

HOUSE BILL NO. 161

INTRODUCED BY MASON
BY REQUEST OF THE DEPARTMENT OF COMMERCE

IN THE HOUSE

JANUARY 13, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT.
	FIRST READING.
JANUARY 23, 1993	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
JANUARY 25, 1993	PRINTING REPORT.
JANUARY 26, 1993	SECOND READING, DO PASS.
JANUARY 27, 1993	ENGROSSING REPORT.
JANUARY 28, 1993	THIRD READING, PASSED. AYES, 92; NOES, 4.
	TRANSMITTED TO SENATE.

IN THE SENATE

JANUARY 30, 1993	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
FEBRUARY 11, 1993	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
FEBRUARY 13, 1993	SECOND READING, CONCURRED IN.
FEBRUARY 15, 1993	THIRD READING, CONCURRED IN. AYES, 49; NOES, 0.
	RETURNED TO HOUSE.

IN THE HOUSE

FEBRUARY 16, 1993	RECEIVED FROM SENATE.
	SENT TO ENROLLING.
	REPORTED CORRECTLY ENROLLED.

1 House BILL NO. 161
 2 INTRODUCED BY Janet H. H. H.
 3 BY REQUEST OF THE DEPARTMENT OF COMMERCE
 4

5 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW
 6 REGARDING THE LICENSURE OF REAL ESTATE APPRAISERS TO PROVIDE
 7 THAT ALL LICENSES AND CERTIFICATES EXPIRE ON THE SAME DATE
 8 ANNUALLY; ALLOWING FOR LATE RENEWAL UP TO 1 YEAR AFTER
 9 EXPIRATION OF A LICENSE OR CERTIFICATE; ELIMINATING THE
 10 AGRICULTURE/RURAL LANDS CERTIFICATION; REMOVING THE
 11 REQUIREMENT THAT CERTIFICATION EXAMINATIONS BE HELD IN
 12 HELENA; PLACING CONTINUING EDUCATION REQUIREMENTS ON A
 13 3-YEAR SCHEDULE; PROVIDING A TRANSITION PERIOD FOR RENEWAL
 14 OF LICENSES AND CERTIFICATES AND PRORATION OF FEES; AMENDING
 15 SECTIONS 37-54-210, 37-54-211, 37-54-303, 37-54-304,
 16 37-54-310, AND 37-54-311, MCA; AND PROVIDING AN IMMEDIATE
 17 EFFECTIVE DATE."
 18

19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

20 **Section 1.** Section 37-54-210, MCA, is amended to read:

21 "37-54-210. License renewal -- continuing education
 22 requirements. (1) A real estate appraiser's license expires
 23 3-years-from on March 31 following the date of issuance or
 24 renewal and is invalid thereafter.

25 (2) A licensee may renew his a license, other than a

1 temporary permit issued under 37-54-406, by filing an
 2 application with the board on a form approved by the board,
 3 paying a renewal fee prescribed by the board, and meeting
 4 all requirements of this section.

5 (3) In renewing a license, the board shall assure that
 6 the licensee has a working knowledge of:

7 (a) current real estate appraisal theories; and

8 (b) practices and techniques that will enable the
 9 licensee to provide competent independent appraisal service
 10 under the authority of his the license.

11 (4) An application for renewal must include evidence
 12 satisfactory to the board that within the 3-year period
 13 immediately preceding-the-application-for-renewal following
 14 the date of issuance of the license and within each 3-year
 15 period thereafter, the licensee has completed at least 45
 16 classroom hours of instruction in courses or seminars
 17 approved by the board, at least 15 hours of which must be
 18 related to standards of professional appraisal practice.
 19 Continuing education hours must be credited to the 3-year
 20 period during which the instruction occurred and may not be
 21 carried over to a subsequent 3-year period."

22 **Section 2.** Section 37-54-211, MCA, is amended to read:

23 "37-54-211. Late renewal of license. (1) A licensee who
 24 does--not-renew-a license that is not renewed within 3-years
 25 from-the-date-of-issuance-may-renew-it-within-2-years--from

1 ~~the--date--the--license--expires;~~ 1 year of the most recent
 2 renewal date automatically terminates. A licensee may renew
 3 the license within the 1-year period from the date of most
 4 recent renewal by:

5 (a) filing with the board an application for late
 6 renewal on a form approved by the board;

7 (b) satisfying the continuing education requirements of
 8 37-54-210; and

9 (c) paying a late renewal fee prescribed by the board.

10 (2) The board may refuse to renew a license if the
 11 licensee has continued to perform independent appraisal
 12 services as a licensed real estate appraiser following
 13 expiration of the license."

14 **Section 3.** Section 37-54-303, MCA, is amended to read:

15 "37-54-303. **Classes of certification -- education and**
 16 **experience requirements.** (1) A real estate appraiser may be
 17 certified in any one or more both of the following classes:

18 (a) general real estate, which relates to the appraisal
 19 of all types of real property;

20 (b) ~~agricultural/rural--lands,--which--relates--to--the~~
 21 ~~appraisal--of--agricultural--and--rural--lands,--including~~
 22 ~~timberlands;~~

23 (c) residential real estate, which relates to the
 24 appraisal of expensive or complex 1 to 4 family homes.

25 (2) The board shall adopt rules pertaining to real

1 estate appraisal education and experience that are at least
 2 as stringent as those required for compliance with Title XI
 3 of the Financial Institutions Reform, Recovery, and
 4 Enforcement Act of 1989."

5 **Section 4.** Section 37-54-304, MCA, is amended to read:

6 "37-54-304. **Certification examination.** (1) A person who
 7 satisfies the qualification requirements of 37-54-202 and
 8 the education and experience requirements of 37-54-303 may
 9 apply for examination as a certified real estate appraiser
 10 in the manner prescribed by this section.

11 (2) The board shall adopt and administer a written
 12 examination for certified real estate appraisers and
 13 establish standards of acceptable performance for each class
 14 of certification that are at least as stringent as those
 15 required for compliance with Title XI of the Financial
 16 Institutions Reform, Recovery, and Enforcement Act of 1989.

17 (3) An applicant must be examined on the following
 18 subjects:

19 (a) technical terms commonly used in or related to:

20 (i) real estate appraisal;

21 (ii) appraisal report writing; and

22 (iii) economic concepts applicable to real estate;

23 (b) principles of land economics, real estate law, and
 24 real estate appraisal processes;

25 (c) problems likely to be encountered in gathering,

interpreting, and processing data required for developing and communicating an appraisal;

(d) standards for the development and communication of certified real estate appraisals;

(e) (i) theories of depreciation and cost estimating;

(ii) methods of capitalization; and

(iii) the mathematics of real estate appraisal appropriate to the class or classes of certification sought by the applicant; and

(f) types of misconduct for which disciplinary action may be initiated under this chapter.

(4) Examinations must be given at least four times each year ~~in-- Helena--~~ and at other times and places as the board determines.

(5) An applicant may not retake the examination within 6 months after having failed it a second or subsequent time."

Section 5. Section 37-54-310, MCA, is amended to read:

"37-54-310. Renewal of certificate -- continuing education requirements. (1) A certificate issued under 37-54-305 ~~must-be-renewed-every-3-years~~ expires on March 31 following the date of issuance or renewal and is invalid thereafter.

(2) A certificate may be renewed upon payment of a renewal fee ~~and-production-of.~~

(3) (a) The certificate holder shall produce evidence satisfactory to the board that during the certification 3-year period immediately preceding--the--application--for renewal following the date of issuance of the certificate, and during each 3-year period thereafter, the certified real estate appraiser has:

~~(a)~~(i) completed at least 45 classroom hours of instruction in courses or seminars approved by the board, at least 15 hours of which must be related to standards of professional appraisal practice;

~~(b)~~(ii) completed an education program determined by the board to be equivalent to the courses and seminars approved under subsection ~~(2)~~(a) (3)(a)(i); or

~~(c)~~(iii) participated, other than as a student, in an education program approved by the board that relates to the theory and technique of real property appraisal.

(b) Continuing education hours must be credited to the 3-year period during which the instruction occurred and may not be carried over to a subsequent 3-year period.

~~(3)~~(4) An applicant for renewal shall state the class of certification previously held and presently sought."

Section 6. Section 37-54-311, MCA, is amended to read:

"37-54-311. Late renewal of certificate. (1) A ~~certificate--holder-who-does-not-renew-a~~ certificate that is not renewed within ~~3-years-from-the--date--of--issuance--may~~

1 ~~renew--it,--within--2--years--from--the--date--the--certificate~~
2 ~~expires, 1 year of the most recent renewal date~~
3 ~~automatically terminates. A certificate holder may renew the~~
4 ~~certificate within the 1-year period from the date of most~~
5 ~~recent renewal by:~~

6 (a) filing with the board an application for late
7 renewal on a form approved by the board;

8 (b) satisfying the continuing education requirements of
9 37-54-310; and

10 (c) paying a late renewal fee prescribed by the board.

11 (2) The board may refuse to renew a certificate if the
12 certificate holder has continued to perform independent
13 appraisal services in this state following expiration of the
14 certificate."

15 NEW SECTION. Section 7. Transition. Until the
16 transition from a 3-year to a 1-year renewal system is
17 completed, a 3-year license or certificate issued under
18 Title 37, chapter 54, in effect on [the effective date of
19 this act] remains in effect until its scheduled time of
20 expiration, at which time fees must be prorated on a monthly
21 basis between the scheduled expiration date and the annual
22 renewal date.

23 NEW SECTION. Section 8. Effective date. [This act] is
24 effective on passage and approval.

-End-

APPROVED BY COMM. ON BUSINESS
AND ECONOMIC DEVELOPMENT

HOUSE BILL NO. 161

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW REGARDING THE LICENSURE OF REAL ESTATE APPRAISERS TO PROVIDE THAT ALL LICENSES AND CERTIFICATES EXPIRE ON THE SAME DATE ANNUALLY; ALLOWING FOR LATE RENEWAL UP TO 1 YEAR AFTER EXPIRATION OF A LICENSE OR CERTIFICATE; ELIMINATING THE AGRICULTURE/RURAL LANDS CERTIFICATION; REMOVING THE REQUIREMENT THAT CERTIFICATION EXAMINATIONS BE HELD IN HELENA; PLACING CONTINUING EDUCATION REQUIREMENTS ON A 3-YEAR SCHEDULE; PROVIDING THAT MODIFICATIONS OF STANDARDS BY THE APPRAISAL FOUNDATION ARE AUTOMATICALLY EFFECTIVE UNLESS A HEARING IS CONSIDERED NECESSARY; PROVIDING A TRANSITION PERIOD FOR RENEWAL OF LICENSES AND CERTIFICATES AND PRORATION OF FEES; AMENDING SECTIONS 37-54-210, 37-54-211, 37-54-303, 37-54-304, 37-54-310, AND 37-54-311, AND 37-54-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 37-54-210, MCA, is amended to read:

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(2) A licensee may renew his a license, other than a temporary permit issued under 37-54-406, by filing an application with the board on a form approved by the board, paying a renewal fee prescribed by the board, and meeting all requirements of this section.

(3) In renewing a license, the board shall assure that the licensee has a working knowledge of:

(a) current real estate appraisal theories; and

(b) practices and techniques that will enable the licensee to provide competent independent appraisal service under the authority of his the license.

(4) An application for renewal must include evidence satisfactory to the board that within the 3-year period immediately preceding-the-application-for-renewal following the date of issuance of the license and within each 3-year period thereafter, the licensee has completed at least 45 classroom hours of instruction in courses or seminars approved by the board, at least 15 hours of which must be related to standards of professional appraisal practice. Continuing education hours must be credited to the 3-year period during which the instruction occurred and may not be carried over to a subsequent 3-year period."

Section 2. Section 37-54-211, MCA, is amended to read:

1 ~~"37-54-211. Late renewal of license. (1) A licensee who~~
 2 ~~does--not-renew-a license that is not renewed within 3-years~~
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 11 37-54-210; and

12 (c) paying a late renewal fee prescribed by the board.

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 15 services as a licensed real estate appraiser following
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14 (2) The board shall adopt and administer a written
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 16 establish standards of acceptable performance for each class
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 18 required for compliance with Title XI of the Financial
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(e) (i) theories of depreciation and cost estimating;

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(f) types of misconduct for which disciplinary action may be initiated under this chapter.

(4) Examinations must be given at least four times each year in Helena and at other times and places as the board determines.

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Section 5. Section 37-54-310, MCA, is amended to read:

"37-54-310. **Renewal of certificate -- continuing education requirements.** (1) A certificate issued under 37-54-305 must be renewed every 3 years expires on March 31 following the date of issuance or renewal and is invalid

thereafter.

(2) A certificate may be renewed upon payment of a renewal fee and production of.

(3) (a) The certificate holder shall produce evidence satisfactory to the board that during the certification 3-year period immediately preceding the application for renewal following the date of issuance of the certificate, and during each 3-year period thereafter, the certified real estate appraiser has:

(i) completed at least 45 classroom hours of instruction in courses or seminars approved by the board, at least 15 hours of which must be related to standards of professional appraisal practice;

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 3 not renewed within 3-years-from-the--date--of--issuance--may
 4 renew--it--within--2--years--from--the-date-the-certificate
 5 expires, 1 year of the most recent renewal date
 6 automatically terminates. A certificate holder may renew the
 7 certificate within the 1-year period from the date of most
 8 recent renewal by:

9 (a) filing with the board an application for late
 10 renewal on a form approved by the board;

11 (b) satisfying the continuing education requirements of
 12 37-54-310; and

13 (c) paying a late renewal fee prescribed by the board.

14 (2) The board may refuse to renew a certificate if the
 15 certificate holder has continued to perform independent
 16 appraisal services in this state following expiration of the
 17 certificate."

18 **SECTION 7. SECTION 37-54-403, MCA, IS AMENDED TO READ:**

19 "37-54-403. Standards of professional appraisal
 20 practice. (1) A licensed or certified real estate appraiser
 21 shall comply with generally accepted standards of
 22 professional appraisal practice, evidenced by the uniform
 23 standards of professional appraisal practice promulgated by
 24 the appraisal standards board of the appraisal foundation.

25 (2) If the appraisal standards board of the appraisal

1 foundation modifies the standards or issues supplemental
 2 standards that it considers appropriate for all classes of
 3 real estate appraisers and-requests-the-board-to-consider
 4 the-adoption-of-the-modifications-or-supplements, the--board
 5 shall---conduct---a--public--hearing, the modification is
 6 automatically adopted as observable in this state unless the
 7 board determines that a public hearing is necessary to
 8 determine whether the modified or supplemented standards
 9 must be observed in this state. If following the hearing the
 10 board determines the modified or supplemented standards are
 11 appropriate, the board shall adopt the standards by rule."

12 **NEW SECTION. Section 8. Transition.** Until the
 13 transition from a 3-year to a 1-year renewal system is
 14 completed, a 3-year license or certificate issued under
 15 Title 37, chapter 54, in effect on [the effective date of
 16 this act] remains in effect until its scheduled time of
 17 expiration, at which time fees must be prorated on a monthly
 18 basis between the scheduled expiration date and the annual
 19 renewal date.

20 **NEW SECTION. Section 9. Effective date.** [This act] is
 21 effective on passage and approval.

-End-

HOUSE BILL NO. 161

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW REGARDING THE LICENSURE OF REAL ESTATE APPRAISERS TO PROVIDE THAT ALL LICENSES AND CERTIFICATES EXPIRE ON THE SAME DATE ANNUALLY; ALLOWING FOR LATE RENEWAL UP TO 1 YEAR AFTER EXPIRATION OF A LICENSE OR CERTIFICATE; ELIMINATING THE AGRICULTURE/RURAL LANDS CERTIFICATION; REMOVING THE REQUIREMENT THAT CERTIFICATION EXAMINATIONS BE HELD IN HELENA; PLACING CONTINUING EDUCATION REQUIREMENTS ON A 3-YEAR SCHEDULE; PROVIDING THAT MODIFICATIONS OF STANDARDS BY THE APPRAISAL FOUNDATION ARE AUTOMATICALLY EFFECTIVE UNLESS A HEARING IS CONSIDERED NECESSARY; PROVIDING A TRANSITION PERIOD FOR RENEWAL OF LICENSES AND CERTIFICATES AND PRORATION OF FEES; AMENDING SECTIONS 37-54-210, 37-54-211, 37-54-303, 37-54-304, 37-54-310, AND 37-54-311, AND 37-54-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

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(iii) participated, other than as a student, in an education program approved by the board that relates to the theory and technique of real property appraisal.

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(a) filing with the board an application for late renewal on a form approved by the board;

(b) satisfying the continuing education requirements of 37-54-310; and

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(2) The board may refuse to renew a certificate if the certificate holder has continued to perform independent appraisal services in this state following expiration of the certificate."

SECTION 7. SECTION 37-54-403, MCA, IS AMENDED TO READ:

"37-54-403. Standards of professional appraisal practice. (1) A licensed or certified real estate appraiser shall comply with generally accepted standards of professional appraisal practice, evidenced by the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation.

(2) If the appraisal standards board of the appraisal

foundation modifies the standards or issues supplemental standards that it considers appropriate for all classes of real estate appraisers and-requests-the-board-to-consider the-adoption-of-the-modifications-or-supplements,-the--board shall---conduct---a--public--hearing, the modification is automatically adopted as observable in this state unless the board determines that a public hearing is necessary to determine whether the modified or supplemented standards must be observed in this state. If following the hearing the board determines the modified or supplemented standards are appropriate, the board shall adopt the standards by rule."

NEW SECTION. Section 8. Transition. Until the transition from a 3-year to a 1-year renewal system is completed, a 3-year license or certificate issued under Title 37, chapter 54, in effect on [the effective date of this act] remains in effect until its scheduled time of expiration, at which time fees must be prorated on a monthly basis between the scheduled expiration date and the annual renewal date.

NEW SECTION. Section 9. Effective date. [This act] is effective on passage and approval.

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INTRODUCED BY MASON

BY REQUEST OF THE DEPARTMENT OF COMMERCE

A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE LAW REGARDING THE LICENSURE OF REAL ESTATE APPRAISERS TO PROVIDE THAT ALL LICENSES AND CERTIFICATES EXPIRE ON THE SAME DATE ANNUALLY; ALLOWING FOR LATE RENEWAL UP TO 1 YEAR AFTER EXPIRATION OF A LICENSE OR CERTIFICATE; ELIMINATING THE AGRICULTURE/RURAL LANDS CERTIFICATION; REMOVING THE REQUIREMENT THAT CERTIFICATION EXAMINATIONS BE HELD IN HELENA; PLACING CONTINUING EDUCATION REQUIREMENTS ON A 3-YEAR SCHEDULE; PROVIDING THAT MODIFICATIONS OF STANDARDS BY THE APPRAISAL FOUNDATION ARE AUTOMATICALLY EFFECTIVE UNLESS A HEARING IS CONSIDERED NECESSARY; PROVIDING A TRANSITION PERIOD FOR RENEWAL OF LICENSES AND CERTIFICATES AND PRORATION OF FEES; AMENDING SECTIONS 37-54-210, 37-54-211, 37-54-303, 37-54-304, 37-54-310, AND 37-54-311, AND 37-54-403, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 37-54-210, MCA, is amended to read:

"37-54-210. License renewal -- continuing education requirements. (1) A real estate appraiser's license expires

3-years-from on March 31 following the date of issuance or renewal and is invalid thereafter.

(2) A licensee may renew his a license, other than a temporary permit issued under 37-54-406, by filing an application with the board on a form approved by the board, paying a renewal fee prescribed by the board, and meeting all requirements of this section.

(3) In renewing a license, the board shall assure that the licensee has a working knowledge of:

(a) current real estate appraisal theories; and

(b) practices and techniques that will enable the licensee to provide competent independent appraisal service under the authority of his the license.

(4) An application for renewal must include evidence satisfactory to the board that within the 3-year period immediately preceding-the-application-for-renewal following the date of issuance of the license and within each 3-year period thereafter, the licensee has completed at least 45 classroom hours of instruction in courses or seminars approved by the board, at least 15 hours of which must be related to standards of professional appraisal practice. Continuing education hours must be credited to the 3-year period during which the instruction occurred and may not be carried over to a subsequent 3-year period."

Section 2. Section 37-54-211, MCA, is amended to read:

1 "37-54-211. Late renewal of license. (1) A licensee who
2 does--not-renew-a license that is not renewed within 3-years
3 from-the-date-of-issuance-may-renew-it, within 2-years--from
4 the--date--the--license--expires; 1 year of the most recent
5 renewal date automatically terminates. A licensee may renew
6 the license within the 1-year period from the date of most
7 recent renewal by:

8 (a) filing with the board an application for late
9 renewal on a form approved by the board;

10 (b) satisfying the continuing education requirements of
11 37-54-210; and

12 (c) paying a late renewal fee prescribed by the board.

13 (2) The board may refuse to renew a license if the
14 licensee has continued to perform independent appraisal
15 services as a licensed real estate appraiser following
16 expiration of the license."

17 **Section 3.** Section 37-54-303, MCA, is amended to read:

18 "37-54-303. Classes of certification -- education and
19 experience requirements. (1) A real estate appraiser may be
20 certified in any one or more both of the following classes:

21 (a) general real estate, which relates to the appraisal
22 of all types of real property;

23 (b) ~~agricultural/rural--lands;--which--relates--to--the~~
24 ~~appraisal--of--agricultural--and--rural--lands;--including~~
25 ~~timberlands;~~

1 ~~(c)~~ residential real estate, which relates to the
2 appraisal of expensive or complex 1 to 4 family homes.

3 (2) The board shall adopt rules pertaining to real
4 estate appraisal education and experience that are at least
5 as stringent as those required for compliance with Title XI
6 of the Financial Institutions Reform, Recovery, and
7 Enforcement Act of 1989."

8 **Section 4.** Section 37-54-304, MCA, is amended to read:

9 "37-54-304. Certification examination. (1) A person who
10 satisfies the qualification requirements of 37-54-202 and
11 the education and experience requirements of 37-54-303 may
12 apply for examination as a certified real estate appraiser
13 in the manner prescribed by this section.

14 (2) The board shall adopt and administer a written
15 examination for certified real estate appraisers and
16 establish standards of acceptable performance for each class
17 of certification that are at least as stringent as those
18 required for compliance with Title XI of the Financial
19 Institutions Reform, Recovery, and Enforcement Act of 1989.

20 (3) An applicant must be examined on the following
21 subjects:

22 (a) technical terms commonly used in or related to:

23 (i) real estate appraisal;

24 (ii) appraisal report writing; and

25 (iii) economic concepts applicable to real estate;

(b) principles of land economics, real estate law, and real estate appraisal processes;

(c) problems likely to be encountered in gathering, interpreting, and processing data required for developing and communicating an appraisal;

(d) standards for the development and communication of certified real estate appraisals;

(e) (i) theories of depreciation and cost estimating;

(ii) methods of capitalization; and

(iii) the mathematics of real estate appraisal appropriate to the class or classes of certification sought by the applicant; and

(f) types of misconduct for which disciplinary action may be initiated under this chapter.

(4) Examinations must be given at least four times each year in--Helena--and at other times and places as the board determines.

(5) An applicant may not retake the examination within 6 months after having failed it a second or subsequent time."

Section 5. Section 37-54-310, MCA, is amended to read:

"37-54-310. Renewal of certificate -- continuing education requirements. (1) A certificate issued under 37-54-305 must be renewed every 3 years expires on March 31 following the date of issuance or renewal and is invalid

thereafter.

(2) A certificate may be renewed upon payment of a renewal fee and production of.

(3) (a) The certificate holder shall produce evidence satisfactory to the board that during the certification 3-year period immediately preceding--the--application--for renewal following the date of issuance of the certificate, and during each 3-year period thereafter, the certified real estate appraiser has:

(i) completed at least 45 classroom hours of instruction in courses or seminars approved by the board, at least 15 hours of which must be related to standards of professional appraisal practice;

(ii) completed an education program determined by the board to be equivalent to the courses and seminars approved under subsection (2)(a) (3)(a)(i); or

(iii) participated, other than as a student, in an education program approved by the board that relates to the theory and technique of real property appraisal.

(b) Continuing education hours must be credited to the 3-year period during which the instruction occurred and may not be carried over to a subsequent 3-year period.

(3)(4) An applicant for renewal shall state the class of certification previously held and presently sought."

Section 6. Section 37-54-311, MCA, is amended to read:

"37-54-311. Late renewal of certificate. (1) A certificate--holder-who-does-not-renew-a certificate that is not renewed within 3-years-from-the--date--of--issuance--may renew--it--within--2--years--from--the-date-the-certificate expires, 1 year of the most recent renewal date automatically terminates. A certificate holder may renew the certificate within the 1-year period from the date of most recent renewal by:

(a) filing with the board an application for late renewal on a form approved by the board;

(b) satisfying the continuing education requirements of 37-54-310; and

(c) paying a late renewal fee prescribed by the board.

(2) The board may refuse to renew a certificate if the certificate holder has continued to perform independent appraisal services in this state following expiration of the certificate."

SECTION 7. SECTION 37-54-403, MCA, IS AMENDED TO READ:

"37-54-403. Standards of professional appraisal practice. (1) A licensed or certified real estate appraiser shall comply with generally accepted standards of professional appraisal practice, evidenced by the uniform standards of professional appraisal practice promulgated by the appraisal standards board of the appraisal foundation.

(2) If the appraisal standards board of the appraisal

foundation modifies the standards or issues supplemental standards that it considers appropriate for all classes of real estate appraisers and-requests-the-board-to-consider the-adoption-of-the-modifications-or-supplements-the--board shall---conduct---a--public--hearing, the modification is automatically adopted as observable in this state unless the board determines that a public hearing is necessary to determine whether the modified or supplemented standards must be observed in this state. If following the hearing the board determines the modified or supplemented standards are appropriate, the board shall adopt the standards by rule."

NEW SECTION. Section 8. Transition. Until the transition from a 3-year to a 1-year renewal system is completed, a 3-year license or certificate issued under Title 37, chapter 54, in effect on [the effective date of this act] remains in effect until its scheduled time of expiration, at which time fees must be prorated on a monthly basis between the scheduled expiration date and the annual renewal date.

NEW SECTION. Section 9. Effective date. [This act] is effective on passage and approval.

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