



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 5860 (Substitute H-2 as reported without amendment)
Sponsor: Representative Margaret E. O'Brien
House Committee: Regulatory Reform
Senate Committee: Regulatory Reform

CONTENT

The bill would amend Article 26 (Real Estate Appraisers) of the Occupational Code to revise references to and the definitions of "uniform standards of professional appraisal practice" and "AQB criteria".

A licensee under Article 26 must use the uniform standards of professional appraisal practice. The bill instead would require a licensee who performed an appraisal to use the uniform standards of professional appraisal practice that were in effect at the time the licensee was engaged to perform the appraisal. Article 26 defines "uniform standards of professional appraisal practice" as those standards relating to real property adopted by the Appraisal Foundation on March 31, 1999, or as adopted by rule of the Director of the Department of Licensing and Regulatory Affairs (LARA). Under the bill, the term would mean standards relating to real property adopted by the Appraisal Foundation and in effect on the bill's effective date, and any amendments to those standards adopted by the Appraiser Standards Board of the Appraisal Foundation.

Article 26 requires LARA to use the AQB criteria regarding education, examination, and experience for licensure under the article. Article 26 defines "AQB criteria" as the criteria established by the Appraiser Qualifications Board of the Appraisal Foundation or as adopted by rule of the LARA Director. Under the bill, "AQB criteria" instead would mean the criteria established by the Appraiser Qualifications Board of the Appraisal Foundation and in effect on the bill's effective date, and any amendments to those criteria adopted by the Appraiser Qualifications Board of the Appraisal Foundation.

The bill specifies that the LARA Director, by rule, could amend the uniform standards or the AQB criteria if he or she determined that an amendment was required for purposes of Article 26.

The bill would take effect on January 1, 2015.

MCL 339.2601 & 339.2605

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 12-12-14

Fiscal Analyst: Josh Sefton