

HB5709



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB5709

by Rep. Anthony DeLuca

SYNOPSIS AS INTRODUCED:

225 ILCS 458/5-5

Amends the Real Estate Appraiser Licensing Act of 2002. Provides that a county or municipal engineer employed by a county or municipality or a consulting engineer under contract with a municipality (rather than only a county engineer employed by a county) is not required to have a license to perform a valuation in an amount less than \$10,000 that is performed pursuant to certain federal law.

LRB098 18353 ZMM 55449 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7 (Section scheduled to be repealed on January 1, 2022)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) For the purposes of this Act, valuation waivers may
15 be prepared by a licensed appraiser notwithstanding any other
16 provision of this Act, and the following types of valuations
17 are not appraisals and may not be represented to be appraisals,
18 and a license is not required under this Act to perform such
19 valuations if the valuations are performed by (1) an employee
20 of the Illinois Department of Transportation who has completed
21 a minimum of 45 hours of course work in real estate appraisal,
22 including the principals of real estate appraisals, appraisal
23 of partial acquisitions, easement valuation, reviewing
24 appraisals in eminent domain, appraisal for federal aid highway
25 programs, and appraisal review for federal aid highway programs
26 and has at least 2 years' experience in a field closely related

1 to real estate or (2) a county or municipal engineer or a
2 consulting engineer under contract with a municipality who is a
3 registered professional engineer under the Professional
4 Engineering Practice Act of 1989, under the following
5 circumstances:

6 (A) a valuation waiver in an amount not to exceed
7 \$10,000 prepared pursuant to the federal Uniform
8 Relocation Assistance and Real Property Acquisition
9 Policies Act of 1970, or prepared pursuant to the federal
10 Uniform Relocation Assistance and Real Property
11 Acquisition for Federal and Federally-Assisted Programs
12 regulations and which is performed by an employee of the
13 Illinois Department of Transportation and co-signed, with
14 a license number affixed, by another employee of the
15 Illinois Department of Transportation who is a registered
16 professional engineer under the Professional Engineering
17 Practice Act of 1989; and

18 (B) a valuation waiver in an amount not to exceed
19 \$10,000 prepared pursuant to the federal Uniform
20 Relocation Assistance and Real Property Acquisition
21 Policies Act of 1970, or prepared pursuant to the federal
22 Uniform Relocation Assistance and Real Property
23 Acquisition for Federal and Federally-Assisted Programs
24 regulations and which is performed by a county or municipal
25 engineer who is employed by a county or municipality or a
26 consulting engineer under contract with a municipality and

1 is a registered professional engineer under the
2 Professional Engineering Practice Act of 1989. In addition
3 to his or her signature, the county or municipal engineer
4 or consulting engineer under contract with a municipality
5 shall affix his or her license number to the valuation.

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

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

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

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

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

25 (g) This Act does not apply to an employee, officer,
26 director, or member of a credit or loan committee of a

1 financial institution or any other person engaged by a
2 financial institution when performing an evaluation of real
3 property for the sole use of the financial institution in a
4 transaction for which the financial institution would not be
5 required to use the services of a State licensed or State
6 certified appraiser pursuant to federal regulations adopted
7 under Title XI of the federal Financial Institutions Reform,
8 Recovery, and Enforcement Act of 1989, nor does this Act apply
9 to the procurement of an automated valuation model.

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

15 (Source: P.A. 97-602, eff. 8-26-11; 98-444, eff. 8-16-13.)