

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6125-02  
Bill No.: SB 955  
Subject: Boards, Commissions, Committees, Councils; Licenses - Professional;  
 Administrative Law  
Type: Original  
Date: March 27, 2014

Bill Summary: This proposal modifies various provisions of the Missouri Certified Licensed Real Estate Appraisers and Appraisal Management Company Regulation Act.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Missouri Real Estate Commission Fund	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume this proposal makes the Missouri Real Estate Appraisers Commission liable for the cost of an appraisal and an appraisal report if complaint investigation requirements are not met. There is no way to determine how many appraisals would be to be investigated and how many appraisals and reports have to be paid at the commission's expense. Therefore, there is an unknown fiscal impact with the implementation of this legislation to the Missouri Real Estate Appraisers Commission.

Officials from the **Administrative Hearing Commission** assume the current proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>MISSOURI REAL ESTATE APPRAISER COMMISSION FUND</b>			
<u>Cost - Appraisal and Appraisal Report Costs</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON MISSOURI REAL ESTATE APPRAISER COMMISSION FUND</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

**FISCAL IMPACT - Small Business**

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### FISCAL DESCRIPTION

Under current law, the Missouri Real Estate Appraisers Commission shall consist of seven members appointed by the governor, six of whom are appraisers. This proposal requires that such members shall not be from the same congressional district. Such members may also not participate in a complaint investigation of a direct competitor.

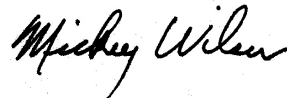
The proposal states that any person may file a complaint with the Commission against a licensed appraiser. Upon receipt of the complaint, the commission must investigate the licensee and notify the complainant that the investigation has been commenced. While the investigation is being conducted, the Commission must inform the complainant of the status of the investigation every sixty days. An investigation shall not last longer than six months.

If the Commission fails to comply with the investigation and notification requirements of the act the Commission must then provide the complainant with a new appraisal of the real estate originally appraised by the licensee under investigation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Administrative Hearing Commission



Mickey Wilson, CPA  
Director  
March 27, 2014

Ross Strope

L.R. No. 6125-02  
Bill No. SB 955  
Page 5 of 5  
March 27, 2014

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March 27, 2014

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