

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: SB 346

INTRODUCER: Senators Rodriguez and Hutson

SUBJECT: Florida Real Estate Appraisal Board

DATE: March 8, 2021

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Oxamendi</u>	<u>Imhof</u>	<u>RI</u>	Favorable
2.	<u>McKay</u>	<u>McKay</u>	<u>CM</u>	Favorable
3.	_____	_____	<u>RC</u>	_____

I. Summary:

SB 346 reduces the number of board members sitting on the Florida Real Estate Appraisal Board (board) from nine to seven members. The bill removes from the board one of the two current members representing the appraisal management industry, and one of the two current members who represents the general public and is not connected in any way with the practice of real estate appraisal.

The effective date of the bill is November 1, 2021.

II. Present Situation:

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

- Regulate the issuance of licenses, certifications, registrations, and permits;
- Discipline appraisers;
- Establish qualifications for licenses, certifications, registrations, and permits;
- Regulate approved courses;
- Establish standards for real estate appraisals; and
- Establish standards for and regulate supervisory appraisers.

The board consists of nine members.¹ The members of the board are all appointed by the Governor, subject to confirmation by the Senate. The Governor may remove any member for cause.² The membership of the board must consist of:

¹ Section 475.613(1), F.S.

² Section 475.613(1)(a), F.S.

- Four members who are 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 members who represent the appraisal management industry;
- One member who represents organizations that use appraisals for the purpose of eminent domain proceedings, financial transactions, or mortgage insurance; and
- Two members who represent the general public and are not connected in any way with the practice of real estate appraisal.³

Members of the board are appointed for 4-year terms, and may not be appointed for more than two consecutive terms.⁴ The headquarters of the board is in Orlando, Florida.⁵ The board must meet at least once each calendar quarter to conduct its business.⁶ Members must elect a chairperson at the first meeting each year.⁷

Each member of the board is entitled to per diem and travel expenses as set by legislative appropriation for each day that the member engages in the business of the board.⁸

Currently there are 6,891 active certified real estate appraisers.⁹ In comparison, the seven-member Real Estate Commission, which regulates real estate agents, associates, and schools, has 305,298 active licensees.¹⁰

In 2010, the membership of the board was increased from seven members to nine members with the addition of two members representing the appraisal management industry.¹¹

There is currently one vacancy on the board.¹² There are two members with current appointments expiring October 31, 2021 and six continue to hold office through the expiration of their term, including both public members and both appraisal management industry representatives.¹³

III. Effect of Proposed Changes:

The bill amends s. 475.613, F.S., to reduce the number of board members sitting on the board from nine members to seven members. The bill removes from the board one of the two current members representing the appraisal management industry, and one of the two current members

³ *Id.*

⁴ Section 475.613(1)(a), F.S.

⁵ Section 475.613(1)(b), F.S.

⁶ Section 475.613(1)(c), F.S.

⁷ Section 475.613(1)(d), F.S.

⁸ Section 475.613(1)(e), F.S.

⁹ See Department of Business and Professional Regulation, *Annual Report, Divisions of Professions, Division Certified Public Accounting, Division of Real Estate, and Division of Regulation, Fiscal Year 2019-2020*, at http://www.myfloridalicense.com/DBPR/os/documents/DivisionAnnualReport_FY1920.pdf, at page 20 (last visited March 8, 2021).

¹⁰ *Id.*

¹¹ Chapter 2010-84, s. 2, Laws of Fla.

¹² It is an appointment of a certified real estate appraiser. [Real Estate Appraisal – Board Information – MyFloridaLicense.com](#) (last visited March 8, 2021).

¹³ *Id.*

who represents the general public and is not connected in any way with the practice of real estate appraisal.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None Identified.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The DBPR estimates that the bill will reduce travel expenses for the board by \$5,200 per year.¹⁴

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

¹⁴ See Department of Business and Professional Regulation, *SB 346 Bill Analysis*, p. 3 (Jan. 26, 2021) (on file with the Senate Committee on Regulated Industries).

VIII. Statutes Affected:

This bill substantially amends the following section 475.613 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.)

None.

B. Amendments:

None.

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