

This Document can be made available in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2471

03/08/2016 Authored by Atkins

The bill was read for the first time and referred to the Committee on Commerce and Regulatory Reform

1.1 A bill for an act
1.2 relating to real estate appraisers; regulating appraisal management companies;
1.3 amending Minnesota Statutes 2014, section 82C.02, subdivisions 4, 5.

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

1.5 Section 1. Minnesota Statutes 2014, section 82C.02, subdivision 4, is amended to read:

1.6 Subd. 4. **Appraisal management company.** "Appraisal management company"
1.7 means a corporation, partnership, sole proprietorship, subsidiary, unit, or other business
1.8 entity that directly or indirectly performs the following appraisal management services:

1.9 (1) administers networks of independent contractors and/or employee appraisers to
1.10 perform residential real estate appraisal assignments for clients;

1.11 (2) receives requests for residential real estate appraisal services from clients and, for
1.12 a fee paid by the client, enters into an agreement with one or more independent appraisers
1.13 to perform the real estate appraisal services contained in the request; or

1.14 (3) serves as a third-party broker of appraisal management services between clients
1.15 and appraisers has the meaning given it in Code of Federal Regulations, title 12, section
1.16 323.9.

1.17 Sec. 2. Minnesota Statutes 2014, section 82C.02, subdivision 5, is amended to read:

1.18 Subd. 5. **Appraisal management services.** "Appraisal management services"
1.19 means the process of directly or indirectly performing any of the following functions on
1.20 behalf of a lender, financial institution, client, or any other person to:

1.21 (1) administer an appraiser panel;

1.22 (2) recruit, qualify, verify licensing or certification, and negotiate fees and service
1.23 level expectations with persons who are part of an appraiser panel;

- 2.1 ~~(3) receive an order for an appraisal from one person, and deliver the order for the~~
2.2 ~~appraisal to an appraiser that is part of an appraiser panel for completion;~~
2.3 ~~(4) track and determine the status of orders for appraisals;~~
2.4 ~~(5) conduct quality control of a completed appraisal prior to the delivery of the~~
2.5 ~~appraisal to the person that ordered the appraisal; or~~
2.6 ~~(6) provide a completed appraisal performed by an appraiser to one or more clients~~
2.7 has the meaning given it in Code of Federal Regulations, title 12, section 323.9.

2.8 **Sec. 3. EFFECTIVE DATE.**

- 2.9 Sections 1 and 2 are effective August 1, 2016, and apply to appraisal assignments
2.10 commenced on or after that date.