

SENATE BILL 658

C2

11r1188

By: **Senators Kelley and Miller**

Introduced and read first time: February 4, 2011

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Real Estate Appraisal Management Companies – Registration and Regulation**

3 FOR the purpose of requiring certain persons to register as appraisal management
4 companies with the State Commission of Real Estate Appraisers and Home
5 Inspectors; requiring an appraisal management company's registration to
6 include certain information in a certain form; establishing that a registration is
7 valid for a certain period of time; requiring the Commission to collect a certain
8 national registry fee from appraisal management companies; requiring a person
9 applying for registration to complete a certain consent to service of process;
10 requiring the Commission to set certain fees by regulation; requiring the
11 Commission to publish a certain fee schedule; requiring the Commission to pay
12 certain fees to the Comptroller; requiring the Comptroller to distribute certain
13 fees to a certain fund; prohibiting a person applying for registration from being
14 owned by certain persons; requiring the owner of an appraisal management
15 company to meet certain requirements; requiring a certain individual to serve
16 as a main contact for communication between the Commission and an appraisal
17 management company; prohibiting an appraisal management company from
18 engaging in certain activities relating to employees; requiring an appraisal
19 management company to verify that an appraiser is a competent appraiser
20 before assigning certain work; requiring certain individuals that perform an
21 appraisal review to hold a certain license or certificate; prohibiting an appraisal
22 management company from entering into certain agreements with an appraiser
23 in conjunction with federally related transactions unless the company verifies
24 certain qualifications; requiring a person applying for registration to make a
25 certain certification concerning its record keeping; requiring an appraisal
26 management company to retain certain records for a certain period of time;
27 prohibiting an appraisal management company from handling certain fees and
28 certain compensation in a certain manner; requiring an appraisal management
29 company to ensure that appraisals are conducted in a certain manner;
30 prohibiting an individual working on behalf of an appraisal management
31 company from engaging in certain activities; requiring an appraisal

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 management company to inform the Commission when the company has a
2 reasonable basis to believe that an appraiser is behaving in a certain manner;
3 designating certain conduct as unprofessional; requiring an appraisal
4 management company to pay an appraiser for certain work within a certain
5 period of time under certain circumstances; prohibiting an appraisal
6 management company from changing a completed appraisal report in a certain
7 manner; establishing guidelines for the use of an appraiser's digital signature or
8 seal; requiring the Commission to issue certain registration numbers; requiring
9 the Commission to publish an annual list of appraisal management companies;
10 requiring an appraisal management company to disclose certain registration
11 information in a certain manner; prohibiting an appraisal management
12 company from taking certain actions relative to an appraiser under certain
13 circumstances without providing certain notice and opportunity to respond;
14 authorizing an appraiser that is removed from an appraisal panel for certain
15 reasons to file a certain complaint with the Commission for certain review;
16 requiring the Commission to adjudicate a complaint within a certain period of
17 time; establishing certain grounds for denying a registration or reprimanding,
18 suspending, or revoking the registration of an appraisal management company;
19 establishing certain penalties; altering provisions relating to commencement of
20 Commission proceedings and hearings; authorizing the Commission to adopt
21 certain regulations; requiring that a certain evaluation of the law and
22 regulations concerning the registration and regulation of real estate appraisal
23 management companies be performed on or before a certain date; establishing
24 the Appraisal Management Company Fund as a special, nonlapsing fund in the
25 Department of Labor, Licensing, and Regulation; requiring that the Fund be
26 used for certain purposes; providing for an audit of the Fund; requiring the
27 Secretary of Labor, Licensing, and Regulation, or a designee of the Secretary, to
28 administer the Fund; requiring the Secretary, in consultation with the
29 Commission, to calculate annually certain costs; requiring the Commission to
30 set certain fees, based on certain calculations; prohibiting certain fees from
31 increasing more than a certain amount each year; defining certain terms; and
32 generally relating to the registration and regulation of real estate appraisal
33 management companies.

34 BY adding to
35 Article – Business Occupations and Professions
36 Section 16–5B–01 through 16–5B–19 to be under the new subtitle “Subtitle 5B.
37 Real Estate Appraisal Management Companies”; and 16–701.2
38 Annotated Code of Maryland
39 (2010 Replacement Volume)

40 BY repealing and reenacting, with amendments,
41 Article – Business Occupations and Professions
42 Section 16–601 and 16–602
43 Annotated Code of Maryland
44 (2010 Replacement Volume)

45 BY adding to

1 Article – Business Regulation
2 Section 2–106.7 and 2–106.8
3 Annotated Code of Maryland
4 (2010 Replacement Volume and 2010 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article – State Government
7 Section 8–403(b)
8 Annotated Code of Maryland
9 (2009 Replacement Volume and 2010 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article – Business Occupations and Professions**

13 **SUBTITLE 5B. REAL ESTATE APPRAISAL MANAGEMENT COMPANIES.**

14 **16–5B–01.**

15 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
16 INDICATED.

17 (B) “APPRAISAL MANAGEMENT COMPANY” MEANS A THIRD PARTY
18 AUTHORIZED BY A CREDITOR OF A CONSUMER CREDIT TRANSACTION SECURED
19 BY A CONSUMER’S PRINCIPAL DWELLING, OR BY AN UNDERWRITER OF OR
20 OTHER PRINCIPAL IN THE SECONDARY MORTGAGE MARKETS, THAT DIRECTLY
21 OR INDIRECTLY PROVIDES APPRAISAL MANAGEMENT SERVICES IN CONNECTION
22 WITH VALUING PROPERTIES COLLATERALIZING MORTGAGE LOANS OR
23 MORTGAGES INCORPORATED IN A SECURITIZATION.

24 (C) “APPRAISER” MEANS A LICENSED REAL ESTATE APPRAISER OR A
25 CERTIFIED REAL ESTATE APPRAISER.

26 (D) “APPRAISER PANEL” MEANS A NETWORK OF LICENSED OR
27 CERTIFIED APPRAISERS WHO ARE INDEPENDENT CONTRACTORS TO THE
28 APPRAISAL MANAGEMENT COMPANY.

29 (E) (1) “APPRAISAL REVIEW” MEANS THE ACT OF DEVELOPING AND
30 COMMUNICATING AN OPINION ABOUT THE QUALITY OF ANOTHER APPRAISER’S
31 WORK THAT WAS PERFORMED AS PART OF AN APPRAISER ASSIGNMENT.

32 (2) “APPRAISAL REVIEW” DOES NOT INCLUDE AN EXAMINATION
33 OF AN APPRAISAL FOR GRAMMATICAL, TYPOGRAPHICAL, OR OTHER SIMILAR
34 ERRORS THAT DO NOT MAKE A SUBSTANTIVE VALUATION CHANGE.

1 **(F) “COMPETENT APPRAISER” MEANS AN APPRAISER THAT SATISFIES**
2 **EACH PROVISION OF THE COMPETENCY RULE OF THE UNIFORM STANDARDS OF**
3 **PROFESSIONAL PRACTICE FOR A SPECIFIC APPRAISAL ASSIGNMENT THAT THE**
4 **APPRAISER HAS RECEIVED, OR MAY RECEIVE, FROM AN APPRAISAL**
5 **MANAGEMENT COMPANY.**

6 **(G) “CONTROLLING PERSON” MEANS:**

7 **(1) AN OWNER, OFFICER, OR DIRECTOR OF AN APPRAISAL**
8 **MANAGEMENT COMPANY;**

9 **(2) AN INDIVIDUAL EMPLOYED, APPOINTED, OR AUTHORIZED BY**
10 **AN APPRAISAL MANAGEMENT COMPANY THAT HAS THE AUTHORITY TO ENTER**
11 **INTO:**

12 **(I) A CONTRACTUAL RELATIONSHIP WITH OTHER PERSONS**
13 **FOR THE PERFORMANCE OF APPRAISAL MANAGEMENT SERVICES; AND**

14 **(II) AGREEMENTS WITH APPRAISERS FOR THE**
15 **PERFORMANCE OF APPRAISALS; OR**

16 **(3) AN INDIVIDUAL WHO POSSESSES THE POWER TO DIRECT OR**
17 **CAUSE THE DIRECTION OF THE MANAGEMENT OR POLICIES OF AN APPRAISAL**
18 **MANAGEMENT COMPANY.**

19 **(H) “PROVIDE APPRAISAL MANAGEMENT SERVICES” MEANS TO,**
20 **DIRECTLY OR INDIRECTLY, ON BEHALF OF A LENDER, FINANCIAL INSTITUTION,**
21 **CLIENT, OR OTHER PERSON IN CONJUNCTION WITH A CONSUMER CREDIT**
22 **TRANSACTION THAT IS SECURED BY A CONSUMER’S PRIMARY DWELLING:**

23 **(1) ADMINISTER AN APPRAISAL PANEL;**

24 **(2) RECRUIT, RETAIN, OR SELECT APPRAISERS;**

25 **(3) VERIFY LICENSING OR CERTIFICATION, NEGOTIATE FEES AND**
26 **SERVICE LEVEL EXPECTATIONS, AND REVIEW THE QUALIFICATIONS OF**
27 **PERSONS WHO ARE PART OF, OR WHO WISH TO BECOME PART OF, AN APPRAISER**
28 **PANEL;**

29 **(4) CONTRACT WITH APPRAISERS TO PERFORM APPRAISAL**
30 **ASSIGNMENTS;**

1 **(5) RECEIVE AN ORDER FOR AN APPRAISAL FROM ONE PERSON,**
2 **AND DELIVER THE ORDER FOR THE APPRAISAL TO AN APPRAISER THAT IS PART**
3 **OF AN APPRAISER PANEL FOR COMPLETION;**

4 **(6) MANAGE THE PROCESS OF HAVING AN APPRAISAL**
5 **PERFORMED, INCLUDING THE FOLLOWING ADMINISTRATIVE DUTIES:**

6 **(I) RECEIVING APPRAISAL ORDERS AND REPORTS;**

7 **(II) SUBMITTING COMPLETED APPRAISAL REPORTS TO**
8 **CREDITORS AND UNDERWRITERS;**

9 **(III) COLLECTING FEES FROM CREDITORS AND**
10 **UNDERWRITERS FOR SERVICES PROVIDED; AND**

11 **(IV) REIMBURSING APPRAISERS FOR SERVICES PERFORMED;**

12 **(7) TRACK AND DETERMINE THE STATUS OF ORDERS FOR**
13 **APPRAISALS;**

14 **(8) CONDUCT QUALITY CONTROL OF A COMPLETED APPRAISAL**
15 **PRIOR TO THE DELIVERY OF THE APPRAISAL TO THE PERSON THAT ORDERED**
16 **THE APPRAISAL; OR**

17 **(9) PROVIDE A COMPLETED APPRAISAL PERFORMED BY AN**
18 **APPRAISER TO A CLIENT.**

19 **16-5B-02.**

20 **THIS SUBTITLE DOES NOT APPLY TO:**

21 **(1) A PERSON THAT EXCLUSIVELY EMPLOYS APPRAISERS ON AN**
22 **EMPLOYER-EMPLOYEE BASIS FOR THE PERFORMANCE OF APPRAISALS; OR**

23 **(2) AN ENTITY THAT IS A SUBSIDIARY OWNED AND CONTROLLED**
24 **BY A FINANCIAL INSTITUTION AND REGULATED BY A FEDERAL FINANCIAL**
25 **INSTITUTION REGULATORY AGENCY.**

26 **16-5B-03.**

27 **(A) A PERSON SHALL REGISTER WITH THE COMMISSION BEFORE THE**
28 **PERSON:**

1 **(1) ENGAGES OR ATTEMPTS TO ENGAGE IN BUSINESS AS AN**
2 **APPRAISAL MANAGEMENT COMPANY;**

3 **(2) PROVIDES OR ATTEMPTS TO PROVIDE APPRAISAL**
4 **MANAGEMENT SERVICES; OR**

5 **(3) ADVERTISES OR REPRESENTS THE PERSON TO BE AN**
6 **APPRAISAL MANAGEMENT COMPANY.**

7 **(B) THE REGISTRATION REQUIRED UNDER SUBSECTION (A) OF THIS**
8 **SECTION SHALL INCLUDE:**

9 **(1) THE NAME OF THE PERSON SEEKING REGISTRATION;**

10 **(2) THE BUSINESS ADDRESS OF THE PERSON SEEKING**
11 **REGISTRATION;**

12 **(3) THE PHONE CONTACT INFORMATION OF THE PERSON**
13 **SEEKING REGISTRATION;**

14 **(4) IF THE PERSON SEEKING REGISTRATION IS NOT A**
15 **CORPORATION THAT IS DOMICILED IN THE STATE, THE NAME AND CONTACT**
16 **INFORMATION FOR THE COMPANY'S AGENT FOR SERVICE OF PROCESS IN THIS**
17 **STATE;**

18 **(5) THE NAME, ADDRESS, AND CONTACT INFORMATION OF ANY**
19 **INDIVIDUAL OR ANY CORPORATION, PARTNERSHIP, OR OTHER BUSINESS**
20 **ENTITY THAT OWNS 10% OR MORE OF THE PERSON SEEKING REGISTRATION;**

21 **(6) A CERTIFICATION THAT THE PERSON SEEKING REGISTRATION**
22 **WILL VERIFY THAT A PERSON BEING ADDED TO THE APPRAISER PANEL OF THE**
23 **APPRAISAL MANAGEMENT COMPANY HOLDS A LICENSE OR CERTIFICATION IN**
24 **GOOD STANDING IN THE STATE UNDER THIS SUBTITLE;**

25 **(7) A CERTIFICATION THAT THE PERSON SEEKING REGISTRATION**
26 **REQUIRES APPRAISERS COMPLETING APPRAISALS AT ITS REQUEST TO COMPLY**
27 **WITH THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE,**
28 **INCLUDING THE REQUIREMENTS FOR GEOGRAPHIC AND PRODUCT**
29 **COMPETENCE;**

30 **(8) A CERTIFICATION THAT THE PERSON SEEKING REGISTRATION**
31 **WILL REQUIRE APPRAISALS TO BE CONDUCTED INDEPENDENTLY AS REQUIRED**
32 **BY THE APPRAISAL INDEPENDENCE STANDARDS UNDER SECTION 129E OF THE**
33 **TRUTH IN LENDING ACT, INCLUDING THE REQUIREMENTS OF PAYMENT OF A**

1 REASONABLE AND CUSTOMARY FEE TO APPRAISERS WHEN THE APPRAISAL
2 MANAGEMENT COMPANY IS PROVIDING SERVICES FOR A CONSUMER CREDIT
3 TRANSACTION SECURED BY THE PRINCIPAL DWELLING OF A CONSUMER;

4 (9) A CERTIFICATION THAT THE PERSON SEEKING REGISTRATION
5 MAINTAINS A DETAILED RECORD OF EACH SERVICE REQUEST THAT IT RECEIVES
6 AND THE APPRAISER THAT PERFORMS THE RESIDENTIAL REAL ESTATE
7 APPRAISAL SERVICES FOR THE PERSON UNDER § 16-5B-09 OF THIS SUBTITLE;

8 (10) AN IRREVOCABLE UNIFORM CONSENT TO SERVICE OF
9 PROCESS IN ACCORDANCE WITH § 16-5B-04(C) OF THIS SUBTITLE; AND

10 (11) ANY OTHER INFORMATION THAT THE COMMISSION
11 REASONABLY REQUIRES TO IMPLEMENT THIS SUBTITLE.

12 16-5B-04.

13 (A) AN APPLICANT FOR REGISTRATION AS AN APPRAISAL MANAGEMENT
14 COMPANY SHALL SUBMIT TO THE COMMISSION AN APPLICATION ON A FORM
15 REQUIRED BY THE COMMISSION.

16 (B) A REGISTRATION ISSUED UNDER THIS SUBTITLE IS VALID FOR 1
17 YEAR.

18 (C) A PERSON APPLYING FOR REGISTRATION AS AN APPRAISAL
19 MANAGEMENT COMPANY SHALL COMPLETE AN IRREVOCABLE UNIFORM
20 CONSENT TO SERVICE OF PROCESS, AS REQUIRED BY THE COMMISSION.

21 (D) THE COMMISSION SHALL COLLECT FROM EACH APPRAISAL
22 MANAGEMENT COMPANY THE AMOUNT DETERMINED BY THE APPRAISAL
23 SUBCOMMITTEE TO BE A NATIONAL REGISTRY FEE FOR EACH APPRAISER ON
24 THE APPRAISER PANEL OF AN APPRAISAL MANAGEMENT COMPANY UNDER
25 SECTION 1109(A)(4) OF THE FEDERAL FINANCIAL INSTITUTIONS REFORM,
26 RECOVERY, AND ENFORCEMENT ACT OF 1989, AS AMENDED BY THE
27 DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT OF
28 2010.

29 (E) (1) THE COMMISSION MAY SET BY REGULATION REASONABLE
30 FEES FOR REGISTERING APPRAISAL MANAGEMENT COMPANIES UNDER THIS
31 SUBTITLE.

32 (2) THE FEES SHALL BE:

1 **(I) SET SO AS TO PRODUCE FUNDS TO APPROXIMATE THE**
2 **COST OF ADMINISTERING THIS SUBTITLE; AND**

3 **(II) BASED ON CALCULATIONS PERFORMED BY THE**
4 **SECRETARY OF LABOR, LICENSING, AND REGULATION UNDER § 2-106.8 OF THE**
5 **BUSINESS REGULATION ARTICLE.**

6 **(3) THE COMMISSION SHALL PUBLISH THE FEE SCHEDULE SET**
7 **BY THE COMMISSION UNDER THIS SECTION.**

8 **(4) (I) THE COMMISSION SHALL PAY ALL FEES COLLECTED**
9 **UNDER THIS SUBTITLE TO THE COMPTROLLER.**

10 **(II) THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO**
11 **THE APPRAISAL MANAGEMENT COMPANY FUND ESTABLISHED IN § 2-106.7 OF**
12 **THE BUSINESS REGULATION ARTICLE.**

13 **16-5B-05.**

14 **(A) A PERSON APPLYING FOR REGISTRATION AS AN APPRAISAL**
15 **MANAGEMENT COMPANY MAY NOT BE OWNED IN WHOLE OR IN PART, DIRECTLY**
16 **OR INDIRECTLY, BY:**

17 **(1) A PERSON WHO HAS HAD A LICENSE OR CERTIFICATE TO ACT**
18 **AS AN APPRAISER REFUSED, DENIED, CANCELED, REVOKED, OR SURRENDERED**
19 **IN ANY STATE; OR**

20 **(2) ANOTHER ENTITY THAT IS OWNED BY A PERSON WHO HAS HAD**
21 **A LICENSE OR CERTIFICATE TO ACT AS AN APPRAISER REFUSED, DENIED,**
22 **CANCELED, REVOKED, OR SURRENDERED IN ANY STATE.**

23 **(B) THE OWNER OF AN APPRAISAL MANAGEMENT COMPANY SHALL:**

24 **(1) BE OF GOOD MORAL CHARACTER, AS DETERMINED BY THE**
25 **COMMISSION; AND**

26 **(2) SUBMIT TO A BACKGROUND INVESTIGATION, AS DETERMINED**
27 **BY THE COMMISSION.**

28 **(C) A PERSON APPLYING FOR REGISTRATION AS AN APPRAISAL**
29 **MANAGEMENT COMPANY SHALL CERTIFY TO THE COMMISSION THAT IT HAS**
30 **REVIEWED EACH ENTITY THAT OWNS THE PERSON AND THAT NO OTHER ENTITY**
31 **THAT OWNS THE PERSON IS OWNED BY A PERSON THAT HAS HAD A LICENSE OR**

1 CERTIFICATE TO ACT AS AN APPRAISER REFUSED, DENIED, CANCELED,
2 REVOKED, OR SURRENDERED IN ANY STATE.

3 **16-5B-06.**

4 (A) A PERSON APPLYING FOR REGISTRATION AS AN APPRAISAL
5 MANAGEMENT COMPANY SHALL DESIGNATE AN INDIVIDUAL TO SERVE AS A
6 CONTROLLING PERSON THAT WILL BE THE MAIN CONTACT FOR ALL
7 COMMUNICATION BETWEEN THE COMMISSION AND THE APPRAISAL
8 MANAGEMENT COMPANY.

9 (B) THE CONTROLLING PERSON DESIGNATED UNDER SUBSECTION (A)
10 OF THIS SECTION SHALL:

11 (1) HAVE NEVER HAD A LICENSE OR CERTIFICATE TO ACT AS AN
12 APPRAISER REFUSED, DENIED, CANCELED, REVOKED, OR SURRENDERED IN ANY
13 STATE;

14 (2) BE OF GOOD MORAL CHARACTER, AS DETERMINED BY THE
15 COMMISSION; AND

16 (3) SUBMIT TO A BACKGROUND INVESTIGATION, AS DETERMINED
17 BY THE COMMISSION.

18 **16-5B-07.**

19 AN APPRAISAL MANAGEMENT COMPANY MAY NOT:

20 (1) KNOWINGLY EMPLOY A PERSON IN A POSITION IN WHICH THE
21 PERSON HAS THE RESPONSIBILITY TO ORDER APPRAISALS OR TO REVIEW
22 COMPLETED APPRAISALS WHO HAS HAD A LICENSE OR CERTIFICATE TO ACT AS
23 AN APPRAISER REFUSED, DENIED, CANCELED, REVOKED, OR SURRENDERED IN
24 ANY STATE;

25 (2) KNOWINGLY ENTER INTO AN INDEPENDENT CONTRACTOR
26 ARRANGEMENT WITH A PERSON WHO HAS HAD A LICENSE OR CERTIFICATE TO
27 ACT AS AN APPRAISER REFUSED, DENIED, CANCELED, REVOKED, OR
28 SURRENDERED IN ANY STATE; OR

29 (3) KNOWINGLY ENTER INTO A CONTRACT, AN AGREEMENT, OR
30 ANY OTHER BUSINESS RELATIONSHIP WITH AN ENTITY THAT EMPLOYS, HAS
31 ENTERED INTO AN INDEPENDENT CONTRACT ARRANGEMENT WITH, OR HAS
32 ENTERED INTO A CONTRACT, AN AGREEMENT, OR ANY OTHER BUSINESS
33 RELATIONSHIP WITH A PERSON WHO HAS EVER HAD A LICENSE OR CERTIFICATE

1 TO ACT AS AN APPRAISER REFUSED, DENIED, CANCELED, REVOKED, OR
2 SURRENDERED IN ANY STATE.

3 **16-5B-08.**

4 (A) BEFORE PLACING AN ASSIGNMENT WITH AN APPRAISER ON THE
5 APPRAISER PANEL OF AN APPRAISAL MANAGEMENT COMPANY, THE APPRAISAL
6 MANAGEMENT COMPANY SHALL VERIFY THAT THE APPRAISER RECEIVING THE
7 ASSIGNMENT IS A COMPETENT APPRAISER FOR THE PERFORMANCE OF THE
8 APPRAISAL BEING ASSIGNED.

9 (B) AN EMPLOYEE OF OR INDEPENDENT CONTRACTOR TO THE
10 APPRAISAL MANAGEMENT COMPANY THAT PERFORMS AN APPRAISAL REVIEW
11 SHALL BE AN APPRAISER LICENSED OR CERTIFIED IN THE STATE IN WHICH THE
12 PROPERTY THAT IS THE SUBJECT OF THE APPRAISAL IS LOCATED.

13 (C) AN APPRAISAL MANAGEMENT COMPANY MAY NOT ENTER INTO ANY
14 AGREEMENTS WITH AN APPRAISER FOR THE PERFORMANCE OF APPRAISALS IN
15 CONJUNCTION WITH FEDERALLY RELATED TRANSACTIONS UNLESS IT VERIFIES
16 THAT THE APPRAISER IS LICENSED OR CERTIFIED TO PERFORM THE APPRAISAL
17 UNDER THIS SUBTITLE.

18 **16-5B-09.**

19 (A) A PERSON APPLYING FOR REGISTRATION AS AN APPRAISAL
20 MANAGEMENT COMPANY SHALL CERTIFY TO THE COMMISSION ON AN ANNUAL
21 BASIS THAT IT WILL MAINTAIN A DETAILED RECORD OF:

22 (1) EACH SERVICE REQUEST THAT IT RECEIVES; AND

23 (2) EACH APPRAISER THAT PERFORMS THE APPRAISAL FOR THE
24 APPRAISAL MANAGEMENT COMPANY.

25 (B) AN APPRAISAL MANAGEMENT COMPANY SHALL RETAIN THE
26 RECORDS REQUIRED UNDER SUBSECTION (A) OF THIS SECTION FOR 5 YEARS
27 AFTER AN APPRAISAL IS COMPLETED, OR 2 YEARS AFTER FINAL DISPOSITION OF
28 A JUDICIAL PROCEEDING RELATED TO THE ASSIGNMENT, WHICHEVER PERIOD
29 EXPIRES LATER.

30 **16-5B-10.**

31 AN APPRAISAL MANAGEMENT COMPANY MAY NOT:

1 **(1) KNOWINGLY FAIL TO COMPENSATE AN APPRAISER AT A RATE**
2 **THAT IS REASONABLE AND CUSTOMARY FOR APPRAISALS BEING PERFORMED**
3 **WITHOUT THE SERVICES OF AN APPRAISAL MANAGEMENT COMPANY IN THE**
4 **MARKET AREA OF THE PROPERTY BEING APPRAISED;**

5 **(2) KNOWINGLY INCLUDE ANY FEES FOR PROVIDING APPRAISAL**
6 **MANAGEMENT SERVICES IN THE AMOUNT THAT IT CHARGES A LENDER, CLIENT,**
7 **OR OTHER PERSON FOR THE COMPLETION OF AN APPRAISAL BY AN APPRAISER**
8 **THAT IS PART OF THE APPRAISER PANEL OF THE APPRAISAL MANAGEMENT**
9 **COMPANY;**

10 **(3) KNOWINGLY FAIL TO SEPARATE ANY FEES CHARGED TO A**
11 **CLIENT BY THE APPRAISAL MANAGEMENT COMPANY FOR THE COMPLETION OF**
12 **AN APPRAISAL BY AN APPRAISER FROM THE FEES CHARGED TO A LENDER,**
13 **CLIENT, OR ANY OTHER PERSON BY AN APPRAISAL MANAGEMENT COMPANY FOR**
14 **PROVIDING APPRAISAL MANAGEMENT SERVICES;**

15 **(4) KNOWINGLY PROHIBIT AN APPRAISER FROM RECORDING THE**
16 **FEE THAT THE APPRAISER WAS PAID BY THE APPRAISAL MANAGEMENT**
17 **COMPANY FOR THE PERFORMANCE OF THE APPRAISAL WITHIN THE APPRAISAL**
18 **REPORT THAT IS SUBMITTED BY THE APPRAISER TO THE APPRAISAL**
19 **MANAGEMENT COMPANY; OR**

20 **(5) KNOWINGLY FAIL TO SEPARATELY STATE THE FEES PAID TO**
21 **AN APPRAISER FOR APPRAISAL SERVICES AND THE FEES CHARGED BY THE**
22 **APPRAISAL MANAGEMENT COMPANY FOR SERVICES ASSOCIATED WITH THE**
23 **MANAGEMENT OF THE APPRAISAL PROCESS TO A CLIENT, BORROWER, OR**
24 **OTHER PAYER.**

25 **16-5B-11.**

26 **(A) EACH APPRAISAL MANAGEMENT COMPANY SHALL ENSURE THAT**
27 **APPRAISALS ARE CONDUCTED INDEPENDENTLY AND FREE FROM**
28 **INAPPROPRIATE INFLUENCE AND COERCION UNDER THE APPRAISAL**
29 **INDEPENDENCE STANDARDS ESTABLISHED UNDER SECTION 129E OF THE**
30 **TRUTH IN LENDING ACT.**

31 **(B) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBTITLE, AN**
32 **EMPLOYEE, A DIRECTOR, AN OFFICER, OR AN AGENT OF AN APPRAISAL**
33 **MANAGEMENT COMPANY MAY NOT:**

34 **(1) COMPENSATE, COLLUDE, OR INFLUENCE, OR ATTEMPT TO**
35 **COMPENSATE, COLLUDE, OR INFLUENCE A PERSON INVOLVED IN AN APPRAISAL**
36 **FOR THE PURPOSE OF CAUSING THE APPRAISED VALUE ASSIGNED UNDER THE**

1 APPRAISAL TO THE PROPERTY TO BE BASED ON A FACTOR OTHER THAN THE
2 INDEPENDENT JUDGMENT OF THE APPRAISER;

3 (2) MISCHARACTERIZE, OR SUBORN ANY MISCHARACTERIZATION
4 OF, THE APPRAISED VALUE OF A PROPERTY IN CONJUNCTION WITH A
5 CONSUMER CREDIT TRANSACTION;

6 (3) SEEK TO INFLUENCE AN APPRAISER OR OTHERWISE
7 ENCOURAGE A TARGETED VALUE IN ORDER TO FACILITATE THE MAKING OR
8 PRICING OF A CONSUMER CREDIT TRANSACTION;

9 (4) WITHHOLD OR THREATEN TO WITHHOLD TIMELY PAYMENT
10 FOR AN APPRAISAL REPORT OR FOR APPRAISAL SERVICES RENDERED WHEN
11 THE APPRAISAL REPORT OR SERVICES ARE PROVIDED IN ACCORDANCE WITH A
12 CONTRACT BETWEEN THE PARTIES;

13 (5) WITHHOLD OR THREATEN TO WITHHOLD FUTURE BUSINESS
14 FROM AN APPRAISER;

15 (6) DEMOTE OR TERMINATE OR THREATEN TO DEMOTE OR
16 TERMINATE AN APPRAISER;

17 (7) EXPRESSLY OR IMPLIEDLY PROMISE FUTURE BUSINESS,
18 PROMOTIONS, OR INCREASED COMPENSATION FOR AN APPRAISER;

19 (8) REQUIRE AN APPRAISER TO INDEMNIFY AN APPRAISAL
20 MANAGEMENT COMPANY OR HOLD AN APPRAISAL MANAGEMENT COMPANY
21 HARMLESS FOR ANY LIABILITY, DAMAGE, LOSSES, OR CLAIMS ARISING OUT OF
22 THE SERVICES PROVIDED BY THE APPRAISAL MANAGEMENT COMPANY, AND
23 NOT THE SERVICES PERFORMED BY THE APPRAISER;

24 (9) CONDITION A REQUEST FOR AN APPRAISAL OR THE PAYMENT
25 OF AN APPRAISAL FEE OR SALARY OR BONUS ON:

26 (I) AN OPINION, A CONCLUSION, OR A VALUATION TO BE
27 REACHED; OR

28 (II) ON A PRELIMINARY ESTIMATE OR OPINION REQUESTED
29 FROM AN APPRAISER;

30 (10) REQUEST THAT AN APPRAISER PROVIDE:

31 (I) AN ESTIMATED, PREDETERMINED, OR DESIRED
32 VALUATION IN AN APPRAISAL REPORT; OR

1 **(II) ESTIMATED VALUES OR COMPARABLE SALES AT ANY**
2 **TIME BEFORE THE APPRAISER’S COMPLETION OF AN APPRAISAL;**

3 **(11) EXCEPT FOR A COPY OF THE SALES CONTRACT FOR PURCHASE**
4 **TRANSACTIONS, PROVIDE TO AN APPRAISER AN ANTICIPATED, ESTIMATED,**
5 **ENCOURAGED, OR DESIRED VALUE FOR A SUBJECT PROPERTY OR A PROPOSED**
6 **OR TARGET AMOUNT TO BE LOANED TO THE BORROWER;**

7 **(12) PROVIDE TO AN APPRAISER, OR A PERSON RELATED TO THE**
8 **APPRAISER, STOCK OR OTHER FINANCIAL OR NONFINANCIAL BENEFITS;**

9 **(13) ALLOW THE REMOVAL OF AN APPRAISER FROM AN APPRAISER**
10 **PANEL WITHOUT PRIOR WRITTEN NOTICE TO THE APPRAISER;**

11 **(14) OBTAIN, USE, OR PAY FOR A SECOND OR SUBSEQUENT**
12 **APPRAISAL, OR ORDER AN AUTOMATED VALUATION MODEL, IN CONNECTION**
13 **WITH A MORTGAGE FINANCING TRANSACTION UNLESS:**

14 **(I) THERE IS A REASONABLE BASIS TO BELIEVE THAT THE**
15 **INITIAL APPRAISAL WAS FLAWED AND THE BASIS IS CLEARLY AND**
16 **APPROPRIATELY NOTED IN THE LOAN FILE; OR**

17 **(II) THE SUBSEQUENT APPRAISAL OR AUTOMATED**
18 **VALUATION MODEL IS DONE UNDER A BONA FIDE PREFUNDING OR**
19 **POSTFUNDING APPRAISAL REVIEW OR QUALITY CONTROL PROCESS; OR**

20 **(15) ANY OTHER ACT THAT IMPAIRS OR ATTEMPTS TO IMPAIR AN**
21 **APPRAISER’S INDEPENDENCE OR IMPARTIALITY.**

22 **(C) NOTHING IN SUBSECTION (A) OR (B) OF THIS SECTION MAY BE**
23 **CONSTRUED TO PROHIBIT AN APPRAISAL MANAGEMENT COMPANY FROM**
24 **ASKING AN APPRAISER TO:**

25 **(1) CONSIDER ADDITIONAL APPROPRIATE PROPERTY**
26 **INFORMATION, INCLUDING THE CONSIDERATION OF ADDITIONAL COMPARABLE**
27 **PROPERTIES TO MAKE OR SUPPORT AN APPRAISAL;**

28 **(2) PROVIDE FURTHER DETAIL, SUBSTANTIATION, OR**
29 **EXPLANATION FOR AN APPRAISER’S VALUE CONCLUSION; OR**

30 **(3) CORRECT ERRORS IN AN APPRAISAL REPORT.**

1 AN APPRAISAL MANAGEMENT COMPANY SHALL INFORM THE COMMISSION
2 WHEN THE APPRAISAL MANAGEMENT COMPANY HAS A REASONABLE BASIS TO
3 BELIEVE THAT AN APPRAISER:

4 (1) IS FAILING TO COMPLY WITH THE UNIFORM STANDARDS OF
5 PROFESSIONAL APPRAISAL PRACTICE;

6 (2) IS VIOLATING APPLICABLE LAWS; OR

7 (3) IS ENGAGING IN UNETHICAL OR UNPROFESSIONAL CONDUCT.

8 16-5B-13.

9 AN APPRAISAL MANAGEMENT COMPANY COMMITS UNPROFESSIONAL
10 CONDUCT IF THE APPRAISAL MANAGEMENT COMPANY:

11 (1) REQUIRES AN APPRAISER TO MODIFY AN ASPECT OF AN
12 APPRAISAL REPORT;

13 (2) REQUIRES AN APPRAISER TO PREPARE AN APPRAISAL
14 REPORT IF THE APPRAISER, IN THE APPRAISER'S OWN PROFESSIONAL
15 JUDGMENT, BELIEVES THE APPRAISER DOES NOT HAVE THE NECESSARY
16 EXPERTISE FOR THE SPECIFIC GEOGRAPHIC AREA;

17 (3) REQUIRES AN APPRAISER TO PREPARE AN APPRAISAL
18 REPORT UNDER A TIME FRAME THAT THE APPRAISER, IN THE APPRAISER'S OWN
19 PROFESSIONAL JUDGMENT, BELIEVES DOES NOT AFFORD THE APPRAISER THE
20 ABILITY TO MEET ALL THE RELEVANT LEGAL AND PROFESSIONAL OBLIGATIONS;

21 (4) PROHIBITS OR INHIBITS COMMUNICATION BETWEEN AN
22 APPRAISER AND A LENDER, A REAL ESTATE LICENSEE, OR ANY OTHER PERSON
23 FROM WHOM THE APPRAISER, IN THE APPRAISER'S OWN PROFESSIONAL
24 JUDGMENT, BELIEVES INFORMATION WOULD BE RELEVANT;

25 (5) REQUIRES THE APPRAISER TO DO ANYTHING THAT DOES NOT
26 COMPLY WITH:

27 (I) THE UNIFORM STANDARDS OF PROFESSIONAL
28 APPRAISAL PRACTICE; OR

29 (II) ANY ASSIGNMENT CONDITIONS AND CERTIFICATIONS
30 REQUIRED BY THE CLIENT;

1 **(6) MAKES ANY PORTION OF THE APPRAISER’S FEE OR THE**
2 **APPRAISAL MANAGEMENT COMPANY’S FEE CONTINGENT ON A FAVORABLE**
3 **OUTCOME, INCLUDING:**

4 **(I) A LOAN CLOSING; OR**

5 **(II) A SPECIFIC DOLLAR AMOUNT BEING ACHIEVED BY THE**
6 **APPRAISER IN THE APPRAISAL REPORT; OR**

7 **(7) REQUESTS, FOR THE PURPOSE OF FACILITATING A MORTGAGE**
8 **LOAN TRANSACTION:**

9 **(I) A BROKER PRICE OPINION; OR**

10 **(II) ANY OTHER REAL PROPERTY PRICE OR VALUE**
11 **ESTIMATION THAT DOES NOT QUALIFY AS AN APPRAISAL.**

12 **16-5B-14.**

13 **EXCEPT IN CASES OF BREACH OF CONTRACT OR SUBSTANDARD**
14 **PERFORMANCE OF SERVICES, AN APPRAISAL MANAGEMENT COMPANY SHALL**
15 **PAY AN APPRAISER FOR THE COMPLETION OF AN APPRAISAL OR VALUATION**
16 **ASSIGNMENT WITHIN 60 DAYS AFTER THE APPRAISER PROVIDES THE**
17 **COMPLETED APPRAISAL OR VALUATION STUDY TO THE APPRAISAL**
18 **MANAGEMENT COMPANY OR ITS ASSIGNEE.**

19 **16-5B-15.**

20 **(A) AN APPRAISAL MANAGEMENT COMPANY MAY NOT CHANGE A**
21 **COMPLETED APPRAISAL REPORT SUBMITTED BY AN APPRAISER BY:**

22 **(1) PERMANENTLY REMOVING THE APPRAISER’S SIGNATURE OR**
23 **SEAL; OR**

24 **(2) ADDING INFORMATION TO, OR REMOVING INFORMATION**
25 **FROM, THE APPRAISAL REPORT WITH AN INTENT TO CHANGE THE VALUATION**
26 **CONCLUSION.**

27 **(B) (1) AN APPRAISAL MANAGEMENT COMPANY MAY NOT REQUIRE**
28 **AN APPRAISER TO PROVIDE THE APPRAISAL MANAGEMENT COMPANY WITH THE**
29 **APPRAISER’S DIGITAL SIGNATURE OR SEAL.**

30 **(2) SUBJECT TO THE RESTRICTIONS IN THE UNIFORM**
31 **STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE, AN APPRAISER MAY**

1 VOLUNTARILY PROVIDE THE APPRAISER'S DIGITAL SIGNATURE TO ANOTHER
2 PERSON.

3 **16-5B-16.**

4 (A) THE COMMISSION SHALL ISSUE A UNIQUE REGISTRATION NUMBER
5 TO EACH APPRAISAL MANAGEMENT COMPANY THAT IS REGISTERED IN THIS
6 STATE.

7 (B) THE COMMISSION SHALL PUBLISH ANNUALLY A LIST OF APPRAISAL
8 MANAGEMENT COMPANIES.

9 (C) AN APPRAISAL MANAGEMENT COMPANY SHALL DISCLOSE THE
10 COMPANY'S REGISTRATION NUMBER ON ALL PRINT AND ELECTRONIC
11 ADVERTISING, INCLUDING ANY ELECTRONIC ADVERTISING OR COMMUNICATION
12 VIA THE INTERNET.

13 **16-5B-17.**

14 (A) EXCEPT WITHIN 30 DAYS AFTER AN APPRAISER IS FIRST ADDED TO
15 THE APPRAISER PANEL OF AN APPRAISAL MANAGEMENT COMPANY, AN
16 APPRAISAL MANAGEMENT COMPANY MAY NOT REMOVE AN APPRAISER FROM
17 ITS APPRAISER PANEL, OR OTHERWISE REFUSE TO ASSIGN REQUESTS FOR REAL
18 ESTATE APPRAISAL SERVICES TO AN APPRAISER, WITHOUT:

19 (1) NOTIFYING THE APPRAISER IN WRITING OF THE REASONS
20 WHY THE APPRAISER IS BEING REMOVED FROM THE APPRAISER PANEL OF THE
21 APPRAISAL MANAGEMENT COMPANY;

22 (2) IDENTIFYING THE ILLEGAL CONDUCT, VIOLATION OF THE
23 UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE, OR
24 VIOLATION OF STATE LICENSING STANDARDS THAT THE APPRAISAL
25 MANAGEMENT COMPANY HAS A REASONABLE BASIS TO BELIEVE THAT THE
26 APPRAISER HAS ENGAGED IN; AND

27 (3) PROVIDING AN OPPORTUNITY FOR THE APPRAISER TO
28 RESPOND.

29 (B) (1) AN APPRAISER THAT IS REMOVED FROM THE APPRAISER
30 PANEL OF AN APPRAISAL MANAGEMENT COMPANY FOR ALLEGED ILLEGAL
31 CONDUCT, A VIOLATION OF THE UNIFORM STANDARDS OF PROFESSIONAL
32 APPRAISAL PRACTICE, OR A VIOLATION OF STATE LICENSING STANDARDS MAY
33 FILE A COMPLAINT WITH THE COMMISSION FOR A REVIEW OF THE DECISION OF
34 THE APPRAISAL MANAGEMENT COMPANY.

1 **(2) THE COMMISSION’S REVIEW UNDER PARAGRAPH (1) OF THIS**
2 **SUBSECTION IS LIMITED TO DETERMINING WHETHER:**

3 **(I) THE APPRAISAL MANAGEMENT COMPANY HAS**
4 **COMPLIED WITH SUBSECTION (A) OF THIS SECTION; AND**

5 **(II) THE APPRAISER HAS COMMITTED A VIOLATION OF:**

6 **1. STATE LAW; OR**

7 **2. THE UNIFORM STANDARDS OF PROFESSIONAL**
8 **APPRAISAL PRACTICE.**

9 **(C) IF AN APPRAISER FILES A COMPLAINT AGAINST AN APPRAISAL**
10 **MANAGEMENT COMPANY UNDER SUBSECTION (B) OF THIS SECTION, THE**
11 **COMMISSION SHALL ADJUDICATE THE COMPLAINT WITHIN 180 DAYS.**

12 **(D) IF AFTER OPPORTUNITY FOR HEARING AND REVIEW, THE**
13 **COMMISSION DETERMINES THAT AN APPRAISAL MANAGEMENT COMPANY**
14 **ACTED IMPROPERLY IN REMOVING AN APPRAISER FROM THE APPRAISER**
15 **PANEL, OR THAT AN APPRAISER DID NOT COMMIT A VIOLATION OF STATE LAW**
16 **OR A VIOLATION OF THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL**
17 **PRACTICE, THE COMMISSION SHALL ORDER THAT AN APPRAISER BE RESTORED**
18 **TO THE APPRAISER PANEL OF THE APPRAISAL MANAGEMENT COMPANY THAT**
19 **WAS THE SUBJECT OF THE COMPLAINT.**

20 **(E) IF THE COMMISSION FINDS THAT THE APPRAISAL MANAGEMENT**
21 **COMPANY ACTED IMPROPERLY IN REMOVING THE APPRAISER FROM THE**
22 **APPRAISER PANEL, AN APPRAISAL MANAGEMENT COMPANY MAY NOT:**

23 **(1) REDUCE THE NUMBER OF REAL ESTATE APPRAISAL**
24 **ASSIGNMENTS THE COMPANY GIVES TO AN APPRAISER; OR**

25 **(2) PENALIZE THE APPRAISER IN ANY OTHER MANNER.**

26 **16-5B-18.**

27 **THE COMMISSION MAY ADOPT REGULATIONS NECESSARY TO IMPLEMENT,**
28 **ADMINISTER, AND ENFORCE THIS SUBTITLE.**

29 **16-5B-19.**

1 **SUBJECT TO THE EVALUATION AND REESTABLISHMENT PROVISIONS OF**
2 **THE MARYLAND PROGRAM EVALUATION ACT, THE SUBTITLE AND ALL**
3 **REGULATIONS ADOPTED UNDER THIS SUBTITLE SHALL TERMINATE AND BE OF**
4 **NO EFFECT AFTER JULY 1, 2022.**

5 16-601.

6 (a) Subject to the provisions of this section, the Commission shall start
7 proceedings under § 16-701 [or], § 16-701.1, **OR § 16-701.2** of this title on a
8 complaint made to the Commission by any person.

9 (b) (1) A complaint shall:

10 (i) be in writing; and

11 (ii) state specifically the facts on which the complaint is based.

12 (2) If a complaint is made by any person other than the Commission,
13 the complaint shall be made under oath by the person who submits the complaint.

14 (3) A complaint may be accompanied by documentary or other
15 evidence.

16 (c) The Commission shall investigate each complaint submitted to the
17 Commission if the complaint:

18 (1) alleges facts that establish a prima facie case that is grounds for
19 disciplinary action under § 16-701 [or], § 16-701.1, **OR § 16-701.2** of this title; and

20 (2) meets the requirements of this section.

21 (d) (1) On conclusion of the investigation, the Commission shall
22 determine if there is a reasonable basis to believe that there are grounds for
23 disciplinary action under § 16-701 [or], § 16-701.1, **OR § 16-701.2** of this title
24 against an applicant or licensee.

25 (2) (i) If the Commission finds a reasonable basis as provided
26 under paragraph (1) of this subsection, the Commission shall act on the complaint as
27 provided under § 16-602 of this subtitle.

28 (ii) If the Commission does not find a reasonable basis as
29 provided under paragraph (1) of this subsection, the Commission shall dismiss the
30 complaint.

31 16-602.

1 (a) Except as otherwise provided in § 10–226 of the State Government
2 Article, before the Commission takes any final action under § 16–701 [or], § 16–701.1,
3 **OR § 16–701.2** of this title, it shall give the individual against whom the action is
4 contemplated an opportunity for a hearing before:

5 (1) the Commission; or

6 (2) the Hearing Board for proceedings under § 16–211 of this title.

7 (b) The Commission shall give notice and hold the hearing in accordance
8 with Title 10, Subtitle 2 of the State Government Article.

9 (c) The Commission may administer oaths in connection with any proceeding
10 under this section.

11 (d) The hearing notice to be given to the individual shall be sent by certified
12 mail to the last known address of the individual at least 10 days before the hearing.

13 (e) The individual may be represented at the hearing by counsel.

14 (f) (1) The Commission may issue subpoenas in connection with any
15 proceeding under this section.

16 (2) If a person fails to comply with a subpoena issued under this
17 subsection, on petition of the Commission, a circuit court may compel compliance with
18 the subpoena.

19 (g) If, after due notice, the individual against whom the action is
20 contemplated fails or refuses to appear, nevertheless the Commission may hear and
21 determine the matter.

22 **16–701.2.**

23 **(A) SUBJECT TO THE HEARING PROVISIONS OF § 16–602 OF THIS TITLE,**
24 **THE COMMISSION MAY DENY REGISTRATION TO ANY APPLICANT FOR**
25 **REGISTRATION AS AN APPRAISAL MANAGEMENT COMPANY, REPRIMAND ANY**
26 **REGISTERED APPRAISAL MANAGEMENT COMPANY, OR SUSPEND OR REVOKE**
27 **THE REGISTRATION OF AN APPRAISAL MANAGEMENT COMPANY IF THE**
28 **APPLICANT OR REGISTRANT:**

29 **(1) FRAUDULENTLY OR DECEPTIVELY OBTAINS OR ATTEMPTS TO**
30 **OBTAIN REGISTRATION FOR THE APPLICANT OR REGISTRANT OR FOR ANOTHER;**

31 **(2) FRAUDULENTLY OR DECEPTIVELY USES A REGISTRATION;**

1 (3) VIOLATES OR ATTEMPTS TO VIOLATE ANY PROVISION OF THIS
2 TITLE; OR

3 (4) VIOLATES OR ATTEMPTS TO VIOLATE ANY REGULATION
4 ADOPTED UNDER THIS TITLE.

5 (B) (1) INSTEAD OF OR IN ADDITION TO REPRIMANDING A
6 REGISTRANT OR SUSPENDING OR REVOKING A REGISTRATION UNDER THIS
7 SECTION, THE COMMISSION MAY IMPOSE A PENALTY NOT EXCEEDING \$25,000
8 FOR EACH VIOLATION.

9 (2) TO DETERMINE THE AMOUNT OF THE PENALTY IMPOSED, THE
10 COMMISSION SHALL CONSIDER:

11 (I) THE SERIOUSNESS OF THE VIOLATION;

12 (II) THE HARM CAUSED BY THE VIOLATION;

13 (III) THE GOOD FAITH OF THE REGISTRANT; AND

14 (IV) ANY HISTORY OF PREVIOUS VIOLATIONS BY THE
15 REGISTRANT.

16 (3) THE COMMISSION SHALL PAY ANY PENALTY COLLECTED
17 UNDER THIS SUBSECTION INTO THE GENERAL FUND OF THE STATE.

18 **Article – Business Regulation**

19 **2–106.7.**

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE
21 MEANINGS INDICATED.

22 (2) “COMMISSION” MEANS THE STATE COMMISSION OF REAL
23 ESTATE APPRAISERS AND HOME INSPECTORS.

24 (3) “FUND” MEANS THE APPRAISAL MANAGEMENT COMPANY
25 FUND.

26 (B) (1) THERE IS AN APPRAISAL MANAGEMENT COMPANY FUND IN
27 THE DEPARTMENT.

28 (2) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
29 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

- 1 (2) Amusement Ride Safety, State Advisory Board (§ 3–303 of the
2 Business Regulation Article: July 1, 2013);
- 3 (3) Apprenticeship and Training Council (§ 11–403 of the Labor and
4 Employment Article: July 1, 2013);
- 5 (4) Architects, State Board of (§ 3–201 of the Business Occupations
6 and Professions Article: July 1, 2012);
- 7 (5) Athletic Commission, State (§ 4–201 of the Business Regulation
8 Article: July 1, 2020);
- 9 (6) Athletic Training Advisory Committee (§ 14–5D–04 of the Health
10 Occupations Article: July 1, 2012);
- 11 (7) Audiologists, Hearing Aid Dispensers, and Speech–Language
12 Pathologists, State Board of Examiners for (§ 2–201 of the Health Occupations Article:
13 July 1, 2015);
- 14 (8) Banking Board (§ 2–201 of the Financial Institutions Article: July
15 1, 2011);
- 16 (9) Barbers, State Board of (§ 4–201 of the Business Occupations and
17 Professions Article: July 1, 2020);
- 18 (10) Boiler Rules, Board of (§ 12–904 of the Public Safety Article: July
19 1, 2013);
- 20 (11) Cemetery Oversight, Office of (§ 5–201 of the Business Regulation
21 Article: July 1, 2012);
- 22 (12) Chiropractic and Massage Therapy Examiners, State Board of (§
23 3–201 of the Health Occupations Article: July 1, 2021);
- 24 (13) Collection Agency Licensing Board, State (§ 7–201 of the Business
25 Regulation Article: July 1, 2011);
- 26 (14) Cosmetologists, State Board of (§ 5–201 of the Business
27 Occupations and Professions Article: July 1, 2020);
- 28 (15) Counselors and Therapists, State Board of Professional (§ 17–201
29 of the Health Occupations Article: July 1, 2018);
- 30 (16) Dental Examiners, State Board of (§ 4–201 of the Health
31 Occupations Article: July 1, 2020);

- 1 (17) Dietetic Practice, State Board of (§ 5–201 of the Health
2 Occupations Article: July 1, 2014);
- 3 (18) Electricians, State Board of Master (§ 6–201 of the Business
4 Occupations and Professions Article: July 1, 2012);
- 5 (19) Electrology Practice Committee (§ 8–6B–05 of the Health
6 Occupations Article: July 1, 2012);
- 7 (20) Elevator Safety Review Board (§§ 12–819 through 12–841 of the
8 Public Safety Article: July 1, 2013);
- 9 (21) Engineers, State Board for Professional (§ 14–201 of the Business
10 Occupations and Professions Article: July 1, 2012);
- 11 (22) Engineers, State Board of Stationary (§ 6.5–201 of the Business
12 Occupations and Professions Article: July 1, 2013);
- 13 (23) Environmental Sanitarians, State Board of (§ 11–201 of the
14 Environment Article: July 1, 2012);
- 15 (24) Financial Regulation, Office of the Commissioner of (§ 2–101 of the
16 Financial Institutions Article: July 1, 2011);
- 17 (25) Foresters, State Board of (§ 7–201 of the Business Occupations and
18 Professions Article: July 1, 2014);
- 19 (26) Health Care Commission, Maryland (§ 19–103 of the Health –
20 General Article: July 1, 2017);
- 21 (27) Health Services Cost Review Commission, State (§ 19–202 of the
22 Health – General Article: July 1, 2017);
- 23 (28) Heating, Ventilation, Air–Conditioning, and Refrigeration
24 Contractors, State Board of (§ 9A–201 of the Business Regulation Article: July 1,
25 2012);
- 26 (29) Home Improvement Commission, Maryland (§ 8–201 of the
27 Business Regulation Article: July 1, 2011);
- 28 (30) Horse Industry Board, Maryland (§ 2–701 of the Agriculture
29 Article: July 1, 2015);
- 30 (31) Individual Tax Preparers, State Board of (§ 21–201 of the Business
31 Occupations and Professions Article: July 1, 2015);
- 32 (32) Insurance Administration (§§ 2–101 and 2–103 of the Insurance
33 Article: July 1, 2012);

1 (33) Interior Designers, State Board of Certified (§ 8–201 of the
2 Business Occupations and Professions Article: July 1, 2013);

3 (34) Labor and Industry, Division of (Title 2 of the Labor and
4 Employment Article: July 1, 2013);

5 (35) Land Surveyors, State Board for Professional (§ 15–201 of the
6 Business Occupations and Professions Article: July 1, 2023);

7 (36) Landscape Architects, State Board of Examiners of (§ 9–201 of the
8 Business Occupations and Professions Article: July 1, 2023);

9 (37) Law Examiners, State Board of (§ 10–201 of the Business
10 Occupations and Professions Article: July 1, 2019);

11 (38) Maryland–Bred Race Fund Advisory Committee (§ 11–531 of the
12 Business Regulation Article: July 1, 2013);

13 (39) mold remediation services, licensing and regulation of (§ 8–701 of
14 the Business Regulation Article: July 1, 2015);

15 (40) Morticians and Funeral Directors, State Board of (§ 7–201 of the
16 Health Occupations Article: July 1, 2017);

17 (41) Nursing, State Board of (§ 8–201 of the Health Occupations Article:
18 July 1, 2012);

19 (42) Nursing Home Administrators, State Board of Examiners of (§
20 9–201 of the Health Occupations Article: July 1, 2012);

21 (43) Occupational Safety and Health Advisory Board (§ 5–302 of the
22 Labor and Employment Article: July 1, 2013);

23 (44) Occupational Therapy Practice, State Board of (§ 10–201 of the
24 Health Occupations Article: July 1, 2014);

25 (45) Optometry, State Board of Examiners in (§ 11–201 of the Health
26 Occupations Article: July 1, 2022);

27 (46) Pharmacy, State Board of (§ 12–201 of the Health Occupations
28 Article: July 1, 2012);

29 (47) Physical Therapy Examiners, State Board of (§ 13–201 of the
30 Health Occupations Article: July 1, 2021);

31 (48) Physician Assistant Advisory Committee (§ 15–201 of the Health
32 Occupations Article: July 1, 2012);

1 (49) Physicians, State Board of (§ 14–201 of the Health Occupations
2 Article: July 1, 2012);

3 (50) Pilots, State Board of (§ 11–201 of the Business Occupations and
4 Professions Article: July 1, 2021);

5 (51) Plumbing, State Board of (§ 12–201 of the Business Occupations
6 and Professions Article: July 1, 2022);

7 (52) Podiatric Medical Examiners, State Board of (§ 16–201 of the
8 Health Occupations Article: July 1, 2011);

9 (53) Polysomnography Professional Standards Committee (§ 14–5C–05
10 of the Health Occupations Article: July 1, 2012);

11 (54) Prevailing Wage Rates, Advisory Council on (§ 17–203 of the State
12 Finance and Procurement Article: July 1, 2013);

13 (55) Psychologists, State Board of Examiners of (§ 18–201 of the Health
14 Occupations Article: July 1, 2012);

15 (56) Public Accountancy, State Board of (§ 2–201 of the Business
16 Occupations and Professions Article: July 1, 2014);

17 (57) Racing Commission, State (§ 11–201 of the Business Regulation
18 Article: July 1, 2013);

19 (58) Radiation Oncology/Therapy Technologists, Medical Radiation
20 Technologists, and Nuclear Medicine Technologists Advisory Committee (§ 14–5B–05
21 of the Health Occupations Article: July 1, 2012);

22 **(59) REAL ESTATE APPRAISAL MANAGEMENT COMPANIES,**
23 **REGISTRATION AND REGULATION OF (§ 16–5B–103 OF THE BUSINESS**
24 **OCCUPATIONS AND PROFESSIONS ARTICLE: JULY 1, 2021);**

25 **[(59)] (60)** Real Estate Appraisers and Home Inspectors, State
26 Commission of (§ 16–201 of the Business Occupations and Professions Article: July 1,
27 2012);

28 **[(60)] (61)** Real Estate Commission, State (§ 17–201 of the Business
29 Occupations and Professions Article: July 1, 2011);

30 **[(61)] (62)** Residential Child Care Program Professionals, State Board
31 for Certification of (§ 20–202 of the Health Occupations Article: July 1, 2013);

1 **[(62)] (63)** Respiratory Care Professional Standards Committee, State
2 (§ 14–5A–05 of the Health Occupations Article: July 1, 2012);

3 **[(63)] (64)** security systems technicians, licensing and regulation of (§
4 18–201 of the Business Occupations and Professions Article: July 1, 2015);

5 **[(64)] (65)** Social Work Examiners, State Board of (§ 19–201 of the
6 Health Occupations Article: July 1, 2013);

7 **[(65)] (66)** Standardbred Race Fund Advisory Committee, Maryland (§
8 11–625 of the Business Regulation Article: July 1, 2013);

9 **[(66)] (67)** Veterinary Medical Examiners, State Board of (§ 2–302 of
10 the Agriculture Article: July 1, 2020);

11 **[(67)] (68)** Waterworks and Waste Systems Operators, State Board of
12 (§ 12–201 of the Environment Article: July 1, 2020); and

13 **[(68)] (69)** Well Drillers, State Board of (§ 13–201 of the Environment
14 Article: July 1, 2020).

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
16 July 1, 2011.