

(Capsule version)

The state of Illinois has passed real estate appraiser licensing legislation **HB 1015**, which was championed by volunteers with the **Illinois Coalition of Appraisal Professionals (ICAP)**. ICAP promotes the appraisal industry and acts as a liaison to regulators and legislators. With few exceptions, HB 1015 requires appraiser licensure for federally-related real estate appraisals, and also includes language prohibiting appraiser coercion. This legislation brings long awaited accountability for real estate appraisers in Illinois and new safeguards for users and consumers of appraisal services.

(Full text)

The state of Illinois has passed real estate appraiser licensing legislation **HB 1015**, an amendment to the Real Estate Appraiser Licensing Act of 2002. This legislation passed unanimously in the Senate and comes after three years of effort by volunteers with the **Illinois Coalition of Appraisal Professionals (ICAP)**. ICAP promotes the appraisal industry and acts as a liaison to regulators and legislators. This legislation brings long awaited accountability for real estate appraisers in Illinois and new safeguards for users and consumers of appraisal services.

Once signed into law by the governor, HB 1015 will:

Transfer enforcement and administrative authority of the Act to the Department of Financial and Professional Regulation (rather than the Office of Banks and Real Estate).

Replace "associate real estate appraiser" with "associate real estate trainee appraiser" throughout the Act.

Change the Real Estate Appraisal Board to the Real Estate Appraisal Administration and Disciplinary Board.

Provide that a person who violates certain licensure provisions once is guilty of a Class A misdemeanor, and any subsequent time is guilty of a Class 4 felony. Sets forth additional education requirements for licensure under the Act.

Make it a violation to influence or attempt to influence through coercion, extortion, or bribery the independent judgment of an appraiser licensed or certified under this Act in the development, reporting, result, or review of a real estate appraisal.

Remove a provision allowing a person who holds a valid license as a licensed real estate appraiser, issued pursuant to a predecessor Act, to convert that license to an associate real estate appraiser license.

Remove a provision concerning licensed real estate appraiser's licenses issued pursuant to a predecessor Act and provides that an associate real estate trainee appraiser license may not be renewed more than 2 times.

Add a provision concerning temporary license suspension.

Provide that an education provider may use an instructor who is a faculty member in good standing with an accredited college or university or community college or who is an approved appraisal instructor from an appraisal organization that is a member of the Appraisal Foundation. Impose conditions on any rulemaking authority. Make other changes.

Repeal a Section concerning identifying a client.

This bill can be viewed in its entirety at www.ilga.gov/legislation/BillStatus.asp?DocNum=1015&GAID=10&DocTypeID=HB&LegId=42654&SessionID=76&GA=96

There continue to be exceptions championed by other industries that keep this law from achieving the mandatory licensing ICAP would ultimately like to see. Licensed real estate brokers may still perform broker price opinions and comparative market analysis, providing these are not represented as the work of a licensed appraiser. Assessors are exempted for valuations done in the course of their property taxation duties. Bankers and financial institutions are exempted for valuations for internal use, or where the services of a licensed appraiser would not be required under the Financial Institutions Reform Recovery and Enforcement Act of 1989.

While we see more work to be done, ICAP counts this new bill as a landmark achievement and a great improvement to Illinois law will that benefit the both the appraisal profession and the consumer.