

SENATE BILL 187

C2

(2lr0571)

ENROLLED BILL

— Finance/Economic Matters —

Introduced by Chair, Finance Committee

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **State Commission of Real Estate Appraisers and Home Inspectors – Sunset**
3 **Extension and Program Evaluation**

4 FOR the purpose of continuing the State Commission of Real Estate Appraisers and
5 Home Inspectors in accordance with the provisions of the Maryland Program
6 Evaluation Act (sunset law) by extending to a certain date the termination
7 provisions relating to the statutory and regulatory authority of the Commission;
8 requiring that an evaluation of the Commission be performed on or before a
9 certain date; requiring the Commission to submit ~~a certain report~~ *certain*
10 *reports* to certain committees of the General Assembly on or before ~~a certain~~
11 ~~date~~ *certain dates*; repealing a requirement for the Commission to submit a
12 certain report to certain committees of the General Assembly on or before a
13 certain date; renaming the Commission; making conforming changes; and
14 generally relating to the State Commission of Real Estate Appraisers and Home
15 Inspectors.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 BY repealing and reenacting, with amendments,
 2 Article – Business Occupations and Professions
 3 Section 16–101(g) to be under the amended title “Title 16. Real Estate
 4 Appraisers, Appraisal Management Companies, and Home Inspectors”;
 5 16–201 and 16–217(c)(2) to be under the amended subtitle “Subtitle 2.
 6 State Commission of Real Estate Appraisers, Appraisal Management
 7 Companies, and Home Inspectors”; and 16–801 and 16–802
 8 Annotated Code of Maryland
 9 (2010 Replacement Volume and 2011 Supplement)

10 BY repealing and reenacting, with amendments,
 11 Article – Business Regulation
 12 Section 2–106.7(a) and (b)(1), 2–106.8(a), and 2–108(a)(25)
 13 Annotated Code of Maryland
 14 (2010 Replacement Volume and 2011 Supplement)

15 BY repealing and reenacting, without amendments,
 16 Article – State Government
 17 Section 8–403(a)
 18 Annotated Code of Maryland
 19 (2009 Replacement Volume and 2011 Supplement)

20 BY repealing and reenacting, with amendments,
 21 Article – State Government
 22 Section 8–403(b)(59)
 23 Annotated Code of Maryland
 24 (2009 Replacement Volume and 2011 Supplement)

25 BY repealing
 26 Chapter 470 of the Acts of the General Assembly of 2001
 27 Section 3

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 29 MARYLAND, That the Laws of Maryland read as follows:

30 **Article – Business Occupations and Professions**

31 Title 16. Real Estate Appraisers, **APPRAISAL MANAGEMENT COMPANIES**, and
 32 Home Inspectors.

33 16–101.

34 (g) “Commission” means the State Commission of Real Estate Appraisers,
 35 **APPRAISAL MANAGEMENT COMPANIES**, and Home Inspectors.

1 Subtitle 2. State Commission of Real Estate Appraisers, **APPRAISAL MANAGEMENT**
2 **COMPANIES**, and Home Inspectors.

3 16–201.

4 There is a State Commission of Real Estate Appraisers, **APPRAISAL**
5 **MANAGEMENT COMPANIES**, and Home Inspectors in the Department.

6 16–217.

7 (c) (2) The Comptroller shall distribute the fees to the State Commission
8 of Real Estate Appraisers, **APPRAISAL MANAGEMENT COMPANIES**, and Home
9 Inspectors Fund established in § 2–106.7 of the Business Regulation Article.

10 16–801.

11 This title may be cited as the “Maryland Real Estate Appraisers, **APPRAISAL**
12 **MANAGEMENT COMPANIES**, and Home Inspectors Act”.

13 16–802.

14 Subject to the evaluation and reestablishment provisions of the Maryland
15 Program Evaluation Act, this title and all regulations adopted under this title shall
16 terminate and be of no effect after July 1, [2013] **2023**.

17 **Article – Business Regulation**

18 2–106.7.

19 (a) (1) In this section the following words have the meanings indicated.

20 (2) “Commission” means the State Commission of Real Estate
21 Appraisers, **APPRAISAL MANAGEMENT COMPANIES**, and Home Inspectors.

22 (3) “Fund” means the State Commission of Real Estate Appraisers,
23 **APPRAISAL MANAGEMENT COMPANIES**, and Home Inspectors Fund.

24 (b) (1) There is a State Commission of Real Estate Appraisers,
25 **APPRAISAL MANAGEMENT COMPANIES**, and Home Inspectors Fund in the
26 Department.

27 2–106.8.

28 (a) In this section, “Commission” means the State Commission of Real Estate
29 Appraisers, **APPRAISAL MANAGEMENT COMPANIES**, and Home Inspectors.

1 2–108.

2 (a) The following units are in the Department:

3 (25) the State Commission of Real Estate Appraisers, **APPRAISAL**
4 **MANAGEMENT COMPANIES**, and Home Inspectors.

5 **Article – State Government**

6 8–403.

7 (a) On or before December 15 of the 2nd year before the evaluation date of a
8 governmental activity or unit, the Legislative Policy Committee, based on a
9 preliminary evaluation, may waive as unnecessary the evaluation required under this
10 section.

11 (b) Except as otherwise provided in subsection (a) of this section, on or before
12 the evaluation date for the following governmental activities or units, an evaluation
13 shall be made of the following governmental activities or units and the statutes and
14 regulations that relate to the governmental activities or units:

15 (59) Real Estate Appraisers, **APPRAISAL MANAGEMENT**
16 **COMPANIES**, and Home Inspectors, State Commission of (§ 16–201 of the Business
17 Occupations and Professions Article: July 1, [2012] **2022**);

18 **Chapter 470 of the Acts of 2001**

19 [SECTION 3. AND BE IT FURTHER ENACTED, That the Department of
20 Labor, Licensing, and Regulation shall report to the Senate Finance Committee and
21 the House Economic Matters Committee on or before December 1, 2002, in accordance
22 with § 2–1246 of the State Government Article, on the impact of incorporating a
23 licensing authority for home inspectors into the State Commission of Real Estate
24 Appraisers. The report shall include:

25 (1) an evaluation of the ability of the Commission to operate separate
26 regulatory schemes and hearing boards for home inspectors and real estate appraisers;

27 (2) a summary of the number of home inspector licenses issued and
28 the number of complaints received against home inspectors; and

29 (3) the appropriateness of the current licensing fee for home
30 inspectors.]

31 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,
32 2013, the State Commission of Real Estate Appraisers, Appraisal Management
33 Companies, and Home Inspectors shall report to the Senate Finance Committee and

1 the House Economic Matters Committee, in accordance with § 2-1246 of the State
2 Government Article, on the following:

3 (1) the extent to which the creation of an appraisal technical review
4 panel has assisted in the satisfactory resolution of appraiser complaints, including:

5 (i) the percentage of complaints that are resolved within 1 year
6 for complaints received in fiscal years 2012 and 2013;

7 (ii) the number of complaints that are not resolved within 1
8 year, and the date that each unresolved complaint was received;

9 (iii) the average amount expended by the technical review panel
10 to complete each technical review in fiscal years 2012 and 2013; and

11 (iv) an estimate of the additional funding necessary, if any, for
12 the technical review panel to conduct reviews of any remaining complaints that have
13 not been resolved within 1 year; *and*

14 (2) the methodology used to establish the Commission's fee schedules
15 for each profession, including:

16 (i) the direct and indirect costs attributable to the
17 Commission's activities regarding regulation of:

18 1. real estate appraisers;

19 2. appraisal management companies; and

20 3. home inspectors; and

21 (ii) an evaluation of whether the fees established for each
22 profession or industry have been appropriately set so as to produce funds to
23 approximate the cost of regulating each profession or industry as required by §
24 2-106.8 of the Business Regulation Article; ~~and~~.

25 ~~(3)~~

26 SECTION 3. AND BE IT FURTHER ENACTED, That, on or before October 1,
27 2012, the State Commission of Real Estate Appraisers, Appraisal Management
28 Companies, and Home Inspectors shall report to the Senate Finance Committee and the
29 House Economic Matters Committee, in accordance with § 2-1246 of the State
30 Government Article, on any reciprocal licensing agreements that the Commission has
31 established with other state real estate appraiser licensing or certification bodies,
32 including:

1 ~~(i)~~ (1) an evaluation of the licensing standards of any jurisdiction
 2 that had been a party to a prior reciprocal licensing agreement, and any steps taken
 3 by such jurisdictions to enhance licensing standards necessary to reestablish a
 4 reciprocal licensing agreement with the Commission;

5 ~~(ii)~~ (2) a statement regarding the reason that a reciprocal licensing
 6 agreement cannot be established with a jurisdiction that had previously been a party
 7 to a prior agreement;

8 ~~(iii)~~ (3) the methods the Commission will undertake to
 9 monitor future changes in the standards of other jurisdictions for purposes of
 10 establishing reciprocal licensing agreements; and

11 ~~(iv)~~ (4) any additional measures that the Commission intends
 12 to take toward the goal of establishing reciprocal licensing agreements with other
 13 jurisdictions.

14 SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take
 15 effect July 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.