

SENATE CORPORATIONS AND TRANSPORTATION  
COMMITTEE SUBSTITUTE FOR  
SENATE BILL 278

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO PROFESSIONAL LICENSURE; AMENDING AND ENACTING  
SECTIONS OF THE REAL ESTATE APPRAISERS ACT; PROVIDING FOR  
COMPLIANCE WITH FEDERAL LAW; PROVIDING FOR APPRAISAL MANAGEMENT  
COMPANIES; PROVIDING FOR TRAINEES; PROVIDING FOR AN APPRAISAL  
SUBCOMMITTEE; PROVIDING FOR UNIFORM STANDARDS OF PROFESSIONAL  
APPRAISAL PRACTICE; PROVIDING FOR AUTOMATED VALUATION MODELS;  
PROVIDING FOR BROKER PRICE OPINIONS; PROVIDING FOR CRIMINAL  
BACKGROUND CHECKS.

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

SECTION 1. Section 61-30-3 NMSA 1978 (being Laws 1990,  
Chapter 75, Section 3, as amended) is amended to read:

"61-30-3. DEFINITIONS.--As used in the Real Estate  
Appraisers Act:

A. "appraisal" or "real estate appraisal" means an

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1 analysis, opinion or conclusion prepared by a real estate  
2 appraiser relating to the nature, quality, value or utility of  
3 specified interests in or aspects of identified real estate or  
4 real property, for or in expectation of compensation, and shall  
5 include the following:

6 (1) a valuation, analysis, opinion or  
7 conclusion prepared by a real estate appraiser that estimates  
8 the value of identified real estate or real property; and

9 (2) an analysis or study of real estate or  
10 real property other than estimating value;

11 B. "appraisal assignment" means an engagement for  
12 which an appraiser is employed or retained to act or would be  
13 perceived by third parties or the public as acting as a  
14 disinterested third party in rendering an unbiased appraisal;

15 C. "appraisal foundation" means the appraisal  
16 foundation incorporated as an Illinois not-for-profit  
17 corporation on November 30, 1987 and to which reference is  
18 made in the federal real estate appraisal reform amendments;

19 D. "appraisal management company" means any  
20 external third party that oversees a network or panel of  
21 state certified or state licensed appraisers to:

22 (1) recruit, select and retain appraisers;

23 (2) contract with appraisers to perform  
24 appraisal assignments;

25 (3) manage the process of having an

1 appraisal performed; or

2 (4) review and verify the work of appraisers;

3 ~~[D.]~~ E. "appraisal report" means any communication,  
 4 written or oral, of an appraisal regardless of title or  
 5 designation and all other reports communicating an appraisal;

6 F. "appraisal review" means the act or process of  
 7 developing and communicating an opinion about the quality of  
 8 another appraiser's work;

9 G. "appraisal subcommittee" means the entity within  
 10 the federal financial institutions examination council that  
 11 monitors the requirements established by the states for  
 12 appraisers and appraisal management companies;

13 H. "appraiser trainee" means a registered real  
 14 estate appraiser who meets or exceeds the minimum qualification  
 15 requirements of the appraiser qualifications board of the  
 16 appraisal foundation for appraisal trainees and as defined by  
 17 board rule and who are subject to direct supervision by a  
 18 supervisory appraiser in good standing with the board;

19 I. "automated valuation model" means a computerized  
 20 model used by mortgage originators and secondary market issuers  
 21 to determine the collateral worth of a mortgage secured by a  
 22 consumer's principal dwelling;

23 ~~[E.]~~ J. "board" means the real estate appraisers  
 24 board;

25 K. "broker price opinion" means an opinion by a

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1 qualifying or associate broker of the price of real estate for  
2 the purpose of marketing, selling, purchasing, leasing or  
3 exchanging such real estate or any interest therein or for the  
4 purposes of providing a financial institution with a collateral  
5 assessment of any real estate in which the financial  
6 institution has an existing or potential security interest;  
7 provided that the opinion of the price shall not be referred to  
8 or construed as an appraisal or appraisal report and shall not  
9 be used as the primary basis to determine the value of real  
10 estate for the purpose of loan origination;

11 [F.] L. "certified appraisal" or "certified  
12 appraisal report" means an appraisal or appraisal report given  
13 or signed and certified as such by a state certified real  
14 estate appraiser and shall include an indication of which type  
15 of certification is held and shall be deemed to represent to  
16 the public that it meets the appraisal standards defined in the  
17 Real Estate Appraisers Act;

18 [G.] M. "federal real estate appraisal reform  
19 amendments" means the Federal Financial Institutions  
20 Examination Council Act of 1978, as amended by Title 11, Real  
21 Estate Appraisal Reform Amendments;

22 [H.] N. "general certificate" or "general  
23 certification" means a certificate or certification for  
24 appraisals of all types of real estate issued pursuant to the  
25 provisions of the Real Estate Appraisers Act and the federal

1 real estate appraisal reform amendments;

2           ~~[F.]~~ Q. "real estate" or "real property" means a  
3 leasehold or other estate or interest in, over or under land,  
4 including structures, fixtures and other improvements and  
5 interests that by custom, usage or law pass with a conveyance  
6 of land, though not described in a contract of sale or  
7 instrument of conveyance, and includes parcels with or without  
8 upper and lower boundaries and spaces that may be filled with  
9 air;

10           ~~[J.]~~ P. "real estate appraiser" means any person  
11 who engages in real estate appraisal activity in expectation of  
12 compensation;

13           ~~[K.]~~ Q. "residential certificate" or "residential  
14 certification" means a certificate or certification, limited to  
15 appraisals of residential real estate or residential real  
16 property without regard to the complexity of the transaction,  
17 issued pursuant to the provisions of the Real Estate Appraisers  
18 Act and as provided under the terms of the federal real estate  
19 appraisal reform amendments;

20           ~~[L.]~~ R. "residential real estate" or "residential  
21 real property" means real estate designed and suited or  
22 intended for use and occupancy by one to four families,  
23 including use and occupancy of manufactured housing;

24           ~~[M.]~~ S. "specialized services" means those services  
25 that do not fall within the definition of an appraisal

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1 assignment and may include specialized financing or market  
2 analyses and feasibility studies that may incorporate estimates  
3 of value or analyses, opinions or conclusions given in  
4 connection with activities such as real estate brokerage,  
5 mortgage banking, real estate counseling and real estate tax  
6 counseling; provided that the person rendering such services  
7 would not be perceived by third parties or the public as acting  
8 as a disinterested third party in rendering an unbiased  
9 appraisal or real estate appraisal, regardless of the intention  
10 of the client and that person;

11 [N.] T. "state certified appraisal" means any  
12 appraisal that is identified as a state certified appraisal  
13 report or is in any way described as being prepared by a state  
14 certified real estate appraiser;

15 [O.] U. "state certified real estate appraiser"  
16 means a person who [~~holds a current, valid general certificate~~  
17 ~~or a current, valid residential certificate issued pursuant to~~  
18 ~~the provisions of the Real Estate Appraisers Act~~] has satisfied  
19 the requirements for state certification in New Mexico pursuant  
20 to the minimum criteria established by the appraiser  
21 qualifications board of the appraisal foundation and the New  
22 Mexico real estate appraisers board for certified licensing of  
23 real estate appraisers;

24 [P.] V. "state licensed residential real estate  
25 appraiser" means a person who [~~holds a current, valid license~~

1 ~~issued pursuant to the provisions of the Real Estate Appraisers~~  
 2 ~~Act; and~~

3 Q. ~~"state apprentice real estate appraiser" means a~~  
 4 ~~person who holds a current, valid registration issued pursuant~~  
 5 ~~to the provisions of the Real Estate Appraisers Act] has~~  
 6 satisfied the requirements for state licensing in New Mexico  
 7 pursuant to the minimum criteria established by the appraiser  
 8 qualifications board of the appraisal foundation and the New  
 9 Mexico real estate appraisers board for licensing of real  
 10 estate appraisers;

11 W. "supervisory appraiser" means a state certified  
 12 real estate appraiser responsible for the direct supervision of  
 13 appraiser trainees; and

14 X. "uniform standards of professional appraisal  
 15 practice" means the uniform standards of professional appraisal  
 16 practice promulgated by the appraisal foundation and adopted by  
 17 rule pursuant to the Real Estate Appraisers Act."

18 SECTION 2. Section 61-30-4 NMSA 1978 (being Laws 1990,  
 19 Chapter 75, Section 4, as amended) is amended to read:

20 "61-30-4. ADMINISTRATION--ENFORCEMENT.--

21 A. The board shall administer and enforce the Real  
 22 Estate Appraisers Act.

23 B. It is unlawful for a person to engage in the  
 24 business, act in the capacity of, advertise or display in any  
 25 manner or otherwise assume to engage in the business of, or act

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1 as, [~~a state apprentice real estate~~] an appraiser trainee, a  
2 state licensed residential real estate appraiser or a state  
3 certified real estate appraiser without a license issued by the  
4 board. A person who engages in the business or acts in the  
5 capacity of [~~a state apprentice real estate~~] an appraiser  
6 trainee, a state licensed residential real estate appraiser or  
7 a state certified real estate appraiser has submitted to the  
8 jurisdiction of the state and to the administrative  
9 jurisdiction of the board, notwithstanding any other provisions  
10 or statutes governing all professional and occupational  
11 licenses.

12 C. In an effort to preclude discrimination,  
13 criteria shall be established by the board that may include  
14 education achieved, experience, sample appraisals and  
15 references from prior clients. Membership in a nationally  
16 recognized professional appraisal organization may be a  
17 criterion considered, though lack of membership shall not be  
18 the sole bar against consideration for an assignment under  
19 these criteria."

20 SECTION 3. Section 61-30-5 NMSA 1978 (being Laws 1990,  
21 Chapter 75, Section 5, as amended) is amended to read:

22 "61-30-5. REAL ESTATE APPRAISERS BOARD CREATED.--

23 A. There is created a "real estate appraisers  
24 board" consisting of seven members appointed by the governor.  
25 The board is administratively attached to the regulation and

.192470.3



1 licensing department.

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

8 C. Board members shall be appointed to five-year  
9 terms and shall serve until [~~their~~] a successor is appointed  
10 and qualified. Real estate appraiser members may be appointed  
11 for no more than two consecutive five-year terms.

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

15 E. One member of the board shall represent lenders  
16 or their assignees engaged in the business of lending funds  
17 secured by mortgages or in the business of appraisal  
18 management. Two members shall be appointed to represent the  
19 public. The public members shall not have been real estate  
20 appraisers or engaged in the business of real estate appraisals  
21 or have any financial interest, direct or indirect, in real  
22 estate appraisal or any real-estate-related business.

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

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1           G. The board is administratively attached to the  
2 regulation and licensing department, and the appraisal  
3 subcommittee may monitor the board for the purposes of  
4 determining whether the board:

5                   (1) has policies, practices, funding, staffing  
6 and procedures that are consistent with 12 U.S.C. 1101-1125;

7                   (2) processes complaints and completes  
8 investigations in a reasonable time period;

9                   (3) appropriately disciplines sanctioned  
10 appraisers and appraisal management companies;

11                   (4) maintains an effective regulatory program;  
12 and

13                   (5) reports complaints and disciplinary  
14 actions on a timely basis to the national registries on  
15 appraisers and appraisal management companies maintained by the  
16 appraisal subcommittee.

17           H. The appraisal subcommittee may impose sanctions  
18 against the board if it fails to have an effective appraiser  
19 regulatory program."

20           SECTION 4. Section 61-30-7 NMSA 1978 (being Laws 1990,  
21 Chapter 75, Section 7, as amended) is amended to read:

22           "61-30-7. BOARD--POWERS--DUTIES.--The board shall:

23                   A. adopt rules necessary to implement the  
24 provisions of the Real Estate Appraisers Act;

25                   B. establish educational programs and research

1 projects related to the appraisal of real estate;

2 C. establish the administrative procedures for  
3 processing applications and issuing registrations, licenses and  
4 certificates to persons who qualify to be [~~state apprentice~~  
5 ~~real estate appraisers~~] appraiser trainees, state licensed  
6 residential real estate appraisers or state certified real  
7 estate appraisers;

8 D. receive, review and approve applications for  
9 [~~state apprentice real estate appraisers~~] appraiser trainees,  
10 state licensed residential real estate appraisers and each  
11 category of state certified real estate appraisers [~~and, for~~  
12 ~~state licensed or state certified real estate appraisers~~  
13 ~~prepare or supervise the preparation of examination questions~~  
14 ~~and answers and supervise grading of examinations and enter~~  
15 ~~into contracts with one or more educational testing services or~~  
16 ~~organizations for such examinations~~];

17 E. define the extent and type of educational  
18 experience, appraisal experience and equivalent experience that  
19 will meet the requirements for registration, licensing and  
20 certification [~~under~~] pursuant to the Real Estate Appraisers  
21 Act after considering generally recognized appraisal practices  
22 and set minimum requirements for education and experience;

23 F. provide for continuing education programs for  
24 the renewal of registrations, licenses and certification that  
25 will meet the requirements provided in the Real Estate

.192470.3

1 Appraisers Act and set minimum requirements;

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

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

11 I. adopt a code of professional responsibility for  
12 [~~state apprentice real estate appraisers~~] appraiser trainees,  
13 state licensed residential real estate appraisers and state  
14 certified real estate appraisers;

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

18 K. collect and transmit annual registry fees from  
19 individuals who perform or seek to perform appraisals in  
20 federally related transactions and from an appraisal management  
21 company that either has registered with the board or operates  
22 as a subsidiary of a federally regulated financial institution;

23 [K.] L. maintain a registry of the names and  
24 addresses of the persons who hold current registrations,  
25 licenses and certificates issued under the Real Estate

1 Appraisers Act;

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

7 N. register and supervise appraisal management  
 8 companies and the addition of information about appraisal  
 9 management companies to the appraisal subcommittee's national  
 10 registry;

11 O. recognize appraiser certifications and licenses  
 12 from states whose appraisal policies, practices, funding,  
 13 staffing or procedures are found to be consistent with 12  
 14 U.S.C. 1101-1125; and

15 ~~[M.]~~ P. perform such other functions and duties as  
 16 may be necessary to carry out the provisions of the Real Estate  
 17 Appraisers Act."

18 SECTION 5. Section 61-30-8 NMSA 1978 (being Laws 1990,  
 19 Chapter 75, Section 8, as amended) is amended to read:

20 "61-30-8. BOARD--ORGANIZATION--MEETINGS.--

21 A. The board shall organize by electing a  
 22 ~~[chairperson]~~ chair and vice ~~[chairperson and secretary]~~ chair  
 23 from among its members annually. A majority of the board shall  
 24 constitute a quorum and may exercise all powers and duties  
 25 established by the provisions of the Real Estate Appraisers

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1 Act.

2 B. The board shall keep a record of its  
3 proceedings, a register of persons registered, licensed or  
4 certified as [~~state apprentice real estate appraisers~~]  
5 appraiser trainees, state licensed residential real estate  
6 appraisers or state certified real estate appraisers, showing  
7 the name and places of business of each, and shall retain all  
8 records and applications submitted to the board pursuant to the  
9 Real Estate Appraisers Act.

10 C. The board shall meet not less frequently than  
11 once each calendar quarter at such place as may be designated  
12 by the board, and special meetings may be held on five days'  
13 written notice to each of the members by the [~~chairperson~~]  
14 chair. At least annually, the board shall meet in each of the  
15 congressional districts."

16 SECTION 6. Section 61-30-10 NMSA 1978 (being Laws 1990,  
17 Chapter 75, Section 10, as amended) is amended to read:

18 "61-30-10. REGISTRATION, LICENSE OR CERTIFICATION  
19 REQUIRED--EXCEPTIONS.--

20 A. It is unlawful for any person in this state to  
21 engage or attempt to engage in the business of developing or  
22 communicating real estate appraisals or appraisal reports  
23 without first registering as an [~~apprentice~~] appraiser trainee  
24 or obtaining a license or certificate from the board under the  
25 provisions of the Real Estate Appraisers Act.

.192470.3

1           B. No person, unless certified by the board as a  
 2 state certified real estate appraiser under a general  
 3 certification or residential certification, shall:

4                   (1) assume or use any title, designation or  
 5 abbreviation likely to create the impression of a state  
 6 certified real estate appraiser;

7                   (2) use the term "state certified" to describe  
 8 or refer to any appraisal or evaluation of real estate prepared  
 9 by ~~[him]~~ the person;

10                  (3) assume or use any title, designation or  
 11 abbreviation likely to create the impression of certification  
 12 as a state certified real estate appraiser firm, partnership,  
 13 corporation or group; or

14                  (4) assume or use any title, designation or  
 15 abbreviation likely to create the impression of certification  
 16 under a general certificate or describe or refer to any  
 17 appraisal or evaluation of nonresidential real estate by the  
 18 term "state certified" if the preparer's certification is  
 19 limited to residential real estate.

20           C. ~~[A state apprentice real estate]~~ An appraiser  
 21 trainee who is registered but does not hold a license or  
 22 certificate is only authorized to prepare appraisals of all  
 23 types of real estate or real property under direct supervision  
 24 of the supervisory appraiser; provided that such appraisals are  
 25 not described or referred to as being prepared by a "state

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1 certified real estate appraiser" holding a residential or  
2 general certificate or by a "state licensed residential real  
3 estate appraiser"; and provided, further, that such person does  
4 not assume or use any title, designation or abbreviation likely  
5 to create the impression of certification as a state certified  
6 real estate appraiser or licensure as a state licensed  
7 residential real estate appraiser.

8 ~~[D. A holder of a license or residential~~  
9 ~~certificate is authorized to prepare appraisals of~~  
10 ~~nonresidential real estate; provided such appraisals are not~~  
11 ~~described or referred to as "state certified by a general~~  
12 ~~certified appraiser"; and provided, further, the holder of the~~  
13 ~~certificate does not assume or use any title, designation or~~  
14 ~~abbreviation likely to create the impression of general~~  
15 ~~certification.~~

16 ~~E. To perform in federally related transactions, as~~  
17 ~~referenced in the federal Financial Institutions Reform,~~  
18 ~~Recovery and Enforcement Act, a real estate appraiser shall, at~~  
19 ~~a minimum, meet the requirements for licensing as currently~~  
20 ~~defined.~~

21 ~~F. The requirement of registration, licensing or~~  
22 ~~certification shall not apply to a real estate broker or~~  
23 ~~salesperson who, in the ordinary course of business, gives an~~  
24 ~~opinion of the price, or value, of real estate for the purpose~~  
25 ~~of securing a listing, marketing of real property, affecting a~~



1 ~~sale, lease or exchange, conducting market analyses or~~  
 2 ~~rendering specialized services; provided, however, this opinion~~  
 3 ~~of the price or value shall not be referred to or construed as~~  
 4 ~~an appraisal or appraisal report and no compensation, fee or~~  
 5 ~~other consideration is expected or charged for such opinion,~~  
 6 ~~other than the real estate brokerage commission or fee for~~  
 7 ~~services rendered in connection with the identified real estate~~  
 8 ~~or real property.]~~

9 D. In determining whether an appraisal in  
 10 connection with a federally related transaction shall be  
 11 performed by a state certified real estate appraiser, the board  
 12 shall consider whether transactions, either individually or  
 13 collectively, are of sufficient financial or public policy  
 14 importance to the United States that an individual who performs  
 15 an appraisal in connection with such transaction should be a  
 16 state certified real estate appraiser; provided that:

17 (1) a state certified real estate appraiser  
 18 shall be required for all federally related transactions having  
 19 a value of one million dollars (\$1,000,000) or more; and

20 (2) one- to four-unit, single-family  
 21 residential property appraisals may be performed by state  
 22 licensed residential real estate appraisers unless the size and  
 23 complexity requires a state certified real estate appraiser  
 24 because the property to be appraised, the form of ownership of  
 25 the property, the property characteristics or the market

.192470.3

1 condition for the property is atypical.

2 E. The requirement of registration, licensing or  
3 certification shall not apply to a qualifying or associate  
4 broker, as defined under the provisions of Chapter 61, Article  
5 29 NMSA 1978, who gives an opinion of the price of real estate  
6 for the purpose of marketing, selling, purchasing, leasing or  
7 exchanging such real estate or any interest therein or for the  
8 purpose of providing a financial institution with a collateral  
9 assessment of any real estate in which the financial  
10 institution has an existing or potential security interest.  
11 The opinion of the price shall not be referred to or construed  
12 as an appraisal or appraisal report and shall not be used as  
13 the primary basis to determine the value of real estate for the  
14 purpose of loan origination.

15 [~~G.~~] F. The requirement of registration, licensing  
16 or certification shall not apply to real estate appraisers of  
17 the property tax division of the taxation and revenue  
18 department, to a county assessor or to the county assessor's  
19 employees, who as part of their duties are required to engage  
20 in real estate appraisal activity as a county assessor or on  
21 behalf of the county assessor and no additional compensation  
22 fee or other consideration is expected or charged for such  
23 appraisal activity, other than such compensation as is provided  
24 by law.

25 [~~H.~~] G. The prohibition of Subsection A of this

1 section does not apply to persons whose real estate appraisal  
 2 activities are limited to the appraisal of interests in  
 3 minerals, including oil, natural gas, liquid hydrocarbons or  
 4 carbon dioxide, and property held or used in connection with  
 5 mineral property, if that person is authorized in [~~his~~] the  
 6 person's state of residence to practice and is actually engaged  
 7 in the practice of the profession of engineering or geology.

8 [~~F.~~] H. The process of analyzing, without altering,  
 9 an appraisal report, except appraisal reviews as defined by the  
 10 uniform standards of professional appraisal practice, that is  
 11 part of a request for mortgage credit is considered a  
 12 specialized service as defined in Subsection [M] S of Section  
 13 61-30-3 NMSA 1978 and is exempt from the requirements of  
 14 registration, licensing or certification."

15 SECTION 7. Section 61-30-10.1 NMSA 1978 (being Laws 1992,  
 16 Chapter 54, Section 8, as amended) is amended to read:

17 "61-30-10.1. QUALIFICATION FOR [~~STATE APPRENTICE REAL~~  
 18 ~~ESTATE APPRAISERS~~] APPRAISER TRAINEE.--

19 A. Registration as [~~a state apprentice real estate~~]  
 20 an appraiser trainee shall be granted only to persons who are  
 21 deemed by the board to be of good repute and competent to  
 22 render appraisals.

23 B. Each applicant for registration as [~~a state~~  
 24 ~~apprentice real estate~~] an appraiser trainee shall be a legal  
 25 resident of the United States, except as otherwise provided in

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1 Section 61-30-20 NMSA 1978, and have reached the age of  
2 majority.

3 C. Each applicant for registration as [~~a state~~  
4 ~~apprentice real estate~~] an appraiser trainee shall have the  
5 education requirements as established for the [~~apprentice~~  
6 appraiser trainee] classification issued by the appraiser  
7 qualifications board of the appraisal foundation and adopted by  
8 rule pursuant to the Real Estate Appraisers Act.

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

12 SECTION 8. Section 61-30-11 NMSA 1978 (being Laws 1990,  
13 Chapter 75, Section 11, as amended) is amended to read:

14 "61-30-11. QUALIFICATIONS FOR LICENSE.--

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

18 B. Each applicant for a license as a state licensed  
19 residential real estate appraiser shall be a legal resident of  
20 the United States, except as otherwise provided in Section  
21 61-30-20 NMSA 1978, and have reached the age of majority.

22 C. Each applicant for a license as a state licensed  
23 residential real estate appraiser shall have additional  
24 experience and education requirements as established for the  
25 licensed classification issued by the appraiser qualifications

1 board of the appraisal foundation and adopted by rule pursuant  
 2 to the Real Estate Appraisers Act.

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

6 E. Persons who do not meet the qualifications for  
 7 licensure are not qualified for appraisal assignments involving  
 8 federally related transactions."

9 SECTION 9. Section 61-30-12 NMSA 1978 (being Laws 1990,  
 10 Chapter 75, Section 12, as amended) is amended to read:

11 "61-30-12. QUALIFICATIONS FOR ~~CERTIFICATE~~ CERTIFIED  
 12 RESIDENTIAL AND GENERAL REAL ESTATE APPRAISERS.--

13 A. ~~Certificates~~ Certified classification shall be  
 14 granted only to persons who are deemed by the board to be of  
 15 good repute and competent to render appraisals.

16 B. Each applicant for a ~~certificate as a state~~  
 17 certified residential or general real estate appraiser  
 18 classification shall be a legal resident of the United States,  
 19 except as otherwise provided in Section 61-30-20 NMSA 1978, and  
 20 have reached the age of majority.

21 C. Each applicant for a residential certificate as  
 22 a state certified real estate appraiser shall have performed  
 23 actively as a real estate appraiser and shall have additional  
 24 experience and education requirements as established for the  
 25 residential certification classification issued by the

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1 appraiser qualifications board of the appraisal foundation and  
2 adopted by rule pursuant to the Real Estate Appraisers Act.

3 D. Each applicant for a general certificate as a  
4 state certified real estate appraiser shall have performed  
5 actively as a real estate appraiser and have additional  
6 experience and education requirements as established for the  
7 general certification classification issued by the appraiser  
8 qualifications board of the appraisal foundation and adopted  
9 pursuant to the Real Estate Appraisers Act.

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

13 SECTION 10. Section 61-30-13 NMSA 1978 (being Laws 1990,  
14 Chapter 75, Section 13, as amended) is amended to read:

15 "61-30-13. APPLICATION FOR REGISTRATION, LICENSE OR  
16 CERTIFICATE--EXAMINATION.--

17 A. All applications for registrations, licenses or  
18 certificates shall be made to the board in writing, either in  
19 person or electronically, shall specify whether registration or  
20 a license or a certificate is being applied for by the  
21 applicant and, if a certificate, the classification of the  
22 certificate being applied for by the applicant and shall  
23 contain such data and information as may be required by the  
24 board.

25 B. Each applicant for a license or a certificate

1 shall demonstrate, by successfully passing a written  
2 examination, prepared by or under the supervision of the board,  
3 that the applicant possesses, consistent with licensure or the  
4 certification sought, the following:

5 (1) an appropriate knowledge of technical  
6 terms commonly used in or related to real estate appraising,  
7 appraisal report writing and economic concepts applicable to  
8 real estate;

9 (2) a basic understanding of real estate law;

10 (3) an adequate knowledge of theory and  
11 techniques of real estate appraisal;

12 (4) an understanding of the principles of land  
13 economics, real estate appraisal processes and problems likely  
14 to be encountered in the gathering, interpreting and processing  
15 of data in carrying out appraisal disciplines;

16 (5) an understanding of the standards for the  
17 development and communication of real estate appraisals as  
18 provided in the Real Estate Appraisers Act;

19 (6) knowledge of theories of depreciation,  
20 cost estimating, methods of capitalization and the mathematics  
21 of real estate appraisal that are appropriate for the  
22 classification of certificate applied for by the applicant;

23 (7) knowledge of other principles and  
24 procedures as may be appropriate for the respective  
25 classification; and

.192470.3

1 (8) an understanding of the types of  
2 misconduct for which disciplinary proceedings may be initiated  
3 against ~~[a state apprentice real estate]~~ an appraiser trainee,  
4 a state licensed residential real estate appraiser or a state  
5 certified real estate appraiser as set forth in the Real Estate  
6 Appraisers Act.

7 ~~[G. The examination shall be given at least four~~  
8 ~~times each calendar year at such times and places within the~~  
9 ~~state as the board prescribes. The board shall make a~~  
10 ~~reasonable effort to conduct examinations in each congressional~~  
11 ~~district. Notice of passing or failing the examination shall~~  
12 ~~be given by the board to each applicant not later than forty-~~  
13 ~~five days following the date of the examination.~~

14 ~~D.]~~ C. An applicant for a license or a certificate  
15 who fails to successfully complete the written examination may  
16 apply for a reexamination for a license or certificate upon  
17 compliance with such conditions as set forth in the rules  
18 adopted by the board pursuant to the provisions of the Real  
19 Estate Appraisers Act."

20 SECTION 11. Section 61-30-14 NMSA 1978 (being Laws 1990,  
21 Chapter 75, Section 14, as amended) is amended to read:

22 "61-30-14. ISSUANCE AND RENEWAL OF REGISTRATION, LICENSES  
23 AND CERTIFICATES.--

24 A. The board shall issue to each qualified  
25 applicant evidence of registration, a license or a certificate



1 in a form and size prescribed by the board.

2 B. The board in its discretion may renew  
3 registrations, licenses or certificates for periods of one, two  
4 or three years for the purpose of coordinating continuing  
5 education requirements with registration, license or  
6 certificate renewal requirements.

7 C. Each registration, license or certificate holder  
8 shall submit proof of compliance with continuing education  
9 requirements and the renewal fee.

10 D. ~~[At the election of eligible holders of a~~  
11 ~~registration, license or certificate who perform or seek to~~  
12 ~~perform appraisals in federally related transactions under the~~  
13 ~~federal real estate appraisal reform amendments]~~ Each  
14 application for renewal shall include payment of a registry fee  
15 set by the federal financial institutions examination council.  
16 The registry fee shall be transmitted by the board to the  
17 federal financial institutions examination council. ~~[Notice of~~  
18 ~~whether the state apprentice real estate appraiser, state~~  
19 ~~licensed real estate appraiser or state certified real estate~~  
20 ~~appraiser has paid the federal registry fee and is thus~~  
21 ~~eligible to perform in federally related transactions shall be~~  
22 ~~included on the face of each registration, license and~~  
23 ~~certificate issued by the board.]~~

24 E. The board shall certify renewal of each  
25 registration, license or certificate in the absence of any

.192470.3

1 reason or condition that might warrant the refusal of the  
2 renewal of a registration, license or certificate.

3 F. In the event [~~any~~] that a registration, license  
4 or certificate holder fails to properly apply for renewal of  
5 the registration, license or certificate within the thirty days  
6 immediately following [~~his~~] the registration, license or  
7 certificate renewal date of any given year, the registration,  
8 license or certificate shall expire thirty days following the  
9 renewal date.

10 G. The board may renew an expired registration upon  
11 application, payment of the current annual renewal fee,  
12 submission of proof of compliance with continuing education  
13 requirements and payment of a reinstatement fee in the amount  
14 not to exceed two hundred dollars (\$200), in addition to any  
15 other fee permitted under the Real Estate Appraisers Act.

16 H. The board may renew an expired license or  
17 certificate upon application, payment of the current annual  
18 renewal fee, submission of proof of compliance with continuing  
19 education requirements and payment of the reinstatement fee, in  
20 addition to any other fee permitted under the Real Estate  
21 Appraisers Act; provided that the board may, in the board's  
22 discretion, treat the former certificate holder as a new  
23 applicant and further may require reexamination as a condition  
24 to reissuance of a certificate.

25 I. If during a period of one year from the date a

1 registration, license or certificate expires, the registration,  
 2 license or certificate holder is either absent from this state  
 3 on active duty military service or is suffering from an illness  
 4 or injury of such severity that the person is physically or  
 5 mentally incapable of renewal of the registration, license or  
 6 certificate, payment of the reinstatement fee and, in the case  
 7 of a license or certificate holder, reexamination shall not be  
 8 required by the board if, within three months of the person's  
 9 permanent return to this state or sufficient recovery from  
 10 illness or injury to allow the person to make an application,  
 11 the person makes application to the board for renewal. A copy  
 12 of the person's military orders or a certificate of the  
 13 applicant's physician shall accompany the application.

14 J. The board may adopt additional requirements by  
 15 rule for the issuance or renewal of registrations, licenses  
 16 or certificates to maintain or upgrade real estate appraiser  
 17 qualifications at a level no less than the recommendations of  
 18 the appraiser qualifications board of the appraisal  
 19 foundation or the requirements of the appraisal  
 20 subcommittee."

21 SECTION 12. Section 61-30-15 NMSA 1978 (being Laws 1990,  
 22 Chapter 75, Section 15, as amended) is amended to read:

23 "61-30-15. REFUSAL, SUSPENSION OR REVOCATION OF  
 24 REGISTRATION, LICENSE OR CERTIFICATE.--

25 A. The board, consistent with Section 61-30-7 NMSA

.192470.3

1 1978, shall refuse to issue or renew a registration, license or  
2 certificate or shall suspend or revoke a registration, license  
3 or certificate at any time when the applicant, [~~state~~  
4 ~~apprentice real estate~~] appraiser trainee, state licensed  
5 residential real estate appraiser or state certified real  
6 estate appraiser, in performing or attempting to perform any of  
7 the actions set forth in the Real Estate Appraisers Act, is  
8 determined by the board to have:

9 (1) procured or attempted to procure a  
10 registration, license or certificate by knowingly making a  
11 false statement or submitting false information or through any  
12 form of fraud or misrepresentation;

13 (2) refused to provide complete information in  
14 response to a question in an application for registration, a  
15 license or certificate or failed to meet the minimum  
16 qualifications established by the Real Estate Appraisers Act;

17 (3) paid money, other than as provided for in  
18 the Real Estate Appraisers Act, to any member or employee of  
19 the board to procure registration, a license or a certificate;

20 (4) been convicted of a crime that is  
21 substantially related to the qualifications, functions and  
22 duties of the person developing real estate appraisals and  
23 communicating real estate appraisals to others;

24 (5) committed an act involving dishonesty,  
25 fraud or misrepresentation or by omission engaged in a

1 dishonest or fraudulent act or misrepresentation with the  
2 intent to substantially benefit the registration, license or  
3 certificate holder or another person or with the intent to  
4 substantially injure another person;

5 (6) willfully disregarded or violated any of  
6 the provisions of the Real Estate Appraisers Act or the rules  
7 of the board adopted pursuant to that act;

8 (7) accepted an appraisal assignment when the  
9 employment itself is contingent upon the real estate appraiser  
10 reporting a predetermined analysis or opinion or where the fee  
11 to be paid for the performance of the appraisal assignment is  
12 contingent upon the opinion, conclusion or valuation reached or  
13 upon the consequences resulting from the appraisal assignment;  
14 provided that a contingent fee agreement is permitted for the  
15 rendering of special services not constituting an appraisal  
16 assignment and the acceptance of a contingent fee is clearly  
17 and prominently stated on the written appraisal report;

18 (8) suffered the entry of a final civil  
19 judgment on the grounds of fraud, misrepresentation or deceit  
20 in the making of an appraisal; provided that the [~~state~~  
21 ~~apprentice real estate~~] appraiser trainee, state licensed  
22 residential real estate appraiser or state certified real  
23 estate appraiser shall be afforded an opportunity to present  
24 matters in mitigation and extenuation, but may not collaterally  
25 attack the civil judgment; or

.192470.3

1 (9) committed any other conduct that is  
2 related to dealings as [~~a state apprentice real estate~~] an  
3 appraiser trainee, a state licensed residential real estate  
4 appraiser or a state certified real estate appraiser and that  
5 constitutes or demonstrates bad faith, untrustworthiness,  
6 impropriety, fraud, dishonesty or any unlawful act.

7 B. The board, consistent with Section 61-30-7 NMSA  
8 1978, shall refuse to issue or renew a registration, license or  
9 certificate and shall suspend or revoke a registration, license  
10 or certificate at any time when the board determines that the  
11 applicant or [~~state apprentice real estate~~] appraiser trainee,  
12 state licensed residential real estate appraiser or state  
13 certified real estate appraiser, in the performance of real  
14 estate appraisal work, has:

15 (1) repeatedly failed to observe one or more  
16 of the standards for the development or communication of real  
17 estate appraisals set forth in the rules adopted pursuant to  
18 the Real Estate Appraisers Act;

19 (2) repeatedly failed or refused, without good  
20 cause, to exercise reasonable diligence in developing an  
21 appraisal, preparing an appraisal report or communicating an  
22 appraisal;

23 (3) repeatedly been negligent or incompetent  
24 in developing an appraisal, in preparing an appraisal report or  
25 in communicating an appraisal; or

1 (4) violated the confidential nature of  
 2 records to which the [~~state apprentice real estate~~] appraiser  
 3 trainee, state licensed residential real estate appraiser or  
 4 state certified real estate appraiser gained access through  
 5 employment or engagement as such an appraiser.

6 C. The action of the board relating to the  
 7 issuance, suspension or revocation of any registration, license  
 8 or certificate shall be governed by the provisions of the  
 9 Uniform Licensing Act; provided that the time limitations set  
 10 forth in the Uniform Licensing Act shall not apply to the  
 11 processing of administrative complaints filed with the board,  
 12 which shall be governed by federal statute, regulation or  
 13 policy. The board shall participate in any hearings required  
 14 or conducted by the board pursuant to the provisions of the  
 15 Uniform Licensing Act.

16 D. The provisions of the Criminal Offender  
 17 Employment Act shall govern any consideration of criminal  
 18 records required or permitted under the Real Estate Appraisers  
 19 Act.

20 E. Nothing in the Real Estate Appraisers Act shall  
 21 be construed to preclude any other remedies otherwise available  
 22 under common law or statutes of this state."

23 **SECTION 13.** Section 61-30-16 NMSA 1978 (being Laws 1990,  
 24 Chapter 75, Section 16, as amended) is amended to read:

25 "61-30-16. STANDARDS OF PROFESSIONAL APPRAISAL

.192470.3

underscored material = new  
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1 PRACTICE--CERTIFICATE OF GOOD STANDING.--

2 A. Each [~~real estate appraiser registered, licensed~~  
3 ~~or certified under the Real Estate Appraisers Act]~~ appraiser  
4 trainee, state licensed residential real estate appraiser or  
5 state certified real estate appraiser shall comply with  
6 generally accepted standards of professional appraisal practice  
7 and generally accepted ethical rules to be observed by a real  
8 estate appraiser. Generally accepted standards of professional  
9 appraisal practice are currently evidenced by the uniform  
10 standards of professional appraisal practice [~~promulgated by~~  
11 ~~the appraisal foundation and as adopted by regulation under the~~  
12 ~~Real Estate Appraisers Act]~~. Real estate appraisals shall be  
13 written or oral appraisals and subject to appropriate review  
14 for compliance with the uniform standards of professional  
15 appraisal practice. The work file for an oral appraisal report  
16 shall be subject to appropriate review for compliance with the  
17 uniform standards of professional appraisal practice.

18 B. The board, upon payment of a fee in an amount  
19 specified in its regulations, may issue a certificate of good  
20 standing to any state registered, licensed or certified real  
21 estate appraiser who is in good standing under the Real Estate  
22 Appraisers Act."

23 SECTION 14. Section 61-30-17 NMSA 1978 (being Laws 1990,  
24 Chapter 75, Section 17, as amended) is amended to read:

25 "61-30-17. FEES.--

.192470.3



1           A. The board shall charge and collect the following  
2 fees not to exceed:

3                   ~~[A.]~~ (1) an application fee for a  
4 registration, two hundred dollars (\$200);

5                   ~~[B.]~~ (2) an application fee for a license or  
6 residential certification, four hundred dollars (\$400);

7                   ~~[C.]~~ (3) an application fee for general  
8 certification, five hundred dollars (\$500);

9                   ~~[D.]~~ (4) an examination fee for general and  
10 residential certification or license, two hundred dollars  
11 (\$200);

12                   ~~[E.]~~ (5) a registration renewal fee, two  
13 hundred fifty dollars (\$250);

14                   ~~[F.]~~ (6) a certificate renewal fee for  
15 residential certification, or license renewal, four hundred  
16 fifty dollars (\$450);

17                   ~~[G.]~~ (7) a certificate renewal fee for general  
18 certification, five hundred dollars (\$500);

19                   ~~[H.]~~ (8) the registry fee as required by the  
20 federal real estate appraisal reform amendments;

21                   ~~[I.]~~ (9) for registration for temporary  
22 practice, two hundred dollars (\$200);

23                   ~~[J.]~~ (10) for each duplicate registration,  
24 license or certificate issued because a registration, license  
25 or certificate is lost or destroyed and an affidavit as to its

.192470.3

1 loss or destruction is made and filed, fifty dollars (\$50.00);  
2 and

3 ~~[K-]~~ (11) fees to cover reasonable and  
4 necessary administrative expenses.

5 B. The board shall establish the fee for appraisal  
6 management company registration by rule to cover the cost of  
7 the administration of the Appraisal Management Company  
8 Registration Act, but in no case shall the fee be more than two  
9 thousand dollars (\$2,000). Registration fees shall be credited  
10 to the appraiser fund pursuant to Section 61-30-18 NMSA 1978."

11 SECTION 15. Section 61-30-18 NMSA 1978 (being Laws 1990,  
12 Chapter 75, Section 18, as amended) is amended to read:

13 "61-30-18. APPRAISER FUND CREATED--DISPOSITION--METHOD OF  
14 PAYMENT.--

15 A. There is created in the state treasury the  
16 "appraiser fund" to be administered by the board. All fees  
17 received by the board pursuant to the Real Estate Appraisers  
18 Act and the Appraisal Management Company Registration Act shall  
19 be deposited with the state treasurer to the credit of the  
20 appraiser fund. Income earned on investment of the fund shall  
21 be credited to the fund.

22 B. Money in the appraiser fund shall be used by  
23 the board to meet necessary expenses incurred in the  
24 enforcement of the provisions of the Real Estate Appraisers  
25 Act and the Appraisal Management Company Registration Act, in

1 carrying out the duties imposed by the Real Estate Appraisers  
 2 Act and the Appraisal Management Company Registration Act and  
 3 for the promotion of education and standards for real estate  
 4 appraisers in this state. Payments out of the appraiser fund  
 5 shall be on vouchers issued and signed by the person  
 6 designated by the board upon warrants drawn by the department  
 7 of finance and administration.

8 C. All unexpended or unencumbered balances  
 9 remaining at the end of each fiscal year shall remain in the  
 10 appraiser fund for use in accordance with the provisions of  
 11 the Real Estate Appraisers Act and the Appraisal Management  
 12 Company Registration Act. Money in the fund shall be used by  
 13 the board to support efforts to comply with 12 U.S.C. 1101-  
 14 1125, including the complaint process, complaint  
 15 investigations and appraiser enforcement activities."

16 **SECTION 16.** Section 61-30-19 NMSA 1978 (being Laws  
 17 1990, Chapter 75, Section 19, as amended) is amended to read:

18 "61-30-19. CONTINUING EDUCATION.--

19 A. The board shall adopt rules providing for  
 20 continuing education programs that offer courses in real  
 21 property appraisal, practices and techniques, including basic  
 22 real estate law and practice. The rules shall require that  
 23 every [~~state apprentice real estate~~] appraiser trainee, state  
 24 licensed residential real estate appraiser or state certified  
 25 real estate appraiser, as a condition to renewal, shall

.192470.3

1 successfully complete the continuing education requirements  
2 approved by the board.

3 B. The rules shall prescribe areas of specialty  
4 or expertise relating to registration, licenses and the type  
5 of certificate held and may require that a certain part of  
6 continuing education be devoted to courses in the area of the  
7 ~~[state apprentice real estate appraiser's]~~ appraiser  
8 trainee's, state licensed residential real estate appraiser's  
9 or state certified real estate appraiser's specialty or  
10 expertise. The rules shall also permit ~~[state apprentice~~  
11 ~~real estate appraisers]~~ appraiser trainees, state licensed  
12 residential real estate appraisers or state certified real  
13 estate appraisers to meet the continuing education  
14 requirements by participation other than as a student in  
15 educational processes and programs in real property appraisal  
16 theory, practices and techniques by instructing or preparing  
17 educational materials."

18 SECTION 17. Section 61-30-20 NMSA 1978 (being Laws  
19 1990, Chapter 75, Section 20, as amended) is amended to read:

20 "61-30-20. NONRESIDENT APPLICANTS--RECIPROCIITY.--

21 A. The board shall issue a registration, license  
22 or certificate to a nonresident ~~[provided that]~~ applicant if  
23 the applicant's resident state's requirements for  
24 registration, licensing or certification are ~~[the same or~~  
25 ~~similar to the requirements]~~ in compliance with 12 U.S.C.

.192470.3

1 1101-1125 and the applicant holds a valid certificate from a  
 2 state whose requirements for certification or licensing meet  
 3 or exceed the licensure standards set forth in the Real  
 4 Estate Appraisers Act [~~In the event that the other state's~~  
 5 ~~requirements are not similar or cannot be verified, a~~  
 6 ~~qualifying nonresident applicant may become a state~~  
 7 ~~apprentice real estate appraiser, state licensed real estate~~  
 8 ~~appraiser or state certified real estate appraiser by~~  
 9 ~~conforming to all conditions of the Real Estate Appraisers~~  
 10 ~~Act] and the reciprocal state is in compliance with the  
 11 appraisal subcommittee.~~

12 B. Examinations taken in other states are  
 13 acceptable in New Mexico at the board's discretion if the  
 14 exam was at the appropriate level and approved by the  
 15 appraisal foundation. [~~If it is beneficial to New Mexico~~  
 16 ~~state apprentice real estate appraisers, state licensed real~~  
 17 ~~estate appraisers or state certified real estate appraisers,~~  
 18 ~~the board may negotiate agreements with other states allowing~~  
 19 ~~reciprocity.]~~

20 C. The registration, license or certificate shall  
 21 be issued upon payment of the application fee, verification  
 22 that the applicant has complied with [~~his~~] the applicant's  
 23 resident state's current education requirements and the  
 24 filing with the board of a license history and verification  
 25 of good standing issued by the licensing board of the other

.192470.3

1 state.

2 ~~[B. The applicant shall file an irrevocable~~  
3 ~~consent that suits and actions may be commenced against him~~  
4 ~~in the proper court of any county of this state in which a~~  
5 ~~cause of action may arise from his actions as a state~~  
6 ~~apprentice real estate appraiser, state licensed real estate~~  
7 ~~appraiser or state certified real estate appraiser or in~~  
8 ~~which the plaintiff may reside, by the service of any~~  
9 ~~processes or pleadings authorized by the laws of this state~~  
10 ~~on the board, the consent stipulating and agreeing that such~~  
11 ~~service of processes or pleadings on the board shall be taken~~  
12 ~~and held in all courts to be as valid and binding as if~~  
13 ~~personal service has been made upon the applicant in New~~  
14 ~~Mexico. In case any process or pleading mentioned in the~~  
15 ~~case is served upon the board, it shall be by duplicate~~  
16 ~~copies, one of which shall be filed in the office of the~~  
17 ~~board and the other immediately forwarded by registered mail~~  
18 ~~to the nonresident state apprentice real estate appraiser,~~  
19 ~~state licensed real estate appraiser or state certified real~~  
20 ~~estate appraiser to whom the processes or pleadings are~~  
21 ~~directed.]"~~

22 SECTION 18. Section 61-30-21 NMSA 1978 (being Laws  
23 1990, Chapter 75, Section 21, as amended) is amended to read:

24 "61-30-21. TEMPORARY PRACTICE.--

25 A. The board shall recognize, on a temporary

.192470.3

1 basis, the registration, certification or license of a real  
2 estate appraiser issued by another state if:

3 (1) the real estate appraiser's business is  
4 of a temporary nature and certified by the real estate  
5 appraiser not to exceed six months; and

6 (2) the real estate appraiser registers the  
7 temporary practice with the board.

8 B. The applicant or any person registering with  
9 the board for temporary practice shall file an irrevocable  
10 consent that suits and actions may be commenced against [~~him~~]  
11 the applicant in the proper court of any county of this state  
12 in which a cause of action may arise from [~~his~~] the  
13 applicant's actions as [~~a state apprentice real estate~~] an  
14 appraiser trainee, a state licensed residential real estate  
15 appraiser or a state certified real estate appraiser or in  
16 which the plaintiff may reside, by the service of any  
17 processes or pleadings authorized by the laws of this state  
18 on the board, the consent stipulating and agreeing that such  
19 service of processes or pleadings on the board shall be taken  
20 and held in all courts to be as valid and binding as if  
21 personal service had been made upon the applicant in New  
22 Mexico. [~~In case any~~] If a process or pleading mentioned in  
23 the case is served upon the board, it shall be by duplicate  
24 copies, one of which shall be filed in the office of the  
25 board and the other immediately forwarded by registered mail

.192470.3

1 to the nonresident [~~state apprentice real estate~~] appraiser  
2 trainee, state licensed residential real estate appraiser or  
3 state certified real estate appraiser to whom the processes  
4 or pleadings are directed."

5 SECTION 19. Section 61-30-22 NMSA 1978 (being Laws  
6 1990, Chapter 75, Section 22, as amended) is amended to read:

7 "61-30-22. CIVIL AND CRIMINAL PENALTIES--INJUNCTIVE  
8 RELIEF.--

9 A. Any person who violates any provision of the  
10 Real Estate Appraisers Act is guilty of a misdemeanor and  
11 shall be punished by a fine of not more than one thousand  
12 dollars (\$1,000) or by imprisonment for not more than six  
13 months or both.

14 B. In the event any person has engaged in or  
15 proposes to engage in any act or practice violating a  
16 provision of the Real Estate Appraisers Act, the attorney  
17 general or the district attorney of the judicial district in  
18 which the person resides or the judicial district in which  
19 the violation has occurred or will occur shall, upon  
20 application of the board, maintain an action in the name of  
21 the state to prosecute the violation or to enjoin the  
22 proposed act or practice.

23 C. The board may impose a civil penalty in an  
24 amount not to exceed one thousand dollars (\$1,000) for each  
25 violation of the Real Estate Appraisers Act and assess



1 administrative costs for any investigation and administrative  
 2 or other proceedings against [~~a state apprentice real estate~~]  
 3 an appraiser trainee, a state licensed residential real  
 4 estate appraiser or a state certified real estate appraiser  
 5 or against any person who is found, through an administrative  
 6 proceeding, to have acted without a license. Appeals from  
 7 decisions of the board shall be taken as provided in Section  
 8 39-3-1.1 NMSA 1978."

9 SECTION 20. A new section of the Real Estate Appraisers  
 10 Act is enacted to read:

11 "[NEW MATERIAL] AUTOMATED VALUATION MODELS USED TO  
 12 ESTIMATE COLLATERAL VALUE FOR MORTGAGE LENDING PURPOSES.--

13 A. Automated valuation models shall adhere to  
 14 quality control standards designed to:

15 (1) ensure a high level of confidence in the  
 16 estimates produced by automated valuation models;

17 (2) protect against the manipulation of  
 18 data;

19 (3) seek to avoid conflicts of interest;

20 (4) require random sample testing and  
 21 reviews; and

22 (5) account for any other such factor that  
 23 the board determines to be appropriate.

24 B. The board, in consultation with the staff of  
 25 the appraisal subcommittee and the appraisal standards board

.192470.3

underscored material = new  
 [bracketed material] = delete

1 of the appraisal foundation, shall promulgate rules to  
2 implement the quality control standards required under this  
3 section."

4 SECTION 21. A new section of the Real Estate Appraisers  
5 Act is enacted to read:

6 "[NEW MATERIAL] CRIMINAL BACKGROUND CHECKS.--

7 A. The board may adopt rules that provide for  
8 criminal background checks for all registrants, certified  
9 licensees and licensees to include:

10 (1) requiring criminal history background  
11 checks of applicants for registration, certified licensure or  
12 licensure pursuant to the Real Estate Appraisers Act;

13 (2) requiring applicants for registration,  
14 or certified licensure or licensure to be fingerprinted;

15 (3) providing for an applicant who has been  
16 denied registration or certified licensure or licensure to  
17 inspect or challenge the validity of the background check  
18 record;

19 (4) establishing a fingerprint and  
20 background check fee not to exceed fees as determined by the  
21 department of public safety to be paid by the applicant; and

22 (5) providing for submission of an  
23 applicant's fingerprint cards to the federal bureau of  
24 investigation to conduct a national criminal history  
25 background check and to the department of public safety to

.192470.3

1 conduct a state criminal history check.

2 B. Arrest record information received from the  
3 department of public safety and the federal bureau of  
4 investigation shall be privileged and shall not be disclosed  
5 to persons not directly involved in the decision affecting  
6 the applicant.

7 C. Electronic live fingerprint scans may be used  
8 when conducting criminal history background checks."

underscored material = new  
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