



**Senate Fiscal Agency**  
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**BILL ANALYSIS**

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House Bill 5591 (Substitute H-1 as reported without amendment)

Sponsor: Representative Brandt Iden

House Committee: Regulatory Reform

Senate Committee: Regulatory Reform

**CONTENT**

The bill would amend Article 26 of the Occupational Code to establish time limits for filing a complaint against a real estate appraiser that seeks a penalty for certain conduct.

Article 5 of the Code permits the Department of the Attorney General, the Department of Licensing and Regulatory Affairs (LARA), a licensing board, or any other person to file a complaint with LARA that alleges that a person has violated the Code, a rule promulgated under the Code, or an order issued under the Code

The bill would require a complaint filed under Article 5 that seeks a penalty for a violation of Section 2635 of the Code to be filed within 18 months after one of the following dates, whichever occurred last: 1) the date of the alleged violation; 2) the delivery of the appraisal to the client, if the alleged violation occurred in connection with the performance of an appraisal; or 3) the delivery of the appraisal or appraisal review to the opposing party, if the alleged violation occurred in connection with an appraisal or appraisal review performed in the capacity of an expert witness,.

(Section 2635 lists types of conduct by a real estate appraiser that are grounds for penalties set forth in Article 6.

Under Article 6, penalties for a violation of Section 2635 may include limitation, suspension, denial, or revocation of a license; an administrative fine of up to \$10,000, payable to LARA; censure; probation; and/or a requirement that restitution be made.)

MCL 339.2635

Legislative Analyst: Stephen Jackson

**FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs and no fiscal impact on local units of government. The addition of a filing deadline could reduce the number of complaints made to the Department, which could result in reduced administrative costs. The magnitude of savings would depend on the number of complaints not filed due to the deadline. In addition, if fewer complaints were filed, the Department could experience a loss of fine revenue.

Date Completed: 5-10-18

Fiscal Analyst: Elizabeth Raczkowski