

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 1. Short title. This Act may be cited as the Appraisal Management Company Registration Act.

Section 5. Findings. The General Assembly finds that: It is the intent of the General Assembly that this Act provide for the regulation of those persons or entities engaged as appraisal management companies for the protection of the public and for the maintenance of high standards of professional conduct by those registered as appraisal management companies and to ensure appraisal independence in the determination of real estate valuations.

Section 10. Definitions. In this Act:

"Address of record" means the designated address recorded by the Department in the applicant's or registrant's application file or registration file maintained by the Department's registration maintenance unit. It is the duty of the applicant or registrant to inform the Department of any change of address, and the changes must be made either through the Department's website or by contacting the Department's registration maintenance unit within a prescribed time period

as defined by rule.

"Applicant" means a person or entity who applies to the Department for a registration under this Act.

"Appraisal" means (noun) the act or process of developing an opinion of value; an opinion of value (adjective) of or pertaining to appraising and related functions.

"Appraisal firm" means an appraisal entity that is 100% owned and controlled by a person or persons licensed in Illinois as a certified general real estate appraiser or a certified residential real estate appraiser. An appraisal firm does not include an appraisal management company.

"Appraisal management company" means any corporation, limited liability company, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly performs the following appraisal management services: (1) administers networks of independent contractors or employee appraisers to perform real estate appraisal assignments for clients; (2) receives requests for real estate appraisal services from clients and, for a fee paid by the client, enters into an agreement with one or more independent appraisers to perform the real estate appraisal services contained in the request; or (3) otherwise serves as a third-party broker of appraisal management services between clients and appraisers.

"Appraisal report" means a written appraisal by an appraiser to a client.

"Appraisal practice service" means valuation services performed by an individual acting as an appraiser, including, but not limited to, appraisal, appraisal review, or appraisal consulting.

"Appraiser" means a person who performs real estate or real property appraisals.

"Assignment result" means an appraiser's opinions and conclusions developed specific to an assignment.

"Board" means the Real Estate Appraisal Administration and Disciplinary Board.

"Client" means the party or parties who engage an appraiser by employment or contract in a specific appraisal assignment.

"Controlling Person" means:

(1) an owner, officer, or director of an entity seeking to offer appraisal management services;

(2) an individual employed, appointed, or authorized by an appraisal management company who has the authority to:

(A) enter into a contractual relationship with a client for the performance of an appraisal management service or appraisal practice service; and

(B) enter into an agreement with an appraiser for the performance of a real estate appraisal activity; or

(3) an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management

company.

"Coordinator" means the Coordinator of the Appraisal Management Company Registration Unit of the Department or his or her designee.

"Department" means the Department of Financial and Professional Regulation.

"Entity" means a corporation, a limited liability company, partnership, a sole proprietorship, or other entity providing services or holding itself out to provide services as an appraisal management company or an appraisal management service.

"End-user client" means any person who utilizes or engages the services of an appraiser through an appraisal management company.

"Financial institution" means any bank, savings bank, savings and loan association, credit union, mortgage broker, mortgage banker, registrant under the Consumer Installment Loan Act or the Sales Finance Agency Act, or a corporate fiduciary, subsidiary, affiliate, parent company, or holding company of any registrant, or any institution involved in real estate financing that is regulated by State or federal law.

"Person" means individuals, entities, sole proprietorships, corporations, limited liability companies, and partnerships, foreign or domestic, except that when the context otherwise requires, the term may refer to a single individual or other described entity.

"Quality control review" means a review of an appraisal report for compliance and completeness, including grammatical, typographical, or other similar errors, unrelated to developing an opinion of value.

"Real estate" means an identified parcel or tract of land, including any improvements.

"Real estate related financial transaction" means any transaction involving:

(1) the sale, lease, purchase, investment in, or exchange of real property, including interests in property or the financing thereof;

(2) the refinancing of real property or interests in real property; and

(3) the use of real property or interest in property as security for a loan or investment, including mortgage backed securities.

"Real property" means the interests, benefits, and rights inherent in the ownership of real estate.

"Secretary" means the Secretary of Financial and Professional Regulation.

"USPAP" means the Uniform Standards of Professional Appraisal Practice as adopted by the Appraisal Standards Board under Title XI.

"Valuation" means any estimate of the value of real property in connection with a creditor's decision to provide credit, including those values developed under a policy of a

government sponsored enterprise or by an automated valuation model or other methodology or mechanism.

Section 15. Exemptions. Nothing in this Act shall apply to any of the following:

(1) an agency of the federal, State, county, or municipal government or an officer or employee of a government agency, or person, described in this Section when acting within the scope of employment of the officer or employee;

(2) a corporate relocation company when the appraisal is not used for mortgage purposes and the end user client is an employer company;

(3) any person licensed in this State under any other Act while engaged in the activities or practice for which he or she is licensed;

(4) any person licensed to practice law in this State who is working with or on behalf of a client of that person in connection with one or more appraisals for that client;

(5) an appraiser that enters into an agreement, whether written or otherwise, with another appraiser for the performance of an appraisal, and upon the completion of the appraisal, the report of the appraiser performing the appraisal is signed by both the appraiser who completed the appraisal and the appraiser who requested the completion of the appraisal, except that an appraisal management company

may not avoid the requirement of registration under this Act by requiring an employee of the appraisal management company who is an appraiser to sign an appraisal that was completed by another appraiser who is part of the appraisal panel of the appraisal management company;

(6) any person acting as an agent of the Illinois Department of Transportation in the acquisition or relinquishment of land for transportation issues to the extent of their contract scope; or

(7) a design professional entity when the appraisal is not used for mortgage purposes and the end user client is an agency of State government or a unit of local government.

In the event that the Final Interim Rule of the federal Dodd-Frank Wall Street Reform and Consumer Protection Act provides that an appraisal management company is a subsidiary owned and controlled by a financial institution regulated by a federal financial institution's regulatory agency and is exempt from State appraisal management company registration requirements, the Department, shall, by rule, provide for the implementation of such an exemption.

Section 20. Restrictions and limitations. Beginning January 1, 2012, it is unlawful for a person or entity to act or assume to act as an appraisal management company as defined in this Act, to engage in the business of appraisal management

service, or to advertise or hold himself or herself out to be a registered appraisal management company without first obtaining a registration issued by the Department under this Act. A person or entity that violates this Section is guilty of a Class A misdemeanor for the first offense and a Class 4 felony for second and subsequent offenses.

Persons practicing as an appraisal management company in Illinois as of the effective date of this Act may continue to practice as provided in this Act until the Department has adopted rules implementing this Act. To continue practicing as an appraisal management company after the adoption of rules, persons shall apply for registration within 180 days after the effective date of the rules. If an application is received during the 180-day period, the person may continue to practice until the Department acts to grant or deny registration. If an application is not filed within the 180-day period, the person must cease the practice at the conclusion of the 180-day period and until the Department acts to grant a registration to the person.

Section 25. Powers and duties of the Department. Subject to the provisions of this Act:

(1) The Department may ascertain the qualifications and fitness of applicants for registration and pass upon the qualifications of applicants for registration.

(2) The Department may conduct hearings on proceedings



to refuse to issue or renew or to revoke registrations or suspend, place on probation, or reprimand persons or otherwise discipline individuals or entities subject to this Act.

(3) The Department may formulate all rules required for the administration of this Act. With the exception of emergency rules, any proposed rules, amendments, second notice materials, and adopted rule or amendment materials or policy statements concerning appraisal management companies shall be presented to the Real Estate Appraisal Administration and Disciplinary Board for review and comment. The recommendations of the Board shall be presented to the Secretary for consideration in making final decisions.

(4) The Department may maintain rosters of the names and addresses of all registrants, and all persons whose registrations have been suspended, revoked, or denied renewal for cause within the previous calendar year or otherwise disciplined. These rosters shall be available upon written request and payment of the required fee as established by rule.

Section 30. Coordinator of Appraisal Management Company Registration. The Coordinator of Real Estate Appraisal shall serve as the Coordinator of Appraisal Management Company Registration. The Coordinator shall have the same duties and

responsibilities in regards to appraisal management company registration as the Coordinator has in regards to appraisal licensure as set forth in the Real Estate Appraiser Licensing Act of 2002.

Section 35. Application for original registration. Applications for original registration shall be made to the Department on forms prescribed by the Department and accompanied by the required fee. All applications shall contain the information that, in the judgment of the Department, will enable the Department to pass on the qualifications of the applicant to be registered to practice as set by rule.

Section 40. Qualifications for registration.

(a) The Department may issue a certification of registration to practice under this Act to any applicant who applies to the Department on forms provided by the Department, pays the required non-refundable fee, and who provides the following:

(1) the business name of the applicant seeking registration;

(2) the business address or addresses and contact information of the applicant seeking registration;

(3) if the business applicant is not a corporation that is domiciled in this State, then the name and contact information for the company's agent for service of process

in this State;

(4) the name, address, and contact information for any individual or any corporation, partnership, limited liability company, association, or other business applicant that owns 10% or more of the appraisal management company;

(5) the name, address, and contact information for a designated controlling person;

(6) a certification that the applicant will utilize Illinois licensed appraisers to provide appraisal services within the State of Illinois;

(7) a certification that the applicant has a system in place utilizing a licensed Illinois appraiser to review the work of all employed and independent appraisers that are performing real estate appraisal services in Illinois for the appraisal management company on a periodic basis, except for a quality control review, to verify that the real estate appraisal assignments are being conducted in accordance with USPAP;

(8) a certification that the applicant maintains a detailed record of each service request that it receives and the independent appraiser that performs the real estate appraisal services for the appraisal management company;

(9) a certification that the employees of the appraisal management company working on behalf of the appraisal management company directly involved in providing

appraisal management services, will be appropriately trained and familiar with the appraisal process to completely provide appraisal management services;

(10) an irrevocable Uniform Consent to Service of Process, under rule; and

(11) a certification that the applicant shall comply with all other requirements of this Act and rules established for the implementation of this Act.

(b) Applicants have 3 years from the date of application to complete the application process. If the process has not been completed in 3 years, the application shall be denied, the fee shall be forfeited, and the applicant must reapply and meet the requirements in effect at the time of reapplication.

Section 45. Expiration and renewal of registration. The expiration date and renewal period for each registration shall be set by rule. A registrant whose registration has expired may reinstate his or her registration at any time within 5 years after the expiration thereof, by making a renewal application and by paying the required fee.

Any registrant whose registration has expired for more than 5 years may have it restored by making application to the Department, paying the required fee, and filing acceptable proof of fitness to have the registration restored as set by rule.

Section 50. Bonds of registrants. All registrants shall maintain a bond in accordance with this Section. Each bond shall be for the recovery of expenses, fines, or fees due to or levied by the Department in accordance with this Act. The bond shall be payable when the registrant fails to comply with any provisions of this Act and shall be in the form of a surety bond in the amount of \$25,000 as prescribed by the Department by rule. The bond shall be payable to the Department and shall be issued by an insurance company authorized to do business in this State. A copy of the bond, including any and all riders and endorsements executed subsequent to the effective date of the bond, shall be placed on file with the Department within 10 days of the execution thereof. The bond may only be used for the recovery of expenses or the collection of fines or fees due to or levied by the Department and is not to be utilized for any other purpose.

Section 55. Fees.

(a) The fees for the administration and enforcement of this Act, including, but not limited to, original registration, renewal, and restoration fees, shall be set by the Department by rule. The fees shall not be refundable.

(b) All fees and other moneys collected under this Act shall be deposited in the Appraisal Administration Fund.

Section 60. Returned checks; fines. Any person who

delivers a check or other payment to the Department that is returned to the Department unpaid by the financial institution upon which it is drawn shall pay to the Department, in addition to the amount already owed to the Department, a fine of \$50. The fines imposed by this Section are in addition to any other discipline provided under this Act for unregistered practice or practice on a nonrenewed registration. The Department shall notify the person that payment of fees and fines shall be paid to the Department by certified check or money order within 30 calendar days of the notification. If, after the expiration of 30 days after the date of the notification, the person has failed to submit the necessary remittance, the Department shall automatically terminate the registration or deny the application, without hearing. If, after termination or denial, the person seeks a registration, he or she shall apply to the Department for restoration or issuance of the registration and pay all fees and fines due to the Department. The Department may establish a fee for the processing of an application for restoration of a registration to pay all expenses of processing this application. The Secretary may waive the fines due under this Section in individual cases where the Secretary finds that the fines would be unreasonable or unnecessarily burdensome.

Section 65. Disciplinary actions.

(a) The Department may refuse to issue or renew, or may revoke, suspend, place on probation, reprimand, or take other

disciplinary or non-disciplinary action as the Department may deem appropriate, including imposing fines not to exceed \$25,000 for each violation, with regard to any registration for any one or combination of the following:

(1) Material misstatement in furnishing information to the Department.

(2) Violations of this Act, or of the rules adopted under this Act.

(3) Conviction of, or entry of a plea of guilty or nolo contendere to any crime that is a felony under the laws of the United States or any state or territory thereof or that is a misdemeanor of which an essential element is dishonesty, or any crime that is directly related to the practice of the profession.

(4) Making any misrepresentation for the purpose of obtaining registration or violating any provision of this Act or the rules adopted under this Act pertaining to advertising.

(5) Professional incompetence.

(6) Gross malpractice.

(7) Aiding or assisting another person in violating any provision of this Act or rules adopted under this Act.

(8) Failing, within 30 days after requested, to provide information in response to a written request made by the Department.

(9) Engaging in dishonorable, unethical, or

unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(10) Discipline by another state, District of Columbia, territory, or foreign nation, if at least one of the grounds for the discipline is the same or substantially equivalent to those set forth in this Section.

(11) A finding by the Department that the registrant, after having his or her registration placed on probationary status, has violated the terms of probation.

(12) Willfully making or filing false records or reports in his or her practice, including, but not limited to, false records filed with State agencies or departments.

(13) Filing false statements for collection of fees for which services are not rendered.

(14) Practicing under a false or, except as provided by law, an assumed name.

(15) Fraud or misrepresentation in applying for, or procuring, a registration under this Act or in connection with applying for renewal of a registration under this Act.

(16) Being adjudicated liable in a civil proceeding for violation of a state or federal fair housing law.

(17) Failure to obtain or maintain the bond required under Section 50 of this Act.

(b) The Department may refuse to issue or may suspend without hearing as provided for in the Civil Administrative Code the registration of any person who fails to file a return,



or to pay the tax, penalty or interest shown in a filed return, or to pay any final assessment of the tax, penalty, or interest as required by any tax Act administered by the Illinois Department of Revenue, until such time as the requirements of any such tax Act are satisfied.

Section 70. Injunctive action; cease and desist order.

(a) If any person violates the provisions of this Act, the Secretary, in the name of the People of the State of Illinois, through the Attorney General or the State's Attorney of the county in which the violation is alleged to have occurred, may petition for an order enjoining the violation or for an order enforcing compliance with this Act. Upon the filing of a verified petition, the court with appropriate jurisdiction may issue a temporary restraining order, without notice or bond, and may preliminarily and permanently enjoin the violation. If it is established that the person has violated or is violating the injunction, the court may punish the offender for contempt of court. Proceedings under this Section are in addition to, and not in lieu of, all other remedies and penalties provided by this Act.

(b) Whenever, in the opinion of the Department, a person violates any provision of this Act, the Department may issue a rule to show cause why an order to cease and desist should not be entered against that person. The rule shall clearly set forth the grounds relied upon by the Department and shall allow

at least 7 days from the date of the rule to file an answer satisfactory to the Department. Failure to answer to the satisfaction of the Department shall cause an order to cease and desist to be issued.

Section 75. Investigations; notice and hearing. The Department may investigate the actions of any applicant or of any person or persons rendering or offering to render any services requiring registration under this Act or any person holding or claiming to hold a registration as an appraisal management company. The Department shall, before revoking, suspending, placing on probation, reprimanding, or taking any other disciplinary or non-disciplinary action under Section 65 of this Act, at least 30 days before the date set for the hearing, (i) notify the accused in writing of the charges made and the time and place for the hearing on the charges, (ii) direct him or her to file a written answer to the charges with the Department under oath within 20 days after the service on him or her of the notice, and (iii) inform the accused that, if he or she fails to answer, default will be taken against him or her or that his or her registration may be suspended, revoked, placed on probationary status, or other disciplinary action taken with regard to the registration, including limiting the scope, nature, or extent of his or her practice, as the Department may consider proper. At the time and place fixed in the notice, the Department shall proceed to hear the charges

and the parties or their counsel shall be accorded ample opportunity to present any pertinent statements, testimony, evidence, and arguments. The Department may continue the hearing from time to time. In case the person, after receiving the notice, fails to file an answer, his or her registration may, in the discretion of the Department, be suspended, revoked, placed on probationary status, or the Department may take whatever disciplinary action considered proper, including limiting the scope, nature, or extent of the person's practice or the imposition of a fine, without a hearing, if the act or acts charged constitute sufficient grounds for that action under this Act. The written notice may be served by personal delivery or by certified mail to the address specified by the accused in his or her last notification with the Department.

Section 80. Record of proceedings; transcript. The Department, at its expense, shall preserve a record of all proceedings at the formal hearing of any case. The notice of hearing, complaint, all other documents in the nature of pleadings, written motions filed in the proceedings, the transcripts of testimony, the report of the hearing officer, and orders of the Department shall be in the record of the proceeding. The Department shall furnish a transcript of the record to any person interested in the hearing upon payment of the fee required under Section 2105-115 of the Department of Professional Regulation Law.

Section 85. Subpoenas; depositions; oaths. The Department has the power to subpoena documents, books, records, or other materials and to bring before it any person and to take testimony either orally or by deposition, or both, with the same fees and mileage and in the same manner as prescribed in civil cases in the courts of this State.

The Secretary and the designated hearing officer have the power to administer oaths to witnesses at any hearing that the Department is authorized to conduct, and any other oaths authorized in any Act administered by the Department.

Section 90. Compelling testimony. Any circuit court, upon application of the Department or designated hearing officer may enter an order requiring the attendance of witnesses and their testimony, and the production of documents, papers, files, books, and records in connection with any hearing or investigation. The court may compel obedience to its order by proceedings for contempt.

Section 95. Findings and recommendations. At the conclusion of the hearing, the designated hearing officer shall present to the Secretary a written report of his or her findings of fact, conclusions of law, and recommendations. The report shall contain a finding whether or not the accused person violated this Act or its rules or failed to comply with

the conditions required in this Act or its rules. The hearing officer shall specify the nature of any violations or failure to comply and shall make his or her recommendations to the Secretary. In making recommendations for any disciplinary actions, the hearing officer may take into consideration all facts and circumstances bearing upon the reasonableness of the conduct of the accused and the potential for future harm to the public, including, but not limited to, previous discipline of the accused by the Department, intent, degree of harm to the public and likelihood of harm in the future, any restitution made by the accused, and whether the incident or incidents contained in the complaint appear to be isolated or represent a continuing pattern of conduct. In making his or her recommendations for discipline, the hearing officer shall endeavor to ensure that the severity of the discipline recommended is reasonably related to the severity of the violation. The report of findings of fact, conclusions of law, and recommendation of the hearing officer shall be the basis for the Department's order refusing to issue, restore, or renew a registration, or otherwise disciplining a registrant. If the Secretary disagrees with the recommendations of the hearing officer, the Secretary may issue an order in contravention of the hearing officer recommendations. The finding is not admissible in evidence against the person in a criminal prosecution brought for a violation of this Act, but the hearing and finding are not a bar to a criminal prosecution

brought for a violation of this Act.

Section 100. Hearing officer; rehearing. At the conclusion of the hearing, a copy of the hearing officer's report shall be served upon the applicant or registrant by the Department, either personally or as provided in this Act for the service of a notice of hearing. Within 20 days after service, the applicant or registrant may present to the Department a motion in writing for a rehearing, which shall specify the particular grounds for rehearing. The Department may respond to the motion for rehearing within 20 days after its service on the Department. If no motion for rehearing is filed, then upon the expiration of the time specified for filing such a motion, or if a motion for rehearing is denied, then upon denial, the Secretary may enter an order in accordance with recommendations of the hearing officer except as provided in Section 105 or 110 of this Act. If the applicant or registrant orders from the reporting service and pays for a transcript of the record within the time for filing a motion for rehearing, the 20-day period within which a motion may be filed shall commence upon the delivery of the transcript to the applicant or registrant.

Section 105. Secretary; rehearing. Whenever the Secretary believes that substantial justice has not been done in the revocation, suspension, or refusal to issue, restore, or renew a registration, or other discipline of an applicant or

registrant, he or she may order a rehearing by the same or other hearing officers.

Section 110. Appointment of a hearing officer. The Secretary has the authority to appoint any attorney licensed to practice law in the State to serve as the hearing officer in any action for refusal to issue, restore, or renew a registration or to discipline a registrant. The hearing officer has full authority to conduct the hearing. The hearing officer shall report his or her findings of fact, conclusions of law, and recommendations to the Secretary. If the Secretary disagrees with the recommendation of the hearing officer, the Secretary may issue an order in contravention of the recommendation.

Section 115. Order or certified copy; prima facie proof. An order or certified copy thereof, over the seal of the Department and purporting to be signed by the Secretary, is prima facie proof that:

(1) the signature is the genuine signature of the Secretary; and

(2) the Secretary is duly appointed and qualified.

Section 120. Restoration of suspended or revoked registration. At any time after the successful completion of a term of suspension or revocation of a registration, the

Department may restore it to the registrant, upon the written recommendation of the hearing officer, unless after an investigation and a hearing the Secretary determines that restoration is not in the public interest.

Section 125. Surrender of registration. Upon the revocation or suspension of a registration, the registrant shall immediately surrender his or her registration to the Department. If the registrant fails to do so, the Department has the right to seize the registration.

Section 130. Summary suspension of a registration. The Secretary may summarily suspend the registration of any registrant under this Act without a hearing, simultaneously with the institution of proceedings for a hearing provided for in Section 75 of this Act, if the Secretary finds that evidence in the Secretary's possession indicates that the continuation of practice by the registrant would constitute an imminent danger to the public. In the event that the Secretary summarily suspends the registration of a registrant under this Section without a hearing, a hearing must be commenced within 30 days after the suspension has occurred and concluded as expeditiously as practical.

Section 135. Administrative review; venue.

(a) All final administrative decisions of the Department



are subject to judicial review under the Administrative Review Law and its rules. The term "administrative decision" is defined as in Section 3-101 of the Code of Civil Procedure.

(b) Proceedings for judicial review shall be commenced in the circuit court of the county in which the party applying for review resides, but if the party is not a resident of Illinois, the venue shall be in Sangamon County.

Section 140. Certifications of record; costs. The Department shall not be required to certify any record to the court, to file an answer in court, or to otherwise appear in any court in a judicial review proceeding unless and until the Department has received from the plaintiff payment of the costs of furnishing and certifying the record, which costs shall be determined by the Department. Failure on the part of the plaintiff to file the receipt in court is grounds for dismissal of the action.

Section 145. Violations. Any person who is found to have violated any provision of this Act is guilty of a Class A misdemeanor. On conviction of a second or subsequent offense, the violator is guilty of a Class 4 felony.

Section 150. Civil penalties.

(a) In addition to any other penalty provided by law, any person who violates this Act shall forfeit and pay a civil

penalty to the Department in an amount not to exceed \$25,000 for each violation as determined by the Department. The civil penalty shall be assessed by the Department in accordance with the provisions of this Act.

(b) The Department has the authority and power to investigate any and all unregistered activity.

(c) The civil penalty shall be paid within 60 days after the effective date of the order imposing the civil penalty. The order shall constitute a judgment and may be filed and execution had thereon in the same manner as any judgment from any court of record.

(d) All moneys collected under this Section shall be deposited into the Appraisal Administration Fund.

Section 155. Consent order. At any point in the proceedings as provided in this Act, both parties may agree to a negotiated consent order. The consent order shall be final upon signature of the Secretary.

Section 160. Business practice provisions; standards of practice.

(a) The Department may adopt by rule the Uniform Standards of Professional Appraisal Practice as published from time to time by the Appraisal Standards Board of the Appraisal Foundation. Appraisal management companies shall not interfere with adherence to the Uniform Standards of Professional

Appraisal Practice or the Real Estate Appraiser Act of 2002 or a subsequent Act by individuals licensed under the respective Acts.

(b) All payment policies from registrants under this Act to appraisers shall be written and definitive in nature.

(c) In the event of a value dispute or a requested reconsideration of value, the appraisal management company shall deliver all information that supports an increase or decrease in value to the appraiser. This information may include, but is not limited to, additional comparable sales.

(d) Each entity registered under this Act shall designate a controlling person who is responsible to assure that the company operates in compliance with this Act. The company shall file a form provided by the Department indicating the company's designation of the controlling person and such individual's acceptance of the responsibility. A registrant shall notify the Department of any change in its controlling person within 30 days. Any registrant who does not comply with this subsection (d) shall have its registration suspended under the provisions set forth in this Act until the registrant complies with this Section. Any individual registrant who operates as a sole proprietorship shall be considered a designated controlling person for the purposes of this Act.

(e) Appraisal management companies or employees of an appraisal management company involved in a real estate transaction who have a reasonable basis to believe that an

appraiser involved in the preparation of an appraisal for the real estate transaction has failed to comply with the Uniform Standards of Professional Appraisal Practice, has violated this Act or its rules, or has otherwise engaged in unethical conduct shall report the matter to the Department. Any registrant, employee, or individual acting on behalf of a registrant, acting in good faith, and not in a willful and wanton manner, in complying with this Act by reporting the conduct to the Department shall not, as a result of such actions, be subject to criminal prosecution or civil damages.

(f) Appraisal management companies are required to be in compliance with the appraisal independence standards established under Section 129E of the federal Truth in Lending Act, including the requirement that fee appraisers be compensated at a customary and reasonable rate when the appraisal management company is providing services for a consumer credit transaction secured by the principal dwelling of a consumer. To the extent permitted by federal law or regulation, the Department shall formulate rules pertaining to customary and reasonable rates of compensation for fee appraisers. The appraisal management company must certify to the Department that it has policies and procedures in place to be in compliance under the Final Interim Rule of the federal Dodd-Frank Wall Street Reform and Consumer Protection Act.

(g) No appraisal management company procuring or facilitating an appraisal may have a direct or indirect

interest, financial or otherwise, in the real estate or the transaction that is the subject of the appraisal, as defined by the federal Dodd-Frank Wall Street Reform and Consumer Protection Act, any amendments thereto, or successor acts or other applicable provisions of federal law or regulations.

Section 165. Prohibited activities.

(a) No person or entity acting in the capacity of an appraisal management company shall improperly influence or attempt to improperly influence the development, reporting, result, or review of any appraisal by engaging, without limitation, in any of the following:

(1) Withholding or threatening to withhold timely payment for a completed appraisal, except where addressed in a mutually agreed upon contract.

(2) Withholding or threatening to withhold, either expressed or by implication, future business from, or demoting, or terminating, or threatening to demote or terminate an Illinois licensed or certified appraiser.

(3) Expressly or impliedly promising future business, promotions, or increased compensation for an independent appraiser.

(4) Conditioning an assignment for an appraisal service or the payment of an appraisal fee or salary or bonus on the opinion, conclusion, or valuation to be reached in an appraisal report.

(5) Requesting that an appraiser provide an estimated, predetermined, or desired valuation in an appraisal report or provide estimated values or sales at any time prior to the appraiser's completion of an appraisal report.

(6) Allowing or directing the removal of an appraiser from an appraisal panel without prior written notice to the appraiser.

(7) Requiring an appraiser to sign a non-compete clause when not an employee of the entity.

(8) Requiring an appraiser to sign any sort of indemnification agreement that would require the appraiser to defend and hold harmless the appraisal management company or any of its agents, employees, or independent contractors for any liability, damage, losses, or claims arising out of the services performed by the appraisal management company or its agents, employees, or independent contractors and not the services performed by the appraiser.

(9) Prohibiting or attempting to prohibit the appraiser from including or referencing the appraisal fee, the appraisal management company name or identity, or the client's or lender's name or identity within the body of the appraisal report.

(10) Require an appraiser to collect a fee from the borrower or occupant of the property to be appraised.

(11) Knowingly withholding any end-user client

guidelines, policies, requirements, standards, assignment conditions, and special instructions from an appraiser prior to the acceptance of an appraisal assignment.

(b) A person or entity may not structure an appraisal assignment or a contract with an independent appraiser for the purpose of evading the provisions of this Act.

(c) No registrant or other person or entity may alter, modify, or otherwise change a completed appraisal report submitted by an independent appraiser, including without limitation, by doing either of the following:

(1) permanently or temporarily removing the appraiser's signature or seal; or

(2) adding information to, or removing information from, the appraisal report with an intent to change the value conclusion or the condition of the property.

(d) No appraisal management company may require an appraiser to provide it with the appraiser's digital signature or seal. However, nothing in this Act shall be deemed to prohibit an appraiser from voluntarily providing his or her digital signature or seal to another person on an assignment-by-assignment basis, in accordance with USPAP.

(e) Nothing in this Act shall prohibit an appraisal management company from requesting that an appraiser:

(1) consider additional appropriate property information, including the consideration of additional comparable properties to make or support an appraisal;

(2) provide further detail, substantiation, or explanation for the appraiser's value conclusion; or

(3) correct factual errors in the appraisal report.

Section 170. Confidentiality. All information collected by the Department in the course of an examination or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee filed with the Department and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department and shall not be disclosed. The Department may not disclose the information to anyone other than law enforcement officials, other regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or to a party presenting a lawful subpoena to the Department. Information and documents disclosed to a federal, State, county, or local law enforcement agency shall not be disclosed by the agency for any purpose to any other agency or person. A formal complaint filed against a licensee by the Department or any order issued by the Department against a licensee or applicant shall be a public record, except as otherwise prohibited by law.

Section 175. Illinois Administrative Procedure Act; application. The Illinois Administrative Procedure Act is expressly adopted and incorporated in this Act as if all of the provisions of that Act were included in this Act, except that



the provision of paragraph (d) of Section 10-65 of the Illinois Administrative Procedure Act, which provides that at hearings the registrant has the right to show compliance with all lawful requirements for retention or continuation or renewal of the registration, is specifically excluded. For the purpose of this Act, the notice required under Section 10-25 of the Illinois Administrative Procedure Act is considered sufficient when mailed to the last known address of a party.

Section 180. Home rule. The regulation and registration of practice as an appraisal management company are exclusive powers and functions of the State. A home rule unit may not regulate the practice or require the registration as an appraisal management company. This Section is a denial and limitation of home rule powers and functions under subsection (h) of Section 6 of Article VII of the Illinois Constitution.

Section 905. The Regulatory Sunset Act is amended by changing Section 4.22 and by adding Section 4.32 as follows:

(5 ILCS 80/4.22)

Sec. 4.22. Acts repealed on January 1, 2012. The following Acts are repealed on January 1, 2012:

The Detection of Deception Examiners Act.

The Home Inspector License Act.

The Interior Design Title Act.

The Massage Licensing Act.

The Petroleum Equipment Contractors Licensing Act.

The Professional Boxing Act.

~~The Real Estate Appraiser Licensing Act of 2002.~~

The Water Well and Pump Installation Contractor's License Act.

(Source: P.A. 95-331, eff. 8-21-07.)

(5 ILCS 80/4.32 new)

Sec. 4.32. Act repealed on January 1, 2022. The following Act is repealed on January 1, 2022:

The Real Estate Appraiser Licensing Act of 2002.

Section 910. The Real Estate Appraiser Licensing Act of 2002 is amended by changing Sections 1-10, 5-5, 5-55, 10-5, 10-10, 10-20, 15-10, 15-30, and 25-15 and by adding Sections 10-17 and 15-65 as follows:

(225 ILCS 458/1-10)

(Section scheduled to be repealed on January 1, 2012)

Sec. 1-10. Definitions. As used in this Act, unless the context otherwise requires:

"Accredited college or university, junior college, or community college" means a college or university, junior college, or community college that is approved or accredited by the Board of Higher Education, a regional or national

accreditation association, or by an accrediting agency that is recognized by the U.S. Secretary of Education.

"Address of record" means the designated address recorded by the Department in the applicant's or licensee's application file or license file as maintained by the Department's licensure maintenance unit. It is the duty of the applicant or licensee to inform the Department of any change of address and those changes must be made either through the Department's website or by contacting the Department.

"Applicant" means person who applies to the Department for a license under this Act.

"Appraisal" means (noun) the act or process of developing an opinion of value; an opinion of value (adjective) of or pertaining to appraising and related functions, such as appraisal practice or appraisal services.

"Appraisal assignment" means a valuation service provided as a consequence of an agreement between an appraiser and a client.

"Appraisal consulting" means the act or process of developing an analysis, recommendation, or opinion to solve a problem, where an opinion of value is a component of the analysis leading to the assignment results.

"Appraisal firm" means an appraisal entity that is 100% owned and controlled by a person or persons licensed in Illinois as a certified general real estate appraiser or a certified residential real estate appraiser. "Appraisal firm"

does not include an appraisal management company.

"Appraisal management company" means any corporation, limited liability company, partnership, sole proprietorship, subsidiary, unit, or other business entity that directly or indirectly performs the following appraisal management services: (1) administers networks of independent contractors or employee appraisers to perform real estate appraisal assignments for clients; (2) receives requests for real estate appraisal services from clients and, for a fee paid by the client, enters into an agreement with one or more independent appraisers to perform the real estate appraisal services contained in the request; or (3) otherwise serves as a third-party broker of appraisal management services between clients and appraisers. "Appraisal management company" does not include an appraisal firm.

"Appraisal practice" means valuation services performed by an individual acting as an appraiser, including, but not limited to, appraisal, appraisal review, or appraisal consulting.

"Appraisal report" means any communication, written or oral, of an appraisal, appraisal review, or appraisal consulting service that is transmitted to a client upon completion of an assignment.

"Appraisal review" means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal,

appraisal review, or appraisal assignment.

"Appraisal Subcommittee" means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council as established by Title XI.

"Appraiser" means a person who performs real estate or real property appraisals.

"AQB" means the Appraisal Qualifications Board of the Appraisal Foundation.

"Associate real estate trainee appraiser" means an entry-level appraiser who holds a license of this classification under this Act with restrictions as to the scope of practice in accordance with this Act.

"Board" means the Real Estate Appraisal Administration and Disciplinary Board.

"Classroom hour" means 50 minutes of instruction out of each 60 minute segment of coursework.

"Client" means the party or parties who engage an appraiser by employment or contract in a specific appraisal assignment.

"Coordinator" means the Coordinator of Real Estate Appraisal of the Division of Professional Regulation of the Department of Financial and Professional Regulation.

"Department" means the Department of Financial and Professional Regulation.

"Federal financial institutions regulatory agencies" means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the

Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration.

"Federally related transaction" means any real estate-related financial transaction in which a federal financial institutions regulatory agency, the Department of Housing and Urban Development, Fannie Mae, Freddie Mae, or the National Credit Union Administration engages in, contracts for, or regulates and requires the services of an appraiser.

"Financial institution" means any bank, savings bank, savings and loan association, credit union, mortgage broker, mortgage banker, licensee under the Consumer Installment Loan Act or the Sales Finance Agency Act, or a corporate fiduciary, subsidiary, affiliate, parent company, or holding company of any such licensee, or any institution involved in real estate financing that is regulated by state or federal law.

"Modular Course" means the Appraisal Qualifying Course Design conforming to the Sub Topics Course Outline contained in the AQB Criteria 2008.

"Person" means an individual, entity, sole proprietorship, corporation, limited liability company, partnership, and joint venture, foreign or domestic, except that when the context otherwise requires, the term may refer to more than one individual or other described entity.

"Real estate" means an identified parcel or tract of land, including any improvements.

"Real estate related financial transaction" means any

transaction involving:

(1) the sale, lease, purchase, investment in, or exchange of real property, including interests in property or the financing thereof;

(2) the refinancing of real property or interests in real property; and

(3) the use of real property or interest in property as security for a loan or investment, including mortgage backed securities.

"Real property" means the interests, benefits, and rights inherent in the ownership of real estate.

"Secretary" means the Secretary of Financial and Professional Regulation.

"State certified general real estate appraiser" means an appraiser who holds a license of this classification under this Act and such classification applies to the appraisal of all types of real property without restrictions as to the scope of practice.

"State certified residential real estate appraiser" means an appraiser who holds a license of this classification under this Act and such classification applies to the appraisal of one to 4 units of residential real property without regard to transaction value or complexity, but with restrictions as to the scope of practice in a federally related transaction in accordance with Title XI, the provisions of USPAP, criteria established by the AQB, and further defined by rule.

"Supervising appraiser" means either (i) an appraiser who holds a valid license under this Act as either a State certified general real estate appraiser or a State certified residential real estate appraiser, who co-signs an appraisal report for an associate real estate trainee appraiser or (ii) a State certified general real estate appraiser who holds a valid license under this Act who co-signs an appraisal report for a State certified residential real estate appraiser on properties other than one to 4 units of residential real property without regard to transaction value or complexity.

"Title XI" means Title XI of the federal Financial Institutions Reform, Recovery and Enforcement Act of 1989.

"USPAP" means the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board pursuant to Title XI and by rule.

"Valuation services" means services pertaining to aspects of property value.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/5-5)

(Section scheduled to be repealed on January 1, 2012)

Sec. 5-5. Necessity of license; use of title; exemptions.

(a) It is unlawful for a person to (i) act, offer services, or advertise services as a State certified general real estate appraiser, State certified residential real estate appraiser, or associate real estate trainee appraiser, (ii) develop a real



estate appraisal, (iii) practice as a real estate appraiser, or (iv) advertise or hold himself or herself out to be a real estate appraiser, ~~or (v) solicit clients or enter into an appraisal engagement with clients~~ without a license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(a-5) It is unlawful for a person, unless registered as an appraisal management company, to solicit clients or enter into an appraisal engagement with clients without either a certified residential real estate appraiser license or a certified general real estate appraiser license issued under this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(b) It is unlawful for a person, other than a person who holds a valid license issued pursuant to this Act as a State certified general real estate appraiser, a State certified residential real estate appraiser, or an associate real estate trainee appraiser to use these titles or any other title, designation, or abbreviation likely to create the impression that the person is licensed as a real estate appraiser pursuant to this Act. A person who violates this subsection is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(c) The licensing requirements of this Act do not require a

person who holds a valid license pursuant to the Real Estate License Act of 2000, to be licensed as a real estate appraiser under this Act, unless that person is providing or attempting to provide an appraisal report, as defined in Section 1-10 of this Act, in connection with a federally-related transaction. Nothing in this Act shall prohibit a person who holds a valid license under the Real Estate License Act of 2000 from performing a comparative market analysis or broker price opinion for compensation, provided that the person does not hold himself out as being a licensed real estate appraiser.

(d) Nothing in this Act shall preclude a State certified general real estate appraiser, a State certified residential real estate appraiser, or an associate real estate trainee appraiser from rendering appraisals for or on behalf of a partnership, association, corporation, firm, or group. However, no State appraisal license or certification shall be issued under this Act to a partnership, association, corporation, firm, or group.

(e) This Act does not apply to a county assessor, township assessor, multi-township assessor, county supervisor of assessments, or any deputy or employee of any county assessor, township assessor, multi-township assessor, or county supervisor of assessments who is performing his or her respective duties in accordance with the provisions of the Property Tax Code.

(e-5) For the purposes of this Act, the following types of

valuations are not appraisals and may not be represented to be appraisals, and a license is not required under this Act to perform such valuations if the valuations are performed by an employee of the Illinois Department of Transportation or an employee of a county:

(1) a valuation waiver in an amount not to exceed \$10,000 prepared pursuant to the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended; or

(2) a valuation waiver in an amount not to exceed \$10,000 prepared pursuant to the federal Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs regulations.

Nothing in this subsection (e-5) shall be construed to allow the State of Illinois, a political subdivision thereof, or any public body to acquire real estate by eminent domain in any manner other than provided for in the Eminent Domain Act.

(f) A State real estate appraisal certification or license is not required under this Act for any of the following:

(1) A person, partnership, association, or corporation that performs appraisals of property owned by that person, partnership, association, or corporation for the sole use of that person, partnership, association, or corporation.

(2) A court-appointed commissioner who conducts an appraisal pursuant to a judicially ordered evaluation of property.

However, any person who is certified or licensed under this Act and who performs any of the activities set forth in this subsection (f) must comply with the provisions of this Act. A person who violates this subsection (f) is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for any subsequent offense.

(g) This Act does not apply to an employee, officer, director, or member of a credit or loan committee of a financial institution or any other person engaged by a financial institution when performing an evaluation of real property for the sole use of the financial institution in a transaction for which the financial institution would not be required to use the services of a State licensed or State certified appraiser pursuant to federal regulations adopted under Title XI of the federal Financial Institutions Reform, Recovery, and Enforcement Act of 1989, nor does this Act apply to the procurement of an automated valuation model.

"Automated valuation model" means an automated system that is used to derive a property value through the use of publicly available property records and various analytic methodologies such as comparable sales prices, home characteristics, and historical home price appreciations.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/5-55)

(Section scheduled to be repealed on January 1, 2012)

Sec. 5-55. Fees. The Department shall establish rules for fees to be paid by applicants and licensees to cover the reasonable costs of the Department in administering and enforcing the provisions of this Act. The Department, with the advice of the Board, may also establish rules for general fees to cover the reasonable expenses of carrying out other functions and responsibilities under this Act.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/10-5)

(Section scheduled to be repealed on January 1, 2012)

Sec. 10-5. Scope of practice.

(a) This Act does not limit a State certified general real estate appraiser in his or her scope of practice in a federally related transaction. A certified general real estate appraiser may independently provide appraisal services, review, or consulting relating to any type of property for which he or she has experience or is competent. All such appraisal practice must be made in accordance with the provisions of USPAP, criteria established by the AQB, and rules adopted pursuant to this Act.

(b) A State certified residential real estate appraiser is limited in his or her scope of practice to ~~in a federally related transaction as provided by Title XI,~~ the provisions of USPAP, criteria established by the AQB, and the rules adopted pursuant to this Act.

(c) A State certified residential real estate appraiser must have a State certified general real estate appraiser who holds a valid license under this Act co-sign all appraisal reports on properties other than one to 4 units of residential real property without regard to transaction value or complexity.

(d) An associate real estate trainee appraiser is limited in his or her scope of practice in all transactions in accordance with the provisions of USPAP, this Act, and the rules adopted pursuant to this Act. In addition, an associate real estate trainee appraiser shall be required to have a State certified general real estate appraiser or State certified residential real estate appraiser who holds a valid license under this Act to co-sign all appraisal reports. The associate real estate trainee appraiser licensee may not have more than 3 supervising appraisers, and a supervising appraiser may not supervise more than 3 associate real estate trainee appraisers at one time. A chronological appraisal log on an approved log form shall be maintained by the associate real estate trainee appraiser and shall be made available to the Department upon request.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/10-10)

(Section scheduled to be repealed on January 1, 2012)

Sec. 10-10. Standards of practice. All persons licensed

under this Act must comply with standards of professional appraisal practice adopted by the Department. The Department must adopt, as part of its rules, the Uniform Standards of Professional Appraisal Practice (USPAP) as published from time to time by the Appraisal Standards Board of the Appraisal Foundation. The Department shall consider federal laws and regulations regarding the licensure of real estate appraisers prior to adopting its rules for the administration of this Act. When an appraisal obtained through an appraisal management company is used for loan purposes, the borrower or loan applicant shall be provided with a written disclosure of the total compensation to the appraiser or appraisal firm within the certification of the appraisal report and it shall not be redacted or otherwise obscured.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/10-17 new)

Sec. 10-17. Survey. Within 12 months after the effective date of this amendatory Act of the 97th General Assembly, the Department or its designee shall conduct a survey of fees for appraisal services for single-family residences, two-family residences, three-family residences, and four-family residences. The fee survey shall exclude assignments ordered by known appraisal management companies and complex assignments. The Department may conduct additional surveys as necessitated by rules adopted pursuant to the federal Dodd-Frank Wall Street

Reform and Consumer Protection Act. The Department may assess an additional fee at the time of licensure or renewal to cover the expenses of carrying out this Section.

(225 ILCS 458/10-20)

(Section scheduled to be repealed on January 1, 2012)

Sec. 10-20. Retention of records. A person licensed under this Act shall retain records as required by the most recent version of the USPAP and as further defined by rule ~~the original copy of all written contracts engaging his or her services as an appraiser and all appraisal reports, including any supporting data used to develop the appraisal report, for a period of 5 years or 2 years after the final disposition of any judicial proceeding in which testimony was given, whichever is longer. In addition, a person licensed under this Act shall retain contracts, logs, and appraisal reports used in meeting pre license experience requirements for a period of 5 years and shall be made available to the Department upon request.~~

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/15-10)

(Section scheduled to be repealed on January 1, 2012)

Sec. 15-10. Grounds for disciplinary action.

(a) The Department may suspend, revoke, refuse to issue, renew, or restore a license and may reprimand place on probation or administrative supervision, or take any



disciplinary or non-disciplinary action, including imposing conditions limiting the scope, nature, or extent of the real estate appraisal practice of a licensee or reducing the appraisal rank of a licensee, and may impose an administrative fine not to exceed \$25,000 for each violation upon a licensee for any one or combination of the following:

(1) Procuring or attempting to procure a license by knowingly making a false statement, submitting false information, engaging in any form of fraud or misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.

(2) Failing to meet the minimum qualifications for licensure as an appraiser established by this Act.

(3) Paying money, other than for the fees provided for by this Act, or anything of value to a member or employee of the Board or the Department to procure licensure under this Act.

(4) Conviction by plea of guilty or nolo contendere, finding of guilt, jury verdict, or entry of judgment or by sentencing of any crime, including, but not limited to, convictions, preceding sentences of supervision, conditional discharge, or first offender probation, under the laws of any jurisdiction of the United States: (i) that is a felony; or (ii) that is a misdemeanor, an essential element of which is dishonesty, or that is directly related

~~to the practice of the profession. Conviction of or entry of a plea of guilty or nolo contendere to any crime that is a felony under the laws of the United States or any state or territory thereof or a misdemeanor of which an essential element is dishonesty or that is directly related to the practice of the profession.~~

(5) Committing an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit the licensee or another person or with intent to substantially injure another person as defined by rule.

(6) Violating a provision or standard for the development or communication of real estate appraisals as provided in Section 10-10 of this Act or as defined by rule.

(7) Failing or refusing without good cause to exercise reasonable diligence in developing, reporting, or communicating an appraisal, as defined by this Act or by rule.

(8) Violating a provision of this Act or the rules adopted pursuant to this Act.

(9) Having been disciplined by another state, the District of Columbia, a territory, a foreign nation, a governmental agency, or any other entity authorized to impose discipline if at least one of the grounds for that discipline is the same as or the equivalent of one of the

grounds for which a licensee may be disciplined under this Act.

(10) Engaging in dishonorable, unethical, or unprofessional conduct of a character likely to deceive, defraud, or harm the public.

(11) Accepting an appraisal assignment when the employment itself is contingent upon the appraiser reporting a predetermined estimate, analysis, or opinion or when the fee to be paid is contingent upon the opinion, conclusion, or valuation reached or upon the consequences resulting from the appraisal assignment.

(12) Developing valuation conclusions based on the race, color, religion, sex, national origin, ancestry, age, marital status, family status, physical or mental handicap, or unfavorable military discharge, as defined under the Illinois Human Rights Act, of the prospective or present owners or occupants of the area or property under appraisal.

(13) Violating the confidential nature of government records to which the licensee gained access through employment or engagement as an appraiser by a government agency.

(14) Being adjudicated liable in a civil proceeding on grounds of fraud, misrepresentation, or deceit. In a disciplinary proceeding based upon a finding of civil liability, the appraiser shall be afforded an opportunity

to present mitigating and extenuating circumstances, but may not collaterally attack the civil adjudication.

(15) Being adjudicated liable in a civil proceeding for violation of a state or federal fair housing law.

(16) Engaging in misleading or untruthful advertising or using a trade name or insignia of membership in a real estate appraisal or real estate organization of which the licensee is not a member.

(17) Failing to fully cooperate with a Department investigation by knowingly making a false statement, submitting false or misleading information, or refusing to provide complete information in response to written interrogatories or a written request for documentation within 30 days of the request.

(18) Failing to include within the certificate of appraisal for all written appraisal reports the appraiser's license number and licensure title. All appraisers providing significant contribution to the development and reporting of an appraisal must be disclosed in the appraisal report. It is a violation of this Act for an appraiser to sign a report, transmittal letter, or appraisal certification knowing that a person providing a significant contribution to the report has not been disclosed in the appraisal report.

(19) Violating the terms of a disciplinary order or consent to administrative supervision order.

(20) Habitual or excessive use or addiction to alcohol, narcotics, stimulants, or any other chemical agent or drug that results in a licensee's inability to practice with reasonable judgment, skill, or safety.

(21) A physical or mental illness or disability which results in the inability to practice under this Act with reasonable judgment, skill, or safety.

(22) Gross negligence in developing an appraisal or in communicating an appraisal or failing to observe one or more of the Uniform Standards of Professional Appraisal Practice.

(23) A pattern of practice or other behavior that demonstrates incapacity or incompetence to practice under this Act.

(24) Using or attempting to use the seal, certificate, or license of another as his or her own; falsely impersonating any duly licensed appraiser; using or attempting to use an inactive, expired, suspended, or revoked license; or aiding or abetting any of the foregoing.

(25) Solicitation of professional services by using false, misleading, or deceptive advertising.

(26) Making a material misstatement in furnishing information to the Department.

(27) Failure to furnish information to the Department upon written request.

(b) The Department may reprimand suspend, revoke, or refuse to issue or renew an education provider's license, may reprimand, place on probation, or otherwise discipline an education provider and may suspend or revoke the course approval of any course offered by an education provider and may impose an administrative fine not to exceed \$25,000 upon an education provider, for any of the following:

(1) Procuring or attempting to procure licensure by knowingly making a false statement, submitting false information, engaging in any form of fraud or misrepresentation, or refusing to provide complete information in response to a question in an application for licensure.

(2) Failing to comply with the covenants certified to on the application for licensure as an education provider.

(3) Committing an act or omission involving dishonesty, fraud, or misrepresentation or allowing any such act or omission by any employee or contractor under the control of the provider.

(4) Engaging in misleading or untruthful advertising.

(5) Failing to retain competent instructors in accordance with rules adopted under this Act.

(6) Failing to meet the topic or time requirements for course approval as the provider of a pre-license curriculum course or a continuing education course.

(7) Failing to administer an approved course using the

course materials, syllabus, and examinations submitted as the basis of the course approval.

(8) Failing to provide an appropriate classroom environment for presentation of courses, with consideration for student comfort, acoustics, lighting, seating, workspace, and visual aid material.

(9) Failing to maintain student records in compliance with the rules adopted under this Act.

(10) Failing to provide a certificate, transcript, or other student record to the Department or to a student as may be required by rule.

(11) Failing to fully cooperate with an investigation by the Department by knowingly making a false statement, submitting false or misleading information, or refusing to provide complete information in response to written interrogatories or a written request for documentation within 30 days of the request.

(c) In appropriate cases, the Department may resolve a complaint against a licensee through the issuance of a Consent to Administrative Supervision order. A licensee subject to a Consent to Administrative Supervision order shall be considered by the Department as an active licensee in good standing. This order shall not be reported or considered by the Department to be a discipline of the licensee. The records regarding an investigation and a Consent to Administrative Supervision order shall be considered confidential and shall

not be released by the Department except as mandated by law. A complainant shall be notified if his or her complaint has been resolved by a Consent to Administrative Supervision order.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/15-30)

(Section scheduled to be repealed on January 1, 2012)

Sec. 15-30. Statute of limitations. No action may be taken under this Act against a person licensed under this Act unless the action is commenced within 5 years after the occurrence of the alleged violation or within ~~at least~~ 2 years after final disposition of any judicial proceeding, including any appeals, in which the appraiser provided testimony related to the assignment, whichever period expires last. A continuing violation is deemed to have occurred on the date when the circumstances last existed that gave rise to the alleged continuing violation.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/15-65 new)

Sec. 15-65. Confidentiality. All information collected by the Department in the course of an examination or investigation of a licensee or applicant, including, but not limited to, any complaint against a licensee filed with the Department and information collected to investigate any such complaint, shall be maintained for the confidential use of the Department and



shall not be disclosed. The Department may not disclose the information to anyone other than law enforcement officials, other regulatory agencies that have an appropriate regulatory interest as determined by the Secretary, or to a party presenting a lawful subpoena to the Department. Information and documents disclosed to a federal, State, county, or local law enforcement agency shall not be disclosed by the agency for any purpose to any other agency or person. A formal complaint filed against a licensee by the Department or any order issued by the Department against a licensee or applicant shall be a public record, except as otherwise prohibited by law.

(225 ILCS 458/25-15)

(Section scheduled to be repealed on January 1, 2012)

Sec. 25-15. Coordinator of Real Estate Appraisal; appointment; duties. The Secretary shall appoint, subject to the Personnel Code, a Coordinator of Real Estate Appraisal. In appointing the Coordinator, the Secretary shall give due consideration to recommendations made by members, organizations, and associations of the real estate appraisal industry. On or after January 1, 2010, the Coordinator must hold a current, valid State certified general real estate appraiser license or a State certified residential real estate appraiser license, which shall be surrendered to the Department during the term of his or her appointment. The Coordinator must take the 30-hour National Instructors Course on Uniform

Standards of Professional Appraisal Practice. The Coordinator's license shall be returned in the same status as it was on the date of surrender, credited with all fees that came due during his or her employment. The Coordinator shall:

(1) serve as a member of the Real Estate Appraisal Administration and Disciplinary Board without vote;

(2) be the direct liaison between the Department, the profession, and the real estate appraisal industry organizations and associations;

(3) prepare and circulate to licensees such educational and informational material as the Department deems necessary for providing guidance or assistance to licensees;

(4) appoint necessary committees to assist in the performance of the functions and duties of the Department under this Act; ~~and~~

(5) (blank); and -

(6) be authorized to investigate and determine the facts of a complaint; the coordinator may interview witnesses, the complainant, and any licensees involved in the alleged matter and make a recommendation as to the findings of fact.

(Source: P.A. 96-844, eff. 12-23-09.)

(225 ILCS 458/5-21 rep.)

Section 915. The Real Estate Appraiser Licensing Act of

Public Act 097-0602

SB1539 Enrolled

LRB097 08574 CEL 48701 b

2002 is amended by repealing Section 5-21.

Section 999. Effective date. This Act takes effect upon becoming law.