

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

**SENATE BILL 1408
RATIFIED BILL**

AN ACT TO CLARIFY DISCIPLINARY AUTHORITY OF THE NORTH
CAROLINA APPRAISAL BOARD UNDER THE NORTH CAROLINA
APPRAISERS ACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 93E-1-12(a) reads as rewritten:

"(a) The Board may take disciplinary action against registered trainees and State-licensed or State-certified real estate appraisers. Upon its own motion or the complaint of any person, the Board may investigate the actions of any person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter, any person who performs appraisals without an appropriate registration, license, or certificate, or any person who holds himself or herself out to be registered as a trainee or licensed or certified as a real estate appraiser when the person holds no registration, license, or certificate. Under no circumstances shall the Board investigate any person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter upon an anonymous complaint. If the Board finds probable cause to believe that a person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter has violated any of the provisions of this Chapter, the Board may hold a hearing on the allegations of misconduct.

The Board may suspend or revoke the registration, license, or certificate granted to any person under the provisions of this Chapter or reprimand any registered trainee, licensee, or certificate holder if, following a hearing or by consent, the Board finds the registered trainee, licensee, or certificate holder to have:

- (1) Procured registration, licensure, or certification pursuant to this Chapter by making a false or fraudulent representation;
- (2) Made any willful or negligent misrepresentation or any willful or negligent omission of material fact;
- (3) Accepted an appraisal assignment when the employment is contingent upon the appraiser reporting a predetermined result, analysis, or opinion, or when the fee to be paid for the performance of the appraisal assignment is contingent upon the opinion, conclusion, or valuation reached or upon consequences resulting from the appraisal assignment;
- (4) Acted or held himself or herself out as a registered trainee or a State-licensed or State-certified real estate appraiser when not so registered, licensed, or certified;
- (5) Failed as a State-licensed or State-certified real estate appraiser to actively and personally supervise any person not licensed or certified under this Chapter who assists the State-licensed or State-certified real estate appraiser in performing real estate appraisals;
- (6) Failed to make available to the Board for its inspection without prior notice, originals or true copies of all written contracts engaging the person's services to appraise real property, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports;

- (7) Paid a fee or valuable consideration to any person for acts or services performed in violation of this Chapter;
- (8) Acted as a real estate appraiser in an unworthy or incompetent manner as to endanger the interest of the public;
- (9) Violated any of the standards of practice for real estate appraisers or any other rule promulgated by the Board;
- (10) Performed any other act which constitutes improper, fraudulent, or other dishonest conduct; or
- (11) Violated any of the provisions of this Chapter.

The Executive Director of the Board shall transmit a certified copy of all final orders of the Board suspending or revoking registrations, licenses, or certificates issued under this Chapter to the clerk of superior court of the county in which the licensee or certificate holder maintains the person's principal place of business. The clerk shall enter these orders upon the judgment docket of the county."

SECTION 2. G.S. 93E-1-12 is amended by adding a new subsection to read:

"(c1) During the course of an investigation of a person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter, the Board may send to the trainee or licensed or certified real estate appraiser a letter of inquiry asking the trainee or licensed or certified real estate appraiser to respond to the inquiry. The letter of inquiry shall state the subject matter being investigated. Upon receipt of the letter of inquiry, the trainee or licensed or certified real estate appraiser shall respond to the Board within 30 calendar days. A trainee or licensed or certified real estate appraiser shall include in the written response copies of all documents requested by the Board in the letter of inquiry."

SECTION 3. This act becomes effective October 1, 2007, and applies to complaints made and letters of inquiry sent on or after that date.

In the General Assembly read three times and ratified this the 28th day of July, 2007.

Beverly E. Perdue
President of the Senate

Joe Hackney
Speaker of the House of Representatives

Michael F. Easley
Governor

Approved _____ .m. this _____ day of _____, 2007