

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 485 Session of
2007INTRODUCED BY BROWNE, FERLO, BOSCOLA, ERICKSON, RHOADES, COSTA,
BAKER AND STACK, MARCH 15, 2007SENATOR TOMLINSON, CONSUMER PROTECTION AND PROFESSIONAL
LICENSURE, AS AMENDED, DECEMBER 11, 2007

AN ACT

1 Amending the act of July 10, 1990 (P.L.404, No.98), entitled "An
2 act providing for the certification of real estate
3 appraisers; specifying requirements for certification;
4 providing for sanctions and penalties; and making an
5 appropriation," further providing FOR REAL ESTATE APPRAISER <—
6 CERTIFICATION REQUIRED, for State Board of Certified Real
7 Estate Appraisers, for disciplinary and corrective measures
8 and for penalties.

9 The General Assembly of the Commonwealth of Pennsylvania
10 hereby enacts as follows:

11 ~~Section 1. Section 4(a) of the act of July 10, 1990~~ <—
12 ~~(P.L.404, No.98), known as the Real Estate Appraisers~~
13 ~~Certification Act, is amended to read:~~

14 SECTION 1. SECTION 3 OF THE ACT OF JULY 10, 1990 (P.L.404, <—
15 NO.98), KNOWN AS THE REAL ESTATE APPRAISERS CERTIFICATION ACT,
16 AMENDED JULY 2, 1996 (P.L.460, NO.71), IS AMENDED TO READ:

17 SECTION 3. REAL ESTATE APPRAISER CERTIFICATION REQUIRED.

18 [IT SHALL BE UNLAWFUL, ON OR AFTER JANUARY 1, 1993, FOR ANY
19 PERSON TO HOLD HIMSELF OUT AS A STATE-CERTIFIED REAL ESTATE
20 APPRAISER OR TO PERFORM APPRAISALS REQUIRED BY THE FINANCIAL

1 INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989
2 (PUBLIC LAW 101-73, 103 STAT. 183) TO BE PERFORMED BY A STATE-
3 CERTIFIED OR STATE-LICENSED REAL ESTATE APPRAISER UNLESS THAT
4 PERSON HOLDS AN APPROPRIATE, CURRENT AND VALID CERTIFICATION
5 FROM THE BOARD TO PERFORM REAL ESTATE APPRAISALS. IT SHALL BE
6 UNLAWFUL TWO YEARS AFTER THE EFFECTIVE DATE OF THIS ACT FOR ANY
7 PERSON TO PERFORM REAL ESTATE APPRAISALS IN NONFEDERALLY RELATED
8 TRANSACTIONS UNLESS THAT PERSON HOLDS A VALID CERTIFICATE FROM
9 THE BOARD TO PERFORM REAL ESTATE APPRAISALS.] IT SHALL BE
10 UNLAWFUL FOR ANY PERSON TO DO ANY OF THE FOLLOWING:

11 (1) TO HOLD HIMSELF OUT AS A STATE-CERTIFIED REAL ESTATE
12 APPRAISER OR TO PERFORM APPRAISALS REQUIRED BY THE FINANCIAL
13 INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989
14 (PUBLIC LAW 101-73, 103 STAT. 183) TO BE PERFORMED BY A
15 STATE-CERTIFIED OR STATE-LICENSED REAL ESTATE APPRAISER
16 UNLESS THAT PERSON HOLDS AN APPROPRIATE, CURRENT AND VALID
17 CERTIFICATE FROM THE BOARD TO PERFORM REAL ESTATE APPRAISALS.

18 (2) TO PERFORM REAL ESTATE APPRAISALS IN NONFEDERALLY
19 RELATED TRANSACTIONS UNLESS THAT PERSON HOLDS AN APPROPRIATE,
20 CURRENT AND VALID CERTIFICATE OR LICENSE FROM THE BOARD TO
21 PERFORM REAL ESTATE APPRAISALS.

22 (3) TO HOLD HIMSELF OUT AS A REAL ESTATE APPRAISER
23 WITHOUT AN APPROPRIATE, CURRENT AND VALID CERTIFICATE OR
24 LICENSE FROM THE BOARD.

25 SECTION 2. SECTION 4(A) OF THE ACT IS AMENDED TO READ:

26 Section 4. State Board of Certified Real Estate Appraisers.

27 (a) Creation.--There is hereby created the State Board of
28 Certified Real Estate Appraisers as a departmental
29 administrative board in the Department of State. The board shall
30 ~~consist of [seven members] the following members:~~

<—

~~(1) The Secretary of the Commonwealth or a designee.~~

~~(2) The Attorney General or a designee.~~

~~(3) The Secretary of Banking or a designee.~~

~~(4) Eight members who are citizens of the United States and who have been residents of this Commonwealth for a two-year period immediately prior to appointment.[, two of whom shall be public members, four of whom shall be persons who are State certified real estate appraisers and one of whom shall be the Secretary of the Commonwealth or his or her designee. For the initial board appointments, the four professional members need not be certified at the time of appointment but shall have appropriate appraisal experience and education and shall have demonstrated adherence to standards of professional practice.]~~

~~(5) Two public members.~~

~~(6) Six State certified real estate appraisers.~~ CONSIST <—
OF [SEVEN MEMBERS WHO ARE CITIZENS OF THE UNITED STATES AND WHO HAVE BEEN RESIDENTS OF THIS COMMONWEALTH FOR A TWO-YEAR PERIOD IMMEDIATELY PRIOR TO APPOINTMENT, TWO OF WHOM SHALL BE PUBLIC MEMBERS, FOUR OF WHOM SHALL BE PERSONS WHO ARE STATE-CERTIFIED REAL ESTATE APPRAISERS AND ONE OF WHOM SHALL BE THE SECRETARY OF THE COMMONWEALTH OR HIS OR HER DESIGNEE. FOR THE INITIAL BOARD APPOINTMENTS, THE FOUR PROFESSIONAL MEMBERS NEED NOT BE CERTIFIED AT THE TIME OF APPOINTMENT BUT SHALL HAVE APPROPRIATE APPRAISAL EXPERIENCE AND EDUCATION AND SHALL HAVE DEMONSTRATED ADHERENCE TO STANDARDS OF PROFESSIONAL PRACTICE.] THE FOLLOWING MEMBERS:

(1) THE SECRETARY OF THE COMMONWEALTH OR A DESIGNEE.

(2) THE ATTORNEY GENERAL OR A DESIGNEE.

(3) THE SECRETARY OF BANKING OR A DESIGNEE.

1 (4) EIGHT MEMBERS WHO ARE CITIZENS OF THE UNITED STATES
2 AND WHO HAVE BEEN RESIDENTS OF THIS COMMONWEALTH FOR A TWO-
3 YEAR PERIOD IMMEDIATELY PRIOR TO APPOINTMENT, TWO OF WHOM
4 SHALL BE PUBLIC MEMBERS AND SIX OF WHOM SHALL BE PERSONS WHO
5 ARE STATE-CERTIFIED REAL ESTATE APPRAISERS.

6 * * *

7 Section ~~2~~ 3. Section 11(a) of the act is amended by adding <—
8 paragraphs to read:

9 Section 11. Disciplinary and corrective measures.

10 (a) Authority of board.--The board may deny, suspend or
11 revoke certificates OR LICENSES, or limit, restrict or reprimand <—
12 a certificateholder OR LICENSEE for any of the following causes: <—

13 * * *

14 (16) Suspension or revocation of the right to practice
15 by a Federal or State governmental agency.

16 (17) Having been found by a civil court of competent
17 jurisdiction to have performed a fraudulent appraisal.

18 * * *

19 Section ~~3~~ 4. Section 15(b) of the act is amended to read: <—
20 Section 15. Penalties.

21 * * *

22 (b) Civil penalty.--In addition to any other civil remedy or
23 criminal penalty provided for in this act, the board, by a vote
24 of the majority of the maximum number of the authorized
25 membership of the board as provided by law, or by a vote of the
26 majority of the duly qualified and confirmed membership or a
27 minimum of three members, whichever is greater, may levy a civil
28 penalty of up to [\$1,000] \$10,000 on any [current+] <—

29 certificateholder who violates any provision of this act or on
30 any person who holds himself or herself out as a certified real

1 estate appraiser or performs {appraisals for which certification <—
2 or licensure is required pursuant to the Financial Institutions
3 Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-
4 73, 103 Stat. 183)} ~~an appraisal in any federally related or~~ <—
5 ~~nonfederally related transaction~~ without being {so} certified <—
6 pursuant to this act.] CERTIFICATEHOLDER OR LICENSEE WHO <—
7 VIOLATES ANY PROVISION OF THIS ACT OR ANY NONCERTIFICATEHOLDER
8 WHO HOLDS HIMSELF OUT AS A REAL ESTATE APPRAISER IN THIS
9 COMMONWEALTH OR WHO PERFORMS AN APPRAISAL FOR WHICH
10 CERTIFICATION OR LICENSURE IS REQUIRED UNDER THE FINANCIAL
11 INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989
12 (PUBLIC LAW 101-73, 103 STAT. 183) AN APPRAISAL IN ANY FEDERALLY
13 RELATED OR NONFEDERALLY RELATED TRANSACTION OR ANY OTHER
14 APPRAISAL. The board shall levy this penalty only after
15 affording the accused party the opportunity for a hearing, as
16 provided in 2 Pa.C.S. (relating to administrative law and
17 procedure).
18 * * *
19 Section 4 5. This act shall take effect in 60 days. <—