

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: SB979

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Chafin

3. Committee: Passed Both Houses

4. Title: Professions and occupations; appraisal management companies.

5. Summary: Amends the definition of appraisal management company and adds definitions for appraisal management services and appraiser panel. The bill also requires applicants for an appraisal management company license to certify to the Virginia Real Estate Appraiser Board that any person or entity that owns any part of the appraisal management company has never had a license to act as an appraiser refused, denied, canceled, surrendered in lieu of revocation, or revoked by the Commonwealth or any other state. Current law only requires such applicants to provide such certification regarding any person or entity that owns 10 percent or more of the appraisal management company.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2018	0	0	n/a
2019	\$3,565	0	NGF
2020	0	0	n/a
2021	0	0	n/a
2022	0	0	n/a
2023	0	0	n/a
2024	0	0	n/a

8. Fiscal Implications: This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR). This bill updates the definitions of appraisal management companies, appraisal management services, and appraiser panels to match federal requirements and changes the requirements of appraisal management company owners. The Real Estate Appraiser Board (Board) will need to update regulations to implement the changes. The Board will also need to update applications, forms, and letters to comply with the new requirements.

Expenditure Impact: In FY 2019, the Board will need to conduct two additional board meetings to make the regulation revisions. The Board reimburses members for travel

expenses incurred when attending board meetings. There is also a one-time charge for printing and postage expense to send out notification letters to existing licensees regarding the changes. Existing staff resources will be utilized to modify and update all applications and to make configuration updates to the licensing system. The total additional one-time expenditures for two board meetings and notification mailings is approximately \$3,565. It is anticipated that these expenditures can be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: HB1506 also amends the definition of appraisal management company and adds definitions for appraisal management services and appraiser panel.