

HOUSE No. 459

The Commonwealth of Massachusetts

PRESENTED BY:

Thomas M. Stanley

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act making corrective changes to Chapter 112 of the General Laws.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Thomas M. Stanley</i>	<i>9th Middlesex</i>	<i>1/29/2021</i>
<i>William M. Straus</i>	<i>10th Bristol</i>	<i>3/3/2021</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>	<i>3/3/2021</i>
<i>David F. DeCoste</i>	<i>5th Plymouth</i>	<i>3/3/2021</i>
<i>Michael P. Kushmerek</i>	<i>3rd Worcester</i>	<i>3/12/2021</i>

HOUSE No. 459

By Mr. Stanley of Waltham, a petition (accompanied by bill, House, No. 459) of Thomas M. Stanley and others relative to the licensing of small appraisal companies. Consumer Protection and Professional Licensure.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Second General Court
(2021-2022)

An Act making corrective changes to Chapter 112 of the General Laws.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 276 of chapter 112 of the General Laws, as appearing in the 2020
2 Official Edition, is hereby amended by inserting after the DEFINITION OF “Employee in
3 charge” the following paragraph:-

4 “Federal Appraisal Subcommittee”, a subcommittee of the Federal Financial Institutions
5 Examinations Council which consists of the designees of the heads of the federal financial
6 institutions’ regulatory agencies, pursuant to Title XI of the Financial Institutions Reform,
7 Recovery and Enforcement Act of 1989, and the designee of the Secretary of Housing and Urban
8 Development.

9 SECTION 2. Section 277 of chapter 112 of the General Laws, as so appearing, is hereby
10 amended by striking out, in subsection (a)(ii), the words “engage in or attempt to perform
11 appraisal management services or to”.

SECTION 3. The first sentence of section 278 of said chapter 112, as so appearing, is hereby amended by inserting after the word “Financial” the word “Institutions”.

SECTION 4. Section 279 of said chapter 112, as so appearing, is hereby amended by striking out subsection (c) and inserting in place thereof the following:-

(c) A person who directly or indirectly owns more than 10 per cent of an entity applying for registration and the controlling person and employee in charge of an entity applying for registration shall be of good moral character as determined by the board and shall, at a minimum, furnish to the board information concerning the person’s identity, for submission to any government agency or entity authorized to receive such information for a criminal history background check as determined by the board. An appraisal management company that is owned, in whole or in part, directly or indirectly, by a person who has had a license or certificate to act as an appraiser or to engage in any activity related to the transfer of real property refused, denied, canceled, surrendered in lieu of revocation or revoked in the commonwealth or in any other state, whether on a temporary or permanent basis, shall not be eligible for registration.

SECTION 5. Section 283 of said chapter 112, as so appearing, is hereby amended by inserting after the first sentence the following sentence: “The board shall collect and remit to the Federal Appraisal Subcommittee the annual national registry fee received from each appraisal management company and each federally regulated appraisal management company as required by federal rules or regulations promulgated pursuant to Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, 12 U.S.C. 3331 et seq.”

SECTION 6. Section 285 of said chapter 112, as so appearing, is hereby amended by striking out, in subsection (a), the words “managing principal”.

SECTION 7. Said section 285 of said chapter 112 is hereby further amended by striking out, in subsection (b), the words “managing principal”.

SECTION 8. Section 286 of said chapter 112, as so appearing, is hereby amended by striking out, in subsection (a), the words “managing principal”.

SECTION 9. Said section 286 of said chapter 112 is hereby further amended by striking out, in subsection (b), the words “managing principal,”.

SECTION 10. Section 289 of said chapter 112, as so appearing, is hereby amended by inserting, in subsection (b), after the words “controlling person,” the word “or” and by striking out, in said subsection (b), the words “or managing principal”.

Section 11. This act shall take effect upon passage.