

House Bill 3218

Sponsored by Representative HOLVEY (at the request of Greater Oregon Chapter of the Appraisal Institute)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Limits time during which Appraiser Certification and Licensure Board may commence disciplinary proceedings.

Modifies statute of limitations for actions arising out of real estate appraisal activity and appraisal review.

A BILL FOR AN ACT

1
2 Relating to real estate appraisal; creating new provisions; and amending ORS 12.132 and 674.145.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 674.145 is amended to read:

5 674.145. (1) As used in this section, "objective basis" means a substantial objective basis for
6 believing that, more likely than not, a violation of ORS 674.140 has occurred and a person subject
7 to discipline under ORS 674.140 has committed the violation.

8 (2) Before disciplining a person under ORS 674.140, the Appraiser Certification and Licensure
9 Board shall establish a subcommittee for the purpose of making a recommendation as to whether
10 an objective basis exists to believe that the alleged violation occurred.

11 (3) To establish a subcommittee under this section, the board shall appoint to the subcommittee
12 three members from among members of the board.

13 (4) A subcommittee shall review the facts of an alleged violation and, within 30 days of being
14 established, make a recommendation described in subsection (2) of this section. If the subcommittee
15 recommends that an objective basis exists, the subcommittee shall submit a report to the board de-
16 scribing the specific violation that occurred and the facts supporting the subcommittee's recom-
17 mendation.

18 (5) Except as provided in subsection (6) of this section, the board may commence disciplinary
19 proceedings only after receiving a report under subsection (4) of this section.

20 (6) Upon a finding of serious danger to the public health or safety, the board may impose a form
21 of discipline as allowed under ORS 183.430 (2) before receiving a report under subsection (4) of this
22 section.

23 **(7) The board may not commence disciplinary proceedings under ORS 674.140 after the**
24 **later of:**

25 **(a) Five years after the date the real estate appraisal activity or other act giving rise to**
26 **the disciplinary proceedings was completed or should have been completed; or**

27 **(b) The expiration of the time period specified in ORS 674.150 for the retention of the**
28 **records for the appraisal or real estate appraisal activity giving rise to the disciplinary pro-**
29 **ceedings.**

30 [(7)] (8) The board shall adopt rules to implement this section.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 2.** ORS 12.132 is amended to read:

2 12.132. (1) Except as provided in subsection (2) of this section, an action arising out of real es-
3 tate appraisal activity, as defined in ORS 674.010, **or appraisal review, as defined in ORS 674.200,**
4 must be commenced before the earlier of:

5 *[(a) The applicable period of limitation otherwise established by law; or]*

6 *[(b) Six years after the date of the act or omission giving rise to the action.]*

7 **(a) Two years after the date on which the person commencing the action knew or should**
8 **have known the facts on which the action is based; or**

9 **(b) Five years after the date on which the real estate appraisal activity or appraisal re-**
10 **view on which the action is based was completed or should have been completed.**

11 (2) Subsection (1)(b) of this section does not apply to an action arising out of real estate ap-
12 praisal activity **or appraisal review** based on fraud or misrepresentation.

13 **SECTION 3.** The amendments to ORS 12.132 by section 2 of this 2019 Act apply to real
14 estate appraisal activity, as defined in ORS 674.010, and appraisal review, as defined in ORS
15 674.200, occurring on or after the effective date of this 2019 Act.

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