

SB 109 A STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 4/15

WHAT THE MEASURE DOES:

Clarifies that certain documents prepared for the internal use of financial institution or affiliate, a consumer finance company, or an insurance company or affiliate are not real estate appraisal activity requiring preparer to be certified, licensed, or registered as real estate appraiser. Provides that real estate appraiser activity does not include opinion provided to financial institution in conformance with specified standards for use in real-estate transactions that do not require appraisal. Clarifies that licensed or certified appraiser engaged to perform evaluation is not engaged in real estate appraisal activity if the evaluation includes disclaimer with specified language.

Minimal fiscal impact.

No revenue impact.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Real estate appraisers provide an opinion of the market value for real property on a given date. Most transactions of real property require an appraisal of the property in question. A person must be certified, licensed, or registered as a real estate appraiser before engaging in real estate appraiser activities. Oregon appraisers must demonstrate specified education and work experience when seeking or renewing their license, registration, or certification.

Senate Bill 109-A clarifies that certain documents prepared for the internal use of a financial institution, consumer finance company, or insurance company, or an opinion provided for use in a real estate transaction that does not require an appraisal, are not real estate appraiser activities, and the individuals preparing those documents are not subject to the certification, license, or registration requirements for that profession. The measure also ensures that a licensed or certified appraiser can perform an evaluation that is not a real estate appraisal activity subject to industry standards if the evaluation contains specified disclaimer language.

Senate: 30-0

Senate Business and General Government Committee: 5-0