

Regular Session, 2014

HOUSE BILL NO. 1018

BY REPRESENTATIVE HOFFMANN

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AN ACT

To amend and reenact R.S. 37:3396(B), (D), and (F)(2), 3397(B)(1), (3)(introductory paragraph) and (d) through (f), (4), and (5), 3398(A), 3401(B), (C)(introductory paragraph) and (3), 3408(B), (C)(2), and (E), and 3410(A), to enact R.S. 37:3392(13), 3397.1, and 3409(E)(4), and to repeal R.S. 37:3397(B)(6), (C), and (D), 3398(D), and 3401(D), relative to the Louisiana Real Estate Appraisers Law; to provide for board terms; to provide relative to license qualifications; to provide relative to criteria for license classifications and continuing education requirements; to provide relative to examinations; to provide relative to nonresident licenses; to provide relative to disciplinary proceedings; to provide for standards for the development and communication of real estate appraisers; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 37:3396(B), (D), and (F)(2), 3397(B)(1), (3)(introductory paragraph) and (d) through (f), (4), and (5), 3398(A), 3401(B), (C)(introductory paragraph) and (3), 3408(B), (C)(2), and (E), and 3410(A) are hereby amended and reenacted and R.S. 37:3392(13), 3397.1, and 3409(E)(4) are hereby enacted to read as follows:

§3392. Definitions

As used in this Chapter, the following words have the meaning ascribed to them in this Section unless the context clearly indicates otherwise:

* * *

1 (13) "In good standing" means the status of a licensee who has complied
2 with all explicit license obligations thereby having unabated authority to conduct
3 license activities.

4 * * *

5 §3396. Applications

6 * * *

7 B. Appropriate fees, as set forth in R.S. 37:3407, ~~must~~ shall accompany all
8 applications for examination, experience review, and license renewal ~~certification~~.

9 * * *

10 D.(1) Licenses shall be granted only to persons who have ~~attained the age~~
11 ~~of eighteen years, who hold a high school diploma or its equivalent, and who bear~~
12 ~~a good reputation for honesty, trustworthiness, integrity, and competence to perform~~
13 ~~real estate appraisals and only after satisfactory proof of such qualifications has been~~
14 ~~presented to the board.~~ satisfied the minimum education, examination, and
15 experience requirements mandated by the Appraiser Qualifications Board (AOB) of
16 the Appraisal Foundation and published in the most current version of the Real
17 Property Appraiser Qualification Criteria, including any subsequent amendments and
18 regulations issued pursuant thereto.

19 (2) All applicants for a real estate appraiser license shall undergo a
20 background screening as mandated by the Appraiser Qualifications Board (AOB) of
21 the Appraisal Foundation and prescribed by the board.

22 ~~(2)~~(3) When an applicant has been convicted of forgery, embezzlement,
23 obtaining money under false pretense, larceny, extortion, conspiracy to defraud, or
24 theft, or has been convicted of a felony or a crime of moral turpitude in any court of
25 competent jurisdiction, such untrustworthiness of the applicant or the conviction
26 itself may be sufficient grounds for refusal to issue a license.

27 ~~(3)~~ (4) When an applicant has made a false statement of material fact on his
28 application, such false statement may in itself be sufficient grounds for refusal to
29 issue a license.

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(2) An applicant whose license, ~~or its equivalent~~, has been revoked shall meet all requirements of an initial applicant and shall present evidence of completion of ~~fifteen hours of~~ continuing education for each renewal period, or portion thereof, following the date on which the license, ~~or its equivalent~~, was revoked.

§3397. License classifications; criteria

* * *

B.(1)(a) Applicants for a real estate appraiser trainee license shall be subject to ~~the following~~ training and direct supervision by a certified appraiser who meets all of the following qualifications:

(i) Has been licensed as a certified real estate appraiser for at least three years prior to becoming a supervising appraiser.

(ii) Is in good standing as a certified residential or certified general real estate appraiser.

~~(a) The Competency Provision of the Uniform Standards of Professional Appraisal Practice (USPAP).~~

~~(b) Training and direct supervision by an appraiser who is licensed and in good standing as a residential real estate appraiser or a general real estate appraiser.~~

Both the trainee applicant and the supervising appraiser shall complete a course that complies, at minimum, with the specifications for course content established by the Appraiser Qualifications Board (AQB) of the Appraisal Foundation. The course shall be oriented toward the requirements and responsibilities of supervising appraisers and expectations for trainee appraisers. The course shall be completed by the trainee appraiser prior to obtaining a trainee appraiser license and by the supervising appraiser prior to supervising a trainee appraiser. The supervising appraiser shall not have been subject to any disciplinary action within the last three years that affects the supervisor's legal eligibility to engage in appraiser practice. The appraiser trainee is permitted to have more than one supervising appraiser. The scope of work for the ~~real estate~~ appraiser trainee is

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

1 limited to the appraisal of those properties that the supervising ~~real estate~~ appraiser
2 is licensed to appraise.

3 ~~(c) Completion of seventy-five classroom hours of qualifying education, or~~
4 ~~its equivalent, in core education subjects that include thirty hours of basic appraisal~~
5 ~~principles, thirty hours of basic appraisal procedures, and the fifteen-hour National~~
6 ~~Uniform Standards of Professional Appraisal Practice course, or its equivalent, and~~
7 ~~passage of a final examination in each course. These hours may be credited toward~~
8 ~~the educational requirement for all appraiser license classifications.~~

9 * * *

10 (3) The ~~real estate~~ appraiser trainee shall maintain a separate appraisal log
11 for each supervising licensed appraiser that includes, at a minimum, the following
12 information for each appraisal:

13 * * *

14 (d) Description of work performed by the appraiser trainee and supervising
15 appraiser.

16 (e) Number of actual work hours.

17 (f) Name, signature, and state license number of the supervising ~~licensed~~
18 appraiser.

19 (4) ~~All~~ As a prerequisite to license renewal, all appraiser trainees who have
20 been licensed in excess of two years shall be required to obtain continuing education
21 that is the equivalent to fifteen of fourteen classroom hours of instruction continuing
22 education per calendar for each year.

23 (5) The ~~real estate~~ appraiser trainee shall be entitled to obtain copies of
24 appraisal reports prepared by the trainee. The supervising appraiser shall keep
25 copies of the trainee appraisal reports for a period of at least five years or at least two
26 years after final disposition of any judicial proceeding in which testimony is given,
27 whichever period expires last.

1 §3397.1. Certified residential and certified general appraisers; continuing education
 2 As a prerequisite to license renewal, all certified residential and certified
 3 general appraisers shall complete the equivalent of fourteen hours of continuing
 4 education instruction per calendar year.

5 §3398. Examination

6 A. A license as a real estate appraiser shall not be issued in any class other
 7 than real estate appraiser trainee unless the applicant ~~demonstrated through a written~~
 8 ~~examination process that he or she possesses the following:~~ has passed a qualifying
 9 examination approved by the Appraiser Qualifications Board (AQB) of the Appraisal
 10 Foundation for such license.

11 ~~(1) Knowledge of technical terms commonly used in or related to real estate~~
 12 ~~appraising, appraisal report writing, and economic concepts applicable to real estate~~
 13 ~~appropriate to the type of license sought.~~

14 ~~(2) Basic understanding of real estate law.~~

15 ~~(3) Adequate knowledge of theories of depreciation, cost estimating,~~
 16 ~~methods of capitalization, and the mathematics of real estate appraisal.~~

17 ~~(4) Understanding of the principles of land economics, real estate appraisal~~
 18 ~~processes, and of problems likely to be encountered in the gathering, interpreting,~~
 19 ~~and processing of data in carrying out appraisal disciplines.~~

20 ~~(5) Understanding of the standards for the development and communication~~
 21 ~~of real estate appraisals as provided in this Chapter.~~

22 ~~(6) Understanding of the types of misconduct for which disciplinary~~
 23 ~~proceedings may be initiated against a state licensed real estate appraiser, as set forth~~
 24 ~~in this Chapter.~~

25 * * *

26 §3401. Nonresident license; temporary registration; reciprocity

27 * * *

28 B. ~~A nonresident~~ An applicant who has complied with the provisions of
 29 Subsection A of this Section may apply for a license as a real estate appraiser in this
 30 state ~~by conforming to all of the provisions of this Chapter relating to real estate~~

1 monographs, articles, and other instructional materials, all to be approved by the
2 board.

3 (b) No more than half of the continuing education credit shall be granted for
4 participation pursuant to this Paragraph.

5 * * *

6 E. In making recommendations pursuant to Paragraph ~~D(1)~~ (D)(1) of this
7 Section, the board shall give favorable consideration to courses of instruction,
8 seminars, and other real property appraisal education courses or programs previously
9 or hereafter developed by or under the auspices of professional appraisal
10 organizations and utilized by those associations for purposes of designation,
11 certification, or recertification of the members of the association.

12 * * *

13 §3409. Disciplinary proceedings

14 * * *

15 E. It shall be the duty of each licensed real estate appraiser to notify the
16 board within ten days by registered or certified mail or by hand delivery of the
17 following actions:

18 * * *

19 (4) Any sanction imposed on the appraiser by another jurisdiction.

20 * * *

21 §3410. Standards for the development and communication of real estate appraisals

22 A. A licensed real estate appraiser shall comply with generally accepted
23 standards of professional practice in the development and communication of
24 appraisals of real estate located in this state and with generally accepted ethical rules
25 of conduct as contained in the "Uniform Standards of Professional Appraisal
26 Practice", or its successor, as approved by the ~~Appraisal Subcommittee of the~~
27 ~~Federal Financial Institutions Examination Council~~, Appraisal Standards Board of
28 the Appraisal Foundation or its successor.

29 * * *

1 Section 2. R.S. 37:3397(B)(6), (C), and (D), 3398(D), and 3401(D) are hereby
2 repealed in their entirety.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____