

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 829\*  
Commerce Committee Substitute Adopted 7/28/09  
Third Edition Engrossed 8/5/09  
Proposed Substitute-DRAFT

Short Title: Regulation of Appraisal Management Companies. (Public)

Sponsors:

Referred to:

March 25, 2009 May 19, 2010

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

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

"Article 2.

"Real Estate Appraisal Management Companies.

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

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

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

**"§ 93E-2-2. Definitions.**

(a) The following definitions apply in this Article:

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

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

- a. Any agency of the federal government or any State or municipal government.
  - b. Any corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity that exclusively employs persons on an employer and employee basis for the performance of appraisals in the normal course of its business and the entity is responsible for ensuring that the appraisals are being performed in accordance with Article 1 of this Chapter and with the Uniform Standards of Professional Appraisal Practice.
  - c. Any bank, farm credit system, savings institution, or credit union.
  - d. -Any corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity that has as its primary business the development of appraisals in North Carolina in accordance with Article 1 of this Chapter and with the Uniform Standards of Professional Appraisal Practice.
  - e. Any corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity that has as its primary business the development of appraisals in North Carolina, but that in the normal course of business enters into an agreement with an independent contract appraiser for the performance of appraisals that the contracting entity cannot complete either because of the location or type of property in question.
  - f. -Any licensed real estate broker performing activities in accordance with Article 1 of this Chapter.
  - g. -Any officer or employee of an exempt entity described in this subdivision when acting in the scope of employment for the exempt entity.
  - h. Any state agency or local municipality that orders appraisals for ad valorem tax purposes or any other business on behalf of the state of North Carolina.
  - i. Any person licensed to practice law in this state, a court-appointed personal representative or a trustee who orders an appraisal in connection with a bona fide client relationship which such person directly contracts with an independent appraiser.
- (2) Appraisal management services. – Direct or indirect performance of any of the following functions on behalf of a lender, financial institution, client or any other person: (i) administer an appraiser panel; (ii) recruit, qualify, and/or verify licensing or certification; (iii) negotiate fees and service level expectations with appraisers who are part of an appraiser panel; (iv) receive an order for an appraisal from one person and deliver the order for the appraisal to an appraiser that is part of an appraiser panel for completion; (v) take and determine the status of orders for appraisals; (vi) conduct quality control of a completed appraisal prior to the delivery of the appraisal to the person that ordered the appraisal; (vii) provide a completed appraisal performed by an appraiser to one or more persons who have ordered an appraisal.

(3) Appraisal review. – The act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment, except that an examination of an appraisal for grammatical, typographical or other similar errors shall not be an appraisal review.

(24) –Board. – The North Carolina Appraisal Board under Article 1 of this Chapter.

(5) Controlling Person. – An owner of the corporation, partnership or other business entity seeking to offer appraisal management services in this state.

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

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

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

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

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

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

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

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

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

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

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

(1) ~~Name~~-Legal name of the entity seeking registration.

(2) Business address of the entity seeking registration.

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

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

(5) The name, address, and contact information for any individual or any corporation, partnership, or other business entity that owns ten percent (10%) or more of the appraisal management company.

(6) The names, addresses, and contact information for ~~a~~ the designated controlling person and the compliance manager.

- (7) A certification that the entity has a system and process in place to verify that a person being added to the appraiser panel of the appraisal management company ~~for appraisal services to be performed in North Carolina~~ holds a license in good standing in this State pursuant to the North Carolina Appraisers Act if a license or certification is required to perform appraisals.
- ~~(8)~~ A certification that the entity has a system in place to determine and verify competency, in accordance with the Uniform Standards of Professional Appraisal Practice, of all independent appraisers that are performing real estate appraisal services for the appraisal management company prior to assigning an appraisal to the appraiser.
- ~~(89)~~ A certification that the entity has a system in place to review the work of all independent appraisers that are performing real estate appraisal services for the appraisal management company on a periodic basis to ~~ensure-validate~~ that the real estate appraisal services are being conducted in accordance with the Uniform Standards of Professional Appraisal Practice.
- ~~(910)~~ A certification that the entity maintains a detailed record of each service request that it receives and the independent appraiser that performs the residential real estate appraisal services for the appraisal management company.
- ~~(110)~~ An irrevocable Uniform Consent to Service of Process.
- ~~(124)~~ Any other information required by the Board ~~to complete the registration process~~ pursuant to G.S. 93E-2-3.

(c) Any registrant having a good faith belief that a real estate appraiser licensed in this State has violated applicable law or the Uniform Standards of Professional Appraisal Practice or engaged in unethical conduct shall promptly file a complaint with the Board.

(d) Fees shall be paid to a real estate appraiser based on Federal Deposit Insurance Corporation (FDIC) appraisal management company protocol within ~~30-45~~ days of the date the appraisal is transmitted by the real estate appraiser to the registrant or the registrant's client, ~~except in cases of substandard performance or non-compliance with the conditions of engagement. In such cases, the registrant shall notify the real estate appraiser in writing that the fees will not be paid, and shall inform the real estate appraiser of the registrant's dispute process. Fees shall be paid directly to the real estate appraiser from the lender and not from the registrant. The registrant shall charge a direct fee to the lender for services provided without any fee splits.~~

(e) To qualify to be registered as an appraisal management company, each individual who owns, directly or indirectly, more than ten percent (10%) of the appraisal management company shall be of good moral character, as determined by the Board, and shall submit all information the Board deems necessary pursuant to the rules adopted by the Board. Additionally, each owner shall certify that he or she has never had a license to act as an appraiser refused, denied, cancelled, or revoked by the State of North Carolina or any other state.

(f) An appraisal management company shall not enter into any contracts or agreements with an independent appraiser for the performance of ~~residential~~ real estate appraisal services ~~within the State of North Carolina~~ unless the independent appraiser is licensed or certified in good standing pursuant to the North Carolina Appraisers Act.

**"§ 93E-2-5. Compliance manager.**

Each appraisal management company registered under this Article shall designate a compliance manager who is responsible for ensuring the company operates in compliance with

this Article. The compliance manager shall be a certified ~~general~~-real estate appraiser on active status and in good standing, certified under Article 1 of this Chapter or under the comparable laws of another state. The appraisal management company shall file a form with the Board indicating the appraisal management company's designation of a compliance manager and the individual's acceptance of the responsibility. An appraisal management company shall notify the Board of any change in the appraisal management company's compliance manager. Any appraisal management company that does not comply with this section shall have the appraisal management company's registration suspended pursuant to G.S. 93E-2-8 until the appraisal management company complies with this section. An individual operating an appraisal management company as a sole proprietorship shall be considered the compliance manager for purposes of this Article.

**"§ 93E-2-6. Fees and renewals.**

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

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

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

**"§ 93E-2-7. Prohibited acts.**

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

- (1) Withholding or threatening to withhold timely payment for a real estate appraisal report.
- (2) Withholding or threatening to withhold future business from a real estate appraiser or demoting or terminating or threatening to demote or terminate a real estate appraiser.
- (3) Expressly or impliedly promising future business, promotions, or increased compensation for a real estate appraiser.
- (4) Conditioning the ordering of a real estate appraisal report or the payment of a real estate appraisal fee, salary, or bonus on the opinion, conclusion, or valuation to be reached or on a preliminary estimate requested from a real estate appraiser.
- (5) Requesting that a real estate appraiser provide an estimated, predetermined, or desired valuation in a real estate appraisal report or provide estimated values

or comparable sales at any time before the appraiser's completion of the appraisal report.

- (6) Providing to a real estate appraiser an anticipated, estimated, encouraged, or desired value for a subject property or a proposed or targeted amount to be loaned to the borrower. However, a real estate appraiser may be provided with a copy of the sales contract for purchase transactions.
- (7) Providing to a real estate appraiser, or any entity or person related to the appraiser, stock or other financial or non-financial benefits.
- (8) Allowing the removal of a real estate appraiser from a list of qualified appraisers used by any entity without prior written notice to the appraiser. The notice shall include written evidence of the appraiser's illegal conduct, substandard performance, or otherwise improper or unprofessional behavior or any violation of the Uniform Standards of Professional Appraisal Practice or State licensing standards.
- (9) Any other act or practice that impairs or attempts to impair a real estate appraiser's independence, objectivity, or impartiality.
- (10) Requesting or requiring a real estate appraiser to collect a fee from the borrower, homeowner, or any other person in the provision of real estate appraisal services.

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

- (1) Alter, modify, or otherwise change a completed appraisal report submitted by an independent appraiser without the appraiser's written knowledge and consent.
- (2) Use an appraisal report submitted by an independent appraiser for any other transaction.
- (3) ~~Require an appraiser to sign any sort of indemnification agreement that would require the appraiser to defend and hold harmless the company, any software provider that the company requires an appraiser to use, or any other company that the company does business with from any liability, damage, losses, or claim.~~ Require an appraiser to indemnify an appraisal management company or hold an appraisal management company harmless for any liability, damage, losses or claims arising out of the services performed by the appraisal management company, and not the services performed by the appraiser.
- (4) Require an appraiser to provide the company with the appraiser's digital signature or seal.
- (5) ~~Require or attempt to require an appraiser to prepare an appraisal if the appraiser, in the appraiser's own independent professional judgment, believes the appraiser does not have the necessary expertise for the assignment or for the specific geographic area and has notified the appraisal management company and declined the assignment.~~
- (6) ~~Require or attempt to require an appraiser an appraiser to prepare an appraisal under a timeframe that the appraiser, in the appraiser's own professional~~

judgment, believes does not afford the appraiser the ability to meet all the relevant legal and professional obligations if the appraiser has notified the appraisal management company and declined the assignment.

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

- (1) Consider additional appropriate property information.
- (2) Provide further detail, substantiation, or explanation for the real estate appraiser's value conclusion through the registrant's established dispute process.
- (3) Correct errors in the real estate appraisal report.

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

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

- (1) Filed an application for registration that, as of its effective date or as of any date after filing, contained any statement that, in light of the circumstances under which it was made, is false or misleading with respect to any material fact.
- (2) Violated or failed to comply with any provision of this Article or any rules adopted by the Board.
- (3) Been convicted of any felony or, within the past 10 years, been convicted of any misdemeanor involving mortgage lending or real estate appraisal or any offense involving breach of trust, moral turpitude, or fraudulent or dishonest dealing.
- (4) Been permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the real estate appraisal management business.
- (5) Been the subject of an order of the Board or any other state appraiser regulatory agency denying, suspending, or revoking the person's license as a real estate appraiser.
- (6) Acted as an appraisal management company while not properly licensed by the Board.
- (7) Failed to pay the proper filing or renewal fee under this Article.

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



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

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

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

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

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

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

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

**"§ 93E-2-9. Records.**



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

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

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

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

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

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

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

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

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

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

(2) Criminal history. – A history of conviction of a state or federal crime, whether a misdemeanor or felony, that bears on an applicant's fitness for registration to act as a real estate appraisal management company. The crimes include the criminal offenses set forth in any of the following Articles of Chapter 14 of the General Statutes: Article 5, Counterfeiting and Issuing Monetary Substitutes; Article 5A, Endangering Executive and Legislative Officers; Article 6, Homicide; Article 7A, Rape and Other Sex Offenses; Article 8, Assaults; Article 10, Kidnapping and Abduction; Article 13, Malicious Injury or Damage by Use of Explosive or Incendiary Device or Material; Article 14, Burglary and Other Housebreakings; Article 15, Arson and Other Burnings; Article 16, Larceny; Article 17, Robbery; Article 18, Embezzlement; Article 19, False Pretenses and Cheats; Article 19A, Obtaining Property or Services by False or Fraudulent Use of Credit Device or Other Means; Article 19B, Financial Transaction Card Crime Act; Article 20, Frauds; Article 21, Forgery; Article 26, Offenses Against Public Morality and Decency; Article 26A, Adult Establishments; Article 27, Prostitution; Article 28, Perjury; Article 29, Bribery; Article 31, Misconduct in Public Office;

Article 35, Offenses Against the Public Peace; Article 36A, Riots and Civil Disorders; Article 39, Protection of Minors; Article 40, Protection of the Family; Article 59, Public Intoxication; and Article 60, Computer-Related Crime. The crimes also include possession or sale of drugs in violation of the North Carolina Controlled Substances Act in Article 5 of Chapter 90 of the General Statutes and ~~alcohol-related~~alcohol related offenses, including sale to underage persons in violation of G.S. 18B-302 or driving while impaired in violation of G.S. 20-138.1 through G.S. 20-138.5. In addition to the North Carolina crimes listed in this subdivision, such crimes also include similar crimes under federal law or under the laws of other states.

(b) The Board may require that an applicant for registration as an appraisal management company or a registrant consent to a criminal history record check. Refusal to consent to a criminal history record check may constitute grounds for the Board to deny registration to an applicant or registrant. The Board shall ensure that the State and national criminal history of an applicant or registrant is checked. The Board shall be responsible for providing to the North Carolina Department of Justice the fingerprints of the applicant or registrant to be checked, a form signed by the applicant or registrant consenting to the criminal record check and the use of fingerprints and other identifying information required by the State or National Repositories of Criminal Histories, and any additional information required by the Department of Justice in accordance with G.S. 114-19.27. The Board shall keep all information obtained pursuant to this section confidential. The Board shall collect any fees required by the Department of Justice and shall remit the fees to the Department of Justice for expenses associated with conducting the criminal history record check.

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

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

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

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

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

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

**"§ 114-19.27. Criminal history record checks of applicants or registrants for registration as real estate appraisal management companies.**

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

**SECTION 3.**

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

~~**SECTION 4.** This act becomes effective ~~January 1, 2012~~October 1, 2010.~~