

2019 -- H 5773

LC002001

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS - REAL ESTATE APPRAISERS
CERTIFICATION ACT

Introduced By: Representative Michael Morin

Date Introduced: February 28, 2019

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 5-20.7-20 of the General Laws in Chapter 5-20.7 entitled "Real
2 Estate Appraiser Certification Act" is hereby amended to read as follows:

3 **5-20.7-20. Revocation or suspension of certification or license.**

4 (a) The director of the department of business regulation may, upon his or her own
5 motion or by recommendation of the board, and shall, upon the verified complaint, in writing, of
6 any person setting forth a cause under this section, ascertain the facts and, if warranted, hold a
7 hearing for the suspension or revocation of a certification or license.

8 (b) No action may be taken pursuant to this section against a person who is certified or
9 licensed in accordance with the provisions of this chapter unless the action is commenced within:

10 (1) Five (5) years of the issuance of the certified appraisal report; or

11 (2) Two (2) years of any judicial proceeding in which the appraiser provided testimony
12 related to the appraisal assignment, whichever period expires later.

13 (c) The director has the power to refuse a certification or license for cause or to suspend
14 or revoke a certification or license where it has been obtained by false representation, or by
15 fraudulent act or conduct, or where the holder of a certificate in performing or attempting to
16 perform any of the acts mentioned in this chapter, is found guilty of:

17 (1) Procuring or attempting to procure certification or licensing pursuant to this chapter
18 by knowingly making a false statement, knowingly submitting false information, refusing to

1 provide complete information in response to a question in an application for certification or
2 license or through any form of fraud or misrepresentation;

3 (2) Failing to meet the minimum qualifications established by this chapter;

4 (3) Paying money other than provided for by this chapter to any member or employee of
5 the board or department to procure a certification under this chapter;

6 (4) A conviction, including a conviction based upon a plea of guilty or nolo contendere,
7 of a crime, which is substantially related to the qualifications, functions, and duties of a person
8 developing appraisals and communicating appraisals to others or convicted of any felony;

9 (5) An act or omission involving dishonesty, fraud, or misrepresentation with the intent to
10 benefit the certificate holder or another person or with the intent to substantially injure another,
11 mislead or defraud another person;

12 (6) Failure or refusal without good cause to exercise reasonable diligence in developing
13 an appraisal, preparing an appraisal report or communicating an appraisal;

14 (7) Accepting an appraisal assignment when the employment itself is contingent upon the
15 appraiser reporting a predetermined estimate, analysis or opinion, or where the fee to be paid is
16 contingent upon the opinion, conclusion, or valuation reached, or upon the consequence resulting
17 from the appraisal assignment; or

18 (8) Entry of a final civil judgment against the person on grounds of fraud,
19 misrepresentation, or deceit in the making of an appraisal.

20 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would preclude the Rhode Island department of business regulation from pursuing
2 any administrative action against a certified appraiser more than five (5) years after the certified
3 appraised issues a certified appraisal report, or more than two (2) years after any judicial
4 proceeding in which the appraisal provided testimony related to the appraisal assignment,
5 whichever period expires later.

6 This act would take effect upon passage.

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