

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Innovation, Industry, and Technology

BILL: CS/SB 776

INTRODUCER: Innovation, Industry, and Technology Committee and Senator Perry

SUBJECT: Florida Real Estate Appraisal Board

DATE: February 10, 2020 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Baird/Oxamendi	Imhof	IT	Fav/CS
2.	_____	_____	CM	_____
3.	_____	_____	RC	_____

Please see Section IX. for Additional Information:
COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 776 reduces the number of board members sitting on the Florida Real Estate Appraisal Board (board) from nine to seven members. The bill removes from the board one of the two current members representing the appraisal management industry and one of the two current members who represents the general public and is not connected in any way with the practice of real estate appraisal. The bill requires that the members of the board reflect the ethnic and gender diversity of Florida.

The effective date of the bill is November 1, 2020.

II. Present Situation:

The Florida Real Estate Appraisal Board (board) within the Department of Business and Professional Regulation (DBPR) regulates real estate appraisers under part II of ch. 475, F.S., The board, through its rules, is authorized to:

- Regulate the issuance of licenses, certifications, registrations, and permits;
- Discipline appraisers;
- Establish qualifications for licenses, certifications, registrations, and permits;
- Regulate approved courses;
- Establish standards for real estate appraisals; and
- Establish standards for and regulate supervisory appraisers.

The board consists of nine members.¹ The members of the board are all appointed by the Governor, subject to confirmation by the Senate. The Governor may remove any member for cause.² The membership of the board must consist of:³

- Four members who are real estate appraisers who have been engaged in the general practice of appraising real property in this state for at least 5 years immediately preceding appointment;
- Two members who represent the appraisal management industry;
- One member who represent organizations that use appraisals for the purpose of eminent domain proceedings, financial transactions, or mortgage insurance; and
- Two members who represent the general public and are not connected in any way with the practice of real estate appraisal.

Members of the board are appointed for 4-year terms, and may not be appointed for more than two consecutive terms.⁴ The headquarters of the board is in Orlando, Florida.⁵ The board must meet at least once each calendar quarter to conduct its business.⁶ Members must elect a chairperson at the first meeting each year.⁷

Each member of the board is entitled to per diem and travel expenses as set by legislative appropriation for each day that the member engages in the business of the board.⁸

Currently there are 6,655 active certified real estate appraisers.⁹ In comparison, the Real Estate Commission, which regulates real estate agents, associates, and schools, and has 293,012 active licensees, consists of seven members.

In 2010, the membership of the board was increased from seven members to nine members with the addition of two members representing the appraisal management industry.¹⁰

III. Effect of Proposed Changes:

The bill amends s. 475.613, F.S., to reduce the number of board members sitting on the board from nine members to seven members. The bill removes from the board one of the two current members representing the appraisal management industry and one of the two current members who represents the general public and is not connected in any way with the practice of real estate appraisal. The bill requires that the members of the board reflect the ethnic and gender diversity of Florida.

¹ Section 475.613(1), F.S.

² Section 475.613(1)(a), F.S.

³ *Id.*

⁴ Section 475.613(1)(a), F.S.

⁵ Section 475.613(1)(b), F.S.

⁶ Section 475.613(1)(c), F.S.

⁷ Section 475.613(1)(d), F.S.

⁸ Section 475.613(1)(e), F.S.

⁹ See Department of Business and Professional Regulation, *Annual Report, Divisions of Professions, Certified Public Accounting, Real Estate, and Regulation, Fiscal Year 2018-2019*, at http://www.myfloridalicense.com/DBPR/os/documents/DivisionAnnualReport_FY1819.pdf, at page 19 (last visited Jan. 29, 2020).

¹⁰ Chapter 2010-84, s. 2, Laws of Fla.

The effective date of the bill is November 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The DBPR estimates that the bill will reduce travel expenses for the board by \$5,200 per year.¹¹

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 475.613 of the Florida Statutes.

¹¹ See Department of Business and Professional Regulation, *SB 776 Bill Analysis*, p. 3 (Dec. 11, 2020) (on file with Senate Committee on Innovation, Industry, and Technology).

IX. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Innovation, Industry, and Technology on February 10, 2020:

The CS requires that the members of the Florida Real Estate Appraisal Board reflect the ethnic and gender diversity of Florida.

- B. **Amendments:**

None.