



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2688

Introduced 1/10/2024, by Sen. Adriane Johnson

SYNOPSIS AS INTRODUCED:

225 ILCS 458/5-46 new

Amends the Real Estate Appraiser Licensing Act of 2002. Provides that, for license renewals occurring on or after January 1, 2025, the Department of Financial and Professional Regulation shall require that the continuing education requirements include at least 2 hours of instruction concerning the elimination of valuation bias. Provides that, for license renewals occurring on or after January 1, 2025, the Department shall require that the continuing education requirements include at least 2 hours of instruction in federal, State, and municipal fair housing laws. Provides that the Department may adopt rules to implement and administer the provisions. Effective immediately.

LRB103 36032 SPS 66119 b

1 AN ACT concerning regulation.

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

4 Section 1. Findings and purpose.

5 (a) The General Assembly finds that:

6 (1) in Cook County, approximately 120 out of every
7 1,000 homes sold in mostly Black neighborhoods and
8 approximately 102 out of every 1,000 homes sold in mostly
9 Latino or Hispanic neighborhoods are underappraised,
10 compared to approximately 70 out of every 1,000 homes sold
11 in mostly white neighborhoods;

12 (2) studies conducted throughout Illinois have found
13 that Black homes are historically underappraised compared
14 to white homes of equivalent amenities;

15 (3) underappraisals lead to an unjust devaluing of
16 property that represents an obstacle to social mobility
17 for many Black families who are unable to get a fair return
18 on their investment, perpetuating the wealth gap; and

19 (4) many states and national organizations have called
20 for the implementation of valuation bias training and fair
21 housing laws training to combat discrimination in
22 appraisals.

23 (b) The purpose of this Act is to:

24 (1) mandate valuation bias training and fair housing

1 laws training in continuing education requirements for
2 real estate appraisal licensure in Illinois; and
3 (2) eliminate discrimination in housing appraisals in
4 Illinois.

5 Section 5. The Real Estate Appraiser Licensing Act of 2002
6 is amended by adding Section 5-46 as follows:

7 (225 ILCS 458/5-46 new)

8 Sec. 5-46. Continuing education on valuation bias and fair
9 housing laws.

10 (a) As used in this Section, "valuation bias" means to
11 explicitly, implicitly, or structurally select and apply data
12 to an appraisal methodology or technique in a biased manner
13 that harms a class protected by the federal Fair Housing Act,
14 as amended.

15 (b) For license renewals under this Act occurring on or
16 after January 1, 2025, the Department shall require that the
17 continuing education requirements include at least 2 hours of
18 instruction concerning the elimination of valuation bias.

19 (c) For license renewals under this Act occurring on or
20 after January 1, 2025, the Department shall require that the
21 continuing education requirements include at least 2 hours of
22 instruction in federal, State, and municipal fair housing
23 laws. When approving continuing education courses under this
24 subsection, the Department may consider recommended criteria

1 outlined in Part II, Section D of the report titled
2 "Identifying Bias and Barriers, Promoting Equity: An Analysis
3 of the USPAP Standards and Appraiser Qualifications Criteria"
4 published by the National Fair Housing Alliance in January
5 2022.

6 (d) The Department may adopt rules to implement and
7 administer this Section.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.