

**First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 13-0158.01 Chuck Brackney x2295

SENATE BILL 13-155

SENATE SPONSORSHIP

Baumgardner,

HOUSE SPONSORSHIP

Ryden,

Senate Committees

Business, Labor, & Technology

Appropriations

House Committees

Business, Labor, Economic, & Workforce
Development

Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE CONTINUATION OF THE BOARD OF REAL ESTATE**
102 **APPRAISERS, AND, IN CONNECTION THEREWITH, IMPLEMENTING**
103 **THE RECOMMENDATIONS OF THE 2012 SUNSET REPORT BY THE**
104 **DEPARTMENT OF REGULATORY AGENCIES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Sunset Process - Senate Business, Labor, and Employment Committee. Section 1 of the bill continues the board of real estate

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 19, 2013

SENATE
3rd Reading Unamended
March 13, 2013

SENATE
Amended 2nd Reading
March 12, 2013

appraisers (board) until September 1, 2022. **Section 2** establishes that certified ad valorem appraisers certified under Colorado's regulatory statutes are not subject to regulation under the federal "Financial Institutions Reform, Recovery, and Enforcement Act of 1989". **Section 4** requires the board to adopt rules for the regulation of certified ad valorem appraisers.

Section 5 of the bill eliminates the appraiser category "registered appraiser" and creates the category "certified ad valorem appraiser", and requires the board to transfer registered appraisers from that category to the category of certified ad valorem appraisers. Such persons who are employees of a county assessor's office have until December 31, 2015, to meet any additional requirements imposed by the board.

Section 7 directs the board to adopt rules specifying the meaning of the term "moral character" for the purpose of appraiser certification and licensing. **Section 8** clarifies that an appraiser may be disciplined for past deferred judgments and for any conduct that could have been used to deny the issuance of a certificate or license.

Sections 3, 6, 9, 10, 11, 13, and 14 make conforming amendments.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 24-34-104, **amend**
3 (44) introductory portion and (53.5) introductory portion; **repeal** (44) (b);
4 and **add** (53.5) (c) as follows:

5 **24-34-104. General assembly review of regulatory agencies**
6 **and functions for termination, continuation, or reestablishment.**

7 (44) The following agencies, functions, or both, ~~shall~~ terminate on July
8 1, 2013:

9 (b) ~~The board of real estate appraisers, created by article 61 of title~~
10 ~~12, C.R.S.;~~

11 (53.5) The following agencies, functions, or both, ~~shall~~ terminate
12 on September 1, 2022:

13 (c) ~~THE BOARD OF REAL ESTATE APPRAISERS, CREATED BY ARTICLE~~
14 ~~61 OF TITLE 12, C.R.S.~~

1 **SECTION 2.** In Colorado Revised Statutes, **amend as it will**
2 **become effective July 1, 2013,** 12-61-701 as follows:

3 **12-61-701. Legislative declaration.** The general assembly finds,
4 determines, and declares that sections 12-61-702 to 12-61-718 are enacted
5 pursuant to the requirements of the "Real Estate Appraisal Reform
6 Amendments", Title XI of the federal "Financial Institutions Reform,
7 Recovery, and Enforcement Act of 1989", as amended. The general
8 assembly further finds, determines, and declares that sections 12-61-702
9 to 12-61-718 are intended to implement the requirements of federal law
10 in the least burdensome manner to real estate appraisers and appraisal
11 management companies. LICENSED AD VALOREM APPRAISERS LICENSED
12 UNDER THIS ARTICLE ARE NOT REGULATED BY THE FEDERAL "REAL
13 ESTATE APPRAISAL REFORM AMENDMENTS", TITLE XI OF THE FEDERAL
14 "FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT
15 OF 1989", AS AMENDED, 12 U.S.C. SECS. 3331 TO 3351.

16 **SECTION 3.** In Colorado Revised Statutes, 12-61-702, **amend**
17 **as it will become effective July 1, 2013,** (1) as follows:

18 **12-61-702. Definitions.** As used in this part 7, unless the context
19 otherwise requires:

20 (1) "Appraisal", "appraisal report", or "real estate appraisal"
21 means a written or oral analysis, opinion, or conclusion relating to the
22 nature, quality, value, or utility of specified interests in, or aspects of,
23 identified real estate that is transmitted to the client upon the completion
24 of an assignment. These terms include a valuation, which is an opinion of
25 the value of real estate, and an analysis, which is a general study of real
26 estate not specifically performed only to determine value; except that the
27 terms include a valuation completed by an appraiser employee of a county

1 assessor as defined in section 39-1-102 (2), C.R.S. The terms do not
2 include an analysis, valuation, opinion, conclusion, notation, or
3 compilation of data by an officer, director, or regular salaried employee
4 of a financial institution or its affiliate, made for internal use only by the
5 financial institution or affiliate, concerning an interest in real estate that
6 is owned or held as collateral by the financial institution or affiliate and
7 that is not represented or deemed to be an appraisal except to the financial
8 institution, the agencies regulating the financial institution, and any
9 secondary markets that purchase real estate secured loans. An appraisal
10 prepared by an officer, director, or regular salaried employee of a
11 financial institution who is not ~~registered~~, licensed or certified under this
12 part 7 shall contain a written notice that the preparer is not ~~registered~~,
13 licensed or certified as an appraiser under this part 7.

14 **SECTION 4.** In Colorado Revised Statutes, 12-61-704, **amend**
15 (1) (a), (1) (b), and (1) (e) as follows:

16 **12-61-704. Powers and duties of the board - rules.** (1) In
17 addition to all other powers and duties imposed upon it by law, the board
18 has the following powers and duties:

19 (a) To promulgate and amend, as necessary, rules ~~and regulations~~
20 pursuant to article 4 of title 24, C.R.S., for the implementation and
21 administration of this part 7 and as required to comply with the federal
22 "Real Estate Appraisal Reform Amendments", Title XI of the federal
23 "Financial Institutions Reform, Recovery, and Enforcement Act of 1989",
24 and with any requirements imposed by amendments to such federal law.
25 The board shall not establish any requirements that are more stringent
26 than the requirements of any applicable federal law. LICENSED AD
27 VALOREM APPRAISERS ARE NOT REGULATED BY THE FEDERAL "REAL

1 ESTATE APPRAISAL REFORM AMENDMENTS", TITLE XI OF THE FEDERAL
2 "FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT
3 OF 1989". THE BOARD SHALL ADOPT RULES REGARDING MINIMUM
4 QUALIFICATIONS AND STANDARDS OF PRACTICE FOR LICENSED AD
5 VALOREM APPRAISERS.

6 (b) To charge application, examination, and ~~registration~~, license
7 and certificate renewal fees established pursuant to section 12-61-111.5
8 from all applicants for ~~registration~~, licensure, certification, examination,
9 and renewal under this part 7. No fees received from applicants seeking
10 ~~registration~~, licensure, certification, examination, or renewal shall be
11 refunded.

12 (e) To issue, deny, or refuse to renew a ~~registration~~, license or
13 certificate pursuant to this part 7;

14 **SECTION 5.** In Colorado Revised Statutes, 12-61-706, **amend**
15 (1) (b) introductory portion, (1) (b) (III), (1) (b) (IV), (3), (5), and (9);
16 **amend as they will become effective July 1, 2013**, (1) (a), (2), and (10);
17 and **add** (1) (c) and (1) (d) as follows:

18 **12-61-706. Qualifications for licensing and certification of**
19 **appraisers - continuing education - rules.** (1) (a) The board shall, by
20 rule, prescribe requirements for the initial ~~registration~~, licensing or
21 certification of persons under this part 7 to meet the requirements of the
22 "Real Estate Appraisal Reform Amendments", Title XI of the federal
23 "Financial Institutions Reform, Recovery, and Enforcement Act of 1989",
24 as amended, and shall develop, purchase, or contract for examinations to
25 be passed by applicants. The board shall not establish any requirements
26 for initial ~~registration~~, licensing or certification that are more stringent
27 than the requirements of any applicable federal law; except that all

1 applicants shall pass an examination offered by the board. If there is no
2 applicable federal law, the board shall consider and may use as guidelines
3 the most recent available criteria published by the appraiser qualifications
4 board of the appraisal foundation or its successor organization.

5 (b) The four levels of appraiser licensure, pursuant to paragraph
6 (a) of this subsection (1), ~~shall be~~ ARE defined as follows:

7 (III) "~~Licensed appraiser~~" "LICENSED AD VALOREM APPRAISER"
8 means an appraiser meeting the requirements set by the board for a
9 ~~license tax~~ AD VALOREM appraiser certification;

10 (IV) "~~Registered appraiser~~" "LICENSED APPRAISER" means an
11 appraiser meeting the requirements set by the board for ~~registration~~ A
12 LICENSE.

13 (c) A COUNTY ASSESSOR OR EMPLOYEE OF A COUNTY ASSESSOR'S
14 OFFICE WHO IS A LICENSED AD VALOREM APPRAISER MAY NOT PERFORM
15 REAL ESTATE APPRAISALS OUTSIDE OF HIS OR HER OFFICIAL DUTIES.

16 (d) THE BOARD SHALL TRANSFER PERSONS EMPLOYED IN A COUNTY
17 ASSESSOR'S OFFICE OR IN THE DIVISION OF PROPERTY TAXATION IN THE
18 DEPARTMENT OF LOCAL AFFAIRS WHO ARE REGISTERED APPRAISERS AS OF
19 JULY 1, 2013, TO THE CATEGORY OF LICENSED AD VALOREM APPRAISER.
20 THE BOARD SHALL ALLOW THESE PERSONS UNTIL DECEMBER 31, 2015, TO
21 MEET ANY ADDITIONAL REQUIREMENTS IMPOSED BY THE BOARD
22 PURSUANT TO SECTION 12-61-704 (1) (a), AS AMENDED.

23 (2) (a) The board shall, by rule, prescribe continuing education
24 requirements for persons ~~registered~~, licensed or certified ~~under this part~~
25 ~~7~~ AS CERTIFIED GENERAL APPRAISERS, CERTIFIED RESIDENTIAL
26 APPRAISERS, OR LICENSED APPRAISERS as needed to meet the requirements
27 of the "Real Estate Appraisal Reform Amendments", Title XI of the

1 federal "Financial Institutions Reform, Recovery, and Enforcement Act
2 of 1989", as amended. The board shall not establish any continuing
3 education requirements that are more stringent than the requirements of
4 any applicable law; except that all persons ~~registered~~, licensed or certified
5 under this part 7 are subject to continuing education requirements. If there
6 is no applicable federal law, the board shall consider and may use as
7 guidelines the most recent available criteria published by the appraiser
8 qualifications board of the appraisal foundation or its successor
9 organization.

10 (b) THE BOARD SHALL, BY RULE, PRESCRIBE CONTINUING
11 EDUCATION REQUIREMENTS FOR LICENSED AD VALOREM APPRAISERS.

12 (3) Any provision of this section to the contrary notwithstanding,
13 the criteria established by the board for the ~~registration~~, licensing or
14 certification of appraisers pursuant to this part 7 shall not include
15 membership or lack of membership in any appraisal organization.

16 (5) (a) Subject to section 12-61-714 (2), all appraiser employees
17 of county assessors shall be ~~registered~~, licensed or certified as provided
18 in subsections (1) and (2) of this section. Obtaining and maintaining a
19 ~~registration~~, license or certificate under any one of said subsections (1)
20 and (2) shall entitle an appraiser employee of a county assessor to perform
21 all real estate appraisals required to fulfill such person's official duties.

22 (b) Appraiser employees of county assessors who are employed
23 to appraise real property shall be subject to all provisions of this part 7;
24 except that appraiser employees of county assessors who are employed to
25 appraise real property shall not be subject to disciplinary actions by the
26 board on the ground that they have performed appraisals beyond their
27 level of competency when appraising real estate in fulfillment of their

1 official duties. County assessors, if ~~registered~~, licensed or certified as
2 provided in subsections (1) and (2) of this section, shall not be subject to
3 disciplinary actions by the board on the ground that they have performed
4 appraisals beyond their level of competency when appraising real estate
5 in fulfillment of their official duties.

6 (c) All reasonable costs incurred by an appraiser employee of a
7 county assessor to obtain and maintain a ~~registration~~, license or certificate
8 pursuant to this section shall be paid by the county.

9 (9) The board shall not issue an appraiser's license as referenced
10 in subparagraph ~~(HH)~~ (IV) of paragraph (b) of subsection (1) of this
11 section unless the applicant has at least twelve months appraisal
12 experience.

13 (10) (a) The board shall not issue a ~~registration~~, license or
14 certification until the applicant establishes that he or she is truthful and
15 honest and has good moral character and submits a set of fingerprints to
16 the Colorado bureau of investigation for the purpose of conducting a state
17 and national fingerprint-based criminal history record check utilizing
18 records of the Colorado bureau of investigation and the federal bureau of
19 investigation. Each person submitting a set of fingerprints shall pay the
20 fee established by the Colorado bureau of investigation for conducting the
21 fingerprint-based criminal history record check to the bureau. Upon
22 completion of the criminal history record check, the bureau shall forward
23 the results to the board. The board may require a name-based criminal
24 history record check for an applicant who has twice submitted to a
25 fingerprint-based criminal history record check and whose fingerprints
26 are unclassifiable. The board may deny an application for ~~registration~~,
27 licensure or certification based on the outcome of the criminal history

1 record check and may establish criminal history requirements more
2 stringent than those established by any applicable federal law.

3 (b) AN APPLICANT FOR CERTIFICATION AS A LICENSED AD
4 VALOREM APPRAISER IS NOT SUBJECT TO THE FINGERPRINTING AND
5 CRIMINAL BACKGROUND CHECK REQUIREMENTS OF PARAGRAPH (a) OF
6 THIS SUBSECTION (10).

7 **SECTION 6.** In Colorado Revised Statutes, 12-61-707, **amend**
8 (1) (a), (1) (b) (I), (1) (b) (II), (1) (b) (III), and (2); and **amend as it will**
9 **become effective July 1, 2013**, (1) (b) introductory portion as follows:

10 **12-61-707. Expiration of licenses - renewal - penalties.**

11 (1) (a) All ~~registrations~~, licenses or certificates shall expire pursuant to
12 a schedule established by the director and shall be renewed or reinstated
13 pursuant to this section. Upon compliance with this section and any
14 applicable rules of the board regarding renewal, including the payment of
15 a renewal fee plus a reinstatement fee established pursuant to paragraph
16 (b) of this subsection (1), the expired ~~registration~~, license or certificate
17 shall be reinstated. No real estate appraiser's ~~registration~~, license or
18 certificate that has not been renewed for a period greater than two years
19 shall be reinstated, and such person shall be required to make new
20 application for ~~registration~~, licensure or certification.

21 (b) A person who fails to renew his or her ~~real estate appraiser's~~
22 ~~registration~~, license or certificate before the applicable renewal date may
23 have it reinstated if the person does any one of the following:

24 (I) Makes proper application, within thirty-one days after the date
25 of expiration, by payment of the regular ~~three-year~~ renewal fee; or

26 (II) If proper application is made more than thirty-one days, but
27 within one year, after the date of expiration, by payment of the regular

1 ~~three-year~~ renewal fee and payment of a reinstatement fee equal to
2 one-third the regular ~~three-year~~ renewal fee; or

3 (III) If proper application is made more than one year, but within
4 two years, after the date of expiration, by payment of the regular
5 ~~three-year~~ renewal fee and payment of a reinstatement fee equal to
6 two-thirds the regular ~~three-year~~ renewal fee.

7 (2) ~~In the event~~ IF the federal registry fee ~~to be~~ collected by the
8 board and transmitted to the federal financial institutions examination
9 council is adjusted during the period prior to expiration of a license or
10 certificate, the board shall collect the amount of the increase in such fee
11 from the holder of the license or certificate and ~~shall forward such~~ THE
12 amount to the ~~said~~ council ~~on an annual basis~~ ANNUALLY. THE FEDERAL
13 REGISTRY FEE DOES NOT APPLY TO LICENSED AD VALOREM APPRAISERS
14 LICENSED UNDER THIS ARTICLE.

15 **SECTION 7.** In Colorado Revised Statutes, 12-61-708, **amend**
16 (1) introductory portion and (1) (a) as follows:

17 **12-61-708. Licensure or certification by endorsement -**
18 **temporary practice.** (1) The board may issue a license or certification
19 to an appraiser by endorsement to engage in the occupation of real estate
20 appraisal to any applicant who has a license ~~registration~~, or certification
21 in good standing as a real estate appraiser under the laws of another
22 jurisdiction if:

23 (a) The applicant presents proof satisfactory to the board that, at
24 the time of application for a Colorado ~~registration~~, license or certificate
25 by endorsement, the applicant possesses credentials and qualifications
26 ~~which~~ THAT are substantially equivalent to the requirements of this part
27 7; or

1 **SECTION 8.** In Colorado Revised Statutes, 12-61-709, **amend**
2 (2); and **amend as it will become effective July 1, 2013**, (1) as follows:

3 **12-61-709. Denial of license or certificate - renewal.** (1) The
4 board is empowered to determine whether an applicant for ~~registration,~~
5 licensure or certification possesses the necessary qualifications for
6 ~~registration,~~ licensure or certification required by this part 7. The board
7 may consider such qualities as the applicant's truthfulness AND honesty
8 and moral character, and whether the applicant has been convicted of a
9 crime. As used in this subsection (1), "applicant" includes any individual
10 who owns, in whole or in part, directly or indirectly, an appraisal
11 management company and any appraiser designated as a controlling
12 appraiser by a partnership, limited liability company, or corporation
13 acting as an appraisal management company.==

14 (2) If the board determines that an applicant does not possess the
15 applicable qualifications required by this part 7, or such applicant has
16 violated any provision of this part 7 or the rules ~~and regulations~~
17 promulgated by the board or any board order, the board may deny the
18 applicant a ~~registration,~~ license or certificate or deny the renewal or
19 reinstatement of a ~~registration,~~ license or certificate pursuant to section
20 12-61-707; and, in such instance, the board shall provide such applicant
21 with a statement in writing setting forth the basis of the board's
22 determination that the applicant does not possess the qualifications or
23 professional competence required by this part 7. Such applicant may
24 request a hearing on such determination as provided in section 24-4-104
25 (9), C.R.S.

26 **SECTION 9.** In Colorado Revised Statutes, 12-61-710, **amend**
27 (1) (i), (1) (j), (2), (2.5), (3), (5) (a), (10), and (11); and **add** (1) (k) as

1 follows:

2 **12-61-710. Prohibited activities - grounds for disciplinary**
3 **actions - procedures - repeal.** (1) A real estate appraiser is in violation
4 of this part 7 if the appraiser:

5 ==

6 (i) Has been subject to an adverse or disciplinary action in another
7 state, territory, or country relating to a license, certificate, ~~registration~~, or
8 other authorization to practice as an appraiser. A disciplinary action
9 relating to a ~~registration~~, license or certificate as an appraiser ~~registered~~,
10 licensed or certified under this part 7 or any related occupation in any
11 other state, territory, or country for disciplinary reasons shall be deemed
12 to be prima facie evidence of grounds for disciplinary action or denial of
13 licensure or certification by the board. This paragraph (i) shall apply only
14 to violations based upon acts or omissions in such other state, territory,
15 or country that are also violations of this part 7.

16 (j) Has failed to disclose in the appraisal report the fee paid to the
17 appraiser for a residential real property appraisal if the appraiser was
18 engaged by an appraisal management company to complete the
19 assignment; OR

20 (k) HAS ENGAGED IN CONDUCT THAT WOULD BE GROUNDS FOR THE
21 DENIAL OF A LICENSE OR CERTIFICATION UNDER SECTION 12-61-709.

22 == ==

23 (2) If an applicant, a ~~registrant~~, a licensee, or a certified person
24 has violated any of the provisions of this section, the board may deny or
25 refuse to renew any ~~registration~~, license or certificate, or, as specified in
26 subsections (2.5) and (5) of this section, revoke or suspend any
27 ~~registration~~, license or certificate, issue a letter of admonition to a

1 licensee or certified person, place a ~~registrant~~, licensee or certified person
2 on probation, or impose public censure.

3 (2.5) When a complaint or an investigation discloses an instance
4 of misconduct by a ~~registered~~, licensed or certified appraiser that in the
5 opinion of the board does not warrant formal action by the board but
6 should not be dismissed as being without merit, the board may send a
7 letter of admonition by certified mail to the appraiser against whom a
8 complaint was made. The letter shall advise the appraiser of the right to
9 make a written request, within twenty days after receipt of the letter of
10 admonition, to the board to begin formal disciplinary proceedings as
11 provided in this section to adjudicate the conduct or acts on which the
12 letter was based.

13 (3) A proceeding for discipline of a ~~registrant~~, licensee or certified
14 person may be commenced when the board has reasonable grounds to
15 believe that a ~~registrant~~, licensee or certified person has committed any
16 act or failed to act pursuant to the grounds established in subsection (1)
17 of this section or when a request for a hearing is timely made under
18 subsection (2.5) of this section.

19 (5) As authorized in subsection (2) of this section, disciplinary
20 actions by the board may consist of the following:

21 (a) **Revocation of a license or certificate.** (I) Revocation of a
22 ~~registration~~, license or certificate by the board shall mean that the
23 ~~registered~~, licensed or certified person shall surrender his or her
24 ~~registration~~, license or certificate immediately to the board.

25 (II) Any person whose ~~registration~~, license or certificate to
26 practice is revoked is rendered ineligible to apply for any ~~registration~~,
27 license or certificate issued under this part 7 until more than two years

1 have elapsed from the date of surrender of the ~~registration~~, license or
2 certificate. Any reapplication after such two-year period shall be treated
3 as a new application.

4 (10) Any ~~registrant~~, licensee or certified person having direct
5 knowledge that any person has violated any of the provisions of this part
6 7 shall report such knowledge to the board.

7 (11) The board, on its own motion or upon application, at any time
8 after the imposition of any discipline as provided in this section may
9 reconsider its prior action and reinstate or restore such ~~registration~~,
10 license or certificate or terminate probation or reduce the severity of its
11 prior disciplinary action. The taking of any such further action or the
12 holding of a hearing with respect thereto shall rest in the sole discretion
13 of the board.

14 **SECTION 10.** In Colorado Revised Statutes, 12-61-712, **amend**
15 (1) (a) as follows:

16 **12-61-712. Unlawful acts.** (1) It is unlawful for any person to:
17 (a) Violate any provision of section 12-61-710 (1) (c), (1) (e), or
18 (1) (f), or to perform a real estate appraisal in conjunction with a debt
19 instrument that is federally guaranteed or in the federal secondary market
20 or regulated pursuant to title 12, U.S.C., without first having obtained a
21 ~~registration~~, license or certificate from the board pursuant to this part 7;

22 **SECTION 11.** In Colorado Revised Statutes, **amend** 12-61-714
23 as follows:

24 **12-61-714. Special provision for appraiser employees of**
25 **county assessors.** (1) Except as provided in subsection (2) of this
26 section, unless a federal waiver is applied for and granted pursuant to
27 section 12-61-704 (1) (j), on and after July 1, 1997, any person acting as

1 a real estate appraiser in this state in conjunction with a debt instrument
2 that is federally guaranteed or in the federal secondary market or
3 regulated pursuant to title 12, U.S.C., shall be ~~registered~~, licensed or
4 certified as provided in this part 7, and, on and after said date, no person
5 shall practice in conjunction with a debt instrument that is federally
6 guaranteed or in the federal secondary market or regulated pursuant to
7 title 12, U.S.C., without such a ~~registration~~, license or certificate or hold
8 himself or herself out to the public as a ~~registered~~, licensed or certified
9 real estate appraiser unless ~~registered~~, licensed or certified pursuant to
10 this part 7.

11 (2) Any appraiser employee of any county assessor who is
12 employed to appraise real property shall be ~~registered~~, licensed or
13 certified as provided in this part 7 and shall have two years from the date
14 of taking office or the beginning of employment to comply with the
15 provisions of this part 7.

16 **SECTION 12.** In Colorado Revised Statutes, 12-61-715, **add** (2)
17 as follows:

18 **12-61-715. Duties of board under federal law.** (2) THE BOARD
19 SHALL NOT COLLECT OR TRANSMIT THE INFORMATION REQUIRED BY THIS
20 SECTION FOR LICENSED AD VALOREM APPRAISERS.

21 **SECTION 13.** In Colorado Revised Statutes, 12-61-716, **amend**
22 (1) as follows:

23 **12-61-716. Business entities.** (1) A corporation, partnership,
24 bank, savings and loan association, savings bank, credit union, or other
25 business entity may provide appraisal services if such appraisal is
26 prepared by ~~individuals registered, certified, or licensed in accordance~~
27 ~~with this part 7~~ A CERTIFIED GENERAL APPRAISER, A CERTIFIED

1 RESIDENTIAL APPRAISER, OR A LICENSED APPRAISER. An individual who
2 is not a ~~registered, certified, or licensed appraiser~~ CERTIFIED GENERAL
3 APPRAISER, A CERTIFIED RESIDENTIAL APPRAISER, OR A LICENSED
4 APPRAISER may assist in the preparation of an appraisal if:

5 (a) The assistant is under the direct supervision of a ~~registered,~~
6 certified or licensed appraiser; and

7 (b) The final appraisal document is approved and signed by an
8 individual who is a ~~registered,~~ certified or licensed appraiser.

9 **SECTION 14.** In Colorado Revised Statutes, 12-61-718, **amend**
10 (1) (b) as follows:

11 **12-61-718. Scope of article - regulated financial institutions -**
12 **de minimis exemption.** (1) (b) Such appraisal shall not be represented
13 or deemed to be an appraisal except to the said financial institution, the
14 agencies regulating the said financial institution, and any secondary
15 markets that purchase real estate secured loans. Such appraisal shall
16 contain a written notice that the preparer is not ~~registered,~~ licensed or
17 certified as an appraiser under this part 7. Nothing in this subsection (1)
18 shall be construed to exempt a person ~~registered,~~ licensed or certified as
19 an appraiser under this part 7 from regulation as provided in this part 7.

20 **SECTION 15.** In Colorado Revised Statutes, 39-2-123, **amend**
21 **(2) as follows:**

22 **39-2-123. Board of assessment appeals created - members -**
23 **compensation.** (2) Effective July 1, 1991, the existing board of
24 assessment appeals is abolished, and the terms of members of the board
25 then serving are terminated. Effective July 1, 1991, except as otherwise
26 provided in section 39-2-125 (1) (c) (I), the new board shall be comprised
27 of three members who shall be appointed by the governor with the

1 consent of the senate. Members of the board shall be experienced in
2 property valuation and taxation and shall be public employees, as defined
3 in section 24-10-103 (4) (a), C.R.S., who are not subject to the state
4 personnel system laws. One of such members shall be or shall have been,
5 within the five years immediately preceding the date of initial
6 appointment, actively engaged in agriculture. On and after June 1, 1993,
7 members shall be ~~registered~~, licensed or certificated pursuant to the
8 provisions of part 7 of article 61 of title 12, C.R.S., and, if any member
9 fails to become so ~~registered~~, licensed or certificated by said date, the
10 office of such member shall be deemed to be vacated and shall be filled
11 in the same manner as other vacancies. Initial appointments to the board
12 shall be as follows: One member shall be appointed for a term of two
13 years, and two members shall be appointed for terms of four years.
14 Thereafter, appointments to the board shall be for terms of four years
15 each. Service on the board shall be at the pleasure of the governor, who
16 may appoint a replacement to serve for the unexpired term of any
17 member. Such replacement shall be appointed with the consent of the
18 senate. Any other vacancies on the board shall be filled by appointment
19 by the governor with the consent of the senate for the unexpired term.

20 **SECTION 16.** In Colorado Revised Statues, 39-8-108.5, amend
21 (1) (b) introductory portion as follows:

22 **39-8-108.5. Arbitration of property valuations - arbitrators -**
23 **qualifications - procedures.** (1) (b) Except as otherwise provided in
24 paragraph (c) of this subsection (1), persons on such list shall be, in
25 addition to any other qualifications deemed necessary by the board,
26 experienced in the area of property taxation, on and after June 1, 1993, be
27 ~~registered~~, licensed or certificated pursuant to part 7 of article 61 of title

1 12, C.R.S., and be any one of the following:

2 **SECTION 17.** In Colorado Revised Statutes, 28-3-106, amend

3 (1) (s) (I) as follows:

4 **28-3-106. Powers and duties of adjutant general.** (1) The
5 adjutant general has the following powers and duties:

6 (s) (I) If, in the judgment of the adjutant general, any real estate
7 which has been acquired for military purposes is unsuitable for military
8 purposes, the adjutant general, by and with the approval of the governor,
9 in writing, has authority to sell, trade, or otherwise dispose of such real
10 estate, but, except as otherwise provided by subparagraph (II) of this
11 paragraph (s), such real estate shall not be disposed of for less than its
12 appraised value. The appraised value of such real estate shall be
13 determined by an appraiser who is ~~registered~~, licensed or certificated
14 pursuant to part 7 of article 61 of title 12, C.R.S., and who is selected by
15 the adjutant general from a list of three qualified individuals submitted to
16 the adjutant general by the department. Appraisers shall be selected for
17 the list, and their fees shall be negotiated in accordance with the standards
18 established by part 14 of article 30 of title 24, C.R.S. The adjutant
19 general, by and with the advice and approval of the governor, is
20 authorized to lease any property belonging to the department when it is
21 not needed for the immediate use of the department. All conveyances
22 which are required for the purpose of this section shall be executed by the
23 governor under the seal of the state, and the proceeds of all sales, trades,
24 or other disposition shall be placed in an account to be invested by the
25 state treasurer as provided in section 24-36-113, C.R.S. Any interest
26 earned on the investment or deposit of such proceeds shall remain in such
27 account and shall not be credited to the general fund or any other fund of

1 the state. Said proceeds and any interest thereon shall be disbursed by
2 authority of the adjutant general, subject to appropriation by the general
3 assembly, only for the construction, repair, improvement, acquisition, or
4 costs of acquisition or sale of armories throughout the state. Costs of
5 acquisition or sale shall include but need not be limited to appraisals, site
6 surveys, environmental surveys, title work, property inspections, closing
7 costs, legal fees, real estate fees, site preparation, or utility studies. Prior
8 to disposing of any real property pursuant to the provisions of this
9 paragraph (s), the adjutant general shall submit a report to the capital
10 development committee which describes such real property, the
11 maintenance costs related to such real property, the current value of such
12 real property, any conditions or limitations which may restrict the use of
13 such real property, and the terms of the proposed disposition of such real
14 property. The capital development committee shall review any such report
15 which is submitted to the capital development committee and shall
16 provide recommendations to the adjutant general concerning the proposed
17 real property disposition within thirty days after the date of receipt of such
18 report. The adjutant general shall not complete any such real property
19 disposition without considering any recommendations of the capital
20 development committee which are provided within such thirty-day period.

21 **SECTION 18. Effective date.** This act takes effect July 1, 2013.

22 **SECTION 19. Safety clause.** The general assembly hereby finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, and safety.