

## Part 1 General Provisions

### 61-2e-101 Title.

This chapter is known as the "Appraisal Management Company Registration and Regulation Act."

Enacted by Chapter 269, 2009 General Session

### 61-2e-102 Definitions.

As used in this chapter:

- (1) "Applicable appraisal standards" means:
  - (a) the Uniform Standards for Professional Appraisal Practice:
    - (i) published by the Appraisal Foundation; and
    - (ii) as adopted under Section 61-2g-403;
  - (b) Chapter 2g, Real Estate Appraiser Licensing and Certification Act; and
  - (c) rules made by the board under Chapter 2g, Real Estate Appraiser Licensing and Certification Act.
- (2) "Appraisal" is as defined in Section 61-2g-102.
- (3) "Appraisal foundation" is as defined in Section 61-2g-102.
- (4) "Appraisal management company" means an entity that serves as a third-party broker of an appraisal service between a client and an appraiser by:
  - (a) administering a network of appraisers to perform real estate appraisal activities for one or more clients;
  - (b)
    - (i) receiving a request for a real estate appraisal activity from a client; and
    - (ii) for a fee paid by the client, entering into an agreement with one or more appraisers to perform the real estate appraisal activity contained in the request; or
  - (c) any other means.
- (5) "Appraisal management service" means a process of:
  - (a) receiving a request for the performance of a real estate appraisal activity from a client; and
  - (b) for a fee paid by the client, entering into an agreement with one or more appraisers to perform the real estate appraisal activity contained in the request.
- (6) "Appraisal report" is as defined in Section 61-2g-102.
- (7) "Appraiser" means an individual who engages in a real estate appraisal activity.
- (8) "Appraiser panel" means a group of appraisers that are selected by an appraisal management company to perform real estate appraisal activities for the appraisal management company.
- (9) "Board" means the Real Estate Appraiser Licensing and Certification Board that is created in Section 61-2g-204.
- (10) "Client" means a person that enters into an agreement with an appraisal management company for the performance of a real estate appraisal activity.
- (11) "Concurrence" means that the entities that are given a concurring role must jointly agree before an action may be taken.
- (12) "Controlling person" means:
  - (a) an owner, officer, or director of an entity seeking to offer appraisal management services;
  - (b) an individual employed, appointed, or authorized by an appraisal management company who has the authority to:

- (i) enter into a contractual relationship with a client for the performance of an appraisal management service; and
  - (ii) enter into an agreement with an appraiser for the performance of a real estate appraisal activity; or
  - (c) an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.
- (13) "Director" means the director of the division.
- (14) "Division" means the Division of Real Estate of the Department of Commerce.
- (15) "Entity" means:
- (a) a corporation;
  - (b) a partnership;
  - (c) a sole proprietorship;
  - (d) a limited liability company;
  - (e) another business entity; or
  - (f) a subsidiary or unit of an entity described in Subsections (15)(a) through (e).
- (16) "Person" means an individual or an entity.
- (17) "Real estate appraisal activity" is as defined in Section 61-2g-102.

Amended by Chapter 289, 2011 General Session

**61-2e-103 Rulemaking.**

In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the board may make rules, with the concurrence of the division, that are:

- (1) consistent with this chapter; and
- (2) necessary to implement this chapter.

Amended by Chapter 289, 2011 General Session

**61-2e-104 Exemption.**

This chapter does not apply to:

- (1) an entity that:
  - (a) exclusively employs an individual on an employer-employee basis for the performance of a real estate appraisal activity in the normal course of the entity's business;
  - (b) is responsible for ensuring that the real estate appraisal activity being performed by an employee is performed in accordance with applicable appraisal standards; and
  - (c) is an appraisal management company that is a subsidiary owned and controlled by a financial institution regulated by a federal financial institution regulatory agency;
- (2) an individual who:
  - (a) is an appraiser; and
  - (b) in the normal course of business enters into an agreement, whether written or otherwise, with another appraiser for the performance of a real estate appraisal activity that the individual cannot complete for any reason, including:
    - (i) competency;
    - (ii) work load;
    - (iii) schedule; or
    - (iv) geographic location; or
- (3) an individual who:

- (a) in the normal course of business enters into an agreement, whether written or otherwise, with an appraiser for the performance of a real estate appraisal activity; and
- (b) under the agreement, cosigns the report of the appraiser performing the real estate appraisal activity upon the completion of the real estate appraisal activity.

Amended by Chapter 166, 2012 General Session