

# Legislative Analysis



## AMEND THE OCCUPATIONAL CODE: APPRAISERS

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### House Bill 5860

Sponsor: Rep. Margaret E. O'Brien

Committee: Regulatory Reform

Complete to 12-1-14

## A SUMMARY OF HOUSE BILL 5860 AS INTRODUCED 9-30-14

House Bill 5860 would amend the Occupational Code by modifying Sections 2601 and 2605 in regards to (1) the process for creating or modifying criteria for licensing real property appraisers and (2) disclaimers on certain market analyses of real estate.

Presently, the law references by name two sets of standards in its definition of Appraiser Qualifications Board (AQB) criteria, one that was in place prior to January 1, 2008, and the current standards. The bill would eliminate the obsolete reference to the old standards while modifying provisions relating to the current standards, in particular the ability of the AQB and/or the director of the Department of Licensing and Regulatory Affairs (LARA) to amend those standards. The current way in which the director can adopt amendments to the standards would remain unchanged, but the director would now be able to reject amendments approved by the AQB.

The bill also would eliminate the current penalty for failing to put a disclaimer, in boldface, on a market analysis performed by a licensed real estate broker or associate broker under certain circumstances, indicating that the analysis is not an appraisal and was not performed by a licensed appraiser. The labeling requirement would remain but the penalty would be removed.

Currently, an individual who fails to provide the proper disclaimer is penalized under Article 6 of the code, which covers penalties for individuals who practice a regulated occupation without proper licensing. A person who violates the code in this way can be charged with a misdemeanor, punishable by up to a \$500 fine and/or up to 90 days imprisonment.

## FISCAL IMPACT:

HB 5860 would not have a significant fiscal impact on the state or local units of government.

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