



Sen. Terry Link

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1 AMENDMENT TO HOUSE BILL 5868

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 5868 on page 2, by  
3 replacing lines 3 through 14 with the following:

4 "Appraisal company" means any individual, corporation,  
5 partnership, sole proprietorship, limited liability  
6 partnership, limited liability company, subsidiary, unit, or  
7 other business entity that (i) administers networks of either  
8 employee or independent contractor appraisers to perform real  
9 estate appraisal services for clients; (ii) recruits,  
10 qualifies, verifies the licensing of, and negotiates fees and  
11 service level expectations with a network of third-party  
12 appraisers; (iii) provides administrative duties like order  
13 entry and assignment, tracking and status updates,  
14 pre-delivery quality control, and preliminary and hard copy  
15 report delivery; (iv) involves ongoing quality control,  
16 accounts payable and receivable, market value dispute  
17 resolution, warranty administration, and record retention; (v)  
18 receives requests for real estate appraisal services from

1 clients and enters into an agreement with one or more  
2 independent contractor appraisers to perform the real estate  
3 appraisal services contained in the request; or (vi) otherwise  
4 serves as a third-party broker of appraisal services between  
5 clients and appraisers."; and

6 by deleting lines 19 through 26 on page 2; and

7 by deleting lines 1 through 5 on page 3; and

8 on page 3, by replacing lines 24 and 25 with the following:

9 "appraisals. "Appraiser" does not mean an appraisal company.";

10 and

11 on page 5, line 19, by replacing "appraiser" with "entity"; and

12 on page 7, line 12, by deleting "or "turn time""; and

13 on page 10, line 21, by replacing "to conduct an appraisal

14 business" with "as an appraisal company"; and

15 on page 10, by replacing line 25 with "corporation, limited

16 liability company, or partnership."; and

17 on page 12, by replacing lines 5 through 8 with the following:

18 "(1) the appraisal company is legally conducting an

1       appraisal company business in either its state of domicile  
2       or the state in which it has its principal office.

3       (2) the appraisal company maintains an office in its  
4       state of domicile or the state in which it has its  
5       principal office; and"; and

6       on page 13, line 4, by replacing "appraiser or representative"  
7       with "appraisal company"; and

8       on page 15, by replacing lines 13 and 14 with the following:

9       "(i) This Section shall not apply to appraisal companies  
10       that contract, in the aggregate, with independent appraisers";  
11       and

12       on page 15, by replacing lines 18 through 25 with the  
13       following:

14       "(225 ILCS 458/5-20.3 new)

15       Sec. 5-20.3. Licensure of appraisal company.

16       (a) It is unlawful for a person to directly or indirectly  
17       engage or attempt to engage in business as an appraisal  
18       company, to directly or indirectly engage or attempt to perform  
19       appraisal company services, or to advertise or hold itself out  
20       as engaging in or conducting business as an appraisal company  
21       without first submitting an application to the Department, on  
22       forms provided by the Department, and obtaining a license

1 issued by the Secretary under the provisions of this Act.

2 (b) The license application required by subsection (a) of  
3 this Section shall, at a minimum, include the following  
4 information:

5 (1) the name of the entity seeking licensure;

6 (2) the business address of the entity seeking  
7 licensure;

8 (3) the phone contact information of the entity seeking  
9 licensure;

10 (4) if the entity is not domiciled in this State, the  
11 name and contact information for the appraisal company's  
12 agent for service of process in this State;

13 (5) the name, address, and contact information for any  
14 individual, corporation, partnership, sole proprietorship,  
15 limited liability partnership, limited liability company,  
16 subsidiary, unit, or other business entity that owns 10% or  
17 more of the appraisal company (controlling person);

18 (6) the name, address, and contact information for one  
19 or more controlling persons;

20 (7) a certification that the entity has a system and  
21 process in place to verify that a person being added to the  
22 appraiser panel of the appraisal company holds a license in  
23 good standing in this State pursuant to this Act if a  
24 license or certification is required to perform  
25 appraisals, pursuant to this Act;

26 (8) a certification that the entity has a system in

1 place to review the work of all appraisers that are  
2 performing real estate appraisal services for the  
3 appraisal company on a periodic basis to ensure that the  
4 real estate appraisal services are being conducted in  
5 accordance with USPAP;

6 (9) a certification that the entity maintains a record  
7 of each service request that it receives and the appraiser  
8 that performs the real estate appraisal services for the  
9 appraisal company;

10 (10) an irrevocable Uniform Consent to Service of  
11 Process, pursuant to subsection (b-7) of Section 5-5 of  
12 this Act; and

13 (11) any other information required by the Secretary.

14 (c) The application shall be accompanied by a  
15 non-refundable fee of \$50.00. Such fee shall be deposited  
16 in the Appraisal Administration Fund."; and

17 by deleting lines 1 and 2 on page 16; and

18 on page 22, immediately below line 8, by inserting the  
19 following:

20 "(h) No appraisal company shall require an appraiser to  
21 provide it with the appraiser's digital signature or seal.  
22 However, nothing in this Act shall be deemed to prohibit an  
23 appraiser from voluntarily providing his or her digital  
24 signature or seal to another person on an

1 assignment-by-assignment basis, in accordance with USPAP.

2 (i) Nothing in this Act shall prohibit an appraisal company  
3 from requesting that an appraiser consider additional  
4 appropriate data, or consider correcting factual errors."