

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 459

BY BUSINESS COMMITTEE

AN ACT

1  
2 RELATING TO REAL ESTATE APPRAISERS; AMENDING SECTION 54-4104, IDAHO CODE,  
3 TO DEFINE A TERM AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING CHAP-  
4 TER 41, TITLE 54, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 54-4105A,  
5 IDAHO CODE, TO PROVIDE REQUIREMENTS FOR CERTAIN APPRAISAL REVIEWS.

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 54-4104, Idaho Code, be, and the same is hereby  
8 amended to read as follows:

9 54-4104. DEFINITIONS. As used in this chapter:

10 (1) "Appraisal" or "real estate appraisal" means an opinion or conclu-  
11 sion of value of identified real estate.

12 (2) "Appraisal assignment" means an engagement for which an appraiser  
13 is employed or retained to act, or would be perceived by third parties or the  
14 public as acting, as a disinterested third party in rendering an unbiased  
15 opinion or conclusion relating to the value of identified real estate.

16 (3) "Appraisal foundation" or "foundation" means the appraisal founda-  
17 tion established on November 20, 1987, as a not-for-profit corporation under  
18 the laws of Illinois.

19 (4) "Appraisal review" means the act or process of developing and com-  
20 municating an opinion about the quality of another appraiser's work that was  
21 performed as part of an appraisal or appraisal review assignment. The term  
22 does not include:

23 (a) A general examination of an appraisal for grammatical, typographi-  
24 cal, mathematical or other similar administrative errors; and

25 (b) A general examination for completeness, including regulatory or  
26 client requirements as specified in the agreement process that do not  
27 involve the appraiser's professional judgment, including compliance  
28 with the elements of the client's statement of work.

29 (5) "Board" means the real estate appraiser board.

30 (56) "Broker's price opinion" means a written price opinion of the es-  
31 timated price for identified real property that is prepared by a real estate  
32 broker or associate broker licensed under chapter 20, title 54, Idaho Code,  
33 pursuant to the requirements and content provisions for the broker's price  
34 opinions contained in this chapter.

35 (67) "Federally related transaction" means any real estate-related  
36 financial transaction that a federally regulated institution, regulatory  
37 agency, or the resolution trust corporation engages in, funds, contracts  
38 for, or regulates.

39 (78) "License" or "certificate" means that document issued by the real  
40 estate appraiser board certifying that the person named thereon has satis-  
41 fied the requirements for licensure or certification as a state licensed or

1 certified real estate appraiser and bearing a license or certificate number  
2 assigned by the board.

3 (~~89~~) "Noncomplex appraisal" is one in which the subject property has an  
4 active market of essentially identical properties, there is adequate mar-  
5 ket data available, adjustments do not exceed the typical range found in the  
6 market for essentially identical properties, and in the instance of residen-  
7 tial property, the contract sales price would fall within the market norm for  
8 homes or lots within the same area.

9 (~~910~~) "Real estate appraiser" or "appraiser" means a person who, for  
10 a fee or other valuable consideration or the expectation thereof, develops  
11 and communicates real estate appraisals or otherwise gives an opinion of the  
12 value of real estate or any interest therein.

13 (~~101~~) "Real estate-related financial transaction" means any transac-  
14 tion involving:

15 (a) The sale, lease, purchase, investment in or exchange of real prop-  
16 erty, including interest in property or the financing thereof;

17 (b) The financing or refinancing of real property, or any interest in  
18 real property;

19 (c) The use of real property or an interest in real property as security  
20 for a loan or investment, including a mortgage-backed security.

21 (~~112~~) "Real property" or "real estate" means and includes leaseholds as  
22 well as any other interest or estate in land, whether corporeal, incorpo-  
23 real, freehold or nonfreehold and whether situated in this state or else-  
24 where.

25 (~~123~~) "State certified general real estate appraiser" means a person  
26 who is certified to appraise all types of real property.

27 (~~134~~) "State certified residential real estate appraiser" means a per-  
28 son who holds a current, valid certificate as a state certified residential  
29 appraiser issued under the provisions of this chapter whose practice is lim-  
30 ited to appraisal of residential properties of four (4) or ~~less~~ fewer units  
31 without regard to transaction value or complexity.

32 (~~145~~) "State licensed residential real estate appraiser" means a per-  
33 son who is licensed to appraise residential real property consisting of one  
34 (1) to four (4) noncomplex residential units having a transaction value less  
35 than one million dollars (\$1,000,000) and complex one (1) to four (4) resi-  
36 dential units having a transaction value less than two hundred fifty thou-  
37 sand dollars (\$250,000).

38 SECTION 2. That Chapter 41, Title 54, Idaho Code, be, and the same is  
39 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
40 ignated as Section 54-4105A, Idaho Code, and to read as follows:

41 54-4105A. APPRAISAL REVIEW. Any person who performs an appraisal re-  
42 view shall be licensed or certified by the board or by another state, pro-  
43 vided that if a value opinion is provided, the person must be licensed by  
44 the board. A person performing a review that does not fall under the defini-  
45 tion of an appraisal review is not required to be certified or licensed in any  
46 state.