

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 829\*  
Commerce Committee Substitute Adopted 7/28/09

Short Title: Regulation of Appraisal Management Companies.

(Public)

Sponsors:

Referred to:

March 25, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO REGULATE REAL ESTATE APPRAISAL MANAGEMENT COMPANIES.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. Chapter 93E of the General Statutes is amended by adding a new  
5 Article to read:

6 "Article 2.

7 "Real Estate Appraisal Management Companies.

8 **"§ 93E-2-1. Registration required of real estate appraisal management companies;**  
9 **exceptions.**

10 Beginning January 1, 2012, it shall be unlawful for any person, corporation, partnership,  
11 sole proprietorship, subsidiary, unit, or any other business entity in this State to do any of the  
12 following without first registering with the Board under the provisions of this Article:

- 13 (1) Directly or indirectly engage or attempt to engage in business as an appraisal  
14 management company.  
15 (2) Advertise or make a representation that the person or entity is engaging in or  
16 conducting business as an appraisal management company.  
17 (3) In any way act as or provide the services of an appraisal management  
18 company.

19 **"§ 93E-2-2. Definitions.**

20 (a) The following definitions apply in this Article:

- 21 (1) Appraisal management company. – A corporation, partnership, sole  
22 proprietorship, subsidiary, unit, or other business entity that (i) administers a  
23 network of independent contract appraisers; (ii) receives requests for  
24 appraisals from clients; (iii) receives a fee paid by the client for the  
25 appraisals; and (iv) enters into an agreement with one or more independent  
26 appraisers in its network to perform the appraisals contained in the request.

27 An appraisal management company does not include any of the following:

- 28 a. Any agency of the federal government or any State or municipal  
29 government.  
30 b. Any corporation, partnership, sole proprietorship, subsidiary, unit, or  
31 other business entity that exclusively employs persons on an  
32 employer and employee basis for the performance of appraisals in the  
33 normal course of its business and the entity is responsible for  
34 ensuring that the appraisals are being performed in accordance with  
35 Article 1 of this Chapter and with the Uniform Standards of  
36 Professional Appraisal Practice.  
37 c. Any bank, farm credit system, savings institution, or credit union.



1           d.     Any corporation, partnership, sole proprietorship, subsidiary, unit, or  
2           other business entity that has as its primary business the development  
3           of appraisals in North Carolina in accordance with Article 1 of this  
4           Chapter and with the Uniform Standards of Professional Appraisal  
5           Practice.

6           e.     Any corporation, partnership, sole proprietorship, subsidiary, unit, or  
7           other business entity that has as its primary business the development  
8           of appraisals in North Carolina, but that in the normal course of  
9           business enters into an agreement with an independent contract  
10          appraiser for the performance of appraisals that the contracting entity  
11          cannot complete either because of the location or type of property in  
12          question.

13          f.     Any licensed real estate broker performing activities in accordance  
14          with Article 1 of this Chapter.

15          g.     Any officer or employee of an exempt entity described in this  
16          subdivision when acting in the scope of employment for the exempt  
17          entity.

18       (2)   Board. – The North Carolina Appraisal Board under Article 1 of this  
19       Chapter.

20       (3)   Employee. – An individual who has an employment relationship  
21       acknowledged by both the individual and the company and is treated as an  
22       employee for purposes of compliance with federal income tax laws.

23       (4)   Registrant. – A real estate appraisal management company registered  
24       pursuant to this Article.

25       (b)   The definitions contained in G.S. 93E-1-4 also apply in this Article.

26    **"§ 93E-2-3. Rule-making authority.**

27       The Board shall have the authority to adopt rules not inconsistent with the provisions of this  
28       Article and the General Statutes of North Carolina that are reasonably necessary to implement,  
29       administer, and enforce the provisions of this Article, including the authority to:

30       (1)   Prescribe forms and procedures for submitting information to the Board.

31       (2)   Prescribe standards of practice for companies registered under this Article.

32       (3)   Prescribe standards for the operation of real estate appraisal management  
33       companies.

34    **"§ 93E-2-4. Qualifications for registration; duties of registrants.**

35       (a)   Any person or entity desiring to be registered as an appraisal management company  
36       in this State shall make written application to the Board on forms prescribed by the Board  
37       setting forth the applicant's qualifications for registration. The application shall be accompanied  
38       by the applicable fee under G.S. 93E-2-6 and any other information the Board deems necessary  
39       pursuant to rules adopted by the Board. Upon receipt of a properly completed application and  
40       fee and upon a determination by the Board that the applicant is of good moral character, the  
41       Board shall issue to the applicant a certificate of registration authorizing the applicant to act as  
42       a real estate appraisal management company in this State.

43       (b)   The registration required by subsection (a) of this section shall include the following  
44       information:

45       (1)   Name of the entity seeking registration.

46       (2)   Business address of the entity seeking registration.

47       (3)   Phone contact information of the entity seeking registration.

48       (4)   If the entity is not a corporation that is domiciled in this State, the name and  
49       contact information for the company's agent for service of process in this  
50       State.

- 1           (5)    The name, address, and contact information for any individual or any  
2           corporation, partnership, or other business entity that owns ten percent  
3           (10%) or more of the appraisal management company.
- 4           (6)    The name, address, and contact information for a controlling person.
- 5           (7)    A certification that the entity has a system and process in place to verify that  
6           a person being added to the appraiser panel of the appraisal management  
7           company holds a license in good standing in this State pursuant to the North  
8           Carolina Appraisers Act if a license or certification is required to perform  
9           appraisals.
- 10          (8)    A certification that the entity has a system in place to review the work of all  
11          independent appraisers that are performing real estate appraisal services for  
12          the appraisal management company on a periodic basis to ensure that the  
13          real estate appraisal services are being conducted in accordance with the  
14          Uniform Standards of Professional Appraisal Practice.
- 15          (9)    A certification that the entity maintains a detailed record of each service  
16          request that it receives and the independent appraiser that performs the  
17          residential real estate appraisal services for the appraisal management  
18          company.
- 19          (10)   An irrevocable Uniform Consent to Service of Process.
- 20          (11)   Any other information required by the Board pursuant to G.S. 93E-2-3.
- 21          (c)    Any registrant having a good faith belief that a real estate appraiser licensed in this  
22          State has violated applicable law or the Uniform Standards of Professional Appraisal Practice  
23          or engaged in unethical conduct shall promptly file a complaint with the Board.
- 24          (d)    Fees shall be paid to a real estate appraiser based on Federal Deposit Insurance  
25          Corporation (FDIC) appraisal management company protocol within 30 days of the date the  
26          appraisal is transmitted by the real estate appraiser to the registrant or the registrant's client.  
27          Fees shall be paid directly to the real estate appraiser from the lender and not from the  
28          registrant. The registrant shall charge a direct fee to the lender for services provided without  
29          any fee splits.
- 30          (e)    To qualify to be registered as an appraisal management company, each individual  
31          who owns, directly or indirectly, more than ten percent (10%) of the appraisal management  
32          company shall be of good moral character, as determined by the Board, and shall submit all  
33          information the Board deems necessary pursuant to the rules adopted by the Board.  
34          Additionally, each owner shall certify that he or she has never had a license to act as an  
35          appraiser refused, denied, cancelled, or revoked by the State of North Carolina or any other  
36          state.
- 37          (f)    An appraisal management company shall not enter into any contracts or agreements  
38          with an independent appraiser for the performance of residential real estate appraisal services  
39          unless the independent appraiser is licensed or certified in good standing pursuant to the North  
40          Carolina Appraisers Act.
- 41          **"§ 93E-2-5. Compliance manager.**
- 42          Each appraisal management company registered under this Article shall designate a  
43          compliance manager who is responsible for ensuring the company operates in compliance with  
44          this Article. The compliance manager shall be a certified general real estate appraiser certified  
45          under Article 1 of this Chapter or under the comparable laws of another state. The appraisal  
46          management company shall file a form with the Board indicating the appraisal management  
47          company's designation of compliance manager and the individual's acceptance of the  
48          responsibility. An appraisal management company shall notify the Board of any change in the  
49          appraisal management company's compliance manager. Any appraisal management company  
50          that does not comply with this section shall have the appraisal management company's  
51          registration suspended pursuant to G.S. 93E-2-8 until the appraisal management company

1 complies with this section. An individual operating an appraisal management company as a  
2 sole proprietorship shall be considered the compliance manager for purposes of this Article.

3 **"§ 93E-2-6. Fees and renewals.**

4 (a) Each application for registration as an appraisal management company under this  
5 Article shall be accompanied by a fee of five thousand dollars (\$5,000). Registration issued  
6 under this Article shall expire on June 30 of each year and shall become invalid after that date  
7 unless renewed before the expiration date by filing an application with and paying to the Board  
8 a fee of two thousand five hundred dollars (\$2,500).

9 (b) All registrations reinstated after the expiration date are subject to a late filing fee of  
10 twenty dollars (\$20.00) for each month or part thereof that the registration is lapsed, not to  
11 exceed one hundred twenty dollars (\$120.00). The late filing fee shall be in addition to the  
12 required renewal fee. In the event a registrant fails to reinstate the registration within six  
13 months after the expiration date, the registration shall expire and the registrant shall be required  
14 to file a new application for registration. Reinstatement of a registration shall not be retroactive.

15 (c) The Board may issue a replacement registration to the registrant upon payment of  
16 fifty dollars (\$50.00) to the Board. The Board may certify the registration history of an  
17 appraisal management company registered under this Article upon payment of a fee of one  
18 hundred dollars (\$100.00) to the Board.

19 **"§ 93E-2-7. Prohibited acts.**

20 (a) No employee, director, officer, or agent of an appraisal management company or  
21 any other third party acting as joint venture partner or independent contractor shall influence or  
22 attempt to influence the development, reporting, result, or review of a real estate appraisal  
23 through coercion, extortion, collusion, compensation, inducement, intimidation, bribery, or in  
24 any other manner, including:

- 25 (1) Withholding or threatening to withhold timely payment for a real estate  
26 appraisal report.
- 27 (2) Withholding or threatening to withhold future business from a real estate  
28 appraiser or demoting or terminating or threatening to demote or terminate a  
29 real estate appraiser.
- 30 (3) Expressly or impliedly promising future business, promotions, or increased  
31 compensation for a real estate appraiser.
- 32 (4) Conditioning the ordering of a real estate appraisal report or the payment of  
33 a real estate appraisal fee, salary, or bonus on the opinion, conclusion, or  
34 valuation to be reached or on a preliminary estimate requested from a real  
35 estate appraiser.
- 36 (5) Requesting that a real estate appraiser provide an estimated, predetermined,  
37 or desired valuation in a real estate appraisal report or provide estimated  
38 values or comparable sales at any time before the appraiser's completion of  
39 the appraisal report.
- 40 (6) Providing to a real estate appraiser an anticipated, estimated, encouraged, or  
41 desired value for a subject property or a proposed or targeted amount to be  
42 loaned to the borrower. However, a real estate appraiser may be provided  
43 with a copy of the sales contract for purchase transactions.
- 44 (7) Providing to a real estate appraiser, or any entity or person related to the  
45 appraiser, stock or other financial or nonfinancial benefits.
- 46 (8) Allowing the removal of a real estate appraiser from a list of qualified  
47 appraisers used by any entity without prior written notice to the appraiser.  
48 The notice shall include written evidence of the appraiser's illegal conduct,  
49 substandard performance, or otherwise improper or unprofessional behavior  
50 or any violation of the Uniform Standards of Professional Appraisal Practice  
51 or State licensing standards.

1           (9)    Any other act or practice that impairs or attempts to impair a real estate  
2           appraiser's independence, objectivity, or impartiality.  
3           (10)   Requesting or requiring a real estate appraiser to collect a fee from the  
4           borrower, homeowner, or any other person in the provision of real estate  
5           appraisal services.

6           (b)   No employee, director, officer, or agent of an appraisal management company or  
7           any other third party acting as joint venture partner or independent contractor shall influence or  
8           attempt to influence the development, reporting, result, or review of a real estate appraisal  
9           through coercion, extortion, collusion, compensation, inducement, intimidation, bribery, or in  
10          any other manner, including:

11           (1)    Alter, modify, or otherwise change a completed appraisal report submitted  
12           by an independent appraiser without the appraiser's written knowledge and  
13           consent.

14           (2)    Use an appraisal report submitted by an independent appraiser for any other  
15           transaction.

16           (3)    Require an appraiser to sign any sort of indemnification agreement that  
17           would require the appraiser to defend and hold harmless the company, any  
18           software provider that the company requires an appraiser to use, or any other  
19           company that the company does business with from any liability, damage,  
20           losses, or claim.

21           (4)    Require an appraiser to provide the company with the appraiser's digital  
22           signature or seal.

23          (c)    Nothing in this section shall be construed as prohibiting an appraisal management  
24          company from requesting that a real estate appraiser:

25           (1)    Consider additional appropriate property information.

26           (2)    Provide further detail, substantiation, or explanation for the real estate  
27           appraiser's value conclusion.

28           (3)    Correct errors in the real estate appraisal report.

29          **"§ 93E-2-8. Disciplinary authority.**

30          (a)    The Board may, by order, deny, suspend, revoke, or refuse to issue or renew a  
31          registration of an appraisal management company under this Article or may restrict or limit  
32          activities of a person who owns an interest in or participates in the business of an appraisal  
33          management company if the Board determines that an applicant, registrant, or any partner,  
34          member, manager, officer, director, compliance manager, or person occupying a similar status,  
35          performing similar functions, or directly or indirectly controlling the applicant or registrant has  
36          done any of the following:

37           (1)    Filed an application for registration that, as of its effective date or as of any  
38           date after filing, contained any statement that, in light of the circumstances  
39           under which it was made, is false or misleading with respect to any material  
40           fact.

41           (2)    Violated or failed to comply with any provision of this Article or any rules  
42           adopted by the Board.

43           (3)    Been convicted of any felony or, within the past 10 years, been convicted of  
44           any misdemeanor involving mortgage lending or real estate appraisal or any  
45           offense involving breach of trust, moral turpitude, or fraudulent or dishonest  
46           dealing.

47           (4)    Been permanently or temporarily enjoined by any court of competent  
48           jurisdiction from engaging in or continuing any conduct or practice  
49           involving any aspect of the real estate appraisal management business.

1           (5) Been the subject of an order of the Board or any other state appraiser  
2           regulatory agency denying, suspending, or revoking the person's license as a  
3           real estate appraiser.

4           (6) Acted as an appraisal management company while not properly licensed by  
5           the Board.

6           (7) Failed to pay the proper filing or renewal fee under this Article.

7           (b) The Board may, by order, summarily postpone or suspend the registration of an  
8 appraisal management company pending final determination of any proceeding under this  
9 section. Upon entering the order, the Board shall promptly notify the registrant that the order  
10 has been entered and the reasons for the order. The Board shall calendar a hearing within 15  
11 days after the Board receives a written request for a hearing. If a registrant does not request a  
12 hearing, the order shall remain in effect until the order is modified or vacated by the Board. If a  
13 hearing is requested, after notice of and opportunity for hearing, the Board may modify or  
14 vacate the order or extend the order until the Board makes its final determination.

15           (c) The Board may, by order, impose a civil penalty upon a registrant or any partner,  
16 officer, director, compliance manager, or other person occupying a similar status or performing  
17 similar functions on behalf of a registrant for any violation of this Article. The civil penalty  
18 shall not exceed ten thousand dollars (\$10,000) for each violation of this Article.

19           (d) In addition to other powers under this Article, upon finding that any action of a  
20 person is in violation of this Article, the Board may order the person to cease from the  
21 prohibited action. If the person subject to the order fails to appeal the order of the Board or the  
22 person appeals the order and the appeal is denied or dismissed and the person continues to  
23 engage in the prohibited action in violation of the Board's order, the person shall be subject to a  
24 civil penalty of up to twenty-five thousand dollars (\$25,000) for each violation of the order.  
25 The penalty provision of this section shall be in addition to and not in lieu of any other  
26 provision of law applicable to a registrant for the registrant's failure to comply with an order of  
27 the Board.

28           (e) Unless otherwise provided, all actions and hearings under this Article shall be  
29 governed by Article 3A of Chapter 150B of the General Statutes.

30           (f) When a registrant is accused of any act, omission, or misconduct that would subject  
31 the registrant to disciplinary action, the registrant, with the consent and approval of the Board,  
32 may surrender the registrant's registration and all the rights and privileges pertaining to the  
33 registrant for a minimum period of five years. A person who surrenders a registration shall not  
34 be eligible for or submit any application for registration during the period the registration is  
35 surrendered.

36           (g) If the Board has reasonable grounds to believe that an appraisal management  
37 company has violated the provisions of this Article or that facts exist that would be the basis for  
38 an order against an appraisal management company, the Board may at any time, either  
39 personally or by a person duly designated by the Board, investigate or examine the books,  
40 accounts, records, and files of any registrant or other person relating to the complaint or matter  
41 under investigation. The Board may require any registrant or other person to submit a criminal  
42 history record check and a set of that person's fingerprints in connection with any examination  
43 or investigation. Refusal to submit the requested criminal history record check or a set of  
44 fingerprints shall be grounds for disciplinary action. The reasonable cost of the investigation or  
45 examination shall be charged against the registrant.

46           (h) The Board shall have the power to issue subpoenas requiring the attendance of  
47 persons and the production of papers and records before the Board in any hearing,  
48 investigation, inquiry, or other proceeding conducted by the Board. Upon the production of any  
49 papers, records, or documents, the Board shall have the power to authorize true copies of the  
50 papers, records, or documents to be substituted in the permanent record of the matter in which  
51 the books, records, or documents shall have been introduced in evidence.

1       (i) The Board may conduct routine examinations of the books and records of an  
2 appraisal management company registered with the Board in order to determine the appraisal  
3 management company's compliance with this Article and any rules adopted by the Board  
4 pursuant to the authority of G.S. 93E-2-3. An appraisal management company shall maintain in  
5 this State all books and records related to real estate appraisal management services. An  
6 appraisal management company shall pay any expenses incurred by the Board resulting from  
7 the Board's examination of the appraisal management company's books and records.

8 **"§ 93E-2-9. Records.**

9       (a) The Board shall maintain a list of all applicants for registration under this Article  
10 that includes for each applicant the date of application, the name and primary business location  
11 of the applicant, and whether the registration was granted or refused.

12       (b) The Board shall maintain a current roster showing the names and places of business  
13 of all registered appraisal management companies that lists the appraisal management  
14 companies' respective officers and directors. The rosters shall: (i) be kept on file in the office of  
15 the Board; (ii) contain information regarding all orders or other action taken against the  
16 company, its officers, and other persons; and (iii) be open to public inspection.

17       (c) Every registered appraisal management company shall maintain the accounts,  
18 correspondence, memoranda, papers, books, and other records related to services provided by  
19 the appraisal management company as prescribed in rules adopted by the Board. All records  
20 shall be preserved for five years unless the Board, by rule, prescribes otherwise for particular  
21 types of records.

22       (d) If the information contained in any document filed with the Board is or becomes  
23 inaccurate or incomplete in any material respect, the appraisal management company shall  
24 promptly file a correcting amendment to the information contained in the document.

25 **"§ 93E-2-10. Penalty; injunctive relief.**

26       (a) Any person violating the provisions of this Article shall be guilty of a Class 1  
27 misdemeanor.

28       (b) The Board may appear in its own name in superior court in actions for injunctive  
29 relief to prevent any person from violating the provisions of this Article or rules adopted by the  
30 Board. The superior court shall have the power to grant these injunctions whether criminal  
31 prosecution has been or may be instituted as a result of the violations or whether the person is  
32 the holder of a registration issued by the Board under this Article.

33 **"§ 93E-2-11. Criminal history record checks of applicants or registrants for registration**  
34 **as appraisal management companies.**

35       (a) Definitions. – The following definitions shall apply in this section:

36       (1) Applicant. – A person applying for registration as an appraisal management  
37 company pursuant to G.S. 93E-2-4.

38       (2) Criminal history. – A history of conviction of a state or federal crime,  
39 whether a misdemeanor or felony, that bears on an applicant's fitness for  
40 registration to act as a real estate appraisal management company. The  
41 crimes include the criminal offenses set forth in any of the following Articles  
42 of Chapter 14 of the General Statutes: Article 5, Counterfeiting and Issuing  
43 Monetary Substitutes; Article 5A, Endangering Executive and Legislative  
44 Officers; Article 6, Homicide; Article 7A, Rape and Other Sex Offenses;  
45 Article 8, Assaults; Article 10, Kidnapping and Abduction; Article 13,  
46 Malicious Injury or Damage by Use of Explosive or Incendiary Device or  
47 Material; Article 14, Burglary and Other Housebreakings; Article 15, Arson  
48 and Other Burnings; Article 16, Larceny; Article 17, Robbery; Article 18,  
49 Embezzlement; Article 19, False Pretenses and Cheats; Article 19A,  
50 Obtaining Property or Services by False or Fraudulent Use of Credit Device  
51 or Other Means; Article 19B, Financial Transaction Card Crime Act; Article

1 20, Frauds; Article 21, Forgery; Article 26, Offenses Against Public  
2 Morality and Decency; Article 26A, Adult Establishments; Article 27,  
3 Prostitution; Article 28, Perjury; Article 29, Bribery; Article 31, Misconduct  
4 in Public Office; Article 35, Offenses Against the Public Peace; Article 36A,  
5 Riots and Civil Disorders; Article 39, Protection of Minors; Article 40,  
6 Protection of the Family; Article 59, Public Intoxication; and Article 60,  
7 Computer-Related Crime. The crimes also include possession or sale of  
8 drugs in violation of the North Carolina Controlled Substances Act in Article  
9 5 of Chapter 90 of the General Statutes and alcohol-related offenses,  
10 including sale to underage persons in violation of G.S. 18B-302 or driving  
11 while impaired in violation of G.S. 20-138.1 through G.S. 20-138.5. In  
12 addition to the North Carolina crimes listed in this subdivision, such crimes  
13 also include similar crimes under federal law or under the laws of other  
14 states.

15 (b) The Board may require that an applicant for registration as an appraisal management  
16 company or a registrant consent to a criminal history record check. Refusal to consent to a  
17 criminal history record check may constitute grounds for the Board to deny registration to an  
18 applicant or registrant. The Board shall ensure that the State and national criminal history of an  
19 applicant or registrant is checked. The Board shall be responsible for providing to the North  
20 Carolina Department of Justice the fingerprints of the applicant or registrant to be checked, a  
21 form signed by the applicant or registrant consenting to the criminal record check and the use  
22 of fingerprints and other identifying information required by the State or National Repositories  
23 of Criminal Histories, and any additional information required by the Department of Justice in  
24 accordance with G.S. 114-19.26. The Board shall keep all information obtained pursuant to this  
25 section confidential. The Board shall collect any fees required by the Department of Justice and  
26 shall remit the fees to the Department of Justice for expenses associated with conducting the  
27 criminal history record check.

28 (c) If an applicant's or registrant's criminal history record check reveals one or more  
29 convictions listed under subdivision (a)(2) of this section, the conviction shall not automatically  
30 bar registration. The Board shall consider all of the following factors regarding the conviction:

- 31 (1) The level of seriousness of the crime.
- 32 (2) The date of the crime.
- 33 (3) The age of the person at the time of the conviction.
- 34 (4) The circumstances surrounding the commission of the crime, if known.
- 35 (5) The nexus between the criminal conduct of the person and the job duties of  
36 the position to be filled.
- 37 (6) The person's prison, jail, probation, parole, rehabilitation, and employment  
38 records since the date the crime was committed.
- 39 (7) The subsequent commission by the person of a crime listed in subdivision  
40 (a)(2) of this section.

41 If, after reviewing these factors, the Board determines that the applicant's or registrant's  
42 criminal history disqualifies the applicant or registrant for registration, the Board may deny  
43 registration of the applicant or registrant. The Board may disclose to the applicant or registrant  
44 information contained in the criminal history record check that is relevant to the denial. The  
45 Board shall not provide a copy of the criminal history record check to the applicant or  
46 registrant. The applicant or registrant shall have the right to appear before the Board to appeal  
47 the Board's decision. However, an appearance before the full Board shall constitute an  
48 exhaustion of administrative remedies in accordance with Chapter 150B of the General  
49 Statutes.

50 (d) Limited Immunity. – The Board, its officers, and employees, acting in good faith  
51 and in compliance with this section, shall be immune from civil liability for denying



1 registration to an applicant or registrant based on information provided in the applicant's or  
2 registrant's criminal history record check."

3 **SECTION 2.** Article 4 of Chapter 114 of the General Statutes is amended by  
4 adding a new section to read:

5 **"§ 114-19.26. Criminal history record checks of applicants or registrants for registration**  
6 **as real estate appraisal management companies.**

7 The Department of Justice may provide to the North Carolina Appraisal Board from the  
8 State and National Repositories of Criminal Histories the criminal history of any applicant or  
9 registrant for registration under Article 2 of Chapter 93E of the General Statutes. Along with  
10 the request, the Board shall provide to the Department of Justice the fingerprints of the  
11 applicant or registrant, a form signed by the applicant or registrant consenting to the criminal  
12 history record check and use of fingerprints and other identifying information required by the  
13 State and National Repositories, and any additional information required by the Department of  
14 Justice. The applicant's or registrant's fingerprints shall be forwarded to the State Bureau of  
15 Investigation for a search of the State's criminal history record file, and the State Bureau of  
16 Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation for a  
17 national criminal history record check. The Board shall keep all information obtained pursuant  
18 to this section confidential. The Department of Justice may charge a fee to offset the cost  
19 incurred by the Department to conduct a criminal history record check under this section. The  
20 fee shall not exceed the actual cost of locating, editing, researching, and retrieving the  
21 information."

22 **SECTION 3.** Pursuant to G.S. 93E-2-2, as enacted in Section 1 of this act, a real  
23 estate appraisal management company established under federal law shall not be required to  
24 pay the initial registration fees required by G.S. 93E-2-6, enacted in Section 1 of this act.  
25 However, the real estate appraisal management company established under federal law shall be  
26 required to pay registration fees associated with subsequent registration renewal.

27 **SECTION 4.** This act becomes effective January 1, 2012.