

HOUSE BILL ANALYSIS

SB 6169

Title: An act relating to lenders use of third-party real estate appraisals to conform with federal requirements.

Brief Description: Regulating third-party appraisals.

Sponsors: Senators Winsley and Prentice.

HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Meeting Date: February 25, 1998

Bill Analysis Prepared by: Jim Morishima (786-7191)

Background: In general, only individuals who are certified or licensed real estate appraisers may conduct real estate appraisals. However, appraisals for government entities do not have to be performed by certified or licensed real estate appraisers. Likewise, an unlicensed employee of a financial institution or mortgage broker may conduct an appraisal or an appraisal review as long as the appropriate federal financial institutions regulatory agency does not require that the appraisal or appraisal review be performed by a licensed real estate appraiser.

Summary of Bill: An unlicensed third party may perform a real estate appraisal or appraisal review for a financial institution or mortgage broker as long as the appropriate federal financial institutions regulatory agency does not require the appraisal or appraisal review be performed by a licensed real estate appraiser.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Rulemaking Authority: Not addressed.