

# HOUSE BILL NO. 4928

September 11, 2025, Introduced by Reps. Hoadley, Borton, Martin, Wozniak and Schuette and referred to Committee on Regulatory Reform.

A bill to amend 1980 PA 299, entitled  
"Occupational code,"  
by amending section 2635 (MCL 339.2635), as amended by 2018 PA 157.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 2635. (1) Except as otherwise provided in subsection (2),  
2       a licensee who does 1 or more of the following is subject to the  
3       penalties set forth in article 6:

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

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

3 (c) Demonstrates incompetence in developing or communicating  
4 an appraisal.

5 (d) Fails to make available to the department on request or  
6 fails to maintain books and records required under this article.

7 (e) Performs, attempts to perform, or offers to perform  
8 appraisal services for which the individual is not licensed under  
9 this article.

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

12 (g) Uses the license of another individual or knowingly allows  
13 another individual to use ~~his or her~~ **one's own** license.

14 (h) If **the licensee is** a limited real estate appraiser, fails  
15 to disclose to the client, before making an appraisal, that the  
16 licensee's appraisal cannot be used in a federally related  
17 transaction.

18 (i) Develops and communicates, in violation of the standards  
19 adopted under this article, an appraisal used as an investment or  
20 as collateral for a loan in a real-estate-related financial  
21 transaction by developing and communicating that appraisal as a  
22 result of the client's or intended user's doing ~~either or both~~ **1 or**  
23 **more** of the following:

24 (i) Setting preconditions on the outcome of the appraisal as a  
25 prerequisite for being selected to develop and communicate an  
26 appraisal or for obtaining future appraisal work. As used in this  
27 subparagraph, "setting preconditions on the outcome of ~~an~~ **the**  
28 appraisal" does not include the communication of information,  
29 including documents related to the property being appraised,

1 necessary to identify the valuation problem to be solved and the  
2 scope of work necessary to determine credible assignment results.

3 (ii) Representing or implying that payment for the development  
4 and communication of the appraisal is predicated on attaining a  
5 desired minimum appraised value.

6 (2) An individual licensed under this article who violates  
7 subsection (1)(i) is guilty of a misdemeanor punishable by a fine  
8 of not more than \$15,000.00, ~~or~~ imprisonment for not more than 1  
9 year, or both.

10 ~~(3) A complaint under article 5 that seeks a penalty for a~~  
11 ~~violation of this section must be filed within 18 months after 1 of~~  
12 ~~the following dates, whichever occurs later:~~

13 ~~(a) The date of the alleged violation.~~

14 ~~(b) If the alleged violation occurs in connection with the~~  
15 ~~performance of an appraisal, the delivery of the appraisal to the~~  
16 ~~client.~~

17 ~~(c) If the alleged violation occurs in connection with an~~  
18 ~~appraisal or appraisal review performed in the capacity of an~~  
19 ~~expert witness, the delivery of the appraisal or appraisal review~~  
20 ~~to the opposing party.~~