



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5481 (Substitute H-1 as reported without amendment)

Sponsor: Representative Diana Farrington

House Committee: Financial Services
Ways and Means

Senate Committee: Regulatory Reform

CONTENT

The bill would amend Article 26A of the Occupational Code to do the following:

- Require an applicant for licensure as an appraisal management company or a Federally regulated appraisal management company to provide the Department of Licensing and Regulatory Affairs (LARA) with any national registry information and fees required by the appraisal subcommittee of the Federal Financial Institutions Examination Council.
- Prohibit LARA from granting a license as an appraisal management company if any person who was a direct or indirect owner of the applicant had had an appraiser license or certificate refused, denied, canceled, surrendered instead of revocation, or revoked for a substantive cause.
- Require LARA to compile, at least monthly, a list of appraisal management company licensees and Federally regulated appraisal management companies under Article 26A and provide it to the appraisal subcommittee of the Federal Financial Institutions Examination Council, and remit the appropriate fee.
- Specify that an appraisal management company would be subject to penalties if it failed, neglected, or refused to pay an independent appraiser for an appraisal or valuation assignment within 30, instead of 60, days after the date on which the independent appraiser transmitted or otherwise provided the completed appraisal or valuation to the appraisal management company or its assignee, subject to exceptions.
- Require an appraisal management company to certify annually to LARA that it had certain systems and processes in place.
- Modify the process an appraisal management company uses to remove an appraiser from its appraiser panel.

MCL 339.2661 et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

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

Date Completed: 9-1-20

Fiscal Analyst: Elizabeth Raczkowski