



OFFICE OF LEGISLATIVE AUDITOR
Fiscal Note

Fiscal Note On: HB 602 HLS 11RS 1224
Bill Text Version: ENROLLED
Opp. Chamb. Action:
Proposed Amd.:
Sub. Bill For.:

Date: June 16, 2011 9:58 AM
Author: HOFFMANN
Dept./Agy.: Real Estate/Appraisers
Subject: Assessments for licensure
Analyst: Lindsay Schexnayder

REAL ESTATE/APPRAISERS EN +\$171,000 SG RV See Note Page 1 of 1
Provides relative to assessments for licensure as a real estate appraisal management company

Purpose of Bill: This measure adds a fee schedule to the Louisiana Appraisal Management Company Licensing and Regulation Act of 2009. The Act requires that all real estate appraisal management companies be licensed in order to do business in Louisiana. Currently, appraisal management companies are not charged a fee when their license application is approved. This measure will establish 1) an initial application fee; and 2) renewal fee; not to exceed \$1,500. Delinquent fees will be assessed for applications that are submitted late.

The provisions of this measure shall expire on December 31, 2013.

Table with 7 columns: EXPENDITURES/REVENUES, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 5-YEAR TOTAL. Rows include State Gen. Fd., Agy. Self-Gen., Ded./Other, Federal Funds, Local Funds, and Annual Total.

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Agency Self-Generated Revenues are expected to increase by \$171,000 annually as a result of this measure.

According to an official with the LA Real Estate Appraisers Board (board), revenue was calculated using an average of 114 Appraisal Management Companies (AMCs) licensed to conduct business within the State of Louisiana.

Any further increase/decrease in revenue will depend on 1) the number of AMCs applying each year; and 2) the number of late fees collected. Initial application fees received after January 1 will be prorated accordingly. Renewal application fees that are delinquent will be assessed a late fee.

Fee Schedule:

- 1. Initial Application Fee (Prorated if received after January 1) = \$1,500
2. Renewal Fee = \$1,500
3. Late Fee (Jan 1st through Feb 15th) = \$150.
4. Late Fee (Feb 16th through Jun 13) = \$300

The provisions of this measure shall expire on December 31, 2013. Therefore, there will be no fiscal impact in fiscal years 2014-2015 and 2015-2016.

Senate

Dual Referral Rules

House

- 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

- 6.8(F)1 >= \$500,000 Annual Fiscal Cost {S}
6.8(F)2 >= \$100,000 Annual SGF Cost {H&S}
6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Signature of Michael G. Battle
Michael G. Battle
Manager, Advisory Services