

OCCUPATIONAL CODE (EXCERPT)
Act 299 of 1980

***** 339.2671.added THIS ADDED SECTION IS EFFECTIVE APRIL 1, 2014 *****

339.2671.added Ensuring employees trained or holding license as certified appraiser; definitions; conduct subject to penalties.

Sec. 2671. (1) An appraisal management company shall ensure that any employee of the appraisal management company, or any other individual working on behalf of the appraisal management company, who is responsible for selecting independent appraisers for the performance of real estate appraisal services for the appraisal management company or review completed appraisals for the appraisal management company is appropriately trained.

(2) An appraisal management company shall ensure that any employee or independent contractor of the company who is responsible for completing standard 3 appraisal reviews, or who performs a standard 3 appraisal review, on its behalf has a valid license as a certified appraiser. As used in this subsection:

(a) "Quality control examination" means an examination of an appraisal review report to determine the report's completeness, including, but not limited to, examining the report for grammatical, typographical, or other similar errors.

(b) "Standard 3 appraisal review" means an appraisal review that meets the requirements of standard 3 of the uniform standards of professional appraisal practice for appraisal reviews. The term does not include a quality control examination.

(3) An appraisal management company that does any of the following is subject to the penalties under article 6:

(a) Employs any individual to perform appraisal services who has had a license or certificate to act as an appraiser in this state or in any other state refused, denied, canceled, surrendered in lieu of revocation, or revoked, unless that license or certificate was subsequently granted or reinstated.

(b) Enters into any independent contractor arrangement, whether in verbal, written, or other form, with any individual to perform appraisal services who has had a license or certificate to act as an appraiser in this state or in any other state refused, denied, canceled, surrendered in lieu of revocation, or revoked, unless that license or certificate was subsequently granted or reinstated.

(c) Enters into a contract or agreement with an independent appraiser for the performance of real estate appraisal services unless that individual is licensed under article 26.

(d) Fails, neglects, or refuses to pay an independent appraiser for an appraisal or valuation assignment within 60 days after the date on which the independent appraiser transmits or otherwise provides the completed appraisal or valuation to the appraisal management company or its assignee, unless the appraiser breached his or her agreement with the company concerning that assignment or his or her performance of the appraisal or valuation services was substandard.

(e) Alters, modifies, or otherwise changes a completed appraisal report submitted by an independent appraiser.

(f) Procures a license for itself or anyone else by fraud, misrepresentation, or deceit.

(g) Requires an appraiser to indemnify the appraisal management company or hold the appraisal management company harmless for liability, damage, losses, or claims arising out of the services provided by the appraisal management company, if the appraiser did not perform those services.

History: Add. 2012, Act 505, Eff. Apr. 1, 2014.

Popular name: Act 299