

By the Committee on Regulated Industries; and Senators  
Constantine and Fasano

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1                   A bill to be entitled  
2           An act relating to regulation of real estate  
3           appraisers and appraisal management companies;  
4           amending s. 475.611, F.S.; providing definitions;  
5           amending s. 475.613, F.S.; increasing number of  
6           members on the Florida Real Estate Appraisal Board;  
7           amending s. 475.614, F.S.; requiring the Florida Real  
8           Estate Appraisal Board to adopt certain rules;  
9           amending s. 475.6147, F.S.; requiring application,  
10          registration, and renewal fees for appraisal  
11          management companies; creating s. 475.6235, F.S.;  
12          requiring appraisal management companies to register  
13          with the Department of Business and Professional  
14          Regulation; specifying application requirements and  
15          procedures; requiring the fingerprinting and criminal  
16          history records checks of, and providing  
17          qualifications for, certain persons who control  
18          appraisal management companies; requiring nonresident  
19          appraisal management companies to consent to  
20          commencement of actions in this state; requiring the  
21          department to adopt rules relating to the renewal of  
22          registrations; amending s. 475.624, F.S.; conforming  
23          provisions to changes made by the act; creating s.  
24          475.6245, F.S.; providing for the discipline of  
25          appraisal management companies by the board; amending  
26          s. 475.626, F.S.; providing penalties; conforming  
27          provisions to changes made by the act; amending s.  
28          475.629, F.S.; revising requirements for the retention  
29          of appraisal records; requiring appraisal management

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30 companies to follow such requirements; providing an  
31 effective date.

32  
33 Be It Enacted by the Legislature of the State of Florida:

34  
35 Section 1. Subsection (1) of section 475.611, Florida  
36 Statutes, is amended to read:

37 475.611 Definitions.—

38 (1) As used in this part, the term:

39 (a) "Appraisal" or "appraisal services" means the services  
40 provided by certified or licensed appraisers or registered  
41 trainee appraisers, and includes:

42 1. "Appraisal assignment" denotes an engagement for which a  
43 person is employed or retained to act, or could be perceived by  
44 third parties or the public as acting, as an agent or a  
45 disinterested third party in rendering an unbiased analysis,  
46 opinion, review, or conclusion relating to the nature, quality,  
47 value, or utility of specified interests in, or aspects of,  
48 identified real property.

49 2. "Analysis assignment" denotes appraisal services that  
50 relate to the employer's or client's individual needs or  
51 investment objectives and includes specialized marketing,  
52 financing, and feasibility studies as well as analyses,  
53 opinions, and conclusions given in connection with activities  
54 such as real estate brokerage, mortgage banking, real estate  
55 counseling, or real estate consulting.

56 3. "Appraisal review assignment" denotes an engagement for  
57 which an appraiser is employed or retained to develop and  
58 communicate an opinion about the quality of another appraiser's

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59 appraisal, appraisal report, or work. An appraisal review may or  
60 may not contain the reviewing appraiser's opinion of value.

61 (b) "Appraisal Foundation" or "foundation" means the  
62 Appraisal Foundation established on November 20, 1987, as a not-  
63 for-profit corporation under the laws of Illinois.

64 (c) "Appraisal management company" means a person who  
65 performs appraisal management services.

66 (d) "Appraisal management services" means the coordination  
67 or management of appraisal services for compensation by:

68 1. Employing, contracting with, or otherwise retaining one  
69 or more appraisers to perform appraisal services for a client;

70 or

71 2. Acting as a broker or intermediary between a client and  
72 one or more appraisers to facilitate the client's employing,  
73 contracting with, or otherwise retaining the appraisers.

74 (e)~~(e)~~ "Appraisal report" means any communication, written  
75 or oral, of an appraisal, appraisal review, appraisal consulting  
76 service, analysis, opinion, or conclusion relating to the  
77 nature, quality, value, or utility of a specified interest in,  
78 or aspect of, identified real property, and includes any report  
79 communicating an appraisal analysis, opinion, or conclusion of  
80 value, regardless of title. However, in order to be recognized  
81 in a federally related transaction, an appraisal report must be  
82 written.

83 (f)~~(d)~~ "Appraisal review" means the act or process of  
84 developing and communicating an opinion about the quality of  
85 another appraiser's appraisal, appraisal report, or work.

86 (g)~~(e)~~ "Appraisal subcommittee" means the designees of the  
87 heads of the federal financial institutions regulatory agencies

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88 established by the Federal Financial Institutions Examination  
89 Council Act of 1978 (12 U.S.C. ss. 3301 et seq.), as amended.

90 (h)~~(f)~~ "Appraiser" means any person who is a registered  
91 trainee real estate appraiser, a licensed real estate appraiser,  
92 or a certified real estate appraiser. An appraiser renders a  
93 professional service and is a professional within the meaning of  
94 s. 95.11(4) (a).

95 (i) "Appraiser panel" means a group of appraisers selected  
96 by an appraisal management company to perform appraisal services  
97 for clients on behalf of the company.

98 (j)~~(g)~~ "Board" means the Florida Real Estate Appraisal  
99 Board established under this section.

100 (k)~~(h)~~ "Certified general appraiser" means a person who is  
101 certified by the department as qualified to issue appraisal  
102 reports for any type of real property.

103 (l)~~(i)~~ "Certified residential appraiser" means a person who  
104 is certified by the department as qualified to issue appraisal  
105 reports for residential real property of one to four residential  
106 units, without regard to transaction value or complexity, or  
107 real property as may be authorized by federal regulation.

108 (m) "Client" means a person who contracts with an appraiser  
109 or appraisal management company for the performance of appraisal  
110 services.

111 (n)~~(j)~~ "Department" means the Department of Business and  
112 Professional Regulation.

113 (o)~~(k)~~ "Direct supervision" means the degree of supervision  
114 required of a supervisory appraiser overseeing the work of a  
115 registered trainee appraiser by which the supervisory appraiser  
116 has control over and detailed professional knowledge of the work

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117 being done. Direct supervision is achieved when a registered  
118 trainee appraiser has regular direction, guidance, and support  
119 from a supervisory appraiser who has the competencies as  
120 determined by rule of the board.

121 (p)~~(l)~~ "Federally related transaction" means any real  
122 estate-related financial transaction which a federal financial  
123 institutions regulatory agency or the Resolution Trust  
124 Corporation engages in, contracts for, or regulates, and which  
125 requires the services of a state-licensed or state-certified  
126 appraiser.

127 (q)~~(m)~~ "Licensed appraiser" means a person who is licensed  
128 by the department as qualified to issue appraisal reports for  
129 residential real property of one to four residential units or on  
130 such real estate or real property as may be authorized by  
131 federal regulation. After July 1, 2003, the department shall not  
132 issue licenses for the category of licensed appraiser.

133 (r)~~(n)~~ "Registered trainee appraiser" means a person who is  
134 registered with the department as qualified to perform appraisal  
135 services only under the direct supervision of a licensed or  
136 certified appraiser. A registered trainee appraiser may accept  
137 appraisal assignments only from her or his primary or secondary  
138 supervisory appraiser.

139 (s) "Signature" means personalized evidence indicating  
140 authentication of work performed by an appraiser and the  
141 acceptance of responsibility for the content of an appraisal,  
142 appraisal review, or appraisal consulting service or conclusions  
143 in an appraisal report.

144 (t)~~(o)~~ "Supervisory appraiser" means a licensed appraiser,  
145 a certified residential appraiser, or a certified general

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146 appraiser responsible for the direct supervision of one or more  
147 registered trainee appraisers and fully responsible for  
148 appraisals and appraisal reports prepared by those registered  
149 trainee appraisers. The board, by rule, shall determine the  
150 responsibilities of a supervisory appraiser, the geographic  
151 proximity required, the minimum qualifications and standards  
152 required of a licensed or certified appraiser before she or he  
153 may act in the capacity of a supervisory appraiser, and the  
154 maximum number of registered trainee appraisers to be supervised  
155 by an individual supervisory appraiser.

156 (u)~~(p)~~ "Training" means the process of providing for and  
157 making available to a registered trainee appraiser, under direct  
158 supervision, a planned, prepared, and coordinated program, or  
159 routine of instruction and education, in appraisal professional  
160 and technical appraisal skills as determined by rule of the  
161 board.

162 (v)~~(q)~~ "Uniform Standards of Professional Appraisal  
163 Practice" means the most recent standards approved and adopted  
164 by the Appraisal Standards Board of the Appraisal Foundation.

165 (w)~~(r)~~ "Valuation services" means services pertaining to  
166 aspects of property value and includes such services performed  
167 by certified appraisers, registered trainee appraisers, and  
168 others.

169 (x)~~(s)~~ "Work file" means the documentation necessary to  
170 support an appraiser's analysis, opinions, and conclusions.

171 Section 2. Subsection (1) of section 475.613, Florida  
172 Statutes, is amended to read

173 475.613 Florida Real Estate Appraisal Board.—

174 (1) There is created the Florida Real Estate Appraisal

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175 Board, which shall consist of nine ~~seven~~ members appointed by  
176 the Governor, subject to confirmation by the Senate. Four  
177 members of the board must be real estate appraisers who have  
178 been engaged in the general practice of appraising real property  
179 in this state for at least 5 years immediately preceding  
180 appointment. In appointing real estate appraisers to the board,  
181 while not excluding other appraisers, the Governor shall give  
182 preference to real estate appraisers who are not primarily  
183 engaged in real estate brokerage or mortgage lending activities.  
184 Two members of the board must represent the appraisal management  
185 industry. One member of the board must represent organizations  
186 that use appraisals for the purpose of eminent domain  
187 proceedings, financial transactions, or mortgage insurance. Two  
188 members of the board shall be representatives of the general  
189 public and shall not be connected in any way with the practice  
190 of real estate appraisal, real estate brokerage, or mortgage  
191 lending. The appraiser members shall be as representative of the  
192 entire industry as possible, and membership in a nationally  
193 recognized or state-recognized appraisal organization shall not  
194 be a prerequisite to membership on the board. To the extent  
195 possible, no more than two members of the board shall be  
196 primarily affiliated with any one particular national or state  
197 appraisal association. Two of the members must be licensed or  
198 certified residential real estate appraisers and two of the  
199 members must be certified general real estate appraisers at the  
200 time of their appointment.

201 (a) Members of the board shall be appointed for 4-year  
202 terms. Any vacancy occurring in the membership of the board  
203 shall be filled by appointment by the Governor for the unexpired

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204 term. Upon expiration of her or his term, a member of the board  
205 shall continue to hold office until the appointment and  
206 qualification of the member's successor. A member may not be  
207 appointed for more than two consecutive terms. The Governor may  
208 remove any member for cause.

209 (b) The headquarters for the board shall be in Orlando.

210 (c) The board shall meet at least once each calendar  
211 quarter to conduct its business.

212 (d) The members of the board shall elect a chairperson at  
213 the first meeting each year.

214 (e) Each member of the board is entitled to per diem and  
215 travel expenses as set by legislative appropriation for each day  
216 that the member engages in the business of the board.

217 Section 3. Section 475.614, Florida Statutes, is amended to  
218 read:

219 475.614 Power of board to adopt rules and decide questions  
220 of practice; requirements for protection of appraiser's  
221 signature.—

222 (1) The board has authority to adopt rules pursuant to ss.  
223 120.536(1) and 120.54 to implement provisions of law conferring  
224 duties upon it. The board may decide questions of practice  
225 arising in the proceedings before it, having regard to this  
226 section and the rules then in force.

227 (2) The board shall adopt rules specifying the means by  
228 which an appraiser's signature may be affixed to an appraisal  
229 report or other work performed by the appraiser. The rules shall  
230 include requirements for protecting the security of an  
231 appraiser's signature and prohibiting practices that may  
232 discredit the use of an appraiser's signature to authenticate



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233 the work performed by the appraiser.

234 Section 4. Subsection (1) of section 475.6147, Florida  
235 Statutes, is amended to read:

236 475.6147 Fees.—

237 (1) (a) The board by rule may establish fees to be paid for  
238 application, licensing and renewal, certification and  
239 recertification, registration and reregistration, reinstatement,  
240 and recordmaking and recordkeeping.

241 (b) The fee for initial application of an appraiser may not  
242 exceed \$150, and the combined cost of the application and  
243 examination may not exceed \$300. The initial certification,  
244 registration, or license fee and the certification,  
245 registration, or license renewal fee may not exceed \$150 for  
246 each year of the duration of the certification, registration, or  
247 license.

248 (c) The fee for initial application of an appraisal  
249 management company may not exceed \$150. The initial registration  
250 and registration renewal fee may not exceed \$150 for each year  
251 of the duration of the registration.

252 (d) The board may also establish by rule a late renewal  
253 penalty.

254 (e) The board shall establish fees which are adequate to  
255 ensure its continued operation. Fees shall be based on estimates  
256 made by the department of the revenue required to implement this  
257 part and other provisions of law relating to the regulation of  
258 real estate appraisers.

259 Section 5. Section 475.6235, Florida Statutes, is created  
260 to read:

261 475.6235 Registration of appraisal management companies

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262 required.-

263 (1) A person may not engage in appraisal management  
264 services for compensation in this state, advertise or represent  
265 herself or himself as an appraisal management company, or use  
266 the titles "appraisal management company," "appraiser  
267 cooperative," "appraiser portal," or "mortgage technology  
268 company," or any abbreviation or words to that effect, unless  
269 the person is registered with the department as an appraisal  
270 management company under this section. However, an employee of  
271 an appraisal management company is not required to obtain a  
272 separate registration.

273 (2) An application for registration must be submitted to  
274 the department in the format prescribed by the department and  
275 must include, at a minimum, the following:

276 (a) The firm or business name under which the appraisal  
277 management company conducts business in this state. The  
278 appraisal management company must notify the department of any  
279 change in the firm or business name, on a form provided by the  
280 department, within 10 days after such change.

281 (b) The mailing address, street address, and telephone  
282 number of the appraisal management company's principal business  
283 location. The appraisal management company must notify the  
284 department of any change in the mailing or street address, on a  
285 form provided by the department, within 10 days after such  
286 change.

287 (c) The appraisal management company's federal employer  
288 identification number.

289 (d) The appraisal management company's type of business  
290 organization, such as a corporation, partnership, limited

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291 liability company, or sole proprietorship.

292 (e) A statement as to whether the appraisal management  
293 company, if incorporated, is a domestic or foreign corporation,  
294 the company's date of incorporation, the state in which the  
295 company was incorporated, its charter number, and, if it is a  
296 foreign corporation, the date that the company first registered  
297 with the Department of State to conduct business in this state.

298 (f) The full name, street address, telephone number,  
299 corporate title, and social security number or federal employer  
300 identification number of any person who possesses the authority,  
301 directly or indirectly, to direct the management or policies of  
302 the appraisal management company, whether through ownership, by  
303 contract, or otherwise, including, but not limited to:

304 1. Each officer and director if the appraisal management  
305 company is a corporation.

306 2. Each general partner if the appraisal management company  
307 is a partnership.

308 3. Each manager or managing member if the appraisal  
309 management company is a limited liability company.

310 4. The owner if the appraisal management company is a sole  
311 proprietorship.

312 5. Each other person who, directly or indirectly, owns or  
313 controls 10 percent or more of an ownership interest in the  
314 appraisal management company.

315 (g) The firm or business name under which any person listed  
316 in paragraph (f) conducted business as an appraisal management  
317 company within the 5 years preceding the date of the  
318 application.

319 (h) The appraisal management company's registered agent for

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320 service of process in this state.

321 (3) Appropriate fees, as set forth in the rules of the  
322 board pursuant to s. 475.6147, and a complete set of  
323 fingerprints for each person listed in paragraph (2)(f) must  
324 accompany all applications for registration. The fingerprints  
325 shall be forwarded to the Division of Criminal Justice  
326 Information Systems within the Department of Law Enforcement for  
327 purposes of processing the fingerprints to determine whether the  
328 person has a criminal history record. The fingerprints shall  
329 also be forwarded to the Federal Bureau of Investigation for  
330 purposes of processing the fingerprints to determine whether the  
331 person has a criminal history record. The information obtained  
332 by the processing of fingerprints by the Department of Law  
333 Enforcement and the Federal Bureau of Investigation shall be  
334 sent to the department for the purpose of determining whether  
335 the appraisal management company is statutorily qualified for  
336 registration.

337 (4) At the time of filing an application for registration  
338 of an appraisal management company, each person listed in  
339 paragraph (2)(f) must sign a pledge to comply with the Uniform  
340 Standards of Professional Appraisal Practice upon registration  
341 and must indicate in writing that she or he understands the  
342 types of misconduct for which disciplinary proceedings may be  
343 initiated. The application shall expire 1 year after the date  
344 received.

345 (5) Each person listed in paragraph (2)(f) must be  
346 competent and qualified to engage in appraisal management  
347 services with safety to the general public and those with whom  
348 the person may undertake a relationship of trust and confidence.

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349 If any person listed in paragraph (2) (f) has been denied  
350 registration, licensure, or certification as an appraiser or has  
351 been disbarred, or if the person's registration, license, or  
352 certificate to practice or conduct any regulated profession,  
353 business, or vocation has been revoked or suspended by this or  
354 any other state, any nation, any possession or district of the  
355 United States, or any court or lawful agency thereof because of  
356 any conduct or practices that would have warranted a like result  
357 under this part, or if the person has been guilty of conduct or  
358 practices in this state or elsewhere that would have been  
359 grounds for disciplining her or his registration, license, or  
360 certification under this part had the person then been a  
361 registered trainee appraiser or a licensed or certified  
362 appraiser, the person shall be deemed not to be qualified  
363 unless, because of lapse of time and subsequent good conduct and  
364 reputation, or other reason deemed sufficient, it appears to the  
365 board that the interest of the public is not likely to be  
366 endangered by the granting of registration.

367 (6) An applicant seeking to become registered under this  
368 part as an appraisal management company may not be rejected  
369 solely by virtue of membership or lack of membership of any  
370 person listed in paragraph (2) (f) or any employee of the company  
371 in any particular appraisal organization.

372 (7) An applicant for registration who is not a resident of  
373 the state shall file an irrevocable consent that suits and  
374 actions may be commenced against the appraisal management  
375 company in any county of the state in which a plaintiff having a  
376 cause of action or suit against the company resides and that  
377 service of any process or pleading in suits or actions against

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378 the company may be made by delivering the process or pleading to  
379 the director of the Division of Real Estate by certified mail,  
380 return receipt requested, and also to the appraisal management  
381 company by registered mail addressed to the company's designated  
382 principal business location or, if its principal business  
383 location is located in this state, to the company's registered  
384 agent. Service, when so made, must be taken and held in all  
385 courts to be as valid and binding upon the appraisal management  
386 company as if made upon the company in this state within the  
387 jurisdiction of the court in which the suit or action is filed.  
388 The irrevocable consent must be in a form prescribed by the  
389 department and be acknowledged before a notary public.

390 (8) The department shall renew the registration of an  
391 appraisal management company upon receipt of the renewal  
392 application and the proper fee. The department shall adopt rules  
393 establishing a procedure for renewal of the registration of an  
394 appraisal management company at least every 4 years.

395 Section 6. Section 475.624, Florida Statutes, is amended to  
396 read:

397 475.624 Discipline of appraisers.—The board may deny an  
398 application for registration or certification of an appraiser;  
399 may investigate the actions of any appraiser registered,  
400 licensed, or certified under this part; may reprimand or impose  
401 an administrative fine not to exceed \$5,000 for each count or  
402 separate offense against any such appraiser; and may revoke or  
403 suspend, for a period not to exceed 10 years, the registration,  
404 license, or certification of any such appraiser, or place any  
405 such appraiser on probation, if the board ~~it~~ finds that the  
406 registered trainee, licensee, or certificateholder:

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407 (1) Has violated any provision ~~provisions~~ of this part or  
408 s. 455.227(1); however, any appraiser registered, licensed, or  
409 certified certificateholders, registrants, and licensees under  
410 this part is ~~are~~ exempt from ~~the provisions of~~ s. 455.227(1) (i).

411 (2) Has been guilty of fraud, misrepresentation,  
412 concealment, false promises, false pretenses, dishonest conduct,  
413 culpable negligence, or breach of trust in any business  
414 transaction in this state or any other state, nation, or  
415 territory; has violated a duty imposed upon her or him by law or  
416 by the terms of a contract, whether written, oral, express, or  
417 implied, in an appraisal assignment; has aided, assisted, or  
418 conspired with any other person engaged in any such misconduct  
419 and in furtherance thereof; or has formed an intent, design, or  
420 scheme to engage in such misconduct and committed an overt act  
421 in furtherance of such intent, design, or scheme. It is  
422 immaterial to the guilt of the registered trainee appraiser or  
423 licensed, licensee, or certified appraiser certificateholder  
424 that the victim or intended victim of the misconduct has  
425 sustained no damage or loss; that the damage or loss has been  
426 settled and paid after discovery of the misconduct; or that such  
427 victim or intended victim was a customer or a person in  
428 confidential relation with the registered trainee appraiser or  
429 licensed, licensee, or certified appraiser certificateholder, or  
430 was an identified member of the general public.

431 (3) Has advertised services in a manner that ~~which~~ is  
432 fraudulent, false, deceptive, or misleading in form or content.

433 (4) Has violated any provision ~~of the provisions~~ of this  
434 part or any lawful order or rule issued under ~~the provisions of~~  
435 this part or chapter 455.

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436 (5) Has been convicted or found guilty of, or entered a  
437 plea of nolo contendere to, regardless of adjudication, a crime  
438 in any jurisdiction which directly relates to the activities of  
439 a registered trainee appraiser or licensed or certified  
440 appraiser~~;~~ or which involves moral turpitude or fraudulent or  
441 dishonest conduct. The record of a conviction certified or  
442 authenticated in such form as admissible in evidence under the  
443 laws of the state shall be admissible as prima facie evidence of  
444 such guilt.

445 (6) Has had a registration, license, or certification as an  
446 appraiser revoked, suspended, or otherwise acted against;;~~or~~  
447 has been disbarred;;~~or~~ has had her or his registration,  
448 license, or certificate to practice or conduct any regulated  
449 profession, business, or vocation revoked or suspended by this  
450 or any other state, any nation, or any possession or district of  
451 the United States;; or has had an application for such  
452 registration, licensure, or certification to practice or conduct  
453 any regulated profession, business, or vocation denied by this  
454 or any other state, any nation, or any possession or district of  
455 the United States.

456 (7) Has become temporarily incapacitated from acting as an  
457 appraiser with safety to those in a fiduciary relationship with  
458 her or him because of drunkenness, use of drugs, or temporary  
459 mental derangement; however, suspension of a license,  
460 certification, or registration in such cases shall only be for  
461 the period of such incapacity.

462 (8) Is confined in any county jail, postadjudication; is  
463 confined in any state or federal prison or mental institution;  
464 or, through mental disease or deterioration, can no longer



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465 safely be entrusted to deal with the public or in a confidential  
466 capacity.

467 (9) Has failed to inform the board in writing within 30  
468 days after pleading guilty or nolo contendere to, or being  
469 convicted or found guilty of, any felony.

470 (10) Has been found guilty, for a second time, of any  
471 misconduct that warrants disciplinary action, or has been found  
472 guilty of a course of conduct or practice that ~~which~~ shows that  
473 she or he is incompetent, negligent, dishonest, or untruthful to  
474 an extent that those with whom she or he may sustain a  
475 confidential relationship may not safely do so.

476 (11) Has made or filed a report or record, either written  
477 or oral, which the registered trainee appraiser or licensed~~,~~  
478 ~~licensee~~, or certified appraiser ~~certificateholder~~ knows to be  
479 false; has willfully failed to file a report or record required  
480 by state or federal law; has willfully impeded or obstructed  
481 such filing;~~;~~ or has induced another person to impede or  
482 obstruct such filing. However, such reports or records shall  
483 include only those that ~~which~~ are signed or presented in the  
484 capacity of a registered trainee appraiser or licensed or  
485 certified appraiser.

486 (12) Has obtained or attempted to obtain a registration,  
487 license, or certification by means of knowingly making a false  
488 statement, submitting false information, refusing to provide  
489 complete information in response to an application question, or  
490 engaging in fraud, misrepresentation, or concealment.

491 (13) Has paid money or other valuable consideration, except  
492 as required by this section, to any member or employee of the  
493 board to obtain a registration, license, or certification under

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494 this section.

495 (14) Has violated any standard for the development or  
496 communication of a real estate appraisal or other provision of  
497 the Uniform Standards of Professional Appraisal Practice.

498 (15) Has failed or refused to exercise reasonable diligence  
499 in developing an appraisal or preparing an appraisal report.

500 (16) Has failed to communicate an appraisal without good  
501 cause.

502 (17) Has accepted an appraisal assignment if the employment  
503 itself is contingent upon the appraiser reporting a  
504 predetermined result, analysis, or opinion, or if the fee to be  
505 paid for the performance of the appraisal assignment is  
506 contingent upon the opinion, conclusion, or valuation reached  
507 upon the consequences resulting from the appraisal assignment.

508 (18) Has failed to timely notify the department of any  
509 change in business location, or has failed to fully disclose all  
510 business locations from which she or he operates as a registered  
511 trainee ~~real estate~~ appraiser or licensed or certified ~~real~~  
512 ~~estate~~ appraiser.

513 Section 7. Section 475.6245, Florida Statutes, is created  
514 to read:

515 475.6245 Discipline of appraisal management companies.—

516 (1) The board may deny an application for registration of  
517 an appraisal management company; may investigate the actions of  
518 any appraisal management company registered under this part; may  
519 reprimand or impose an administrative fine not to exceed \$5,000  
520 for each count or separate offense against any such appraisal  
521 management company; and may revoke or suspend, for a period not  
522 to exceed 10 years, the registration of any such appraisal

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523 management company, or place any such appraisal management  
524 company on probation, if the board finds that the appraisal  
525 management company or any person listed in s. 475.6235(2) (f) :

526 (a) Has violated any provision of this part or s.  
527 455.227(1); however, any appraisal management company registered  
528 under this part is exempt from s. 455.227(1) (i).

529 (b) Has been guilty of fraud, misrepresentation,  
530 concealment, false promises, false pretenses, dishonest conduct,  
531 culpable negligence, or breach of trust in any business  
532 transaction in this state or any other state, nation, or  
533 territory; has violated a duty imposed upon her or him by law or  
534 by the terms of a contract, whether written, oral, express, or  
535 implied, in an appraisal assignment; has aided, assisted, or  
536 conspired with any other person engaged in any such misconduct  
537 and in furtherance thereof; or has formed an intent, design, or  
538 scheme to engage in such misconduct and committed an overt act  
539 in furtherance of such intent, design, or scheme. It is  
540 immaterial to the guilt of the appraisal management company that  
541 the victim or intended victim of the misconduct has sustained no  
542 damage or loss; that the damage or loss has been settled and  
543 paid after discovery of the misconduct; or that such victim or  
544 intended victim was a customer or a person in confidential  
545 relation with the appraisal management company or was an  
546 identified member of the general public.

547 (c) Has advertised services in a manner that is fraudulent,  
548 false, deceptive, or misleading in form or content.

549 (d) Has violated any provision of this part or any lawful  
550 order or rule issued under this part or chapter 455.

551 (e) Has been convicted or found guilty of, or entered a

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552 plea of nolo contendere to, regardless of adjudication, a crime  
553 in any jurisdiction which directly relates to the activities of  
554 an appraisal management company or which involves moral  
555 turpitude or fraudulent or dishonest conduct. The record of a  
556 conviction certified or authenticated in such form as admissible  
557 in evidence under the laws of the state shall be admissible as  
558 prima facie evidence of such guilt.

559 (f) Has had a registration, license, or certification as an  
560 appraiser or a registration as an appraisal management company  
561 revoked, suspended, or otherwise acted against; has been  
562 disbarred; has had her or his registration, license, or  
563 certificate to practice or conduct any regulated profession,  
564 business, or vocation revoked or suspended by this or any other  
565 state, any nation, or any possession or district of the United  
566 States; or has had an application for such registration,  
567 licensure, or certification to practice or conduct any regulated  
568 profession, business, or vocation denied by this or any other  
569 state, any nation, or any possession or district of the United  
570 States.

571 (g) Has become temporarily incapacitated from acting as an  
572 appraisal management company with safety to those in a fiduciary  
573 relationship with her or him because of drunkenness, use of  
574 drugs, or temporary mental derangement; however, suspension of a  
575 registration in such cases shall only be for the period of such  
576 incapacity.

577 (h) Is confined in any county jail, postadjudication; is  
578 confined in any state or federal prison or mental institution;  
579 or, through mental disease or deterioration, can no longer  
580 safely be entrusted to deal with the public or in a confidential

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581 capacity.

582 (i) Has failed to inform the board in writing within 30  
583 days after pleading guilty or nolo contendere to, or being  
584 convicted or found guilty of, any felony.

585 (j) Has been found guilty, for a second time, of any  
586 misconduct that warrants disciplinary action, or has been found  
587 guilty of a course of conduct or practice that shows that she or  
588 he is incompetent, negligent, dishonest, or untruthful to an  
589 extent that those with whom she or he may sustain a confidential  
590 relationship may not safely do so.

591 (k) Has made or filed a report or record, either written or  
592 oral, that the appraisal management company knows to be false;  
593 has willfully failed to file a report or record required by  
594 state or federal law; has willfully impeded or obstructed such  
595 filing; or has induced another person to impede or obstruct such  
596 filing. However, such reports or records shall include only  
597 those that are signed or presented in the capacity of an  
598 appraisal management company.

599 (l) Has obtained or attempted to obtain a registration,  
600 license, or certification by means of knowingly making a false  
601 statement, submitting false information, refusing to provide  
602 complete information in response to an application question, or  
603 engaging in fraud, misrepresentation, or concealment.

604 (m) Has paid money or other valuable consideration, except  
605 as required by this section, to any member or employee of the  
606 board to obtain a registration, license, or certification under  
607 this section.

608 (n) Has instructed an appraiser to violate any standard for  
609 the development or communication of a real estate appraisal or

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610 other provision of the Uniform Standards of Professional  
611 Appraisal Practice.

612 (o) Has engaged in the development of an appraisal or the  
613 preparation of an appraisal report, unless the appraisal  
614 management company is owned or controlled by persons who are  
615 certified appraisers.

616 (p) Has failed to communicate an appraisal without good  
617 cause.

618 (q) Has accepted an appraisal assignment if the employment  
619 itself is contingent upon the appraisal management company  
620 reporting a predetermined result, analysis, or opinion or if the  
621 fee to be paid for the performance of the appraisal assignment  
622 is contingent upon the opinion, conclusion, or valuation reached  
623 upon the consequences resulting from the appraisal assignment.

624 (r) Has failed to timely notify the department of any  
625 change in principal business location as an appraisal management  
626 company.

627 (s) Has influenced or attempted to influence the  
628 development, reporting, or review of an appraisal through  
629 coercion, extortion, collusion, compensation, inducement,  
630 intimidation, bribery, or any other means, including, but not  
631 limited to:

632 1. Withholding or threatening to withhold timely payment  
633 for an appraisal, unless such nonpayment is based upon specific  
634 quality or other service issues that constitute noncompliance  
635 with the appraisal engagement agreement.

636 2. Withholding or threatening to withhold future business  
637 from an appraiser.

638 3. Promising future business, promotions, or increased

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639 compensation for an appraiser, whether the promise is express or  
640 implied.

641 4. Conditioning a request for appraisal services or the  
642 payment of an appraisal fee, salary, or bonus upon the opinion,  
643 conclusion, or valuation to be reached or upon a preliminary  
644 estimate or opinion requested from an appraiser.

645 5. Requesting that an appraiser provide an estimated,  
646 predetermined, or desired valuation in an appraisal report or  
647 provide estimated values or comparable sales at any time before  
648 the appraiser's completion of appraisal services.

649 6. Providing to an appraiser an anticipated, estimated,  
650 encouraged, or desired value for a subject property or a  
651 proposed or target amount to be loaned to the borrower, except  
652 that a copy of the sales contract for purchase transactions may  
653 be provided.

654 7. Providing to an appraiser, or any person related to the  
655 appraiser, stock or other financial or nonfinancial benefits.

656 8. Allowing the removal of an appraiser from an appraiser  
657 panel without prior written notice to the appraiser.

658 9. Obtaining, using, or paying for a second or subsequent  
659 appraisal or ordering an automated valuation model in connection  
660 with a mortgage financing transaction unless there is a  
661 reasonable basis to believe that the initial appraisal was  
662 flawed or tainted and such basis is clearly and appropriately  
663 noted in the loan file, or unless such appraisal or automated  
664 valuation model is issued pursuant to a bona fide prefunding or  
665 postfunding appraisal review or quality control process.

666 10. Any other act or practice that impairs or attempts to  
667 impair an appraiser's independence, objectivity, or

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668 impartiality.

669 (t) Has altered, modified, or otherwise changed a completed  
670 appraisal report submitted by an appraiser to an appraisal  
671 management company.

672 (u) Has employed, contracted with, or otherwise retained an  
673 appraiser whose registration, license, or certification is  
674 suspended or revoked to perform appraisal services or appraisal  
675 management services.

676 (2) The board may reprimand an appraisal management  
677 company, conditionally or unconditionally suspend or revoke any  
678 registration of an appraisal management company issued under  
679 this part, or impose administrative fines not to exceed \$5,000  
680 for each count or separate offense against any such appraisal  
681 management company if the board determines that the appraisal  
682 management company is attempting to perform, has performed, or  
683 has attempted to perform any of the following acts:

684 (a) Committing any act in violation of this part.

685 (b) Violating any rule adopted by the board under this  
686 part.

687 (c) Obtaining a registration of an appraisal management  
688 company by fraud, misrepresentation, or deceit.

689 (3) This section does not prohibit an appraisal management  
690 company from requesting an appraiser to:

691 (a) Provide additional information about the basis of a  
692 valuation, including consideration of additional comparable  
693 data; or

694 (b) Correct objective factual errors in an appraisal  
695 report.

696 Section 8. Section 475.626, Florida Statutes, is amended to



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697 read:

698 475.626 Violations and penalties.-

699 (1) A person may not: ~~VIOLATIONS.-~~

700 (a) ~~No person shall~~ Operate or attempt to operate as a  
701 registered trainee appraiser, a ~~or~~ licensed or certified  
702 appraiser, or an appraisal management company without being the  
703 holder of a valid and current registration, license, or  
704 certification.

705 (b) ~~No person shall~~ Violate any lawful order or rule of the  
706 board which is binding upon her or him.

707 (c) If a registered trainee appraiser, or a licensed or  
708 certified appraiser, ~~No person shall~~ commit any conduct or  
709 practice set forth in s. 475.624.

710 (d) If an appraisal management company, commit any conduct  
711 or practice set forth in s. 475.6245.

712 (e) ~~(d) No person shall~~ Make any false affidavit or  
713 affirmation intended for use as evidence by or before the board  
714 or any member thereof, or by any of its authorized  
715 representatives, nor may ~~shall~~ any person give false testimony  
716 under oath or affirmation to or before the board or any member  
717 thereof in any proceeding authorized by this section.

718 (f) ~~(e) No person shall~~ Fail or refuse to appear at the time  
719 and place designated in a subpoena issued with respect to a  
720 violation of this section, unless such failure to appear is the  
721 result of facts or circumstances that are sufficient to excuse  
722 appearance in response to a subpoena from the circuit court; nor  
723 may ~~shall~~ a person who is present before the board or a member  
724 thereof or one of its authorized representatives acting under  
725 authority of this section refuse to be sworn or to affirm or

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726 fail or refuse to answer fully any question propounded by the  
727 board, the member, or such representative, or by any person by  
728 the authority of such officer or appointee.

729 (g) ~~(f) No person shall~~ Obstruct or hinder in any manner the  
730 enforcement of this section or the performance of any lawful  
731 duty by any person acting under the authority of this section,  
732 or interfere with, intimidate, or offer any bribe to any member  
733 of the board or any of its employees or any person who is, or is  
734 expected to be, a witness in any investigation or proceeding  
735 relating to a violation of this section.

736 (h) ~~(g) No person shall~~ Knowingly conceal any information  
737 relating to violations of this section.

738 (2) A ~~PENALTIES.~~ Any person who violates any provision of  
739 ~~the provisions of~~ subsection (1) commits ~~is guilty of~~ a  
740 misdemeanor of the second degree, punishable as provided in s.  
741 775.082 or s. 775.083, except when a different punishment is  
742 prescribed by this section. ~~Nothing in~~ This section does not  
743 ~~shall~~ prohibit the prosecution under any other criminal statute  
744 of this state of any person for an act or conduct prohibited by  
745 this section; however, in such cases, the state may prosecute  
746 under this section or under such other statute, or may charge  
747 both offenses in one prosecution, but the sentence imposed shall  
748 not be a greater fine or longer sentence than that prescribed  
749 for the offense which carries the more severe penalties. A civil  
750 case, a criminal case, or a denial, revocation, or suspension  
751 proceeding may arise out of the same alleged state of facts, and  
752 the pendency or result of one such case or proceeding shall not  
753 stay or control the result of either of the others.

754 Section 9. Section 475.629, Florida Statutes, is amended to

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755 read:

756 475.629 Retention of records.—An appraiser registered,  
757 licensed, or certified under this part or an appraisal  
758 management company registered under this part shall retain, for  
759 at least 5 years or the period specified in the Uniform  
760 Standards of Professional Appraisal Practice, whichever is  
761 greater, original or true copies of any contracts engaging the  
762 appraiser's or appraisal management company's services,  
763 appraisal reports, and supporting data assembled and formulated  
764 by the appraiser or company in preparing appraisal reports or  
765 engaging in appraisal management services. Except as otherwise  
766 specified in the Uniform Standards of Professional Appraisal  
767 Practice, the period for retention of the records applicable to  
768 each engagement of the services of the appraiser or appraisal  
769 management company runs from the date of the submission of the  
770 appraisal report to the client. These records must be made  
771 available by the appraiser or appraisal management company for  
772 inspection and copying by the department upon ~~on~~ reasonable  
773 notice to the appraiser or company. However, the department may  
774 not inspect or copy the records of an appraisal management  
775 company except in connection with a pending investigation or  
776 complaint. If an appraisal has been the subject of or has served  
777 as evidence for litigation, reports and records must be retained  
778 for at least 2 years after the trial or the period specified in  
779 the Uniform Standards of Professional Appraisal Practice,  
780 whichever is greater.

781 Section 10. This act shall take effect July 1, 2010.