

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7 (Section scheduled to be repealed on January 1, 2022)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 engineer who is a registered
2 professional engineer under the Professional Engineering
3 Practice Act of 1989; (3) an employee of a municipality who has
4 (i) completed a minimum of 45 hours of coursework in real
5 estate appraisal, including the principals of real estate
6 appraisals, appraisal of partial acquisitions, easement
7 valuation, reviewing appraisals in eminent domain, appraisal
8 for federal aid highway programs, and appraisal review for
9 federal aid highway programs and (ii) has either 2 years'
10 experience in a field clearly related to real estate or has
11 completed 20 hours of additional coursework that is sufficient
12 for a person to complete waiver valuations as approved by the
13 Federal Highway Administration; or (4) a municipal engineer who
14 has completed coursework that is sufficient for his or her
15 waveer valuations to be approved by the Federal Highway
16 Administration and who is a registered professional engineer
17 under the Professional Engineering Act of 1989, under the
18 following circumstances:

19 (A) a valuation waiver in an amount not to exceed
20 \$10,000 prepared pursuant to the federal Uniform
21 Relocation Assistance and Real Property Acquisition
22 Policies Act of 1970, or prepared pursuant to the federal
23 Uniform Relocation Assistance and Real Property
24 Acquisition for Federal and Federally-Assisted Programs
25 regulations and which is performed by (1) an employee of
26 the Illinois Department of Transportation and co-signed,

1 with a license number affixed, by another employee of the
2 Illinois Department of Transportation who is a registered
3 professional engineer under the Professional Engineering
4 Practice Act of 1989 or (2) an employee of a municipality
5 and co-signed with a license number affixed by a county or
6 municipal engineer who is a registered professional
7 engineer under the Professional Engineering Practice Act
8 of 1989; and

9 (B) a valuation waiver in an amount not to exceed
10 \$10,000 prepared pursuant to the federal Uniform
11 Relocation Assistance and Real Property Acquisition
12 Policies Act of 1970, or prepared pursuant to the federal
13 Uniform Relocation Assistance and Real Property
14 Acquisition for Federal and Federally-Assisted Programs
15 regulations and which is performed by a county or municipal
16 engineer who is employed by a county or municipality and is
17 a registered professional engineer under the Professional
18 Engineering Practice Act of 1989. In addition to his or her
19 signature, the county or municipal engineer shall affix his
20 or her license number to the valuation.

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

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

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

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

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

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

25 "Automated valuation model" means an automated system that
26 is used to derive a property value through the use of publicly

1 available property records and various analytic methodologies
2 such as comparable sales prices, home characteristics, and
3 historical home price appreciations.
4 (Source: P.A. 97-602, eff. 8-26-11; 98-444, eff. 8-16-13.)