

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2206

2001 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2206

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2206

Senate Industry, Business and Labor Committee

Conference Committee

Hearing Date January 23, 2001

Tape Number	Side A	Side B	Meter #
1		X	24.0 to 42
Committee Clerk Signature <i>Denis P. Pines</i>			

Minutes:

The meeting was called to order. All committee members present. Hearing was opened on SB 2206 relating to permits to practice as a real estate appraiser; and to provide a penalty.

SENATOR STEVE TOMAC, appraiser, favors this bill. Housekeeping bill, for clarification.

JOE IBACH, President, ND Real Estate Appraiser Qualifications & Ethics Board, favors this bill. Introduced amendments to clarify issue of out of state appraisers by inserting "non resident", to correct writing error and to provide a penalty. Amendments enclosed.

Discussion held. SENATOR ESPEGARD: Motion to adopt amendment.

SENATOR EVERY: Second. Roll call vote: 7 yes; 0 no. Motion carried.

SENATOR ESPEGARD: Motion: do pass as amended. SENATOR D. MATHERN: Second.

Roll call vote: 7 yes; 0 no. Carrier: SENATOR EVERY

Date: 1/23/01  
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2206

Senate Industry, Business and Labor Committee

- Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Adopt amendment

Motion Made By Sen Espgaard Seconded By Sen Brewer

Senators	Yes	No	Senators	Yes	No
Senator Mutch - Chairman	✓		Senator Every	✓	
Senator Klein - Vice Chairman	✓		Senator Mathern	✓	
Senator Espgaard	✓				
Senator Krebsbach	✓				
Senator Tollefson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

To clarify.

Date: 1/23/01  
Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2206

Senate Industry, Business and Labor Committee

- Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken DPAA

Motion Made By Sen Espegard Secended By Sen Mathern

Senators	Yes	No	Senators	Yes	No
Senator Mutch - Chairman	✓		Senator Every	✓	
Senator Klein - Vice Chairman	✓		Senator Mathern	✓	
Senator Espegard	✓				
Senator Krebsbach	✓				
Senator Tollefson	✓				

Total (Yes) 7 No 0

Absent 0

Floor Assignment S Every

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2206: Industry, Business and Labor Committee (Sen. Mutch, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2206 was placed on the Sixth order on the calendar.

Page 1, line 1, after the first comma insert "subsection 2 of section 43-23.3-08,"

Page 1, after line 18, insert:

**"SECTION 2. AMENDMENT.** Subsection 2 of section 43-23.3-08 of the North Dakota Century Code is amended and reenacted as follows:

2. An applicant for a permit to practice as a licensed appraiser must have a high school education or its equivalent. In addition, an applicant must have successfully completed the minimum education requirements established by the appraisal ~~subcommittee~~foundation and the board."

Renumber accordingly

2001 HOUSE POLITICAL SUBDIVISIONS

SB 2206

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2206

House Political Subdivisions Committee

Conference Committee

Hearing Date 3-8-01

Tape Number	Side A	Side B	Meter #
1	xx		1740-4020
Committee Clerk Signature <i>Pamela</i>			

Minutes: Chair Froseth opened the hearing on SB2206 relating to permits to practice as a real estate appraiser and to provide a penalty.

Sen. Steve Tomac, Dist. 31 : prime sponsor and support this bill. I am a licensed and certified appraiser in ND and SD. This bill is a technical corrections bill. There was an oversight in legislation in 1991 or 1993. We now have a board that oversees appraisers. This really raised the standard of appraisers in ND. This bill deals with out of state appraisers. There was no opposition in the senate.

Chair Froseth : Can you explain page 2, line 6 it says a non-resident permit. Is this the same as a nonresident license?

Sen. Tomac : I believe it is a temporary permit. If you are an out of state appraiser, you are granted a one event permit.

Chair Froseth : Then on line 23, the word "subcommittee" is changed to "foundation". Why?



Sen. Tomac : Because of federal legislation, there are two types of groups that deal with appraisal issues. One is subcommittee, and one is the foundation. That was an oversight when the original law was passed.

Dave Campbell, ND Real Estate Appraiser Qualifications & Ethics Board : (2530) testified in support of SB2206. (SEE ATTACHED TESTIMONY) This testimony is what Joe Ibach used when this bill was on the senate side. We need this to be in place for those who come into ND and may damage a ND person, there is presently no laws in place to protect ND. There are 2 levels of appraisers. One, is certified which requires more then licensed. Most licensed appraisers do house appraisals. A certified can appraise residential and agricultural, multifamily dwellings, and commercial. They need a competency to perform the work. Both types write an examination. These exams are a national test. If you take the test in MN, we in ND give you credit for it. There are two methods for an out of state appraiser to come and work in ND. One, is through reciprocity. You fill out a form and pay \$225 for the year. The second, is a permit, called a temporary practice permit, and is temporary, and is for one assignment or contract. You are subject to the rules of ND. If there is discipline action needed, it will take place in ND, not in the state you came from.

Rep. Delmore : Are the minimum requirements for education the one required for the licensed level? And which states have reciprocity with us?

Dave : Yes. There are 13 states, and MN is not one of the states. MN does not look at the work product. All they do is ask how many hours you did and they don't look at it. ND and SD do look at the work.

Jodee Campbell, Real Estate Appraisers : in support of bill and here to answer questions. A certification cost \$275 as does a license. It is good for one year. The temporary permit is \$150 per contract event.

Rep. Herbel : Do the licenses and certifications require continuing education?

Jodee : There is continuing education required. 42 hours every 3 years. To become certified in ND you need to (1) pass the national exam, (2) take 180 hours of education, and (3) have 3000 hours experience over 36 months. To be licensed you still need to pass the exam, only 90 hours of education, and have 2000 hours experience over 2 years.

Chair Froseth : Any more testimony? Hearing none, the hearing is closed. What does committee wish?

Rep. Disrud : I move a DO PASS.

Rep. Delmore : I second.

**VOTE: 12 YES and 0 NO with 3 absent. PASSED. Rep. Herbel will carry the bill.**

Date: 3-8-01  
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2206

House POLITICAL SUBDIVISIONS Committee

Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Rep. Disrud Seconded By Rep. Delmore

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth			Rep. Wayne W. Tieman		
Vice-Chair Dale C. Severson					
Rep. Lois Delmore					
Rep. Rachael Disrud					
Rep. Bruce Eckre		23			
Rep. Mary Ekstrom					
Rep. April Fairfield		AB			
Rep. Michael Grosz					
Rep. Jane Gunter					
Rep. Gil Herbel					
Rep. Nancy Johnson					
Rep. William E. Kretschmar					
Rep. Carol A. Niemeier					
Rep. Andrew G. Maragos		AB			

Total (Yes) 12 No 0

Absent 3 ab-

Floor Assignment Rep. Herbel

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
March 8, 2001 11:08 a.m.

Module No: HF-40-5102  
Carrier: Herbel  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2206, as engrossed: Political Subdivisions Committee (Rep. Froseth, Chairman)**  
recommends **DO PASS** (12 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING).  
Engrossed SB 2206 was placed on the Fourteenth order on the calendar.

2001 TESTIMONY

SB 2206

**January 23, 2001**

**Senate Bill No. 2206**

**Presented By: Joe Ibach  
President, North Dakota Real Estate Appraiser Qualifications  
& Ethics Board**

**Requesting two amendments to section 43-23.3 of the North Dakota Century Code  
"Real Estate Appraisers"**

**1. Amendment to 43-23.3-04 :**

**Essentially, North Dakota is a voluntary state as it pertains to licensing/certifying appraisers. A license or certification is needed only when performing appraisals for federally insured transactions. However, the appraiser cannot serve a dual role. Once the appraiser becomes licensed or certified, they must comply with section 43-23.3 of the North Dakota Century Code. As our law presently reads, it is unclear as to whether it applies to out-of-state appraisers. We are, therefore, requesting that the language be inserted which specifically refers to "nonresidents".**

**2. Amendment to 43-23.3-09**

**This amendment originates simply to correct an error from the original writing. This law was enacted in 1991 as to meet the federal criteria established by the Financial Institutions Reform Recovery & Enforcement Act of 1989. The Appraisal Foundation through the Appraiser Qualifications Board, not the Appraisal Subcommittee, establishes the minimum experience requirements. This amendment is, therefore, needed to comply with the strictest sense of the federal law.**

**3. Amendment to 43-23.3-23**

**This amendment simply provides the penalty that corresponds to the first amendment relating to the "nonresident" appraiser.**

# **NORTH DAKOTA REAL ESTATE APPRAISER QUALIFICATIONS AND ETHICS BOARD**

**PO BOX 1886 - BISMARCK - NORTH DAKOTA 58502**

**PHONE: (701) 222-1051 / FAX: (701) 222-1051**

**ND Appraisal Board proposes a further amendment to 43-23.3:**

**43-23.3-08 application prerequisites.**

2. An applicant for a permit to practice as a licensed appraiser must have a high school education or its equivalent. In addition, an applicant must have successfully completed the minimum education requirements established by the appraisal subcommittee appraisal foundation and the board.

