

HOUSE BILL No. 5660

February 9, 2006, Introduced by Reps. Hansen and Booher and referred to the Committee on Regulatory Reform.

A bill to amend 1980 PA 299, entitled
"Occupational code,"
by amending sections 2601, 2605, 2611, 2613, 2614, 2615, 2617,
2619, 2621, 2627, 2629, 2633, 2635, and 2637 (MCL 339.2601,
339.2605, 339.2611, 339.2613, 339.2614, 339.2615, 339.2617,
339.2619, 339.2621, 339.2627, 339.2629, 339.2633, 339.2635, and
339.2637), sections 2601, 2605, 2611, 2613, 2615, 2617, 2619, 2621,
2627, 2629, 2633, 2635, and 2637 as amended and section 2614 as
added by 1999 PA 170.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 2601. As used in this article:

1

1 (a) "Appraisal" means an opinion, conclusion, or analysis
2 relating to the value of real property but does not include any of
3 the following:

4 (i) A market analysis performed by a person licensed under
5 article 25 solely for the purpose of assisting a customer or
6 potential customer in determining the potential sale, purchase, or
7 listing price of real property or the rental rate of real property
8 as long as a fee or any other valuable consideration is not charged
9 for that analysis.

10 (ii) A market analysis of real property for a fee performed by
11 a broker or associate broker licensed under article 25 which does
12 not involve a federally related transaction if the market analysis
13 is put in writing and it states in boldface print "This is a market
14 analysis, not an appraisal and was prepared by a licensed real
15 estate broker or associate broker, not a licensed appraiser.". Failure to do so results in the individual being subject to the
16 penalties set forth in article 6.

17 (iii) An assessment of the value of real property performed on
18 behalf of a local unit of government authorized to impose property
19 taxes when performed by an assessor certified under section 10d of
20 the general property tax act, 1893 PA 206, MCL 211.10d, or an
21 individual employed in an assessing capacity.

22 (B) "AQB 04 CRITERIA" MEANS THE CRITERIA ESTABLISHED BY THE
23 APPRAISER QUALIFICATIONS BOARD OF THE APPRAISAL FOUNDATION ENTITLED
24 "REAL PROPERTY APPRAISER QUALIFICATION CRITERIA AND INTERPRETATION
25 OF THE CRITERIA", ADOPTED BY THE APPRAISER QUALIFICATIONS BOARD ON
26 FEBRUARY 20, 2004, EFFECTIVE JANUARY 1, 2008.

1 (C) "AOB 94 CRITERIA" MEANS THE CRITERIA ESTABLISHED BY THE
2 APPRAISER QUALIFICATIONS BOARD OF THE APPRAISAL FOUNDATION ENTITLED
3 "REAL PROPERTY APPRAISER QUALIFICATION CRITERIA AND INTERPRETATION
4 OF THE CRITERIA", ADOPTED BY THE APPRAISER QUALIFICATIONS BOARD ON
5 FEBRUARY 16, 1994, EFFECTIVE JANUARY 1, 1998, AND AS REVISED AND
6 EFFECTIVE JANUARY 1, 2003.

7 (D) ~~-(b)-~~ "Appraiser" means an individual engaged in or
8 offering to engage in the development and communication of an
9 appraisal.

10 (E) ~~-(e)-~~ "Certified general real estate appraiser" means an
11 individual who is licensed under section 2615 to appraise all types
12 of real property, including nonresidential real property involving
13 federally related transactions and real estate related financial
14 transactions.

15 (F) ~~-(d)-~~ "Certified residential real estate appraiser" means
16 an individual who is licensed under section 2614 to appraise all
17 types of residential real property involving real estate related
18 financial transactions and federally related transactions as
19 authorized by the regulations of a federal financial institution
20 regulatory agency and resolution trust corporation as well as any
21 nonresidential, nonfederally related transaction for which the
22 individual is qualified.

23 (G) ~~-(e)-~~ "Federal financial institution regulatory agency"
24 means the board of governors of the federal reserve system, the
25 federal deposit insurance corporation, the office of the
26 comptroller of the currency, the office of thrift supervision, or
27 the national credit union administration.

1 (H) ~~—(f)—~~ "Federally related transaction" means any real
 2 estate related financial transaction that a federal financial
 3 institution regulatory agency ~~or the resolution trust corporation~~
 4 engages in, contracts for, or regulates and that requires the
 5 services of an appraiser under any of the following:

6 (i) 12 ~~—C.F.R.—~~ **CFR** part 323, adopted by the federal deposit
 7 insurance corporation.

8 (ii) 12 ~~—C.F.R.—~~ **CFR** parts 208 and 225, adopted by the board of
 9 governors of the federal reserve system.

10 (iii) 12 ~~—C.F.R.—~~ **CFR** parts 701, 722, and 741, adopted by the
 11 national credit union administration.

12 (iv) 12 ~~—C.F.R.—~~ **CFR** part 34, adopted by the office of the
 13 comptroller of the currency.

14 (v) 12 ~~—C.F.R.—~~ **CFR** parts 506, 545, 563, 564, and 571, adopted
 15 by the office of thrift supervision.

16 ~~——(vi) 12 C.F.R. part 1608, adopted by the resolution trust~~
 17 ~~corporation.~~

18 (I) ~~—(g)—~~ "Limited real estate appraiser" means an individual
 19 licensed under section 2611 to perform appraisals of real property
 20 not involving real estate related financial transactions or
 21 federally related transactions that require the services of a state
 22 licensed real estate appraiser, certified residential real estate
 23 appraiser, or certified general real estate appraiser.

24 ~~——(h) "Real estate valuation specialist" means an individual~~
 25 ~~licensed under section 2611 to perform appraisals of real property~~
 26 ~~not involving federally related transactions or real estate related~~
 27 ~~financial transactions that require the services of a state~~

~~licensed real estate appraiser, certified residential real estate appraiser, or certified general real estate appraiser.~~

(J) ~~-(i)-~~ "Real estate related financial transaction" means any of the following:

(i) A sale, lease, purchase, investment in, or exchange of real property or the financing of real property.

(ii) A refinancing of real property.

(iii) The use of real property as security for a loan or investment, including mortgage-backed securities.

(K) ~~-(j)-~~ "Real property" means an identified tract or parcel of land, including improvements on that land, as well as any interests, benefits, or rights inherent in the land.

(L) ~~-(k)-~~ "Residential real property" means real property used as a residence containing a dwelling that has not more than 4 living units.

(M) ~~-(l)-~~ "State licensed real estate appraiser" means an individual who is licensed under section 2613 to appraise real property, including, but not limited to, residential and nonresidential real property involving federally related transactions and real estate related financial transactions.

(N) ~~-(m)-~~ "Uniform standards of professional appraisal practice" means those standards relating to real property adopted by the appraisal foundation on March 31, 1999, or as adopted by rule of the director.

Sec. 2605. (1) At a minimum and subject to subsection (2), licensees under this article shall utilize the uniform standards of professional appraisal practice.

1 (2) The director may supplement or adopt by reference any
2 amendments to the uniform standards of professional appraisal
3 practice through the promulgation of rules if the director
4 determines that the amendments or supplemental standards serve as a
5 basis for the competent development and communication of an
6 appraisal and are not in conflict with federal requirements.

7 (3) The director through promulgation of a rule may supplement
8 or adopt by reference any changes promulgated by a federal
9 financial institution regulatory agency relative to standards for a
10 federally related transaction.

11 **(4) BEGINNING JANUARY 1, 2008, THE DEPARTMENT SHALL UTILIZE**
12 **THE AQB 04 CRITERIA REGARDING EDUCATION, EXPERIENCE, AND OTHER**
13 **RELATED STANDARDS FOR LICENSURE UNDER THIS ARTICLE. THE AQB 04**
14 **CRITERIA ARE ADOPTED BY REFERENCE. THE DEPARTMENT MAY, BY**
15 **PROMULGATION OF A RULE BY THE DIRECTOR, SUPPLEMENT OR AMEND THE**
16 **STANDARDS BY ADOPTION OF A STRICTER STANDARD THAT IS OTHERWISE IN**
17 **COMPLIANCE WITH THE MINIMUM AQB 04 CRITERIA OR BY ADOPTION OF**
18 **SUBSEQUENT AMENDMENTS TO THAT STANDARD ADOPTED BY THE APPRAISER**
19 **QUALIFICATION BOARD OF THE APPRAISAL FOUNDATION.**

20 Sec. 2611. ~~—(1)—The~~ **UNTIL JANUARY 1, 2008, THE** department
21 shall license as a limited real estate appraiser an individual who
22 is at least 18 years of age, is of good moral character, and
23 provides proof of having completed not less than 75 classroom hours
24 of courses related to developing and communicating appraisals of
25 real property, at least 15 of which relate to the uniform standards
26 of professional appraisal practice. **BEGINNING JANUARY 1, 2008, THE**
27 **DEPARTMENT SHALL LICENSE AS A LIMITED REAL ESTATE APPRAISER AN**

1 INDIVIDUAL WHO IS AT LEAST 18 YEARS OF AGE, IS OF GOOD MORAL
 2 CHARACTER, AND PROVIDES PROOF OF HAVING COMPLETED NOT LESS THAN THE
 3 NUMBER AND TYPE OF COURSES REQUIRED FOR AN APPRAISAL TRAINEE AS
 4 SPECIFIED BY THE AQB 04 CRITERIA.

5 ~~—— (2) Beginning the effective date of the amendatory act that~~
 6 ~~added this subsection, the department shall not accept an~~
 7 ~~application for a real estate valuation specialist. The department~~
 8 ~~shall convert licenses for real estate valuation specialists to~~
 9 ~~limited real estate appraiser licenses upon the next license~~
 10 ~~renewal cycle.~~

11 Sec. 2613. The department shall license as a state licensed
 12 real estate appraiser an individual who demonstrates, to the
 13 satisfaction of the department, that he or she meets all of the
 14 following conditions:

15 (a) ~~Has~~ **BEGINNING JANUARY 1, 2008, HAS COMPLETED NOT LESS**
 16 **THAN THE MINIMUM EDUCATION REQUIREMENTS CONTAINED IN THE AQB 04**
 17 **CRITERIA. UNTIL JANUARY 1, 2008, HAS** completed not less than 90
 18 classroom hours of courses emphasizing the appraisal of residential
 19 real property and meeting the standards of section 2617. The
 20 courses shall cover all of the following:

- 21 (i) Influences on real estate value.
- 22 (ii) Legal considerations in appraisal.
- 23 (iii) Types of value.
- 24 (iv) Economic principles of appraisals.
- 25 (v) Real estate markets and analysis.
- 26 (vi) Valuation process.
- 27 (vii) Property description.

(viii) Highest and best use analysis.

(ix) Appraisal statistical concepts.

(x) Sales comparison approach.

(xi) Site value.

(xii) Cost approach.

(xiii) Income approach.

(xiv) Valuation of partial interests.

(xv) The uniform standards of professional appraisal practice and ethics.

(b) ~~Possesses~~ **BEGINNING JANUARY 1, 2008, POSSESSES NOT LESS THAN THE MINIMUM EXPERIENCE REQUIREMENTS CONTAINED IN THE AQB 04 CRITERIA. UNTIL JANUARY 1, 2008, POSSESSES** at least 2,000 hours of experience meeting the standards of section 2621, at least 1,500 hours of which are in appraising residential real property. Acceptable experience includes, but is not limited to, the following in compliance with any applicable federal standards:

(i) Fee and staff appraisal.

(ii) Ad valorem tax appraisal.

(iii) Technical review appraisal.

(iv) Appraisal analysis.

(v) Real estate consulting.

(vi) Highest and best use analysis.

(vii) Feasibility analysis or study.

(viii) Condemnation appraisal.

(ix) Market analysis.

(c) Has passed an examination as described in section 2619.

(d) Is of good moral character.

(e) Is at least 18 years of age.

Sec. 2614. The department shall license as a certified residential real estate appraiser an individual who demonstrates, to the satisfaction of the department, that he or she meets all of the following conditions:

(a) ~~Possesses~~ **BEGINNING JANUARY 1, 2008, POSSESSES NOT LESS THAN THE MINIMUM EXPERIENCE REQUIREMENTS CONTAINED IN THE AQB 04 CRITERIA. UNTIL JANUARY 1, 2008, POSSESSES** at least 2,500 hours of experience meeting the standards of section 2621 in appraising real property, at least 2,000 hours of which shall be in appraising residential real property, completed over 24 or more months. Acceptable experience includes, but is not limited to, the following in compliance with any applicable federal standards:

- (i) Fee and staff appraisal.
- (ii) Ad valorem tax appraisal.
- (iii) Technical review appraisal.
- (iv) Appraisal analysis.
- (v) Real estate consulting.
- (vi) Highest and best use analysis.
- (vii) Feasibility analysis or study.
- (viii) Condemnation appraisal.
- (ix) Market analysis.

(b) ~~Has~~ **BEGINNING JANUARY 1, 2008, HAS COMPLETED NOT LESS THAN THE MINIMUM EDUCATION REQUIREMENTS CONTAINED IN THE AQB 04 CRITERIA. UNTIL JANUARY 1, 2008, HAS** completed not less than 120 classroom hours of courses meeting the standards of section 2617 and emphasizing all types and values of residential real property

1 appraisals. An applicant may apply the classroom hours used to
2 obtain a prior real estate appraiser license toward the requirement
3 of the 90 classroom hours used to obtain licensure as a certified
4 residential real estate appraiser. The remaining classroom hours
5 shall relate to the appraisal of residential real property or
6 address both residential and commercial real property. The courses
7 shall cover all of the following topics:

- 8 (i) Influences on real estate value.
- 9 (ii) Legal considerations in appraisal.
- 10 (iii) Types of value.
- 11 (iv) Economic principles of appraisal.
- 12 (v) Real estate markets and analysis.
- 13 (vi) Valuation process.
- 14 (vii) Property description.
- 15 (viii) Highest and best use analysis.
- 16 (ix) Appraisal math and statistics.
- 17 (x) Sales comparison approach.
- 18 (xi) Site value.
- 19 (xii) Cost approach.
- 20 (xiii) Income approach.
- 21 (xiv) Valuation of partial interests.
- 22 (xv) The uniform standards of professional appraisal practice
23 and ethics.
- 24 (xvi) Narrative report writing.
- 25 (c) Has passed an examination as required in section 2619.
- 26 (d) Is of good moral character.
- 27 (e) Is at least 18 years of age.

1 Sec. 2615. The department shall license as a certified general
2 real estate appraiser an individual who demonstrates, to the
3 satisfaction of the department, that he or she meets all of the
4 following conditions:

5 (a) ~~—Possesses—~~ **BEGINNING JANUARY 1, 2008, POSSESSES NOT LESS**
6 **THAN THE MINIMUM EXPERIENCE REQUIREMENTS CONTAINED IN THE AQB 04**
7 **CRITERIA. UNTIL JANUARY 1, 2008, POSSESSES** at least 3,000 hours of
8 experience, at least 1,500 hours of which shall be in appraising
9 nonresidential real property completed over at least 30 or more
10 months preceding application for licensure. Acceptable experience
11 includes, but is not limited to, the following in compliance with
12 any applicable federal standards:

- 13 (i) Fee and staff appraisal.
- 14 (ii) Ad valorem tax appraisal.
- 15 (iii) Technical review appraisal.
- 16 (iv) Appraisal analysis.
- 17 (v) Real estate consulting.
- 18 (vi) Highest and best use analysis.
- 19 (vii) Feasibility analysis or study.
- 20 (viii) Condemnation appraisal.

21 (b) ~~—Has—~~ **BEGINNING JANUARY 1, 2008, HAS COMPLETED NOT LESS**
22 **THAN THE MINIMUM EDUCATION REQUIREMENTS CONTAINED IN THE AQB 04**
23 **CRITERIA. UNTIL JANUARY 1, 2008, HAS** completed 180 classroom hours
24 of courses meeting the standards of section 2617 and emphasizing
25 all types and values of real property appraisals. An applicant may
26 apply the 90 classroom hours used to obtain a prior real estate
27 appraiser license toward the requirement of 180 classroom hours,

1 but shall be able to demonstrate that the remaining 90 classroom
2 hours relate to the appraisal of nonresidential real property. The
3 courses shall cover all of the following topics:

- 4 (i) Influences on real estate value.
- 5 (ii) Legal considerations in appraisal.
- 6 (iii) Types of value.
- 7 (iv) Economic principles of appraisal.
- 8 (v) Real estate markets and analysis.
- 9 (vi) Valuation process.
- 10 (vii) Property description.
- 11 (viii) Highest and best use analysis.
- 12 (ix) Appraisal math and statistics.
- 13 (x) Sales comparison approach.
- 14 (xi) Site value.
- 15 (xii) Cost approach.
- 16 (xiii) Income approach.
- 17 (xiv) Valuation of partial interests.
- 18 (xv) The uniform standards of professional appraisal practice
19 and ethics.
- 20 (xvi) Narrative report writing.
- 21 (c) Has passed an examination as required in section 2619.
- 22 (d) Is of good moral character.
- 23 (e) Is at least 18 years of age.

24 Sec. 2617. (1) ~~The~~ **SUBJECT TO SUBSECTION (3), THE** director
25 may promulgate rules regulating the offering of educational courses
26 required under this article, including the type and conditions of
27 instruction, the qualification of instructors, the methods of

1 grading, the means of monitoring and reporting attendance, and the
2 representations made by course sponsors.

3 (2) All educational courses required under this article shall
4 be courses offered by 1 of the following:

5 (a) An institution of higher education authorized to grant
6 degrees, being a college, university, or community or junior
7 college.

8 (b) A private school licensed by the department of education
9 under 1943 PA 148, MCL 395.101 to 395.103, or authorized to operate
10 in any other state or jurisdiction.

11 (c) A state or federal agency or commission.

12 (d) A nonprofit association related to real property or real
13 property appraisal.

14 ~~—— (3) Prelicensure courses, being those courses offered as a~~
15 ~~qualification for licensure, shall meet the following minimum~~
16 ~~requirements:~~

17 ~~—— (a) Be not less than 15 classroom hours in length, a classroom~~
18 ~~hour being at least 50 minutes.~~

19 ~~—— (b) Include an examination at the end of the course requiring~~
20 ~~an individual taking the course to demonstrate mastery of the~~
21 ~~course content.~~

22 ~~—— (c) Be completed at any time prior to sitting for the~~
23 ~~examination described in section 2619.~~

24 ~~—— (4) An applicant who received credit for completion of a~~
25 ~~prelicensure course by successfully passing a challenge examination~~
26 ~~may be given credit for such courses passed prior to July 1, 1990,~~
27 ~~upon review by the department of the course content and examination~~

1 ~~given.~~

2 ~~—— (5) Continuing education courses required to be completed~~
 3 ~~under this article shall meet the following minimum requirements:~~

4 ~~—— (a) Be not less than 2 classroom hours in length, a classroom~~
 5 ~~hour being at least 50 minutes.~~

6 ~~—— (b) Be completed at any time following the expiration of the~~
 7 ~~licensee's previous license and the time the licensee applies for~~
 8 ~~renewal.~~

9 ~~—— (c) Be designed to maintain and improve the licensee's skill,~~
 10 ~~knowledge, and competency in the appraisal of real estate.~~

11 ~~—— (6) Courses taken in satisfying the qualifying education~~
 12 ~~requirements should not be repetitive in nature and should~~
 13 ~~represent a progression in which the appraiser's knowledge is~~
 14 ~~increased, as determined by the department and board.~~

15 **(3) UNTIL JANUARY 1, 2008, EDUCATIONAL COURSES REQUIRED FOR**
 16 **LICENSURE UNDER THIS ARTICLE SHALL COMPLY WITH AQB 94 CRITERIA.**
 17 **BEGINNING JANUARY 1, 2008, EDUCATIONAL COURSES REQUIRED FOR**
 18 **LICENSURE UNDER THIS ARTICLE SHALL COMPLY WITH AQB 04 CRITERIA.**

19 Sec. 2619. (1) Except as otherwise provided in section 2623,
 20 an individual seeking licensure under this article as a state
 21 licensed real estate appraiser, certified general real estate
 22 appraiser, or certified residential real estate appraiser shall
 23 first successfully pass the appraiser qualification board endorsed
 24 uniform real property appraiser examination or its equivalent as
 25 appropriate to the level of licensure sought and that is acceptable
 26 to the board and the department.

27 (2) The board and department may adopt an examination prepared

or approved by a professional entity or organization including, but not limited to, the appraisal qualification board if the department and the board determine that the examination serves as a basis for determining whether an individual has the knowledge and skills to perform with competence.

(3) Examination scores are considered valid for ~~3~~ 2 years from the date of the examination.

Sec. 2621. Experience required of applicants for licensure under this article shall meet the following requirements:

~~— (a) Consist of at least the required number of hours of appraisal experience obtained over not less than the required number of months.~~

~~— (b) Be experience obtained while properly licensed or exempt from licensure under the standards applicable at the time the experience was obtained.~~

~~— (c) Be capable of being documented in writing by the applicant or licensee upon the request of the department in the form of reports, file memoranda, or affidavits of a supervisor.~~

(A) UNTIL JANUARY 1, 2008, THE MINIMUM EXPERIENCE REQUIREMENTS DESCRIBED IN THE AQB 94 CRITERIA.

(B) BEGINNING JANUARY 1, 2008, THE MINIMUM EXPERIENCE REQUIREMENTS DESCRIBED IN THE AQB 04 CRITERIA.

Sec. 2627. ~~—(1)~~ As a condition for the renewal of licensure as a certified general real estate appraiser, a certified residential real estate appraiser, or a state licensed real estate appraiser, a licensee shall complete ~~14 classroom hours of~~ continuing education meeting the standards of section 2617 for each

~~year since the expiration of his or her previous license~~ THE
MINIMUM CONTINUING EDUCATION REQUIREMENTS DESCRIBED IN AQB 04
CRITERIA.

~~Effective the third year of licensure as a real estate
valuation specialist or as a limited real estate appraiser, an
individual licensed as a real estate valuation specialist or as a
limited real estate appraiser shall complete not less than 14
classroom hours of continuing education for each year since the
expiration of his or her previous license. This continuing
education shall meet the standards of section 2617.~~

~~Courses for which continuing education credit may be
obtained may include, but not be limited to, the following:~~

~~(a) Ad valorem taxation.~~

~~(b) Arbitrations.~~

~~(c) Business courses related to real estate appraisal.~~

~~(d) Construction or development cost estimating.~~

~~(e) Ethics and standards of professional practice.~~

~~(f) Land use planning, zoning, and taxation.~~

~~(g) Real estate management, leasing, brokerage, and time
sharing.~~

~~(h) Property development.~~

~~(i) Real estate appraisal (valuations and evaluations).~~

~~(j) Real estate financing and investment.~~

~~(k) Real estate law.~~

~~(l) Real estate litigation.~~

~~(m) Real estate appraisal related computer applications.~~

~~(n) Real estate securities and syndication.~~

1 ~~—— (o) Real estate exchange.~~

2 ~~—— (4) An individual who has authored a textbook, prepared and~~
 3 ~~taught a prelicensure or continuing education course, or has~~
 4 ~~undertaken some other activity which he or she believes may meet~~
 5 ~~the continuing education requirements of this section may request~~
 6 ~~continuing education credit for that activity from the department.~~
 7 ~~An individual who has completed continuing education required for~~
 8 ~~the renewal of an appraiser license in another state or~~
 9 ~~jurisdiction may submit proof of the acceptance of that continuing~~
 10 ~~education by that state as evidence of meeting the continuing~~
 11 ~~education requirements in this state.~~

12 ~~—— (5) A course covering the uniform standards of professional~~
 13 ~~appraisal practice must be completed as part of the continuing~~
 14 ~~education requirement every third licensing period.~~

15 Sec. 2629. ~~—(1)—~~ Notwithstanding section 411(4), relicensure
 16 of an individual whose license as a certified general real estate
 17 appraiser, a certified residential real estate appraiser, or a
 18 state licensed real estate appraiser under this article has lapsed
 19 for 3 or more continuous years shall require that the applicant
 20 complete the licensing examination for the type of license sought.

21 ~~—— (2) The continuing education requirements of section 2627 do~~
 22 ~~not apply to an individual renewing his or her license in the year~~
 23 ~~in which the original license is issued.~~

24 Sec. 2633. A licensee shall do all of the following:

25 (a) Include, in any appraisal or report provided to a client,
 26 the following statement: "Appraisers are required to be licensed
 27 and are regulated by the Michigan Department of ~~Consumer and~~

1 ~~Industry Services~~ **LABOR AND ECONOMIC GROWTH**, P.O. Box 30018,
 2 Lansing, Michigan 48909.".

3 (b) Maintain an actual place of business whose address shall
 4 be used as the licensee address and in all advertising.

5 (c) Maintain a system of books and records open to the
 6 department upon request during normal business hours. The books and
 7 records shall be maintained in accordance with the uniform
 8 standards of professional appraisal practice, the requirements of
 9 this article, and any requirements imposed by rules promulgated
 10 under this article. The books and records shall show all appraisals
 11 undertaken by name of client and the address or description of the
 12 property appraised. In addition, applicants for licensure as a
 13 state licensed real estate appraiser, a certified residential real
 14 estate appraiser, or a certified general real estate appraiser must
 15 also provide an appraisal log ~~which~~ **THAT** includes, at a minimum,
 16 the ~~following for each appraisal:~~ **DOCUMENTATION OR DATA REQUIRED**
 17 **TO BE KEPT UNDER THE AQB 04 CRITERIA.**

18 ~~—— (i) Type of property.~~

19 ~~—— (ii) Date of report.~~

20 ~~—— (iii) Address of appraised property.~~

21 ~~—— (iv) Description of work performed.~~

22 ~~—— (v) Number of work hours.~~

23 (d) Advertise only the services authorized to be rendered
 24 according to the type of license issued and only in the name and
 25 address under which the individual is licensed. The licensee shall
 26 indicate on every appraisal report the license number and level of
 27 licensure.

1 Sec. 2635. A licensee who does 1 or more of the following
2 shall be subject to the penalties set forth in article 6:

3 (a) Violates any of the standards for the development and
4 communication of real property appraisals as provided in this
5 article or a rule promulgated pursuant to this article.

6 (b) Fails or refuses without good cause to exercise reasonable
7 diligence in developing or communicating an appraisal.

8 (c) Demonstrates incompetence in developing or communicating
9 an appraisal.

10 (d) Fails to make available to the department upon request **OR**
11 **FAILS TO MAINTAIN** books and records required ~~to be kept~~ under
12 this article.

13 (e) Performs, attempts to perform, or offers to perform
14 appraisal services for which the individual is not licensed under
15 this article.

16 (f) Aids or abets another to commit a violation of this act or
17 the rules promulgated under this act.

18 (g) Uses the license of another individual or knowingly allows
19 another individual to use his or her license.

20 (h) If a real estate valuation specialist or a limited real
21 estate appraiser fails to disclose to the client, before making an
22 appraisal, that the licensee's appraisal cannot be used in a
23 federally related transaction.

24 Sec. 2637. Not less than monthly, the department shall compile
25 a list of certified general real estate appraiser, certified
26 **RESIDENTIAL** real estate appraiser, and state licensed real estate
27 appraiser licensees under this article, provide it to the appraisal

1 subcommittee of the federal financial institutions examination
2 council as required by section 1109 of the financial institutions
3 reform, recovery, and enforcement act of 1989, Public Law 101-73,
4 12 ~~U.S.C.~~ **USC** 3338, and remit the appropriate fee for each year
5 the individual is licensed under section 38 of the state license
6 fee act, 1979 PA 152, MCL 338.2238.