

CHAPTER 57

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 00-1137

BY REPRESENTATIVE McElhany;
also SENATORS Teck and Hernandez.

AN ACT

CONCERNING THE LICENSURE OF REAL ESTATE APPRAISERS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 12-61-702 (6), Colorado Revised Statutes, is amended, and the said 12-61-702 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

12-61-702. Definitions. As used in this part 7, unless the context otherwise requires:

(4.3) "FINANCIAL INSTITUTION" MEANS ANY "BANK" OR "SAVINGS ASSOCIATION" AS SUCH TERMS ARE DEFINED IN 12 U.S.C. SEC. 1813, ANY STATE OR INDUSTRIAL BANK INCORPORATED UNDER TITLE 11, C.R.S., ANY STATE OR FEDERALLY CHARTERED CREDIT UNION, OR ANY COMPANY WHICH HAS DIRECT OR INDIRECT CONTROL OVER ANY OF SUCH ENTITIES.

~~(6) "Financial institution" means any "bank" or "savings association" as such terms are defined in 12 U.S.C. 1813, any state or industrial bank incorporated under title 11, C.R.S., any state or federally chartered credit union, or any company which has direct or indirect control over any of such entities.~~

SECTION 2. 12-61-706 (1), Colorado Revised Statutes, is amended, and the said 12-61-706 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

12-61-706. Qualifications for registration, licensing, and certification of appraisers - continuing education. (1) (a) The board shall, by rule, prescribe requirements for the initial registration, licensing, or certification of persons under

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

this part 7 to meet the requirements of the federal "Real Estate Appraisal Reform Amendments", Title XI of the federal "Financial Institutions Reform, Recovery, and Enforcement Act of 1989" and shall develop or purchase examinations to be passed by applicants. The board shall not establish any requirements for initial registration, licensing, or certification that are more stringent than the requirements of any applicable federal law; except that all applicants shall pass an examination developed or purchased by the board. If there is no applicable federal law, the board shall consider and may use as guidelines the most recent available criteria published by the appraiser qualifications board of the appraisal foundation or its successor organization.

(b) THE FOUR LEVELS OF APPRAISER LICENSURE, PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), SHALL BE DEFINED AS FOLLOWS:

(I) "CERTIFIED GENERAL APPRAISER" MEANS AN APPRAISER MEETING THE REQUIREMENTS SET BY THE BOARD FOR GENERAL CERTIFICATION;

(II) "CERTIFIED RESIDENTIAL APPRAISER" MEANS AN APPRAISER MEETING THE REQUIREMENTS SET BY THE BOARD FOR RESIDENTIAL CERTIFICATION;

(III) "LICENSED APPRAISER" MEANS AN APPRAISER MEETING THE REQUIREMENTS SET BY THE BOARD FOR A LICENSE;

(IV) "REGISTERED APPRAISER" MEANS AN APPRAISER MEETING THE REQUIREMENTS SET BY THE BOARD FOR REGISTRATION.

(9) THE BOARD SHALL NOT ISSUE AN APPRAISER'S LICENSE AS REFERENCED IN SUBPARAGRAPH (III) OF PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION UNLESS THE APPLICANT HAS AT LEAST TWELVE MONTHS APPRAISAL EXPERIENCE.

SECTION 3. 12-61-707, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

12-61-707. Expiration of licenses - renewal - penalties. (3) (a) IF THE APPLICANT HAS COMPLIED WITH THIS SECTION AND ANY APPLICABLE RULES AND REGULATIONS OF THE BOARD REGARDING RENEWAL, EXCEPT FOR THE CONTINUING EDUCATION REQUIREMENTS PURSUANT TO SECTION 12-61-706, THE LICENSEE MAY RENEW THE LICENSE ON INACTIVE STATUS. AN INACTIVE LICENSE MAY BE ACTIVATED IF THE LICENSEE SUBMITS WRITTEN CERTIFICATION OF COMPLIANCE WITH SECTION 12-61-706 FOR THE PREVIOUS LICENSING PERIOD. THE BOARD MAY ADOPT RULES ESTABLISHING PROCEDURES TO FACILITATE SUCH A REACTIVATION.

(b) THE HOLDER OF AN INACTIVE LICENSE SHALL NOT PERFORM A REAL ESTATE APPRAISAL IN CONJUNCTION WITH A DEBT INSTRUMENT THAT IS FEDERALLY GUARANTEED, IN THE FEDERAL SECONDARY MARKET, OR REGULATED PURSUANT TO TITLE 12, U.S.C.

(c) THE HOLDER OF AN INACTIVE LICENSE SHALL NOT HOLD HIMSELF OR HERSELF OUT AS HAVING AN ACTIVE LICENSE PURSUANT TO THIS PART 7.

SECTION 4. 12-61-710 (2), Colorado Revised Statutes, is amended to read:

12-61-710. Prohibited activities - grounds for disciplinary actions - procedures. (2) If an applicant, a registrant, a licensee, or a certified person has violated any of the provisions of this section, the board may deny or refuse to renew any registration, license, or certificate, or, as specified in subsections (2.5) and (5) of this section, revoke or suspend any registration, license, or certificate, issue a letter of admonition to a licensee or certified person, ~~or~~ place a registrant, licensee, or certified person on probation, OR IMPOSE PUBLIC CENSURE.

SECTION 5. 12-61-710 (5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

12-61-710. Prohibited activities - grounds for disciplinary actions - procedures. (5) As authorized in subsection (2) of this section, disciplinary actions by the board may consist of the following:

(e) **Public censure.** IF AFTER NOTICE AND HEARING THE DIRECTOR OR THE DIRECTOR'S DESIGNEE DETERMINES THAT THE LICENSEE HAS COMMITTED ANY OF THE ACTS SPECIFIED IN THIS SECTION, THE BOARD MAY IMPOSE PUBLIC CENSURE.

SECTION 6. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 17, 2000