

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Commerce and Tourism

BILL: CS/SB 776

INTRODUCER: Innovation, Industry, and Technology Committee and Senator Perry

SUBJECT: Florida Real Estate Appraisal Board

DATE: February 17, 2020

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Baird/Oxamendi</u>	<u>Imhof</u>	<u>IT</u>	<u>Fav/CS</u>
2.	<u>Reeve</u>	<u>McKay</u>	<u>CM</u>	<u>Pre-meeting</u>
3.	_____	_____	<u>RC</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 776 reduces the number of members of the Florida Real Estate Appraisal Board (board) from nine to seven members. The bill removes from the board one of the two members that represent the appraisal management industry and one of the two members that represent the general public and are not connected in any way with the practice of real estate appraisal. The members of the board must reflect the ethnic and gender diversity of Florida.

The bill takes effect November 1, 2020.

II. Present Situation:

The Florida Real Estate Appraisal Board (board) within the Department of Business and Professional Regulation (DBPR) regulates the 6,655 active and 308 inactive real estate appraisers in this state¹ under part II of ch. 475, F.S., The board, through its rules, is authorized to:²

- Regulate the issuance of licenses, certifications, registrations, and permits;
- Discipline appraisers;
- Establish qualifications for licenses, certifications, registrations, and permits;

¹ Florida Department of Business and Professional Regulation, *Divisions of Professions, Certified Public Accounting, Real Estate, and Regulation Annual Report*, 19 (2019), available at http://www.myfloridalicense.com/DBPR/os/documents/DivisionAnnualReport_FY1819.pdf (last visited Feb. 17, 2020).

² Section 475.613(2), F.S.

- Regulate approved courses;
- Establish standards for real estate appraisals; and
- Establish standards for and regulate supervisory appraisers.

The board consists of nine members that are appointed by the Governor and subject to confirmation by the Senate. The Governor may remove any member for cause. The board must consist of:³

- Four real estate appraisers who have been engaged in the general practice of appraising real property in this state for at least 5 years immediately preceding appointment;
- Two representatives of the appraisal management industry;
- One representative of organizations that use appraisals for the purpose of eminent domain proceedings, financial transactions, or mortgage insurance; and
- Two representatives of the general public who are not connected in any way with the practice of real estate appraisal.

Members of the board are appointed for 4-year terms and may not be appointed for more than two consecutive terms. The board must meet at least once each calendar quarter to conduct its business. The members must elect a chairperson at the first meeting each year. Each member of the board is entitled to per diem and travel expenses as set by legislative appropriation for each day the member engages in the business of the board.⁴

Chapter 2010-84, s. 2, Laws of Fla., increased the board's membership from seven to nine members with the addition of two representatives of the appraisal management industry.

III. Effect of Proposed Changes:

The bill amends s. 475.613, F.S., to reduce the number of board members from nine to seven members. The bill removes from the board one of the two members that represent the appraisal management industry and one of the two members that represent the general public and are not connected in any way with the practice of real estate appraisal. The members of the board must reflect the ethnic and gender diversity of Florida.

The bill takes effect November 1, 2020.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

³ Section 475.613(1), F.S.

⁴ *Id.*

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The DBPR has estimated that the bill will reduce travel expenses for the board by \$5,200 per year.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 475.613 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Innovation, Industry, and Technology on February 10, 2020:

The CS requires that the members of the Florida Real Estate Appraisal Board reflect the ethnic and gender diversity of Florida.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
