

HB2720



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2720

Introduced 2/21/2013, by Rep. Robert Rita

SYNOPSIS AS INTRODUCED:

225 ILCS 458/5-5

Amends the Real Estate Appraiser Licensing Act of 2002. Removes provisions exempting certain types of valuations from being considered appraisals under the Act. Effective immediately.

LRB098 05475 MGM 35509 b

A BILL FOR

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

6 (225 ILCS 458/5-5)

7 (Section scheduled to be repealed on January 1, 2022)

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

9 (a) It is unlawful for a person to (i) act, offer services,
10 or advertise services as a State certified general real estate
11 appraiser, State certified residential real estate appraiser,
12 or associate real estate trainee appraiser, (ii) develop a real
13 estate appraisal, (iii) practice as a real estate appraiser, or
14 (iv) advertise or hold himself or herself out to be a real
15 estate appraiser without a license issued under this Act. A
16 person who violates this subsection is guilty of a Class A
17 misdemeanor for a first offense and a Class 4 felony for any
18 subsequent offense.

19 (a-5) It is unlawful for a person, unless registered as an
20 appraisal management company, to solicit clients or enter into
21 an appraisal engagement with clients without either a certified
22 residential real estate appraiser license or a certified
23 general real estate appraiser license issued under this Act. A

1 person who violates this subsection is guilty of a Class A
2 misdemeanor for a first offense and a Class 4 felony for any
3 subsequent offense.

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

14 (c) The licensing requirements of this Act do not require a
15 person who holds a valid license pursuant to the Real Estate
16 License Act of 2000, to be licensed as a real estate appraiser
17 under this Act, unless that person is providing or attempting
18 to provide an appraisal report, as defined in Section 1-10 of
19 this Act, in connection with a federally-related transaction.
20 Nothing in this Act shall prohibit a person who holds a valid
21 license under the Real Estate License Act of 2000 from
22 performing a comparative market analysis or broker price
23 opinion for compensation, provided that the person does not
24 hold himself out as being a licensed real estate appraiser.

25 (d) Nothing in this Act shall preclude a State certified
26 general real estate appraiser, a State certified residential

1 real estate appraiser, or an associate real estate trainee
2 appraiser from rendering appraisals for or on behalf of a
3 partnership, association, corporation, firm, or group.
4 However, no State appraisal license or certification shall be
5 issued under this Act to a partnership, association,
6 corporation, firm, or group.

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

14 (e-5) (Blank). ~~For the purposes of this Act, the following~~
15 ~~types of valuations are not appraisals and may not be~~
16 ~~represented to be appraisals, and a license is not required~~
17 ~~under this Act to perform such valuations if the valuations are~~
18 ~~performed by an employee of the Illinois Department of~~
19 ~~Transportation or an employee of a county:~~

20 ~~(1) a valuation waiver in an amount not to exceed~~
21 ~~\$10,000 prepared pursuant to the federal Uniform~~
22 ~~Relocation Assistance and Real Property Acquisition~~
23 ~~Policies Act of 1970, as amended; or~~

24 ~~(2) a valuation waiver in an amount not to exceed~~
25 ~~\$10,000 prepared pursuant to the federal Uniform~~
26 ~~Relocation Assistance and Real Property Acquisition for~~

1 ~~Federal and Federally Assisted Programs regulations.~~

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

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

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

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

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

21 (g) This Act does not apply to an employee, officer,
22 director, or member of a credit or loan committee of a
23 financial institution or any other person engaged by a
24 financial institution when performing an evaluation of real
25 property for the sole use of the financial institution in a
26 transaction for which the financial institution would not be

1 required to use the services of a State licensed or State
2 certified appraiser pursuant to federal regulations adopted
3 under Title XI of the federal Financial Institutions Reform,
4 Recovery, and Enforcement Act of 1989, nor does this Act apply
5 to the procurement of an automated valuation model.

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

11 (Source: P.A. 96-844, eff. 12-23-09; 97-602, eff. 8-26-11.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.