



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4410

Introduced 1/21/2022, by Rep. Lamont J. Robinson, Jr.

SYNOPSIS AS INTRODUCED:

New Act

Creates the Real Estate Valuation Task Force Act. Establishes the Real Estate Valuation Task Force. Provides for membership of the Task Force. Provides for Task Force meetings and the selection of a Task Force chair and other officers. Provides that members shall serve without compensation. Provides for administrative and other support of the Task Force. Provides for duties of the Task Force. Provides Task Force reporting requirements. Provides for termination of the Task Force. Repeals the Act on January 1, 2029.

LRB102 20964 RJF 29860 b

1 AN ACT concerning State government.

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

4 Section 1. Short title. This Act may be cited as the Real
5 Estate Valuation Task Force Act.

6 Section 5. Findings. The General Assembly finds and
7 declares the following:

8 (1) Two federal agencies, the Federal Home Owners'
9 Loan Corporation, and the Federal Housing Administration
10 played a major role in the development of the modern home
11 mortgage origination industry.

12 (2) Both federal agencies explicitly considered the
13 racial and ethnic make-up of neighborhoods when
14 underwriting loans and valuing the real estate to be used
15 as home loan collateral.

16 (3) Both agencies devalued property or refused to make
17 loans secured by property in communities of color.

18 (4) The harmful consequences of this discrimination
19 remain unresolved.

20 Section 10. Real Estate Valuation Task Force.

21 (a) The Real Estate Valuation Task Force is hereby
22 established.

1 (b) The Task Force shall consist of the following members:

2 (1) 4 members appointed one each by the Speaker of the
3 House of Representatives, the Minority Leader of the House
4 of Representatives, the President of the Senate, and the
5 Minority Leader of the Senate;

6 (2) the Secretary of Financial and Professional
7 Regulation, or a designee;

8 (3) the Director of Commerce and Economic Opportunity,
9 or a designee;

10 (4) the Director of Human Rights, or a designee;

11 (5) the Director of Revenue, or a designee;

12 (6) the Executive Director of the Illinois Housing
13 Development Authority, or a designee;

14 (7) a representative of a home loan mortgage
15 association or corporation, appointed by the Governor;

16 (8) a representative of a savings and loan
17 association, appointed by the Governor;

18 (9) a representative of an agency, organization, or
19 association advocating for fair housing, appointed by the
20 Governor; and

21 (10) a representative of an agency, organization, or
22 association for consumer protection, appointed by the
23 Governor.

24 (c) Initial appointments to the Task Force shall be made
25 as soon as practicable after the effective date of this Act.

26 The Task Force shall hold its first meeting within a

1 reasonable period of time after the completion of the
2 appointment of its members, and shall convene regularly to
3 carry out its duties and submit the reports required under
4 this Act. At its first meeting, the Task Force shall elect its
5 chair and any other officers from among its members.

6 (d) Members of the Task Force shall serve without
7 compensation.

8 (e) The Department of Financial and Professional
9 Regulation shall provide administrative and other support to
10 the Task Force. Each agency and entity represented on the Task
11 Force shall also share with the Task Force any data of the
12 agency or entity necessary for the Task Force to carry out its
13 duties under this Act.

14 Section 15. Task Force duties.

15 (a) The Task Force shall have the following duties:

16 (1) harmonize to the greatest extent possible the
17 various collateral underwriting standards and guidance of
18 the agencies and entities represented on the Task Force
19 governing residential and commercial real estate
20 valuations, including standards and guidance with respect
21 to appraisals, non-traditional and alternative methods of
22 providing real estate property evaluations, such as
23 automated valuation models, processes, and procedures for
24 managing reconsiderations of value by consumers, and
25 standards and guidance with respect to common collateral

1 underwriting challenges, such as energy efficient housing
2 and limited or inactive markets;

3 (2) to the extent that standards or guidance described
4 under paragraph (1) are not harmonized, the Task Force
5 shall issue a report to the General Assembly explaining
6 why harmonization cannot or should not be implemented;

7 (3) establish specific definitions for limited or
8 inactive housing markets in which comparable sales are
9 limited or unavailable over a certain period of time, and
10 establish greater flexibilities and guidance for
11 appraisals and any underwriting processes associated with
12 appraisals conducted in such markets, such as the ability
13 to consider market evidence for similar properties in
14 other geographic areas or utilizing a range of value;

15 (4) aggregate data across Task Force members and
16 conduct a study to determine whether there are racial
17 disparities at both the borrower and community level in
18 the valuation and price of the residential real estate to
19 be used as collateral for mortgage applications processed
20 by Task Force members;

21 (5) identify specific causes of such racial
22 disparities and (i) adopt changes to address such causes;
23 or (ii) if the Task Force determines that additional
24 statutory authority is needed to adopt such changes, issue
25 a report to the General Assembly describing the needed
26 statutory authority; and

1 (6) evaluate whether there are any barriers to entry
2 that are disproportionately preventing minorities from
3 entering into the appraisal profession.

4 (b) In carrying out its duties under this Act, the Task
5 Force shall consult with the following individuals or
6 entities: (i) civil rights advocates; (ii) consumer advocates;
7 (iii) real estate appraisers; (iv) small lenders; (v) trade
8 groups; (vi) appraisal management companies; (vii) experts on
9 alternative valuation models; and (viii) an organization that
10 adopts appraisal standards and appraiser qualification
11 criteria.

12 Section 20. Reports.

13 (a) The Task Force shall submit a report to the Governor
14 and the General Assembly not later than the expiration of the
15 24-month period beginning on the effective date of this Act
16 detailing the findings and any actions taken to further the
17 duties of the Task Force as of such time and describing any
18 planned efforts and activities.

19 (b) Periodically, after the submission of the initial
20 report under subsection (a), the Task Force shall submit
21 reports to the Governor and the General Assembly setting forth
22 updates of the findings and actions taken to further the
23 duties of the Task Force. The reports required under this
24 subsection (b) shall continue for the duration of the Task
25 Force.

1 Section 25. Termination of Task Force; repeal.

2 (a) The Task Force shall terminate upon the expiration of
3 the 5-year period beginning on the effective date of this Act.

4 (b) This Act is repealed on January 1, 2029.