

AN ACT
RELATING TO LICENSING; MAKING CHANGES IN THE REAL ESTATE
APPRAISERS ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 61-30-5 NMSA 1978 (being Laws 1990, Chapter 75, Section 5, as amended) is amended to read:

"61-30-5. REAL ESTATE APPRAISERS BOARD CREATED.--

A. There is created a "real estate appraisers board" consisting of seven members.

B. There shall be four real estate appraiser members of the board who shall be licensed or certified. Membership in a professional appraisal organization or association shall not be a prerequisite to serve on the board. No more than two real estate appraiser members shall be from any one licensed or certified category.

C. Board members shall be appointed to five-year terms and shall serve until their successor is appointed and qualified. Real estate appraiser members may be appointed for no more than two five-year terms.

D. No more than two members shall be from any one county within New Mexico, and at least one real estate appraiser member shall be from each congressional district.

E. One member of the board shall represent lenders or their assignees engaged in the business of lending funds secured by mortgages. Two members shall be appointed to represent the public. The public members shall not have been real estate appraisers or engaged in the business of real estate appraisals or have any financial interest, direct or indirect, in real estate appraisal or

any real-estate-related business.

F. Vacancies on the board shall be filled by appointment by the governor for the unexpired term within sixty days of the vacancy."

Section 2. Section 61-30-7 NMSA 1978 (being Laws 1990, Chapter 75, Section 7, as amended) is amended to read:

"61-30-7. BOARD--POWERS--DUTIES.--The board shall:

- A. adopt rules necessary to implement the provisions of the Real Estate Appraisers Act;
- B. establish educational programs and research projects related to the appraisal of real estate;
- C. establish the administrative procedures for processing applications and issuing registrations, licenses and certificates to persons who qualify to be registered, licensed and certified real estate appraisers;
- D. receive, review and approve applications for state registered real estate appraisers, state licensed real estate appraisers and each category of state certified real estate appraisers and, for state licensed or certified real estate appraisers, prepare or supervise the preparation of examination questions and answers and supervise grading of examinations and enter into contracts with one or more educational testing services or organizations for such examinations;
- E. define the extent and type of educational experience, appraisal experience and equivalent experience that will meet the requirements for registration, licensing and certification under the Real Estate Appraisers Act after considering generally recognized appraisal practices and set minimum requirements for education and experience;

F. provide for continuing education programs for the renewal of registrations, licenses and certification that will meet the requirements provided in the Real Estate Appraisers Act and set minimum requirements;

G. adopt standards to define the education programs that will meet the requirements of the Real Estate Appraisers Act and will encourage conducting programs at various locations throughout the state;

H. adopt standards for the development and communication of real estate appraisals provided in the Real Estate Appraisers Act and adopt rules explaining and interpreting the standards after considering generally recognized appraisal practices;

I. adopt a code of professional responsibility for state registered, licensed and certified real estate appraisers;

J. comply with annual reporting requirements and other requirements set forth in the federal real estate appraisal reform amendments;

K. maintain a registry of the names and addresses of the individuals who hold current registrations, licenses and certificates issued under the Real Estate Appraisers Act;

L. establish procedures for disciplinary action in accordance with the Uniform Licensing Act against any applicant or holder of a registration, license or certificate for violations of the Real Estate Appraisers Act and any rules adopted pursuant to provisions of that act;
and

M. perform such other functions and duties as may

be necessary to carry out the provisions of the Real Estate Appraisers Act."

Section 3. Section 61-30-10.1 NMSA 1978 (being Laws 1992, Chapter 54, Section 8, as amended) is amended to read:

"61-30-10.1. QUALIFICATION FOR REGISTRATION.--

A. Registration shall be granted only to persons who are deemed by the board to be of good repute and competent to render appraisals.

B. Each applicant for a registration shall be a legal resident of the United States, except as otherwise provided in Section 61-30-20 NMSA 1978, and have reached the age of majority.

C. Each applicant for registration as a state registered real estate appraiser shall have:

(1) successfully completed seventy-five classroom hours of instruction in appraisal of real estate approved by the board; or

(2) additional experience and education requirements as established for the registered apprentice classification issued by the appraiser qualifications board of the appraisal foundation and adopted by rule pursuant to the Real Estate Appraisers Act.

D. The board shall require such information as it deems necessary from every applicant to determine the applicant's honesty, trustworthiness and competency."

Section 4. Section 61-30-11 NMSA 1978 (being Laws 1990, Chapter 75, Section 11, as amended) is amended to read:

"61-30-11. QUALIFICATIONS FOR LICENSE.--

A. Licenses shall be granted only to persons who

are deemed by the board to be of good repute and competent to render appraisals.

B. Each applicant for a license shall be a legal resident of the United States, except as otherwise provided in Section 61-30-20 NMSA 1978, and have reached the age of majority.

C. Each applicant for a license as a state licensed real estate appraiser shall have:

(1) a minimum of two thousand hours of experience in real property appraisal;

(2) successfully completed seventy-five classroom hours of instruction in appraisal of real estate and fifteen classroom hours related to the standards of professional practice approved by the board or such equivalent education in an activity closely related to or associated with real estate appraisal as determined by rule; or

(3) such equivalent education in an activity closely related to or associated with real estate appraisal as determined by rule.

D. The board shall require such information as it deems necessary from every applicant to determine the applicant's honesty, trustworthiness and competency.

E. Individuals who do not meet the qualifications for licensure are not qualified for appraisal assignments involving federally related transactions."

Section 5. Section 61-30-12 NMSA 1978 (being Laws 1990, Chapter 75, Section 12, as amended) is amended to read:

"61-30-12. QUALIFICATIONS FOR CERTIFICATE.--

A. Certificates shall be granted only to persons who are deemed by the board to be of good repute and competent to render appraisals.

B. Each applicant for a certificate shall be a legal resident of the United States, except as otherwise provided in Section 61-30-20 NMSA 1978, and have reached the age of majority.

C. Each applicant for a general certificate as a state certified real estate appraiser shall have performed actively as a real estate appraiser and have:

(1) thirty months of experience in real property appraisal, with a minimum of two thousand hours of experience in real property appraisal of which at least fifty percent of the hours are in nonresidential appraisal work;

(2) successfully completed one hundred sixty-five classroom hours of instruction in appraisal of real estate and fifteen classroom hours related to the standards of professional practice approved by the board or such equivalent education in an activity closely related to or associated with real estate appraisal as determined by rule, which may include the seventy-five classroom hour requirement for the state licensed real estate appraiser or the one hundred five classroom hour requirement for the state certified real estate appraiser with a residential certificate; and

(3) additional experience and education requirements as established for the general certification classification issued by the appraiser qualifications board of the appraisal foundation and adopted by rule pursuant to

the Real Estate Appraisers Act.

D. Each applicant for a residential certificate as a state certified real estate appraiser shall have performed actively as a real estate appraiser and shall have:

(1) two years of experience in real property appraisal, with a minimum of two thousand five hundred hours of experience in real property appraisal;

(2) successfully completed one hundred five classroom hours of instruction in appraisal of real estate and fifteen classroom hours related to the standards of professional practice approved by the board or such equivalent education in an activity closely related to or associated with real estate appraisal as determined by regulation, which may include the ninety classroom hour requirement for the state licensed real estate appraiser; and

(3) additional experience and education requirements established for the residential certification classification issued by the appraiser qualifications board of the appraisal foundation and adopted by rule pursuant to the Real Estate Appraisers Act.

E. The board shall require such information as it deems necessary from every applicant to determine the applicant's honesty, trustworthiness and competency."

Section 6. Section 61-30-14 NMSA 1978 (being Laws 1990, Chapter 75, Section 14, as amended) is amended to read:

"61-30-14. ISSUANCE AND RENEWAL OF REGISTRATION, LICENSES AND CERTIFICATES.--

A. The board shall issue to each qualified applicant evidence of registration, a license or a certificate in a form and size prescribed by the board.

B. Every registration, license and certificate shall be renewed every three years on or before the thirtieth day of April. During the period from July 1, 1999, through April 30, 2002, the board in its discretion may renew licenses for periods of one, two or three years for the purpose of coordinating continuing education requirements with license renewal requirements.

C. Each registration, license or certificate holder shall submit proof of compliance with continuing education requirements and the annual renewal fee. At the election of eligible holders of a license or certificate who perform or seek to perform appraisals in federally related transactions under the federal real estate appraisal reform amendments, each application for renewal shall include payment of an annual registry fee set by the federal financial institutions examination council. The registry fee shall be transmitted by the board to the federal financial institutions examination council. Notice of whether the licensed or certified appraiser has paid the federal registry fee and is thus eligible to perform in federally related transactions shall be included on the face of each registration, license and certificate issued by the board.

D. The board shall certify renewal of each registration, license or certificate triennially, in the absence of any reason or condition that might warrant the refusal of the renewal of a registration, license or

certificate.

E. In the event any registration, license or certificate holder fails to properly apply for renewal of the registration, license or certificate within the thirty days immediately following his registration, license or certificate renewal date of any given year, the registration, license or certificate shall expire thirty days following the renewal date.

F. The board may renew an expired registration upon application, payment of the current annual renewal fee, submission of proof of compliance with continuing education requirements and payment of a reinstatement fee in the amount of one hundred dollars (\$100), in addition to any other fee permitted under the Real Estate Appraisers Act.

G. The board may renew an expired license or certificate upon application, payment of the current annual renewal fee, submission of proof of compliance with continuing education requirements and payment of a reinstatement fee in the amount of one hundred dollars (\$100), in addition to any other fee permitted under the Real Estate Appraisers Act; provided that the board may, in the board's discretion, treat the former certificate holder as a new applicant and further may require reexamination as a condition to reissuance of a certificate.

H. If during a period of one year from the date a registration, license or certificate expires, the registration, license or certificate holder is either absent from this state on active duty military service or is suffering from an illness or injury of such severity that the person is physically or mentally incapable of renewal of

the registration, license or certificate, payment of the reinstatement fee and, in the case of a license or certificate holder, reexamination shall not be required by the board if, within three months of the person's permanent return to this state or sufficient recovery from illness or injury to allow the person to make an application, the person makes application to the board for renewal. A copy of the person's military orders or a certificate of the applicant's physician shall accompany the application.

I. The board may adopt additional requirements by regulation for the issuance or renewal of registrations, licenses or certificates to maintain or upgrade appraiser qualifications at a level no less than the recommendations of the appraiser qualifications board of the appraisal foundation or the requirements of the appraisal subcommittee."

Section 7. Section 61-30-17 NMSA 1978 (being Laws 1990, Chapter 75, Section 17, as amended) is amended to read:

"61-30-17. FEES.--The board shall charge and collect the following fees not to exceed:

A. an application fee for a registration in the amount of one hundred dollars (\$100);

B. an application fee for a license or residential certification in the amount of two hundred dollars (\$200);

C. an application fee for general certification in the amount of two hundred fifty dollars (\$250);

D. an examination fee for general and residential certification or license in the amount of one hundred

dollars (\$100);

E. a triennial registration renewal fee in the amount of one hundred fifty dollars (\$150);

F. a triennial certificate renewal fee for residential certification or license renewal in the amount of three hundred dollars (\$300);

G. a triennial certificate renewal fee for general certification in the amount of four hundred fifty dollars (\$450);

H. the registry fee as required by the federal real estate appraisal reform amendments;

I. for registration for temporary practice, the amount of one hundred dollars (\$100);

J. for each duplicate registration, license or certificate issued because a registration, license or certificate is lost or destroyed and an affidavit as to its loss or destruction is made and filed, a fee in the amount of twenty-five dollars (\$25.00); and

K. fees to cover reasonable and necessary administrative expenses."

Section 8. TEMPORARY PROVISION.--As the terms of current members of the real estate appraisers board expire, the governor shall appoint or reappoint members in a way that provides for future terms to be staggered. _____
