

**REVENUE:** No revenue impact

**FISCAL:** Fiscal statement issued

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**Action:** Without Recommendation as to Passage and Be Referred to the Committee on Rules

**Vote:** 8 - 0 - 0

**Yeas:** Cameron, Clem, Conger, Matthews, Sheehan, Smith J., Holvey, Whisnant

**Nays:** 0

**Exc.:** 0

**Prepared By:** Jan Nordlund, Administrator

**Meeting Dates:** 3/22, 4/12

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**WHAT THE MEASURE DOES:** Modifies provisions relating to appraisal management companies (AMCs). Allows the Department of Consumer and Business Services to collect from an AMC reimbursement for the actual expenses incurred in the agency’s examination of the company. Allows the department to deny, condition, or refuse to renew an AMCs registration, in addition to existing authority to suspend or revoke registration. Allows the department to impose a civil penalty on an AMC of \$15,000 per violation with a maximum penalty for each continuing violation of \$60,000. Gives the director of the department authority to investigate and publish information regarding violations. Gives the director authority to issue a cease and desist order. Gives the department rulemaking authority. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Comparable penalty structure in other programs
- Department’s practice of charging the “cost causers” for expenses

**EFFECT OF COMMITTEE AMENDMENT:** No amendments.

**BACKGROUND:** The Legislative Assembly passed House Bill 3624 during the 2010 special session requiring AMCs to register with the Department of Consumer and Business Services. During the rule making process, DCBS facilitated three roundtable discussions with a large group of stakeholders and legislators to discuss various concerns with the legislation.