

SB 37 -2 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Meeting Dates: 4/28, 5/17

WHAT THE MEASURE DOES:

Requires applicant for registration as appraisal management company to certify that all owners and the controlling person do not have certain disciplinary history. Prohibits Appraiser Certification Licensure Board from approving application without making the same finding. Updates references to federal requirements. Deletes requirement that the controlling person and individuals with at least ten percent ownership in appraisal management company complete a criminal records check before Board may issue a registration to the company. Removes 90-day exemption from prohibition against appraisal management company removing an appraiser from appraiser panel without written notice to the appraiser. Clarifies language regarding annual registry fee for appraisers and appraisal management companies. Takes effect on 91st day following adjournment *sine die*.

Revenue: No impact

Fiscal: Minimal impact

Senate vote: 26-1 (Nay: Heard)

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Restores requirement that the controlling person and individuals with at least ten percent ownership in appraisal management company complete a criminal records check before Board may issue a registration to the company. Declares emergency, effective on passage.

Fiscal: Minimal impact

Revenue: pending

BACKGROUND:

Real estate appraisers estimate the value of buildings or land in a given market, generally to inform and protect the parties engaged in a real estate transaction. The Appraiser Certification Licensure Board regulates the practice of real estate appraisal in this state, including licensing and certification of individual appraisers and the registration of appraisal management companies that review and oversee the work of 15 or more appraisers on behalf of the company's clients. In order to ensure state-certified appraisers can provide service for federally regulated transactions, the board routinely reviews and updates Oregon laws to maintain alignment with federal appraiser requirements.

Senate Bill 37 updates requirements for the registration of appraisal management companies to align with applicable federal regulations. The measure requires a business entity that applies for registration as an appraisal management company to certify that no owner or controlling person has had an appraiser license or certificate refused, denied, canceled, surrendered, or revoked in any state or U.S. territory for substantive cause. The measure prohibits the Board from approving an application for registration unless the board makes the same findings. The measure also prohibits an appraisal management company from removing an appraiser from the appraiser panel, even within appraiser's first 90 days, without written notice to the appraiser.