88R10845 SHH-F

By:  Kuempel H.B. No. 2427

A BILL TO BE ENTITLED

AN ACT

relating to regulation of appraisers and the duties of the Texas Appraiser Licensing and Certification Board.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1.  Section 1103.004, Occupations Code, is amended to read as follows:

Sec. 1103.004.  APPLICABILITY OF CHAPTER. (a) This chapter does not apply to:

(1)  a person who is authorized by law to perform an evaluation of real property for or to provide an evaluation of real property to another person;

(2)  a real estate broker licensed under Chapter 1101 or a sales agent acting under the authority of a sponsoring broker who provides to another person a written analysis, opinion, or conclusion relating to the estimated price of real property if the analysis, opinion, or conclusion:

(A)  is not referred to as an appraisal;

(B)  is given in the ordinary course of the broker's business; and

(C)  is related to the actual or potential acquisition, disposition, encumbrance, or management of an interest in real property;

(3)  an appraiser certified by a jurisdiction other than this state who performs an appraisal review of an appraisal performed on real property in this state, if the appraiser does not offer an opinion of value as part of the appraisal review;

(4)  an employee of a federally regulated financial institution or any other person engaged by the institution who performs an evaluation of real property for use by the institution in a transaction for which the institution is not required to use the services of a licensed or certified appraiser under federal regulations adopted under Title XI, Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. Section 1833e) or under applicable state law;

(5)  an employee of a non-bank financial institution or any other person engaged by the institution who provides an analysis, assessment, opinion, conclusion, notation, or compilation of data concerning the value of an interest in real property for use by the institution; [~~or~~]

(6)  the procurement or use of an automated valuation model; or

(7)  a person who:

(A)  performs appraisals in connection with the Practical Applications of Real Estate Appraisal course as approved by the Appraiser Qualifications Board; and

(B)  does not use a title or a reference in violation of Section 1103.201(b).

(b)  Notwithstanding Subsection (a)(7), the appraisals described by that subsection may be credited by the board toward satisfying the education and experience required to obtain a license or certificate under this chapter.

SECTION 2.  Section 1103.205(c), Occupations Code, is amended to read as follows:

(c)  For the purpose of determining the qualifications of an applicant for a certificate or license under this chapter, acceptable appraisal experience includes[~~:~~

[~~(1)~~] any one or any combination of the categories recognized by the Appraiser Qualifications Board[~~; and~~

[~~(2)  experience as a real estate mortgage lending officer of a financial institution or as a real estate broker that includes the actual performance or technical review of real estate appraisals~~].

SECTION 3.  Section 1103.554(a), Occupations Code, is amended to read as follows:

(a)  A person commits an offense if the person knowingly[~~:~~

[~~(1) provides false information in connection with an affidavit filed under Section 1103.205; or~~

[~~(2)~~] violates Section 1103.401.

SECTION 4.  Subchapter E, Chapter 1104, Occupations Code, is amended by adding Section 1104.2051 to read as follows:

Sec. 1104.2051.  INVESTIGATIVE COMMITTEE. (a) The presiding officer of the board, with the advice and consent of the executive committee of the board, may appoint an investigative committee.

(b)  An investigative committee consists of at least two members. The presiding officer of the investigative committee must be a board member.

(c)  An investigative committee shall:

(1)  review and determine the facts of a complaint; and

(2)  submit in a timely manner a written report regarding the complaint to the board.

SECTION 5.  The following provisions of the Occupations Code are repealed:

(1)  Section 1103.205(b); and

(2)  Section 1103.259.

SECTION 6.  The changes in law made by this Act to Section 1103.205, Occupations Code, apply only to an application for a certificate or license submitted to the Texas Appraiser Licensing and Certification Board on or after the effective date of this Act. An application submitted before the effective date of this Act is governed by the law in effect on the date the application was submitted, and the former law is continued in effect for that purpose.

SECTION 7.  The change in law made by this Act to Section 1103.554, Occupations Code, applies only to an offense committed on or after the effective date of this Act. An offense committed before the effective date of this Act is governed by the law in effect on the date the offense was committed, and the former law is continued in effect for that purpose. For purposes of this section, an offense was committed before the effective date of this Act if any element of the offense occurred before that date.

SECTION 8.  The changes in law made by this Act by the enactment of Section 1104.2051, Occupations Code, apply only to a complaint submitted to the Texas Appraiser Licensing and Certification Board on or after the effective date of this Act. A complaint submitted before the effective date of this Act is governed by the law in effect on the date the complaint was submitted, and the former law is continued in effect for that purpose.

SECTION 9.  This Act takes effect September 1, 2023.