maintain the license so long as it is properly renewed in accordance
31 with G.S. 93E-1-7.

32 **SECTION 13.** Section 6 of this act becomes effective January 1, 2008, and
33 applies to any person applying under this section on or after that date. The remainder of
34 this act becomes effective July 1, 2007, and applies to applicants for registration,
35 licensure, or certification under this act and to persons whose registration, license, or
36 certification are renewed under this act on or after July 1, 2007.