

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30340-MQ-64 (03/10)

Short Title: Customary and Reasonable Fees for Appraisers. (Public)

Sponsors: Representatives Saine and Lewis (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THE DEFINITION OF REASONABLE AND CUSTOMARY  
3 COMPENSATION FOR REAL ESTATE APPRAISERS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 93E-2-4 reads as rewritten:

6 "§ 93E-2-4. Qualifications for registration; duties of registrants.

7 ...  
8 (i) For appraisal assignments of ~~property secured by one- to four-family residential~~  
9 ~~properties, the principal dwelling of the consumer,~~ an appraisal management company shall  
10 provide customary and reasonable compensation and offers of compensation to  
11 appraisers. ~~compensate appraisers in compliance with section 129E(i) of the federal Truth in~~  
12 Lending Act (15 U.S.C. § 1601 et seq.) and regulations promulgated thereunder. Compensation  
13 and offers of compensation provided to an appraiser shall be presumed reasonable if the  
14 compensation or offer of compensation is in an amount that is reasonably related to recent rates  
15 paid by the consumer for comparable appraisal services performed in the geographic market of  
16 the property being appraised. The Board shall adopt rules necessary to enforce this subsection.  
17 ~~Rules establishing customary~~ Recent rates paid shall not include those amounts paid by  
18 appraisal management companies. Customary and reasonable rates shall be based on objective  
19 third-party information, such as academic studies—studies, government fee surveys, and  
20 independent private sector surveys. The Board shall adopt rules necessary to enforce this  
21 subsection."

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

23 "§ 93E-2-2. Definitions.

24 (a) The following definitions apply in this Article:

- 25 ...  
26 (5) Board. – The North Carolina Appraisal Board under Article 1 of this  
27 Chapter.  
28 (5a) Consumer. – The borrower or owner of the property interest for which an  
29 appraiser's services are utilized.  
30 (6) Employee. – An individual who has an employment relationship  
31 acknowledged by both the individual and the company and is treated as an  
32 employee for purposes of compliance with federal income tax laws.

33 ...  
34 (b) The definitions contained in G.S. 93E-1-4 also apply in this Article."



1           **SECTION 3.** This act is effective when it becomes law. The North Carolina  
2 Appraisal Board shall adopt rules in accordance with this act within 180 days of the effective  
3 date.