

As Passed by the Senate

**126th General Assembly
Regular Session
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Am. S. B. No. 144

Senators Schuler, Clancy, Mumper, Spada

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A BILL

To amend section 4763.05 of the Revised Code to 1
modify the Ohio Real Estate Appraiser law with 2
respect to the temporary registration of 3
appraisers licensed or certified in another state. 4

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 4763.05 of the Revised Code be 5
amended to read as follows: 6

Sec. 4763.05. (A)(1) A person shall make application for an 7
initial state-certified general real estate appraiser certificate, 8
an initial state-certified residential real estate appraiser 9
certificate, an initial state-licensed residential real estate 10
appraiser license, or an initial state-registered real estate 11
appraiser assistant registration in writing to the superintendent 12
of real estate on a form the superintendent prescribes. The 13
application shall include the address of the applicant's principal 14
place of business and all other addresses at which the applicant 15
currently engages in the business of preparing real estate 16
appraisals and the address of the applicant's current residence. 17
The superintendent shall retain the applicant's current residence 18
address in a separate record which shall not constitute a public 19
record for purposes of section 149.03 of the Revised Code. The 20

application shall indicate whether the applicant seeks 21
certification as a general real estate appraiser or as a 22
residential real estate appraiser, licensure as a residential real 23
estate appraiser, or registration as a real estate appraiser 24
assistant and be accompanied by the prescribed examination and 25
certification, registration, or licensure fees set forth in 26
section 4763.09 of the Revised Code. The application also shall 27
include a pledge, signed by the applicant, that the applicant will 28
comply with the standards set forth in this chapter and a 29
statement that the applicant understands the types of misconduct 30
for which disciplinary proceedings may be initiated against the 31
applicant pursuant to this chapter. 32

(2) For purposes of providing funding for the real estate 33
appraiser recovery fund established by section 4763.16 of the 34
Revised Code, the real estate appraiser board shall levy an 35
assessment against each person issued an initial certificate, 36
registration, or license and against current licensees, 37
registrants, and certificate holders, as required by board rule. 38
The assessment is in addition to the application and examination 39
fees for initial applicants required by division (A)(1) of this 40
section and the renewal fees required for current certificate 41
holders, registrants, and licensees. The superintendent shall 42
deposit the assessment into the state treasury to the credit of 43
the real estate appraiser recovery fund. The assessment for 44
initial certificate holders, registrants, and licensees shall be 45
paid prior to the issuance of a certificate, registration, or 46
license, and for current certificate holders, registrants, and 47
licensees, at the time of renewal. 48

(B) An applicant for an initial general real estate appraiser 49
certificate shall possess at least thirty months of experience in 50
real estate appraisal, or any equivalent experience the board 51
prescribes. An applicant for a residential real estate appraiser 52

certificate or residential real estate appraiser license shall
possess at least two years of experience in real estate appraisal,
or any equivalent experience the board prescribes. In addition to
any other information required by the board, the applicant shall
furnish, under oath, a detailed listing of the appraisal reports
or file memoranda for each year for which experience is claimed
and, upon request of the superintendent or the board, shall make
available for examination a sample of the appraisal reports
prepared by the applicant in the course of the applicant's
practice.

(C)(1) Except as provided in division (C)(2) of this section,
an applicant for an initial certificate, registration, or license
shall be at least eighteen years of age, honest, truthful, and of
good reputation and shall present satisfactory evidence to the
superintendent of the following, as appropriate:

(a) If the applicant is seeking a state-certified general
real estate appraiser certificate, that the applicant has
successfully completed at least one hundred sixty-five classroom
hours of courses in subjects related to real estate appraisal,
including at least one course devoted exclusively to federal,
state, and municipal fair housing law, presented by a nationally
recognized appraisal organization, an institution of higher
education, a career school registered by the state board of career
colleges and schools, a state or federal commission or agency, or
any other organization that represents the interests of financial
institutions or real estate brokers, appraisers, or agents and
that provides appraisal education, plus fifteen classroom hours
related to standards of professional practice and the provisions
of this chapter;

(b) If the applicant is seeking a state-certified residential
real estate appraiser certificate, that the applicant has
successfully completed at least one hundred five classroom hours

of courses in subjects related to real estate appraisal, including 85
at least one course devoted exclusively to federal, state, and 86
municipal fair housing law, presented by a nationally recognized 87
appraisal organization, an institution of higher education, a 88
career school registered by the state board of career colleges and 89
schools, or any other organization that represents the interests 90
of financial institutions or real estate brokers, appraisers, or 91
agents and that provides appraisal education, plus fifteen 92
classroom hours related to standards of professional practice and 93
the provisions of this chapter; 94

(c) If the applicant is seeking a state-licensed residential 95
real estate appraiser license, that the applicant has successfully 96
completed at least seventy-five classroom hours of courses in 97
subjects related to real estate appraisal, including at least one 98
course devoted exclusively to federal, state, and municipal fair 99
housing law, presented by a nationally recognized appraisal 100
organization, an institution of higher education, a career school 101
registered by the state board of career colleges and schools, a 102
state or federal commission or agency, or any other organization 103
that represents the interests of financial institutions or real 104
estate brokers, appraisers, or agents and that provides appraisal 105
education, plus fifteen classroom hours related to standards of 106
professional practice and the provisions of this chapter; 107

(d) If the applicant is seeking a state-registered real 108
estate appraiser assistant registration, that the applicant has 109
successfully completed at least seventy-five classroom hours of 110
courses in subjects related to real estate appraisal, including at 111
least one course devoted exclusively to federal, state, and 112
municipal fair housing law, presented by a nationally recognized 113
appraisal organization, an institution of higher education, a 114
career school registered by the state board of career colleges and 115
schools, or any other organization that represents the interests 116

of financial institutions or real estate brokers, appraisers, or agents, and that provides appraisal education that included at least fifteen classroom hours of instruction related to standards of professional practice and the requirements of this chapter and the rules adopted under this chapter.

(2) Each person who files an application for an initial certificate or license within one year of the date established by the board as the first date on which applications will be accepted under this section, which date shall be no later than September 1, 1990, and who, at the time of filing that application, does not satisfy the educational requirements for the certification or licensure sought of either division (C)(1)(a) or (b) of this section is exempt from those educational requirements for the term of the initial certification or licensure. In applying for a renewal certificate or license pursuant to section 4763.06 of the Revised Code, a certificate holder or licensee who was exempted from the educational requirements of division (C)(1)(a) or (b) of this section when applying for the initial certificate or license shall present satisfactory evidence to the superintendent that the certificate holder or licensee has completed the educational requirements for the certification or licensure to be renewed of one of those divisions before the renewal certificate or license may be issued.

(D) An applicant for an initial general real estate appraiser or residential real estate appraiser certificate or residential real estate appraiser license shall take and successfully complete a written examination in order to qualify for the certificate or license. The examination shall require the applicant to demonstrate all of the following:

(1) Appropriate knowledge of technical terms commonly used in or related to real estate appraising, appraisal report writing, and the economic concepts applicable to real estate;

(2) Understanding of the principles of land economics, real estate appraisal processes, and problems likely to be encountered in gathering, interpreting, and processing of data in carrying out appraisal disciplines;

(3) Understanding of the standards for the development and communication of real estate appraisals as provided in this chapter and the rules adopted thereunder;

(4) Knowledge of theories of depreciation, cost estimating, methods of capitalization, direct sales comparison, and the mathematics of real estate appraisal that are appropriate for the certification or licensure for which the applicant has applied;

(5) Knowledge of other principles and procedures as appropriate for the certification or license;

(6) Basic understanding of real estate law;

(7) Understanding of the types of misconduct for which disciplinary proceedings may be initiated against a certificate holder and licensee.

(E)(1) A nonresident, natural person of this state who has complied with this section may obtain a certificate, registration, or license. The board shall adopt rules relating to the certification, registration, and licensure of a nonresident applicant whose state of residence the board determines to have certification, registration, or licensure requirements that are substantially similar to those set forth in this chapter and the rules adopted thereunder.

~~(2) A nonresident appraiser may apply for, and the board may issue, a temporary certificate or license if the board determines that the state in which the nonresident appraiser is licensed or certified has licensing or certification requirements that are substantially similar to the certification or licensure~~

~~requirements set forth in this chapter and the rules adopted~~ 179
~~thereunder~~ The board shall recognize on a temporary basis a 180
certification or license issued in another state and shall 181
register on a temporary basis an appraiser who is certified or 182
licensed in another state if all of the following apply: 183

(a) The temporary registration is to perform an appraisal 184
assignment that is part of a federally related transaction; 185

(b) The appraiser's business in this state is of a temporary 186
nature; 187

(c) The appraiser registers with the board pursuant to this 188
division. 189

An appraiser who is certified or licensed in another state 190
shall register with the board for temporary practice before 191
performing an appraisal assignment in this state in connection 192
with a federally related transaction. 193

The board shall adopt rules relating to registration for the 194
temporary recognition of certification and licensure of 195
~~nonresident~~ appraisers from another state. ~~Each temporary~~ 196
~~certificate and license issued by the board shall identify the~~ 197
~~location of the real estate property to be appraised and~~ The 198
registration for temporary recognition of certified or licensed 199
appraisers from another state shall not authorize ~~appraisal~~ 200
completion of more than one ~~real estate property located~~ appraisal 201
assignment in this state. The board shall not issue more than two 202
registrations for temporary ~~certificates or licenses~~ practice to 203
any one applicant in any ~~one~~ calendar year ~~to any one applicant~~. 204

(3) In addition to any other information required to be 205
submitted with the nonresident applicant's or appraiser's 206
application for a certificate, registration, license, or temporary 207
certificate or license, each nonresident applicant or appraiser 208
shall submit a statement consenting to the service of process upon 209

the nonresident applicant or appraiser by means of delivering that 210
process to the secretary of state if, in an action against the 211
applicant, certificate holder, registrant, or licensee arising 212
from the applicant's, certificate holder's, registrant's, or 213
licensee's activities as a certificate holder, registrant, or 214
licensee, the plaintiff, in the exercise of due diligence, cannot 215
effect personal service upon the applicant, certificate holder, 216
registrant, or licensee. 217

(F) The superintendent shall not issue a certificate, 218
registration, temporary certificate or license, or license to a 219
corporation, partnership, or association. This prohibition shall 220
not be construed to prevent a certificate holder or licensee from 221
signing an appraisal report on behalf of a corporation, 222
partnership, or association. 223

(G) Every person licensed, registered, or certified under 224
this chapter shall notify the superintendent, on a form provided 225
by the superintendent, of a change in the address of the 226
licensee's, registrant's, or certificate holder's principal place 227
of business or residence within thirty days of the change. If a 228
licensee's, registrant's, or certificate holder's license, 229
registration, or certificate is revoked or not renewed, the 230
licensee, registrant, or certificate holder immediately shall 231
return the annual and any renewal certificate, registration, or 232
license to the superintendent. 233

(H) The superintendent shall not issue a certificate, 234
registration, temporary certificate or license, or license to any 235
person who does not meet applicable minimum criteria for state 236
certification, registration, or licensure prescribed by federal 237
law or rule. 238

Section 2. That existing section 4763.05 of the Revised Code 239
is hereby repealed. 240