

No. 2008-103

AN ACT

HB 949

Amending the act of July 10, 1990 (P.L.404, No.98), entitled "An act providing for the certification of real estate appraisers; specifying requirements for certification; providing for sanctions and penalties; and making an appropriation," further providing for real estate appraiser certification required, for application and qualifications and for certification renewal, licensure renewal and records.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Sections 3, 6 and 10 of the act of July 10, 1990 (P.L.404, No.98), known as the Real Estate Appraisers Certification Act, amended July 8, 2008 (P.L.833, No.59), are amended to read:

Section 3. Real estate appraiser certification required.

It shall be unlawful for any person to do any of the following:

(1) To hold himself out as a State-certified real estate appraiser or to perform appraisals required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73, 103 Stat. 183) to be performed by a State-certified or State-licensed real estate appraiser unless that person holds an appropriate, current and valid certificate from the board to perform real estate appraisals.

(2) To perform real estate appraisals in nonfederally related transactions unless that person holds an appropriate, current and valid certificate **[or license]** from the board to perform real estate appraisals.

(3) To hold himself out as a real estate appraiser or appraiser trainee without an appropriate, current and valid certificate or license from the board.

Section 6. Application and qualifications.

(a) Classes of certification.—There shall be three classes of certified real estate appraisers as follows:

(1) Certified residential appraiser, which shall consist of those persons applying for and granted certification relating solely to the appraisal of residential real property in accordance with the criteria established by the Appraiser Qualifications Board of the Appraisal Foundation required pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73, 103 Stat. 183).

(2) Certified general appraiser, which shall consist of those persons applying for and granted certification relating to the appraisal of both residential and nonresidential real property without limitation in accordance with the criteria established by the Appraiser Qualifications Board of the Appraisal Foundation required pursuant to the Financial

Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73, 103 Stat. 183).

(3) Broker/appraiser, which shall consist of those persons who, as of September 3, 1996, were licensed real estate brokers under the act of February 19, 1980 (P.L.15, No.9), known as the Real Estate Licensing and Registration Act, and who, by September 3, 1998, made application to the board and were granted without examination a broker/appraiser certificate. A holder of a broker/appraiser certificate shall only be permitted to perform those real property appraisals that were permitted to be performed by a licensed real estate broker under the Real Estate Licensing and Registration Act as of September 3, 1996. A holder of a broker/appraiser certificate is not authorized to perform real estate appraisals pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(a.1) Appraiser trainee license.—In addition to the certificates authorized in subsection (a), the board shall issue an appraiser trainee license, without examination, to any person who meets the appraiser trainee educational requirements set by the board and who does not already hold an appraiser credential under subsection (a). An appraiser trainee shall operate under the direct supervision of one certified residential appraiser or certified general appraiser for the purpose of completing the experience requirement for an appraiser credential in subsection (a). An **[appraisal] appraiser** trainee shall be permitted to assist in the performance of any appraisal that is within the supervisory appraiser's scope of practice. The supervisory appraiser shall be in good standing, have at least five years of experience as a certified residential appraiser or certified general appraiser and shall not supervise more than three appraiser trainees.

(b) Classification to be specified.—The application for examination, original certification or license and renewal of certification or license shall specify the classification being applied for.

(c) Application.—An applicant for certification or license shall submit a written application on forms provided by the board. The application and any and all documentation submitted with the application shall be subscribed and sworn to before a notary public. The applicant shall be held responsible for the statements contained in the application. The making of a false statement in an application may constitute a ground for certification or license denial or revocation. The application shall evidence that:

(1) He or she is of good moral character.

(2) His or her application has been accompanied by the application fee.

(d) Residential appraiser certification.—As a prerequisite to taking the examination for certification relating solely to the appraisal of residential real property, an applicant shall, in addition to meeting the requirements of subsection (c), meet the minimum education and experience requirements

established pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(e) General appraiser certification.—As a prerequisite to taking the examination for the general certification relating to the appraisal of real property, an applicant shall, in addition to meeting the requirements of subsection (c), meet the minimum education and experience requirements established pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(f) Definition of subjects.—The board shall prescribe and define the subjects related to real property appraisal and the experience in real property appraisal which will satisfy the requirements of subsections (a), (a.1), (d) and (e). To the extent permitted pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 with regard to certified residential and general appraisers, the board may give credit to an applicant for classroom hours of academic experience successfully completed prior to the board's prescription and definition of subjects pursuant to this subsection.

(g) Examinations.—Examinations for certification [or license] shall be selected in accordance with the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Examinations shall be prepared and administered by a qualified and approved professional testing organization in accordance with section 812.1 of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929.

(i) Real estate brokers as appraisers.—

(1) Nothing in this section shall preclude a licensed real estate broker from also holding [an appraiser] a license or certificate under subsection (a)(1) or (2) or (a.1).

(2) All persons holding a broker/appraiser certificate under subsection (a)(3) shall be entitled to hold the certificate for the entire term and shall be entitled and subject to the privileges, obligations and renewals which accompany the certificate.

Section 10. Certification renewal, licensure renewal and records.

(a) Renewal term.—[Renewal]

(1) *Except as provided under paragraph (2), renewal of certification or licensure shall be on a biennial basis for persons in good standing.*

(2) *The board may prescribe limitations on the number of times a licensed appraiser trainee may renew a license.*

(b) Continuing education for residential and general appraisers.—The board shall by regulation require evidence of professional activity or continuing education as a condition of certification renewal of residential and general appraisers if, and only to the minimum extent, required pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Public Law 101-73, 103 Stat. 183). No credit shall be given for any course in office management or practice building.

(b.1) Continuing education for broker/appraisers.—Broker/appraisers shall be subject to the same continuing education requirements for

certification renewal as residential and general appraisers. The board shall have the power and authority to promulgate regulations to prescribe evidence of continuing education required for certification renewal pursuant to this section.

(c) Records.—A record of all persons licensed as appraiser trainees and all persons certified as real estate appraisers in this Commonwealth shall be kept in the office of the board, shall be open to public inspection and copying upon payment of a nominal fee for copying the record and shall be accessible on the board's Internet website. Each certificateholder and licensee shall advise the board of the address of his or her principal place of business.

Section 2. This act shall take effect in 60 days.

APPROVED—The 9th day of October, A.D. 2008.

EDWARD G. RENDELL