

HOUSE No. 4133

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, October 18, 2023.

The committee on Consumer Protection and Professional Licensure to whom was referred the petition (accompanied by bill, House, No. 392) of Thomas M. Stanley and others relative to the licensing of small appraisal companies, reports recommending that the accompanying bill (House, No. 4133) ought to pass.

For the committee,

TACKEY CHAN.

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**In the One Hundred and Ninety-Third General Court
(2023-2024)**

An Act making corrective changes to Chapter 112 of the General Laws.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 276 of chapter 112 of the General Laws, as appearing in the 2020
2 Official Edition, is hereby amended by inserting after the definition of “Employee in charge” the
3 following definition:-

4 “Federal Appraisal Subcommittee”, a subcommittee of the Federal Financial Institutions
5 Examinations Council which consists of the designees of the heads of the federal financial
6 institutions’ regulatory agencies, pursuant to Title XI of the Financial Institutions Reform,
7 Recovery and Enforcement Act of 1989, and the designee of the Secretary of Housing and Urban
8 Development.

9 SECTION 2. Section 277 of chapter 112 of the General Laws, as so appearing, is hereby
10 amended by striking out, in clause (ii) of subsection (a), the words “engage in or attempt to
11 perform appraisal management services or to”.

12 SECTION 3. The first sentence of section 278 of said chapter 112, as so appearing, is
13 hereby amended by inserting after the word “Financial” the word:- “Institutions”.

14 SECTION 4. Section 279 of said chapter 112, as so appearing, is hereby amended by
15 striking out subsection (c) and inserting in place thereof the following:-

16 (c) A person who directly or indirectly owns more than 10 per cent of an entity applying
17 for registration and the controlling person and employee in charge of an entity applying for
18 registration shall be of good moral character as determined by the board and shall, at a minimum,
19 furnish to the board information concerning the person's identity, for submission to any
20 government agency or entity authorized to receive such information for a criminal history
21 background check as determined by the board. An appraisal management company that is
22 owned, in whole or in part, directly or indirectly, by a person who has had a license or certificate
23 to act as an appraiser or to engage in any activity related to the transfer of real property refused,
24 denied, canceled, surrendered in lieu of revocation or revoked in the commonwealth or in any
25 other state, whether on a temporary or permanent basis, shall not be eligible for registration.

26 SECTION 5. Section 283 of said chapter 112, as so appearing, is hereby amended by
27 inserting after the first sentence the following sentence:- "The board shall collect and remit to the
28 Federal Appraisal Subcommittee the annual national registry fee received from each appraisal
29 management company and each federally regulated appraisal management company as required
30 by federal rules or regulations promulgated pursuant to Title XI of the Financial Institutions
31 Reform, Recovery and Enforcement Act of 1989, 12 U.S.C. 3331 et seq."

32 SECTION 6. Section 285 of said chapter 112, as so appearing, is hereby amended by
33 striking out, in subsection (a), the words "managing principal".

34 SECTION 7. Said section 285 of said chapter 112 is hereby further amended by striking
35 out, in subsection (b), the words "managing principal".

36 SECTION 8. Section 286 of said chapter 112, as so appearing, is hereby amended by
37 striking out, in subsection (a), the words “managing principal”.

38 SECTION 9. Said section 286 of said chapter 112 is hereby further amended by striking
39 out, in subsection (b), the words “managing principal.”.

40 SECTION 10. Section 289 of said chapter 112, as so appearing, is hereby amended by
41 inserting, in subsection (b), after the words “controlling person,” the word:- “or”.

42 SECTION 11. Said section 289 of said chapter 112, as so appearing, is hereby further
43 amended by striking out, in subsection (b), the words “or managing principal”.

44 SECTION 12. This act shall take effect upon its passage.