

HOUSE BILL NO. 1136

Introduced by

Industry, Business and Labor Committee

(At the request of the North Dakota Real Estate Appraiser Qualifications and Ethics Board)

1 A BILL for an Act to amend and reenact subsection 1 of section 43-23.3-03, subsection 1 of
2 section 43-23.3-08, sections 43-23.3-10, 43-23.3-12, and 43-23.3-19, and subsection 1 of
3 section 43-23.3-22 of the North Dakota Century Code, relating to licensing of real estate
4 appraisers.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 1 of section 43-23.3-03 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 1. The board, or its designated representative, shall:
- 9 a. Define apprentice appraiser, licensed appraiser, and certified appraiser,
10 determine the type of educational experience, appraisal experience, and
11 equivalent experience that meet the requirements of this chapter, and
12 establish application procedures.
- 13 b. Establish examination specifications for each category of licensed and
14 certified appraiser and administer examinations.
- 15 c. Approve or disapprove applications for licensure and certification, issue
16 pocket cards and permits to practice, and maintain a registry of the names
17 and addresses of individuals licensed and certified.
- 18 d. Discipline permittees.
- 19 e. Hold meetings, hearings, and examinations in places and at times as it
20 designates and maintain records of board activities.
- 21 f. Adopt rules, pursuant to chapter 28-32, necessary to implement this chapter
22 or carry out the requirements imposed by federal law.

23 **SECTION 2. AMENDMENT.** Subsection 1 of section 43-23.3-08 of the North Dakota
24 Century Code is amended and reenacted as follows:

1. An applicant for a permit as an apprentice appraiser must have a high school education or its equivalent and must successfully complete ~~fifteen classroom hours related to the standards of professional practice and this chapter~~ the education requirements established by the board.

SECTION 3. AMENDMENT. Section 43-23.3-10 of the North Dakota Century Code is amended and reenacted as follows:

43-23.3-10. Term of permit. ~~The term of a permit is one year from the date of issuance.~~ Permits expire on December thirty-first of each year. The expiration date of the permit must appear on the permit and no other notice of its expiration need be given to the permittee.

SECTION 4. AMENDMENT. Section 43-23.3-12 of the North Dakota Century Code is amended and reenacted as follows:

43-23.3-12. Permit renewal. To renew a permit ~~to practice as a licensed or a certified appraiser~~, the permittee shall apply to the board and pay the required fee. With the application for renewal, the appraiser shall present evidence of having completed the continuing education requirements for renewal. ~~A person who has temporarily surrendered a permit may not act as an appraiser, but may reactivate a permit without an examination. That person is~~ The board may adopt rules to allow permits to be assigned to inactive status. Permits assigned to inactive status are subject to disciplinary action and activation of an inactive permit may be subject to a denial by the board.

SECTION 5. AMENDMENT. Section 43-23.3-19 of the North Dakota Century Code is amended and reenacted as follows:

43-23.3-19. Continuing education. ~~Beginning July 1, 1992, and every three years thereafter, each~~ Each applicant for renewal of a permit shall submit proof of participation in the minimum number of continuing education hours required and approved by the board. The board shall adopt rules for the implementation of continuing education requirements to assure that permit renewal applicants have current knowledge of appraisal theories, practices, and techniques that provide a high degree of service and protection to the public. The rules must establish:

1. Policies and procedures for obtaining board approval of courses of instruction.

2. Standards, policies, and procedures to be applied by the board in evaluating an applicant's claims of equivalency.
3. Standards, monitoring methods, and systems for recording attendance by course sponsors.

SECTION 6. AMENDMENT. Subsection 1 of section 43-23.3-22 of the North Dakota Century Code is amended and reenacted as follows:

1. ~~The board may, and upon the verified complaint in writing of any person shall, investigate the activities of any person and may deny an application for, refuse to renew,~~ suspend, or revoke a permit, impose a monetary fine, or issue a letter of reprimand, when the ~~person~~ applicant or permittee has:
 - a. Procured or attempted to procure a permit by knowingly making a false statement, submitting false information, refusing to provide complete information in response to a question in an application for certification, or through fraud or misrepresentation.
 - b. Failed to meet the minimum qualifications established under this chapter.
 - c. Paid money other than provided for by this chapter to any member or employee of the board to procure a permit.
 - d. Been convicted, including a conviction based upon a plea of guilty or nolo contendere, of a felony or of a crime that is substantially related to the qualifications, functions, and duties of a person developing and communicating appraisals to others.
 - e. Performed an act involving dishonesty, fraud, or misrepresentation with the intent to benefit substantially that person or another person, or with the intent to injure substantially another person.
 - f. Violated any standard for the development or communication of appraisals as provided in this chapter.
 - g. Failed or refused without good cause to exercise reasonable diligence in developing an appraisal, preparing an appraisal report, or communicating an appraisal.
 - h. Acted with gross negligence or incompetence in developing an appraisal, in preparing an appraisal report, or in communicating an appraisal.

- 1 i. Willfully violated this chapter or rules of the board.
- 2 j. Accepted an appraisal assignment when the employment is contingent upon
- 3 the reporting of a predetermined estimate, analysis, or opinion, or where the
- 4 fee is contingent upon the opinion, conclusion, or valuation reached, or upon
- 5 the consequences resulting from the appraisal assignment.
- 6 k. Violated the confidential nature of governmental records to which the person
- 7 gained access through employment or engagement as an appraiser by a
- 8 governmental agency.
- 9 l. Had entry of a civil judgment against the person on grounds of fraud,
- 10 misrepresentation, or deceit in the making of an appraisal.