
DIGEST

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Hoffmann

HB No. 1018

Abstract: Amends the La. Real Estate Appraisers Law.

Present law provides that appraiser licenses shall be granted only to persons who have attained the age of 18 years, who hold a high school diploma or its equivalent, and who bear a good reputation for honesty, trustworthiness, integrity, and competence to perform real estate appraisals and only after satisfactory proof of such qualifications has been presented to the board.

Proposed law repeals provisions of present law and provides that appraiser licenses shall be granted to persons who satisfied the minimum education, examination, and experience requirements mandated by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation and published in the most current version of the Real Property Appraiser Qualification Criteria, or any subsequent amendments and regulations issued pursuant thereto.

Proposed law provides that all applicants for a real estate appraiser license shall undergo a background screening, as mandated by the AQB of the Appraisal Foundation and prescribed by the board.

Present law provides that a licensee whose license, or its equivalent, has been revoked meet all requirements of an initial applicant and shall present evidence of completion of 15 hours of continuing education for each renewal period, or portion thereof, following the date on which the license, or its equivalent, was revoked.

Proposed law provides an applicant whose license has been revoked shall meet all requirements of an initial applicant and shall present evidence of completion of continuing education for each renewal period, or portion thereof, following the date on which the license was revoked.

Present law provides that applicants for a real estate appraiser trainee license, a certified residential real estate appraiser license, and a general real estate appraiser license shall be subject to certain standards, training, completion of qualifying education hours, and must undertake certain duties.

Proposed law makes changes to requirements in present law.

Present law provides that a license as a real estate appraiser shall not be issued in any class other than real estate appraiser trainee unless the applicant demonstrated through a written examination process that he or she possesses the following:

- (1) Knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and economic concepts applicable to real estate appropriate to the type of license sought.
- (2) Basic understanding of real estate law.
- (3) Adequate knowledge of theories of depreciation, cost estimating, methods of capitalization, and the mathematics of real estate appraisal.
- (4) Understanding of the principles of land economics, real estate appraisal processes, and of problems likely to be encountered in the gathering, interpreting, and processing of data in carrying out appraisal disciplines.
- (5) Understanding of the standards for the development and communication of real estate appraisals as provided in this Chapter.
- (6) Understanding of the types of misconduct for which disciplinary proceedings may be initiated against a state licensed real estate appraiser, as set forth in this Chapter.

Proposed law provides that a license as a real estate appraiser shall not be issued in any class other than real estate appraiser trainee unless the applicant has passed a qualifying examination approved by the AQB of the Appraisal Foundation for such license.

Present law provides requirements for continuing education.

Proposed law makes changes to requirements for continuing education.

Proposed law provides that it is the duty of each licensed real estate appraiser to notify the board within 10 days by registered or certified mail or by hand delivery of any sanction imposed on the appraiser by another jurisdiction.

Present law provides that a licensed real estate appraiser shall comply with generally accepted standards of professional practice in the development and communication of appraisals of real estate located in this state and with generally accepted ethical rules of conduct as contained in the "Uniform Standards of Professional Appraisal Practice", or its successor, as approved by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council, or its successor.

Proposed law provides that a licensed real estate appraiser shall comply with generally accepted standards of professional practice in the development and communication of appraisals of real estate located in this state and with generally accepted ethical rules of conduct as contained in the "Uniform Standards of Professional Appraisal Practice", or its successor, as approved by the Standards Board of the Appraisal Foundation or its successor.

(Amends R.S. 37:3396(B), (D), and (F)(2), 3397(B)(1), (3)(intro. para.), and (d)-(f), (4), and (5),

3398(A), 3401(B), (C)(intro. para.) and (3), 3408(B), (C)(2), (E), and 3410; Adds R.S. 37:3392(13), 3397.1, and 3409(E)(4); Repeals R.S. 37:3397(B)(6), (C), and (D), 3398(D), and 3401(D))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Commerce to the original bill.

1. Removed proposed changes to allow members of the La. Real Estate Appraisers Law to serve three consecutive terms.
2. Made technical corrections and changes to clarify language.