

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1324

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

2. Patron: Dunnavant

3. Committee: General Laws and Technology

4. Title: Actions against real estate appraisers or appraisal management companies; statute of limitations.

5. Summary: Provides that no action for damages or other relief alleging that a certified general real estate appraiser, a certified residential real estate appraiser, a licensed residential real estate appraiser, or an appraisal management company committed malpractice or negligence or an error, mistake, omission, or breach in an appraisal or appraisal report, whether based on contract or tort, shall be brought unless it is filed in a court of competent jurisdiction and proper venue within one year from the date that the alleged malpractice, negligence, error, mistake, omission, or breach is discovered or should have been discovered, and in no case more than five years from the date of the malpractice, negligence, error, mistake, omission, or breach. The bill provides exceptions for actions alleging fraud and proceedings initiated by the Real Estate Appraiser Board. The bill provides that any action for damages or other relief alleging that a certified general real estate appraiser, a certified residential real estate appraiser, a licensed residential real estate appraiser, or an appraisal management company committed malpractice or negligence or an error, mistake, omission, or breach in an appraisal or appraisal report on or before July 1, 2021, shall be filed in a court of competent jurisdiction and proper venue on or before July 1, 2022, regardless of the date of discovery of the alleged malpractice, negligence, error, mistake, omission, or breach.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: It is anticipated that this bill will not result in a fiscal impact to the Department of Professional and Occupational Regulation.

Any impact to the court system as a result of the provisions of this bill can be absorbed within the normal course of operations.

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

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to HB1748.