

House Bill 2287

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of Governor Kate Brown for Appraiser Certification and Licensure Board)

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**.

Clarifies that Appraiser Certification and Licensure Board is responsible for determining specified criteria for registration or certification of appraisal management companies.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1 Relating to real estate appraisers; amending ORS 674.205; and prescribing an effective date.

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

3 **SECTION 1.** ORS 674.205 is amended to read:

4 674.205. (1) A person may not directly or indirectly engage in or attempt to engage in business
5 as an appraisal management company or advertise or represent that the entity is an appraisal
6 management company unless the person is:

7 (a) Registered as an appraisal management company with the Appraiser Certification and
8 Licensure Board; or

9 (b) An appraisal management company owned and controlled by an insured depository institu-
10 tion as defined in 12 U.S.C. 1813 that is regulated by the Comptroller of the Currency, the Board
11 of Governors of the Federal Reserve System or the Federal Deposit Insurance Corporation.

12 (2) A business entity may apply for registration as an appraisal management company on forms
13 prescribed by rule by the **Appraiser Certification and Licensure Board**. The application must in-
14 clude:

15 (a) The name, address and phone contact information of the entity;

16 (b) The name, address and phone contact information of a controlling person of the entity;

17 (c) If the entity is not domiciled in this state, the name and phone contact information for the
18 entity's agent for service of process in this state;

19 (d) The name, address and phone contact information of any person that owns 10 percent or
20 more of the entity;

21 (e) A certification that:

22 (A) Each owner, in whole or in part, directly or indirectly, of the entity and the controlling
23 person identified in the application have not had an appraiser license or certificate refused, denied,
24 canceled, surrendered in lieu of revocation or revoked in any state, territory or possession of the
25 United States, for a substantive cause, as determined by the [*Appraisal Subcommittee*] **Appraiser
26 Certification and Licensure Board**;

27 (B) The entity has a system to verify that each appraiser on the entity's appraiser panel is li-
28 censed or certified under ORS 674.310;

29 (C) The entity requires an appraiser completing an appraisal at the entity's request to confirm
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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 that the appraiser is competent to perform the appraisal assignment before accepting the assign-
 2 ment;

3 (D) The entity requires appraisers completing appraisals at the entity’s request to comply with
 4 the Uniform Standards of Professional Appraisal Practice;

5 (E) The entity has a system in place to require that appraisals are conducted independently and
 6 without inappropriate influence or coercion as required by the appraisal independence standards
 7 established under section 129E of the Truth in Lending Act; and

8 (F) The entity maintains and retains for at least five years, or as required under ORS 674.150,
 9 a detailed record of each appraisal management services request the entity receives and the ap-
 10 praiser who performs the real estate appraisal activity contained in the request;

11 (f) The surety bond, letter of credit or deposit required by ORS 674.210;

12 (g) Fees in an amount prescribed by rule by the board, which must be sufficient to cover the
 13 costs of administering ORS 674.200 to 674.250 and 674.995; and

14 (h) Any other information required by the board by rule.

15 (3) The board may not issue a registration to a business entity as an appraisal management
 16 company unless:

17 (a) Each individual who owns 10 percent or more of the entity and the controlling person iden-
 18 tified by the entity in the application have completed a criminal records check;

19 (b) The board finds that no owner, in whole or in part, directly or indirectly, of the entity or
 20 the controlling person identified in the application has had an appraiser license or certificate re-
 21 fused, denied, canceled, surrendered in lieu of revocation or revoked in any state or territory or
 22 possession of the United States, for a substantive cause, as determined by the [*Appraisal Subcom-
 23 mittee*] **Appraiser Certification and Licensure Board**; and

24 (c) The board determines that each individual who owns more than 10 percent of the entity and
 25 the controlling person identified by the entity in the application are of good moral character.

26 (4)(a) The board shall issue a unique registration number to each appraisal management com-
 27 pany registered under this section.

28 (b) The board shall maintain a published list of appraisal management companies registered un-
 29 der this section.

30 (c) An appraisal management company registered under this section shall disclose the company’s
 31 registration number to each appraiser used by the company.

32 (5) An appraisal management company registration expires two years after the date of the is-
 33 suance of the registration. The board shall adopt rules establishing the requirements for renewal
 34 or reactivation of a registration. The rules must require that an appraisal management company
 35 provide all of the information and certifications required for an initial application for registration
 36 under subsection (2) of this section in the renewal application.

37 **SECTION 2. This 2023 Act takes effect on the 91st day after the date on which the 2023**
 38 **regular session of the Eighty-second Legislative Assembly adjourns sine die.**