

By: Kuempel

H.B. No. 2427

Substitute the following for H.B. No. 2427:

By: Goldman

C.S.H.B. No. 2427

A BILL TO BE ENTITLED

1 AN ACT
2 relating to regulation of appraisers and the duties of the Texas
3 Appraiser Licensing and Certification Board.

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

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

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

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

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

17 (A) is not referred to as an appraisal;

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

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

23 (3) an appraiser certified by a jurisdiction other
24 than this state who performs an appraisal review of an appraisal

1 performed on real property in this state, if the appraiser does not
2 offer an opinion of value as part of the appraisal review;

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

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

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

18 (7) a person who:

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

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

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

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

3 (c) For the purpose of determining the qualifications of an
4 applicant for a certificate or license under this chapter,
5 acceptable appraisal experience includes[+]

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

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

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

14 (a) A person commits an offense if the person knowingly[+]

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

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

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

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

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

27 (c) An investigative committee shall:

- 1 (1) review and determine the facts of a complaint; and
2 (2) submit in a timely manner a written report
3 regarding the complaint to the board.

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

- 6 (1) Section [1103.205](#)(b); and
7 (2) Section [1103.259](#).

8 SECTION 6. The changes in law made by this Act to Section
9 [1103.205](#), Occupations Code, apply only to an application for a
10 certificate or license submitted to the Texas Appraiser Licensing
11 and Certification Board on or after the effective date of this Act.
12 An application submitted before the effective date of this Act is
13 governed by the law in effect on the date the application was
14 submitted, and the former law is continued in effect for that
15 purpose.

16 SECTION 7. The change in law made by this Act to Section
17 [1103.554](#), Occupations Code, applies only to an offense committed on
18 or after the effective date of this Act. An offense committed
19 before the effective date of this Act is governed by the law in
20 effect on the date the offense was committed, and the former law is
21 continued in effect for that purpose. For purposes of this section,
22 an offense was committed before the effective date of this Act if
23 any element of the offense occurred before that date.

24 SECTION 8. The changes in law made by this Act by the
25 enactment of Section [1104.2051](#), Occupations Code, apply only to a
26 complaint submitted to the Texas Appraiser Licensing and
27 Certification Board on or after the effective date of this Act. A

1 complaint submitted before the effective date of this Act is
2 governed by the law in effect on the date the complaint was
3 submitted, and the former law is continued in effect for that
4 purpose.

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