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## SENATE BILL NO. 1445

Offered January 23, 2015

A BILL to amend the Code of Virginia by adding a section numbered 54.1-2022.1, relating to appraisal management companies; payment of fees to appraisers; disclosure.

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Patron—Martin

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Referred to Committee on General Laws and Technology

**Be it enacted by the General Assembly of Virginia:****1. That the Code of Virginia is amended by adding a section numbered 54.1-2022.1 as follows:****§ 54.1-2022.1. Appraiser compensation; customary and reasonable rate; disclosure.**

A. An appraisal management company shall compensate appraisers at a rate that is customary and reasonable for appraisals performed in the market area of the property being appraised. An appraisal management company may establish a customary and reasonable fee rate on the basis of objective third-party information, including (i) government agency fee schedules, (ii) academic studies, and (iii) independent private sector surveys. No appraisal management company shall consider assignments ordered by other known appraisal management companies in establishing a customary and reasonable fee rate. In the event of an appraisal involving a complex assignment, the customary and reasonable fee may reflect the increased time, difficulty, and scope of work required for such an appraisal and may exceed the customary and reasonable fee for noncomplex assignments.

B. An appraisal management company shall provide a separate statement to the client disclosing (i) the fees paid to an appraiser for appraisal services and (ii) the fees charged by the appraisal management company for services associated with the management of the appraisal process, including procurement of the appraiser's services.

C. No appraisal management company shall prohibit any appraiser who is part of an appraiser panel from recording the fee that the appraiser was paid by the appraisal management company for the performance of the appraisal within the appraisal report that is submitted by the appraiser to the appraisal management company.

No appraisal management company shall include any fees for appraisal management services performed by the company in the amount the company reports as charges for the actual completion of an appraisal by the appraiser.

INTRODUCED

SB1445