

The Senate Committee on Regulated Industries and Utilities offers the following substitute to HB 253:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 39A of Title 43 of the Official Code of Georgia Annotated, relating to real
2 estate appraisers, so as to change certain provisions relating to requirements for the
3 establishment and maintenance of a real estate appraisal management company; to provide
4 for related matters; to provide for an effective date; to repeal conflicting laws; and for other
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

7 Chapter 39A of Title 43 of the Official Code of Georgia Annotated, relating to real estate
8 appraisers, is amended by revising subsection (e) of Code Section 43-39A-14.1, relating to
9 requirements for the establishment and maintenance of a real estate appraisal management
10 company, as follows:

11 "(e) An appraisal management company shall not pay any fees to an appraiser performing
12 or attempting to perform any real estate appraisal activity in a federally related transaction
13 without complying with the rules and regulations adopted by the board to regulate such
14 transactions in accordance with 15 U.S.C. Section 1601, et seq., and the regulations
15 promulgated thereunder and the standards required by the federal financial institutions
16 regulatory agency that regulates the financial transaction for which the appraisal
17 assignment is undertaken, including, but not limited to, compensation to appraisers that is
18 customary and reasonable for appraisals being performed for one- to four-family residential
19 units in the market area of the property being appraised. An appraisal management
20 company shall separately state to the client the fees paid to an appraiser for appraisal
21 services and the fees charged by the appraisal management company for services
22 associated with the management of the appraisal process, including procurement of the
23 appraiser's services."
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SECTION 2.

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This Act shall become effective upon its approval by the Governor or upon its becoming law

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without such approval.

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SECTION 3.

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All laws and parts of laws in conflict with this Act are repealed.