

I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
122-36 (COR)	Sabina Flores Perez	AN ACT TO AMEND §§ 30112 AND 30122 OF CHAPTER 30, DIVISION 3, TITLE 22 OF THE GUAM CODE ANNOTATED, RELATIVE TO ELIMINATING THE EQUAL RECIPROCITY REQUIREMENT FOR NON-RESIDENT REAL ESTATE APPRAISERS AND PROVIDING AN EXTENSION FOR TEMPORARY PRACTICE.	4/13/21 4:17 p.m.						

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 122-36(COR)

Introduced by:

Sabina Flores Perez /SFP

AN ACT TO AMEND §§ 30112 AND 30122 OF CHAPTER 30, DIVISION 3, TITLE 22 OF THE GUAM CODE ANNOTATED, RELATIVE TO ELIMINATING THE EQUAL RECIPROCITY REQUIREMENT FOR NON-RESIDENT REAL ESTATE APPRAISERS AND PROVIDING AN EXTENSION FOR TEMPORARY PRACTICE.

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Intent.** *I Liheslaturan Guåhan* finds that there is a
3 need for more real estate appraisers on Guam. The demand for services versus the
4 amount of local real estate appraisers is high enough to welcome real estate
5 appraisers from other jurisdictions to provide their appraisal services on Guam. The
6 additional appraisers in circulation are instrumental to meet the requirements of local
7 law for the periodic appraisal of property for tax and other purposes, and to keep
8 abreast of the current value of real estate on the island.

9 *I Liheslatura* also finds that a Federal audit was conducted in November 2015
10 by the Appraisal Subcommittee (ASC), of the Guam Department of Revenue and
11 Taxation's Appraiser Regulatory Program (Program) to determine the Program's
12 compliance with Title XI of the Financial Institutions Reforms, Recovery and
13 Enforcement Act of 1989, as amended (Title XI).

1 *I Liheslatura* finds the ASC has recommended an amendment to the Real
2 Estate Appraiser Law of Guam to create a policy for issuing a reciprocal credential
3 to a non-resident appraiser under the conditions specified in Title XI.

4 Since real estate appraisal is a temporary activity, and since there is a great
5 need for more appraisers in the field on Guam, *I Liheslatura* aims to provide an
6 update to the current regulations for non-resident appraisers which will bring Guam
7 into compliance with Title XI requirements and more importantly provide for more
8 qualified appraisers from other jurisdictions to perform this vital work on Guam.

9 **Section 2.** § 30112 of Chapter 30, Division 3, Title 22 of the Guam Code
10 Annotated is *amended* to read:

11 “§ 30112. **Non-resident Certification.**

12 (a) Based upon the premise that the appraiser’s home state’s
13 certification program has not been disapproved by the Appraisal
14 Subcommittee of the Federal Financial Institutions Examination
15 Council (FFIEC), a non-resident may be certified as a real estate
16 appraiser upon compliance with all the provisions and conditions of this
17 Act. Any person who is certified to practice real estate appraising in
18 another state, or territory of the United States, or in the District of
19 Columbia, who, in the opinion of the Director, meets or exceeds the
20 qualifications and requirements for certification in Guam, shall be
21 entitled to receive a certificate under this Act, upon submission of a
22 duly certified copy of his or her certification from such other state, or
23 territory of the United States, or from the District of Columbia, and any
24 other information the Director may require, and the payment of the
25 appropriate fee; ~~provided, however, that the laws of such state, or~~
26 ~~territory of the United States, or of the District of Columbia, accord~~
27 ~~equal reciprocal rights to a certified real estate appraiser in good~~
28 ~~standing in Guam who desires to practice his or her profession in such~~

1 state, or territory of the United States, or in the District of Columbia;
2 provided, that no proceeding is pending against such appraiser under
3 this Act or is unresolved. In any such application for a certificate, all
4 questions of the academic and experience requirements of other states,
5 or territories of the United States, or of the District of Columbia, shall
6 be determined by the Director, and at the discretion of the Director, the
7 reciprocal or non-resident appraisal applicant must comply with
8 additional requirements specified by the Director in his regulations.

9 (b) A non-resident appraiser shall not be required to maintain
10 a place of business in Guam if he or she maintains an active place of
11 business in the state of domicile. Every non-resident appraiser shall file
12 an irrevocable consent agreeing that in lawsuits and actions arising out
13 of any appraisal work performed in Guam, the service of legal process
14 on the Director shall be valid and binding in all courts as if sue service
15 of process had been made directly upon the non-resident appraiser in
16 Guam. In case any such process is served upon the Director, he or she
17 shall forward a copy of the process, by registered mail, to the main
18 office of the licensee against which the process is directed.

19 (c) The Director shall issue any certified real estate appraiser
20 of Guam who is in good standing in Guam in accordance with
21 regulations issued by the Director, a Certificate of Good Standing upon
22 payment of a fee in an amount provided in the regulations.

23 ~~(d) The Director is authorized to enter into reciprocity~~
24 ~~agreements with other states including the Commonwealth of the~~
25 ~~Northern Mariana Islands, for the licensing of Licensed Appraiser and~~
26 ~~Certified Appraiser, upon the condition that each party to the~~
27 ~~reciprocity agreement shall:~~

1 ~~(1) readily accept other states” certifications and~~
2 ~~licenses without the reexamination of applicants” underlying~~
3 ~~education and experience, provided that the other state: (a) has~~
4 ~~appraiser qualification criteria that meet or exceed the minimum~~
5 ~~standards for certification and licensure as adopted by the~~
6 ~~Appraiser Qualifications Board (AQB); and (b) uses appraiser~~
7 ~~certification or licensing examinations that are endorsed by~~
8 ~~AQB.;~~

9 ~~(2) eliminate testing, provided that the applicant has~~
10 ~~passed the appropriate AQB endorsed appraiser certification and~~
11 ~~licensing examinations in the appraiser’s home state;~~

12 ~~(3) recognize and accept successfully completed~~
13 ~~continuing education courses taken to qualify for license or~~
14 ~~certification renewal in the appraiser’s home state; and~~

15 ~~(4) the licensing fees or certification fees are identical~~
16 ~~in amount to the corresponding fees for Guam licensed or~~
17 ~~certified appraisers.”~~

18 **Section 3.** § 30122 of Chapter 30, Division 3, Title 22 of the Guam Code
19 Annotated, is *amended* to read as follows:

20 **“§ 30122. Temporary Practice.**

21 The Director shall issue a temporary practice for a period of six (6)
22 months to an applicant from another state or territory upon filing of an
23 application for a temporary practice and the payment of a temporary practice
24 fee of One Hundred Dollars (\$100.00) by an applicant who presents a
25 certificate of good standing to practice real estate appraising in another state,
26 or territory of the United States, or the District of Columbia, provided that:

27 (a) the applicant for temporary practice shall file an irrevocable
28 consent agreeing that in lawsuits and actions arising out of any appraisal work

1 performed in Guam, the service of legal process on the Director shall be valid
2 and binding in all courts as if due service of process had been made directly
3 upon the temporary appraiser. In case any such process is served upon the
4 Director, he or she shall forward a copy of the process, by registered mail, to
5 the main office of the licensee against which the process is directed;

6 (b) the property to be appraised is part of a federally-related
7 transaction. A federally-related transaction is a loan or a credit that is issued
8 or granted by a bank or financial institution that is insured by the Federal
9 Deposit Insurance Corporation or is a member of the Federal Reserve Board,
10 or is sold to GNMA, FNMA, or National Home Mortgage Corporation, or is
11 assisted or guaranteed by a Federal government agency.

12 (c) The appraiser's business is of a temporary nature. The appraisal
13 work to be performed is temporary in nature if such work is estimated to be
14 completed in less than six (6) months; and

15 An applicant may (1) receive at least one temporary practice permit
16 extension; and (2) submit more than one (1) application for a temporary
17 license within a period of one (1) year, provided that the applicant complies
18 with all the requirements for the issuance of a temporary license as set forth
19 in this Section. The Director shall not impose excessive fees or burdensome
20 requirements, as determined by the Appraisal Subcommittee."

21 **Section 4. Severability.** If any provision of this Act or its application to
22 any person or circumstance is found to be invalid or contrary to law, such invalidity
23 *shall not* affect other provisions or applications of this Act that can be given effect
24 without the invalid provision or application, and to this end the provisions of this
25 Act are severable.

26 **Section 5. Effective Date.** This Act *shall* become effective upon
27 enactment.