

1 AN ACT concerning State government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Real  
5 Estate Valuation Task Force Act.

6 Section 5. Findings. The General Assembly finds and  
7 declares the following:

8 (1) Two federal agencies, the Federal Home Owners'  
9 Loan Corporation and the Federal Housing Administration,  
10 played a major role in the development of the modern home  
11 mortgage origination industry.

12 (2) Both federal agencies explicitly considered the  
13 racial and ethnic make-up of neighborhoods when  
14 underwriting loans and valuing the real estate to be used  
15 as home loan collateral.

16 (3) Both agencies devalued property or refused to make  
17 loans secured by property in communities of color.

18 (4) The harmful consequences of this discrimination  
19 remain unresolved.

20 Section 10. Real Estate Valuation Task Force.

21 (a) The Real Estate Valuation Task Force is hereby  
22 established.

1 (b) The Task Force shall consist of the following members:

2 (1) 4 members appointed one each by the Speaker of the  
3 House of Representatives, the Minority Leader of the House  
4 of Representatives, the President of the Senate, and the  
5 Minority Leader of the Senate;

6 (2) the Secretary of Financial and Professional  
7 Regulation, or a designee;

8 (3) the Director of Commerce and Economic Opportunity,  
9 or a designee;

10 (4) the Director of Human Rights, or a designee;

11 (5) the Director of Revenue, or a designee;

12 (6) the Executive Director of the Illinois Housing  
13 Development Authority, or a designee;

14 (7) a representative of a statewide banking  
15 association representing banks of all asset sizes,  
16 appointed by the Governor;

17 (8) a representative of a statewide banking  
18 association exclusively representing banks with assets  
19 below \$20,000,000,000, appointed by the Governor;

20 (9) a representative of a statewide association  
21 representing credit unions, appointed by the Governor;

22 (10) a representative of an agency, organization, or  
23 association advocating for fair housing, appointed by the  
24 Governor;

25 (11) a representative of an agency, organization, or  
26 association for consumer protection, appointed by the

1 Governor; and

2 (12) a representative of a statewide appraisal  
3 organization, appointed by the Governor.

4 (c) Initial appointments to the Task Force shall be made  
5 as soon as practicable after the effective date of this Act.  
6 The Task Force shall hold its first meeting within a  
7 reasonable period of time after the completion of the  
8 appointment of its members, and shall convene regularly to  
9 carry out its duties and submit the reports required under  
10 this Act. At its first meeting, the Task Force shall elect its  
11 chair and any other officers from among its members.

12 (d) Members of the Task Force shall serve without  
13 compensation.

14 (e) The Department of Financial and Professional  
15 Regulation shall provide administrative and other support to  
16 the Task Force. Each agency and entity represented on the Task  
17 Force shall also share with the Task Force any data of the  
18 agency or entity necessary for the Task Force to carry out its  
19 duties under this Act.

20 Section 15. Task Force duties.

21 (a) The Task Force shall have the following duties:

22 (1) harmonize to the greatest extent possible the  
23 various collateral underwriting standards and guidance of  
24 the agencies and entities represented on the Task Force  
25 governing residential and commercial real estate

1 valuations, including standards and guidance with respect  
2 to appraisals, non-traditional and alternative methods of  
3 providing real estate property evaluations, such as  
4 automated valuation models, processes, and procedures for  
5 managing reconsiderations of value by consumers, and  
6 standards and guidance with respect to common collateral  
7 underwriting challenges, such as energy efficient housing  
8 and limited or inactive markets;

9 (2) to the extent that standards or guidance described  
10 under paragraph (1) are not harmonized, the Task Force  
11 shall issue a report to the General Assembly explaining  
12 why harmonization cannot or should not be implemented;

13 (3) establish specific definitions for limited or  
14 inactive housing markets in which comparable sales are  
15 limited or unavailable over a certain period of time, and  
16 establish greater flexibilities and guidance for  
17 appraisals and any underwriting processes associated with  
18 appraisals conducted in such markets, such as the ability  
19 to consider market evidence for similar properties in  
20 other geographic areas or utilizing a range of value;

21 (4) aggregate data across Task Force members and  
22 conduct a study to determine whether there are racial  
23 disparities at both the borrower and community level in  
24 the valuation and price of the residential real estate to  
25 be used as collateral for mortgage applications processed  
26 by Task Force members;

1           (5) identify specific causes of such racial  
2           disparities and (i) adopt changes to address such causes;  
3           or (ii) if the Task Force determines that additional  
4           statutory authority is needed to adopt such changes, issue  
5           a report to the General Assembly describing the needed  
6           statutory authority; and

7           (6) evaluate whether there are any barriers to entry  
8           that are disproportionately preventing minorities from  
9           entering into the appraisal profession.

10          (b) In carrying out its duties under this Act, the Task  
11          Force shall consult with the following individuals or  
12          entities: (i) civil rights advocates; (ii) consumer advocates;  
13          (iii) real estate appraisers; (iv) small lenders; (v) trade  
14          groups; (vi) appraisal management companies; (vii) experts on  
15          alternative valuation models; and (viii) an organization that  
16          adopts appraisal standards and appraiser qualification  
17          criteria.

18          Section 20. Reports.

19          (a) The Task Force shall submit a report to the Governor  
20          and the General Assembly not later than the expiration of the  
21          24-month period beginning on the effective date of this Act  
22          detailing the findings and any actions taken to further the  
23          duties of the Task Force as of such time and describing any  
24          planned efforts and activities.

25          (b) Periodically, after the submission of the initial

1 report under subsection (a), the Task Force shall submit  
2 reports to the Governor and the General Assembly setting forth  
3 updates of the findings and actions taken to further the  
4 duties of the Task Force. The reports required under this  
5 subsection (b) shall continue for the duration of the Task  
6 Force.

7 Section 25. Termination of Task Force; repeal.

8 (a) The Task Force shall terminate upon the expiration of  
9 the 5-year period beginning on the effective date of this Act.

10 (b) This Act is repealed on January 1, 2029.