

CHAPTER 173--S.F.No. 2991

An act relating to commerce; regulating real estate appraisals; authorizing broker license reinstatement in certain instances; creating an advisory board; prescribing its duties; amending Minnesota Statutes 2016, sections 13D.08, by adding a subdivision; 82.62, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 82B.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2016, section 13D.08, is amended by adding a subdivision to read:

Subd. 19. **Real Estate Appraisal Advisory Board.** Certain meetings of the Real Estate Appraisal Advisory Board are governed by section 82B.073, subdivision 5.

Sec. 2. Minnesota Statutes 2016, section 82.62, is amended by adding a subdivision to read:

Subd. 6a. **Commissioner discretion to reinstate license.** For individuals who were licensed as a broker prior to 1990, the commissioner may enter into an order to reinstate a license revoked or suspended for a failure to renew under subdivision 6, without necessity for reexamination or additional experience requirements, provided the individual submits payment for all prior past due renewal fees and demonstrates compliance with all continuing education requirements under section 82.61.

Sec. 3. **[82B.073] REAL ESTATE APPRAISAL ADVISORY BOARD.**

Subdivision 1. **Creation; appointments.** (a) The Real Estate Appraisal Advisory Board is created and composed of seven persons appointed by the commissioner. Members are appointed to the board subject to the following conditions:

- (1) members must currently be, and have been for the past five years, residents of this state;
- (2) the membership of the board must reasonably reflect the geographic distribution of the population of this state;
- (3) one member must be currently licensed as, and have been actively engaged and in good standing for the past five years as, a certified general real property appraiser;
- (4) two members must be currently licensed as, and have been actively engaged and in good standing for the past five years as, a certified residential real property appraiser;
- (5) one member must be currently licensed as, and have been actively engaged and in good standing for the past five years as, a real estate appraiser and as a real estate broker or salesperson under chapter 82;
- (6) one member must represent appraisal management companies, as defined in section 82C.02, subdivision 4, as evidenced by the member's employment with an appraisal management company;
- (7) one member must represent the interests of the general public and have knowledge of the real estate business; and
- (8) the commissioner must be a member.

(b) In making appointments under paragraph (a), clauses (3) and (4), the commissioner must consider recommendations by members and the Minnesota chapters of any nationally recognized real estate appraisal organization.

(c) In making the appointment under paragraph (a), clause (5), the commissioner must consider recommendations by members and organizations representing the real estate industry.

(d) In making the appointment under paragraph (a), clause (6), the commissioner must consider recommendations by members and appraisal management companies.

Subd. 2. **Terms.** The terms, compensation, and removal of members, other than the commissioner, are governed by section 15.059. Members are limited to serving two full terms on the board.

Subd. 3. **Quorum.** A majority of the board members constitutes a quorum. If there is a vacancy in the membership of the board, a majority of the remaining members of the board constitute a quorum.

Subd. 4. **Meetings.** The board shall meet at least quarterly and may be convened, upon ten days' written notice, by the chair or by three members of the board.

Subd. 5. **Open meetings.** Meetings of the board shall comply with chapter 13D.

Subd. 6. **Chair.** The board shall, annually at the first meeting of the calendar year, elect a chair from its members. The chair shall preside over the meetings and shall coordinate with the commissioner in developing and distributing an agenda for each meeting.

Subd. 7. **Commissioner's report.** The commissioner shall provide a quarterly report to the board that includes a summarized list of:

(1) appraisal courses and seminars that were not approved for continuing education credit and the reason for the denial; and

(2) public disciplinary actions taken by the commissioner against a real estate appraiser.

Subd. 8. **Duties.** The board shall advise, provide input, and suggest best practices to the commissioner regarding real estate appraisers, including, but not limited to, licensing, public disciplinary matters, continuing education, and industry-related trends.

Subd. 9. **Expiration.** The board expires January 1, 2030.

Sec. 4. **FIRST MEETING OF REAL ESTATE APPRAISAL ADVISORY BOARD.**

(a) The commissioner shall specify three members to serve terms that are coterminous with the governor and four members to serve terms that expire on the first Monday in January one year after the terms of the other members. The three members appointed to the Real Estate Appraisal Advisory Board and specified by the commissioner to serve terms that are coterminous with the governor shall serve the remainder of the term of the governor serving when they are appointed and the full term of the next elected governor. These periods shall constitute one full term for purposes of Minnesota Statutes, section 82B.073, subdivision 2.

(b) The commissioner of commerce shall make the first appointments to the Real Estate Appraisal Advisory Board by September 1, 2018. The commissioner of commerce shall convene the first meeting of the Real Estate Appraisal Advisory Board under Minnesota Statutes, section 82B.073, by November 1, 2018. All other meetings shall be convened in accordance with Minnesota Statutes, section 82B.073, subdivision 4.

Presented to the governor May 17, 2018