

SENATE BILL REPORT

SB 6360

As Reported By Senate Committee On:
Commerce, Trade, Housing & Financial Institutions, February 1, 2000

Title: An act relating to real estate appraisers.

Brief Description: Providing for temporary real estate appraiser practice permits.

Sponsors: Senators Prentice, Winsley and Shin; by request of Department of Licensing.

Brief History:

Committee Activity: Commerce, Trade, Housing & Financial Institutions: 1/28/2000, 2/1/2000 [DPS, DNP].

SENATE COMMITTEE ON COMMERCE, TRADE, HOUSING & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 6360 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Shin, Vice Chair; Gardner, Hale, Rasmussen, T. Sheldon and Winsley.

Minority Report: Do not pass.

Signed by Senators Benton and Heavey.

Staff: Susan Jones (786-7784)

Background: All real estate appraisals for federally-related transactions must be performed by state-licensed or state-certified real estate appraisers. The Washington Certified Real Estate Appraiser Act, administered by the Department of Licensing, was enacted to allow Washington appraisers to perform appraisals for federally-related transactions. The Federal Financial Institutions Examination Appraisal Subcommittee closely monitors state appraiser certification and licensing agencies to ensure their compliance with federal laws.

Federal law requires that a state agency recognize on a temporary basis the certification or license of an appraiser from another state provided: the property being appraised is part of a federally-related transaction; the appraiser's business is of a temporary nature; and the appraiser registers with that state agency. The state agency may not impose excessive fees or burdensome requirements for temporary practice. The subcommittee has determined that limiting the valid time period of a temporary practice permit to less than six months after issuance and not providing an effortless method of obtaining an extension are burdensome requirements.

Currently, Washington law provides that temporary appraisal licenses or certificates expire 90 days from their issuance. No provisions exists for an extension. The subcommittee has

advised the department that Washington law does not comply with the federal requirements on temporary appraisal practice and changes must be made.

Summary of Substitute Bill: The director of the Department of Licensing may adopt rules regarding the term or duration of temporary real estate appraiser licenses or certificates. A copy of the contract for appraisal services must be submitted to the department with an application for a temporary permit. An applicant may receive an extension of a temporary practice permit to complete an assignment if the request is received prior to the expiration date.

Substitute Bill Compared to Original Bill: The applicant for a temporary permit must submit a copy of the contract for appraisal services, rather than the original, to the department with the application.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: None.

Testimony Against: None.

Testified: No one.