

# AN ACT

To amend sections 109.572, 121.08, 4763.01, 4763.02, 4763.03, 4763.05, 4763.08, 4763.11, 4763.12, 4763.13, 4763.14, 4763.15, 4763.17, and 4763.19 and to enact sections 4768.01, 4768.02, 4768.03, 4768.04, 4768.05, 4768.06, 4768.07, 4768.08, 4768.09, 4768.10, 4768.11, 4768.12, 4768.13, 4768.14, 4768.15, and 4768.99 of the Revised Code to change the definition of "appraisal" for purposes of the Real Estate Appraiser Licensing Law, to make changes to certain procedures and the exceptions to licensure under that law, to regulate appraisal management companies, and to declare an emergency.

*Be it enacted by the General Assembly of the State of Ohio:*

SECTION 1. That sections 109.572, 121.08, 4763.01, 4763.02, 4763.03, 4763.05, 4763.08, 4763.11, 4763.12, 4763.13, 4763.14, 4763.15, 4763.17, and 4763.19 be amended and sections 4768.01, 4768.02, 4768.03, 4768.04, 4768.05, 4768.06, 4768.07, 4768.08, 4768.09, 4768.10, 4768.11, 4768.12, 4768.13, 4768.14, 4768.15, and 4768.99 of the Revised Code be enacted to read as follows:

Sec. 109.572. (A)(1) Upon receipt of a request pursuant to section 121.08, 3301.32, 3301.541, or 3319.39 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(1)(a) of this section;

(c) If the request is made pursuant to section 3319.39 of the Revised Code for an applicant who is a teacher, any offense specified in section 3319.31 of the Revised Code.

(2) On receipt of a request pursuant to section 3712.09 or 3721.121 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person who has applied for employment in a position for which a criminal records check is required by those sections. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code;

(b) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(2)(a) of this section.

(3) On receipt of a request pursuant to section 173.27, 173.38, 173.381, 3701.881, 5164.34, 5164.341, 5164.342, 5123.081, or 5123.169 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check of the person for whom the request is made. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of, has pleaded guilty to, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) has been found eligible for intervention in lieu of conviction for any of the following, regardless of the date of the conviction, the date of entry of the guilty plea, or (except in the case of a request pursuant to section 5164.34, 5164.341, or 5164.342 of the Revised Code) the date the person was found eligible for intervention in lieu of conviction:

(a) A violation of section 959.13, 959.131, 2903.01, 2903.02, 2903.03, 2903.04, 2903.041, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2903.341, 2905.01, 2905.02, 2905.05, 2905.11, 2905.12, 2905.32, 2905.33, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2907.33, 2909.02, 2909.03, 2909.04, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.05, 2913.11, 2913.21, 2913.31, 2913.32, 2913.40, 2913.41, 2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 2913.49, 2913.51, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 2919.121, 2919.123, 2919.22, 2919.23, 2919.24, 2919.25, 2921.03, 2921.11, 2921.12, 2921.13, 2921.21, 2921.24, 2921.32, 2921.321, 2921.34, 2921.35, 2921.36, 2921.51,

2923.12, 2923.122, 2923.123, 2923.13, 2923.161, 2923.162, 2923.21, 2923.32, 2923.42, 2925.02, 2925.03, 2925.04, 2925.041, 2925.05, 2925.06, 2925.09, 2925.11, 2925.13, 2925.14, 2925.141, 2925.22, 2925.23, 2925.24, 2925.36, 2925.55, 2925.56, 2927.12, or 3716.11 of the Revised Code;

(b) Felonious sexual penetration in violation of former section 2907.12 of the Revised Code;

(c) A violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996;

(d) A violation of section 2923.01, 2923.02, or 2923.03 of the Revised Code when the underlying offense that is the object of the conspiracy, attempt, or complicity is one of the offenses listed in divisions (A)(3)(a) to (c) of this section;

(e) A violation of an existing or former municipal ordinance or law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in divisions (A)(3)(a) to (d) of this section.

(4) On receipt of a request pursuant to section 2151.86 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 959.13, 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.15, 2903.16, 2903.21, 2903.211, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.22, 2909.23, 2909.24, 2911.01, 2911.02, 2911.11, 2911.12, 2913.49, 2917.01, 2917.02, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, 2927.12, or 3716.11 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense, two or more OVI or OVUAC violations committed within the three years immediately preceding the submission of the application or petition that is the basis of the request, or felonious sexual penetration in violation of former section 2907.12 of the Revised Code;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(4)(a) of this section.

(5) Upon receipt of a request pursuant to section 5104.013 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2151.421, 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12,

2903.13, 2903.16, 2903.21, 2903.22, 2903.34, 2905.01, 2905.02, 2905.05, 2905.11, 2905.32, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.19, 2907.21, 2907.22, 2907.23, 2907.24, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2909.04, 2909.05, 2911.01, 2911.02, 2911.11, 2911.12, 2913.02, 2913.03, 2913.04, 2913.041, 2913.05, 2913.06, 2913.11, 2913.21, 2913.31, 2913.32, 2913.33, 2913.34, 2913.40, 2913.41, 2913.42, 2913.43, 2913.44, 2913.441, 2913.45, 2913.46, 2913.47, 2913.48, 2913.49, 2917.01, 2917.02, 2917.03, 2917.31, 2919.12, 2919.22, 2919.224, 2919.225, 2919.24, 2919.25, 2921.03, 2921.11, 2921.13, 2921.14, 2921.34, 2921.35, 2923.01, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense, a violation of section 2923.02 or 2923.03 of the Revised Code that relates to a crime specified in this division, or a second violation of section 4511.19 of the Revised Code within five years of the date of application for licensure or certification.

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses or violations described in division (A)(5)(a) of this section.

(6) Upon receipt of a request pursuant to section 5153.111 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.05, 2907.02, 2907.03, 2907.04, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.21, 2907.22, 2907.23, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2909.02, 2909.03, 2911.01, 2911.02, 2911.11, 2911.12, 2919.12, 2919.22, 2919.24, 2919.25, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.04, 2925.05, 2925.06, or 3716.11 of the Revised Code, felonious sexual penetration in violation of former section 2907.12 of the Revised Code, a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, a violation of section 2919.23 of the Revised Code that would have been a violation of section 2905.04 of the Revised Code as it existed prior to July 1, 1996, had the violation been committed prior to that date, or a violation of section 2925.11 of the Revised Code that is not a minor drug possession offense;

(b) A violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(6)(a) of this section.

(7) On receipt of a request for a criminal records check from an individual pursuant to section 4749.03 or 4749.06 of the Revised Code, accompanied by a completed copy of the form prescribed

in division (C)(1) of this section and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty to a felony in this state or in any other state. If the individual indicates that a firearm will be carried in the course of business, the superintendent shall require information from the federal bureau of investigation as described in division (B)(2) of this section. Subject to division (F) of this section, the superintendent shall report the findings of the criminal records check and any information the federal bureau of investigation provides to the director of public safety.

(8) On receipt of a request pursuant to section 1321.37, 1321.53, 1321.531, 1322.03, 1322.031, or 4763.05 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person who has applied for a license, permit, or certification from the department of commerce or a division in the department. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following: a violation of section 2913.02, 2913.11, 2913.31, 2913.51, or 2925.03 of the Revised Code; any other criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities, as set forth in Chapters 2909., 2911., 2913., 2915., 2921., 2923., and 2925. of the Revised Code; or any existing or former law of this state, any other state, or the United States that is substantially equivalent to those offenses.

(9) On receipt of a request for a criminal records check from the treasurer of state under section 113.041 of the Revised Code or from an individual under section 4701.08, 4715.101, 4717.061, 4725.121, 4725.501, 4729.071, 4730.101, 4730.14, 4730.28, 4731.081, 4731.15, 4731.171, 4731.222, 4731.281, 4731.296, 4731.531, 4732.091, 4734.202, 4740.061, 4741.10, 4755.70, 4757.101, 4759.061, 4760.032, 4760.06, 4761.051, 4762.031, 4762.06, 4776.021, 4779.091, or 4783.04 of the Revised Code, accompanied by a completed form prescribed under division (C)(1) of this section and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request has been convicted of or pleaded guilty to any criminal offense in this state or any other state. Subject to division (F) of this section, the superintendent shall send the results of a check requested under section 113.041 of the Revised Code to the treasurer of state and shall send the results of a check requested under any of the other listed sections to the licensing board specified by the individual in the request.

(10) On receipt of a request pursuant to section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47, or 1761.26 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of

this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any criminal offense under any existing or former law of this state, any other state, or the United States.

(11) On receipt of a request for a criminal records check from an appointing or licensing authority under section 3772.07 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner prescribed in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty or no contest to any offense under any existing or former law of this state, any other state, or the United States that is a disqualifying offense as defined in section 3772.07 of the Revised Code or substantially equivalent to such an offense.

(12) On receipt of a request pursuant to section 2151.33 or 2151.412 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check with respect to any person for whom a criminal records check is required under that section. The superintendent shall conduct the criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to any of the following:

(a) A violation of section 2903.01, 2903.02, 2903.03, 2903.04, 2903.11, 2903.12, 2903.13, 2903.16, 2903.21, 2903.34, 2905.01, 2905.02, 2905.11, 2905.12, 2907.02, 2907.03, 2907.05, 2907.06, 2907.07, 2907.08, 2907.09, 2907.12, 2907.25, 2907.31, 2907.32, 2907.321, 2907.322, 2907.323, 2911.01, 2911.02, 2911.11, 2911.12, 2911.13, 2913.02, 2913.03, 2913.04, 2913.11, 2913.21, 2913.31, 2913.40, 2913.43, 2913.47, 2913.51, 2919.25, 2921.36, 2923.12, 2923.13, 2923.161, 2925.02, 2925.03, 2925.11, 2925.13, 2925.22, 2925.23, or 3716.11 of the Revised Code;

(b) An existing or former law of this state, any other state, or the United States that is substantially equivalent to any of the offenses listed in division (A)(12)(a) of this section.

(13) On receipt of a request pursuant to section 3796.12 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to the following:

(a) A disqualifying offense as specified in rules adopted under division (B)(2)(b) of section 3796.03 of the Revised Code if the person who is the subject of the request is an administrator or other person responsible for the daily operation of, or an owner or prospective owner, officer or prospective officer, or board member or prospective board member of, an entity seeking a license

from the department of commerce under Chapter 3796. of the Revised Code;

(b) A disqualifying offense as specified in rules adopted under division (B)(2)(b) of section 3796.04 of the Revised Code if the person who is the subject of the request is an administrator or other person responsible for the daily operation of, or an owner or prospective owner, officer or prospective officer, or board member or prospective board member of, an entity seeking a license from the state board of pharmacy under Chapter 3796. of the Revised Code.

(14) On receipt of a request required by section 3796.13 of the Revised Code, a completed form prescribed pursuant to division (C)(1) of this section, and a set of fingerprint impressions obtained in a manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists that indicates that the person who is the subject of the request previously has been convicted of or pleaded guilty to the following:

(a) A disqualifying offense as specified in rules adopted under division (B)(8)(a) of section 3796.03 of the Revised Code if the person who is the subject of the request is seeking employment with an entity licensed by the department of commerce under Chapter 3796. of the Revised Code;

(b) A disqualifying offense as specified in rules adopted under division (B)(14)(a) of section 3796.04 of the Revised Code if the person who is the subject of the request is seeking employment with an entity licensed by the state board of pharmacy under Chapter 3796. of the Revised Code.

(15) On receipt of a request pursuant to section 4768.06 of the Revised Code, a completed form prescribed under division (C)(1) of this section, and a set of fingerprint impressions obtained in the manner described in division (C)(2) of this section, the superintendent of the bureau of criminal identification and investigation shall conduct a criminal records check in the manner described in division (B) of this section to determine whether any information exists indicating that the person who is the subject of the request has been convicted of or pleaded guilty to a felony in this state or in any other state.

(B) Subject to division (F) of this section, the superintendent shall conduct any criminal records check to be conducted under this section as follows:

(1) The superintendent shall review or cause to be reviewed any relevant information gathered and compiled by the bureau under division (A) of section 109.57 of the Revised Code that relates to the person who is the subject of the criminal records check, including, if the criminal records check was requested under section 113.041, 121.08, 173.27, 173.38, 173.381, 1121.23, 1155.03, 1163.05, 1315.141, 1321.37, 1321.53, 1321.531, 1322.03, 1322.031, 1733.47, 1761.26, 2151.86, 3301.32, 3301.541, 3319.39, 3701.881, 3712.09, 3721.121, 3772.07, 3796.12, 4749.03, 4749.06, 4763.05, 4768.06, 5104.013, 5164.34, 5164.341, 5164.342, 5123.081, 5123.169, or 5153.111 of the Revised Code, any relevant information contained in records that have been sealed under section 2953.32 of the Revised Code;

(2) If the request received by the superintendent asks for information from the federal bureau of investigation, the superintendent shall request from the federal bureau of investigation any information it has with respect to the person who is the subject of the criminal records check, including fingerprint-based checks of national crime information databases as described in 42 U.S.C. 671 if the request is made pursuant to section 2151.86 or 5104.013 of the Revised Code or if any

other Revised Code section requires fingerprint-based checks of that nature, and shall review or cause to be reviewed any information the superintendent receives from that bureau. If a request under section 3319.39 of the Revised Code asks only for information from the federal bureau of investigation, the superintendent shall not conduct the review prescribed by division (B)(1) of this section.

(3) The superintendent or the superintendent's designee may request criminal history records from other states or the federal government pursuant to the national crime prevention and privacy compact set forth in section 109.571 of the Revised Code.

(4) The superintendent shall include in the results of the criminal records check a list or description of the offenses listed or described in division (A)(1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), ~~or (14)~~, or (15) of this section, whichever division requires the superintendent to conduct the criminal records check. The superintendent shall exclude from the results any information the dissemination of which is prohibited by federal law.

(5) The superintendent shall send the results of the criminal records check to the person to whom it is to be sent not later than the following number of days after the date the superintendent receives the request for the criminal records check, the completed form prescribed under division (C) (1) of this section, and the set of fingerprint impressions obtained in the manner described in division (C)(2) of this section:

(a) If the superintendent is required by division (A) of this section (other than division (A)(3) of this section) to conduct the criminal records check, thirty;

(b) If the superintendent is required by division (A)(3) of this section to conduct the criminal records check, sixty.

(C)(1) The superintendent shall prescribe a form to obtain the information necessary to conduct a criminal records check from any person for whom a criminal records check is to be conducted under this section. The form that the superintendent prescribes pursuant to this division may be in a tangible format, in an electronic format, or in both tangible and electronic formats.

(2) The superintendent shall prescribe standard impression sheets to obtain the fingerprint impressions of any person for whom a criminal records check is to be conducted under this section. Any person for whom a records check is to be conducted under this section shall obtain the fingerprint impressions at a county sheriff's office, municipal police department, or any other entity with the ability to make fingerprint impressions on the standard impression sheets prescribed by the superintendent. The office, department, or entity may charge the person a reasonable fee for making the impressions. The standard impression sheets the superintendent prescribes pursuant to this division may be in a tangible format, in an electronic format, or in both tangible and electronic formats.

(3) Subject to division (D) of this section, the superintendent shall prescribe and charge a reasonable fee for providing a criminal records check under this section. The person requesting the criminal records check shall pay the fee prescribed pursuant to this division. In the case of a request under section 1121.23, 1155.03, 1163.05, 1315.141, 1733.47, 1761.26, 2151.33, 2151.412, or 5164.34 of the Revised Code, the fee shall be paid in the manner specified in that section.

(4) The superintendent of the bureau of criminal identification and investigation may prescribe methods of forwarding fingerprint impressions and information necessary to conduct a



criminal records check, which methods shall include, but not be limited to, an electronic method.

(D) The results of a criminal records check conducted under this section, other than a criminal records check specified in division (A)(7) of this section, are valid for the person who is the subject of the criminal records check for a period of one year from the date upon which the superintendent completes the criminal records check. If during that period the superintendent receives another request for a criminal records check to be conducted under this section for that person, the superintendent shall provide the results from the previous criminal records check of the person at a lower fee than the fee prescribed for the initial criminal records check.

(E) When the superintendent receives a request for information from a registered private provider, the superintendent shall proceed as if the request was received from a school district board of education under section 3319.39 of the Revised Code. The superintendent shall apply division (A)(1)(c) of this section to any such request for an applicant who is a teacher.

(F)(1) Subject to division (F)(2) of this section, all information regarding the results of a criminal records check conducted under this section that the superintendent reports or sends under division (A)(7) or (9) of this section to the director of public safety, the treasurer of state, or the person, board, or entity that made the request for the criminal records check shall relate to the conviction of the subject person, or the subject person's plea of guilty to, a criminal offense.

(2) Division (F)(1) of this section does not limit, restrict, or preclude the superintendent's release of information that relates to the arrest of a person who is eighteen years of age or older, to an adjudication of a child as a delinquent child, or to a criminal conviction of a person under eighteen years of age in circumstances in which a release of that nature is authorized under division (E)(2), (3), or (4) of section 109.57 of the Revised Code pursuant to a rule adopted under division (E)(1) of that section.

(G) As used in this section:

(1) "Criminal records check" means any criminal records check conducted by the superintendent of the bureau of criminal identification and investigation in accordance with division (B) of this section.

(2) "Minor drug possession offense" has the same meaning as in section 2925.01 of the Revised Code.

(3) "OVI or OVUAC violation" means a violation of section 4511.19 of the Revised Code or a violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to section 4511.19 of the Revised Code.

(4) "Registered private provider" means a nonpublic school or entity registered with the superintendent of public instruction under section 3310.41 of the Revised Code to participate in the autism scholarship program or section 3310.58 of the Revised Code to participate in the Jon Peterson special needs scholarship program.

Sec. 121.08. (A) There is hereby created in the department of commerce the position of deputy director of administration. This officer shall be appointed by the director of commerce, serve under the director's direction, supervision, and control, perform the duties the director prescribes, and hold office during the director's pleasure. The director of commerce may designate an assistant director of commerce to serve as the deputy director of administration. The deputy director of administration shall perform the duties prescribed by the director of commerce in supervising the

activities of the division of administration of the department of commerce.

(B) Except as provided in section 121.07 of the Revised Code, the department of commerce shall have all powers and perform all duties vested in the deputy director of administration, the state fire marshal, the superintendent of financial institutions, the superintendent of real estate and professional licensing, the superintendent of liquor control, the superintendent of industrial compliance, the superintendent of unclaimed funds, and the commissioner of securities, and shall have all powers and perform all duties vested by law in all officers, deputies, and employees of those offices. Except as provided in section 121.07 of the Revised Code, wherever powers are conferred or duties imposed upon any of those officers, the powers and duties shall be construed as vested in the department of commerce.

(C)(1) There is hereby created in the department of commerce a division of financial institutions, which shall have all powers and perform all duties vested by law in the superintendent of financial institutions. Wherever powers are conferred or duties imposed upon the superintendent of financial institutions, those powers and duties shall be construed as vested in the division of financial institutions. The division of financial institutions shall be administered by the superintendent of financial institutions.

(2) All provisions of law governing the superintendent of financial institutions shall apply to and govern the superintendent of financial institutions provided for in this section; all authority vested by law in the superintendent of financial institutions with respect to the management of the division of financial institutions shall be construed as vested in the superintendent of financial institutions created by this section with respect to the division of financial institutions provided for in this section; and all rights, privileges, and emoluments conferred by law upon the superintendent of financial institutions shall be construed as conferred upon the superintendent of financial institutions as head of the division of financial institutions. The director of commerce shall not transfer from the division of financial institutions any of the functions specified in division (C)(2) of this section.

(D) There is hereby created in the department of commerce a division of liquor control, which shall have all powers and perform all duties vested by law in the superintendent of liquor control. Wherever powers are conferred or duties are imposed upon the superintendent of liquor control, those powers and duties shall be construed as vested in the division of liquor control. The division of liquor control shall be administered by the superintendent of liquor control.

(E) The director of commerce shall not be interested, directly or indirectly, in any firm or corporation which is a dealer in securities as defined in sections 1707.01 and 1707.14 of the Revised Code, or in any firm or corporation licensed under sections 1321.01 to 1321.19 of the Revised Code.

(F) The director of commerce shall not have any official connection with a savings and loan association, a savings bank, a bank, a bank holding company, a savings and loan association holding company, a consumer finance company, or a credit union that is under the supervision of the division of financial institutions, or a subsidiary of any of the preceding entities, or be interested in the business thereof.

(G) There is hereby created in the state treasury the division of administration fund. The fund shall receive assessments on the operating funds of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management. All operating expenses of the division of administration shall be paid from the division

of administration fund.

(H) There is hereby created in the department of commerce a division of real estate and professional licensing, which shall be under the control and supervision of the director of commerce. The division of real estate and professional licensing shall be administered by the superintendent of real estate and professional licensing. The superintendent of real estate and professional licensing shall exercise the powers and perform the functions and duties delegated to the superintendent under Chapters 4735., 4763., ~~and 4767.~~, and 4768. of the Revised Code.

(I) There is hereby created in the department of commerce a division of industrial compliance, which shall have all powers and perform all duties vested by law in the superintendent of industrial compliance. Wherever powers are conferred or duties imposed upon the superintendent of industrial compliance, those powers and duties shall be construed as vested in the division of industrial compliance. The division of industrial compliance shall be under the control and supervision of the director of commerce and be administered by the superintendent of industrial compliance.

(J) There is hereby created in the department of commerce a division of unclaimed funds, which shall have all powers and perform all duties delegated to or vested by law in the superintendent of unclaimed funds. Wherever powers are conferred or duties imposed upon the superintendent of unclaimed funds, those powers and duties shall be construed as vested in the division of unclaimed funds. The division of unclaimed funds shall be under the control and supervision of the director of commerce and shall be administered by the superintendent of unclaimed funds. The superintendent of unclaimed funds shall exercise the powers and perform the functions and duties delegated to the superintendent by the director of commerce under section 121.07 and Chapter 169. of the Revised Code, and as may otherwise be provided by law.

(K) The department of commerce or a division of the department created by the Revised Code that is acting with authorization on the department's behalf may request from the bureau of criminal identification and investigation pursuant to section 109.572 of the Revised Code, or coordinate with appropriate federal, state, and local government agencies to accomplish, criminal records checks for the persons whose identities are required to be disclosed by an applicant for the issuance or transfer of a permit, license, certificate of registration, or certification issued or transferred by the department or division. At or before the time of making a request for a criminal records check, the department or division may require any person whose identity is required to be disclosed by an applicant for the issuance or transfer of such a license, permit, certificate of registration, or certification to submit to the department or division valid fingerprint impressions in a format and by any media or means acceptable to the bureau of criminal identification and investigation and, when applicable, the federal bureau of investigation. The department or division may cause the bureau of criminal identification and investigation to conduct a criminal records check through the federal bureau of investigation only if the person for whom the criminal records check would be conducted resides or works outside of this state or has resided or worked outside of this state during the preceding five years, or if a criminal records check conducted by the bureau of criminal identification and investigation within this state indicates that the person may have a criminal record outside of this state.

In the case of a criminal records check under section 109.572 of the Revised Code, the

department or division shall forward to the bureau of criminal identification and investigation the requisite form, fingerprint impressions, and fee described in division (C) of that section. When requested by the department or division in accordance with this section, the bureau of criminal identification and investigation shall request from the federal bureau of investigation any information it has with respect to the person who is the subject of the requested criminal records check and shall forward the requisite fingerprint impressions and information to the federal bureau of investigation for that criminal records check. After conducting a criminal records check or receiving the results of a criminal records check from the federal bureau of investigation, the bureau of criminal identification and investigation shall provide the results to the department or division.

The department or division may require any person about whom a criminal records check is requested to pay to the department or division the amount necessary to cover the fee charged to the department or division by the bureau of criminal identification and investigation under division (C) (3) of section 109.572 of the Revised Code, including, when applicable, any fee for a criminal records check conducted by the federal bureau of investigation.

(L) The director of commerce, or the director's designee, may adopt rules to enhance compliance with statutes pertaining to, and rules adopted by, divisions under the direction, supervision, and control of the department or director by offering incentive-based programs that ensure safety and soundness while promoting growth and prosperity in the state.

Sec. 4763.01. As used in this chapter:

(A) "Real estate appraisal" or "appraisal" means ~~an analysis, the act or process of developing an opinion, or conclusion relating to the nature, quality, value, or utility of specified interests in, or aspects of identified real estate that is classified as either a valuation or an analysis~~ of value of real property in conformity with the uniform standards of professional appraisal practice.

(B) "Valuation" means an estimate of the value of real estate.

(C) "Analysis" means a study of real estate for purposes other than valuation.

(D) "Appraisal report" means a written communication of a real estate appraisal or appraisal review, or an oral communication of a real estate appraisal or appraisal review, that is documented by a writing that supports the oral communication.

(E) "Appraisal assignment" means an engagement for which a person licensed or certified under this chapter is employed, retained, or engaged to act, or would be perceived by third parties or the public as acting, as a disinterested third party in rendering an unbiased real estate appraisal.

(F) "Specialized services" means all appraisal services, other than appraisal assignments, including, but not limited to, valuation and analysis given in connection with activities such as real estate brokerage, mortgage banking, real estate counseling, and real estate tax counseling, and specialized marketing, financing, and feasibility studies.

(G) "Real estate" has the same meaning as in section 4735.01 of the Revised Code.

(H) "Appraisal foundation" means a nonprofit corporation incorporated under the laws of the state of Illinois on November 30, 1987, for the purposes of establishing and improving uniform appraisal standards by defining, issuing, and promoting those standards; establishing appropriate criteria for the certification and recertification of qualified appraisers by defining, issuing, and promoting the qualification criteria and disseminating the qualification criteria to others; and developing or assisting in development of appropriate examinations for qualified appraisers.

(I) "Prepare" means to develop and communicate, whether through a personal physical inspection or through the act or process of critically studying a report prepared by another who made the physical inspection, an appraisal, ~~analysis, or opinion, report~~ or specialized service ~~and to report the results~~. If the person who develops and communicates the appraisal or specialized service report does not make the personal inspection, the name of the person who does make the personal inspection shall be identified on the appraisal or specialized service ~~reported report~~.

(J) "Report" means any communication, written, oral, or by any other means of transmission of information, of a real estate appraisal, appraisal review, or specialized service that is transmitted to a client or employer upon completion of the appraisal or service.

(K) "State-certified general real estate appraiser" means any person who satisfies the certification requirements of this chapter relating to the appraisal of all types of real property and who holds a current and valid certificate or renewal certificate issued to the person pursuant to this chapter.

(L) "State-certified residential real estate appraiser" means any person who satisfies the certification requirements only relating to the appraisal of one to four units of single-family residential real estate without regard to transaction value or complexity and who holds a current and valid certificate or renewal certificate issued to the person pursuant to this chapter.

(M) "State-licensed residential real estate appraiser" means any person who satisfies the licensure requirements of this chapter relating to the appraisal of noncomplex one-to-four unit single-family residential real estate having a transaction value of less than one million dollars and complex one-to-four unit single-family residential real estate having a transaction value of less than two hundred fifty thousand dollars and who holds a current and valid license or renewal license issued to the person pursuant to this chapter.

(N) "Certified or licensed real estate appraisal report" means an appraisal report prepared ~~and reported~~ by a certificate holder or licensee under this chapter acting within the scope of certification or licensure and as a disinterested third party.

(O) "State-registered real estate appraiser assistant" means any person, other than a state-certified general real estate appraiser, state-certified residential real estate appraiser, or a state-licensed residential real estate appraiser, who satisfies the registration requirements of this chapter for participating in ~~the development and preparation of~~ real estate appraisals and who holds a current and valid registration or renewal registration issued to the person pursuant to this chapter.

(P) "Institution of higher education" ~~means a state university or college, a private college or university located in this state that possesses a certificate of authorization issued by the chancellor of higher education pursuant to Chapter 1713. of the Revised Code, or an accredited college or university located outside this state that is accredited by an accrediting organization or professional accrediting association recognized by the chancellor of higher education~~ has the same meaning as in section 4735.01 of the Revised Code.

(Q) "Division of real estate" may be used interchangeably with, and for all purposes has the same meaning as, "division of real estate and professional licensing."

(R) "Superintendent" or "superintendent of real estate" means the superintendent of the division of real estate and professional licensing of this state. Whenever the division or superintendent of real estate is referred to or designated in any statute, rule, contract, or other

document, the reference or designation shall be deemed to refer to the division or superintendent of real estate and professional licensing, as the case may be.

(S) "Appraisal review" means 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 or appraisal review. "Appraisal review" does not include an examination of an appraisal for grammatical errors, typographical errors, or completeness, provided the review for completeness does not require an opinion about the quality of the work of an appraiser. The real estate appraiser board may define, by rule, "review for completeness."

(T) "Work file" means documentation used during the preparation of an appraisal report or necessary to support an appraiser's analyses, opinions, or conclusions.

(U) "Automated valuation model" means a computer software program that analyzes data using an automated process, such as regression, adaptive estimation, neural network, expert reasoning, or artificial intelligence programs, that produces an output that may become a basis for appraisal or appraisal review if the appraiser believes the output to be credible for use in a specific assignment.

Sec. 4763.02. (A) There is hereby created the real estate appraiser board, consisting of five members appointed by the governor, with the advice and consent of the senate. Four members shall be persons certified or licensed under this chapter, at least two of whom shall hold a state-certified general real estate appraiser certificate, and one of whom shall be an owner, controlling person, or management-level employee of an appraisal management company licensed and in good standing under Chapter 4768. of the Revised Code. One member shall represent the public and shall not be engaged in the practice of issuing-performing real estate appraisals; or have any financial interest in such practices, or be actively engaged in real estate brokerage or sales; or have any financial interest in such practices. At least one of the certificate holders or licensees members shall be a real estate broker licensed pursuant to Chapter 4735. of the Revised Code whose license is in good standing. For the purpose of appointment to an eligibility for appointment to the board, the license of a real estate broker may be on deposit with the division of real estate of the department of commerce. No more than three members shall be members of the same political party and no member of the board concurrently may be a member of the board and the Ohio real estate commission created pursuant to section 4735.03 of the Revised Code. Of the initial appointments to the board, one is for a term ending June 30, 1990, two are for terms ending June 30, 1991, and two are for terms ending June 30, 1992. Thereafter, terms of office are for three years, commencing on the first day of July and ending on the thirtieth day of June. Each member shall hold office from the date of ~~his~~ appointment until the end of the term for which ~~he is~~ appointed. Prior to entering upon ~~the official~~ duties of ~~his office~~, each member shall subscribe to, and file with the secretary of state, the constitutional oath of office. Vacancies that occur on the board shall be filled in the manner prescribed for regular appointments to the board. A member appointed to fill a vacancy occurring prior to the expiration of the term for which ~~his~~ the member's predecessor was appointed shall hold office for the remainder of that term. A member shall continue in office subsequent to the expiration date of ~~his~~ the member's term until ~~his~~ the member's successor takes office or until ~~sixty-ninety~~ days have elapsed, whichever occurs first. No person shall serve as a member of the board for more than two consecutive terms. The governor may remove a member pursuant to section 3.04 of the Revised Code.

(B) Annually, upon the qualification of the members appointed in that year, the board shall organize by selecting from its members a ~~chairman~~ chairperson and a vice-chairperson. The board shall meet at least once each calendar quarter to conduct its business with the place of future meetings to be decided by a vote of its members. Each member shall be provided with written notice of the time and place of each board meeting at least ten days prior to the scheduled date of the meeting. A majority of the members of the board constitutes a quorum to transact and vote on all business coming before the board.

(C) Each member of the board shall receive an amount fixed pursuant to division (J) of section 124.15 of the Revised Code for each day employed in the discharge of ~~his~~ official duties, and ~~his~~ the member's actual and necessary expenses incurred in the discharge of those duties.

(D) The board is part of the department of commerce for administrative purposes. The director of commerce is ex officio the executive officer of the board, or the director may designate the superintendent of real estate and professional licensing to act as executive officer of the board.

Sec. 4763.03. (A) In addition to any other duties imposed on the real estate appraiser board under this chapter, the board shall:

(1) Adopt rules, in accordance with Chapter 119. of the Revised Code, in furtherance of this chapter, including, but not limited to, all of the following:

(a) Defining, with respect to state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed residential real estate appraisers, the type of educational experience, appraisal experience, and other equivalent experience that satisfy the requirements of this chapter. The rules shall require that all appraisal experience performed after January 1, ~~1996~~ 1989, meet the uniform standards of professional practice established by the appraisal foundation.

(b) Establishing the examination specifications for state-certified general real estate appraisers, state-certified residential real estate appraisers, and state-licensed residential real estate appraisers;

(c) Relating to disciplinary proceedings conducted in accordance with section 4763.11 of the Revised Code, including rules governing the reinstatement of certificates, registrations, and licenses that have been suspended pursuant to those proceedings;

(d) Identifying any additional information to be included on the forms specified in division (C) of section 4763.12 of the Revised Code, provided that the rules shall not require any less information than is required in that division;

(e) Establishing the fees set forth in section 4763.09 of the Revised Code;

(f) Establishing the amount of the assessment required by division (A)(2) of section 4763.05 of the Revised Code. The board annually shall determine the amount due from each applicant for an initial certificate, registration, and license in an amount that will maintain the real estate appraiser recovery fund at the level specified in division (A) of section 4763.16 of the Revised Code. The board may, if the fund falls below that amount, require current certificate holders, registrants, and licensees to pay an additional assessment.

(g) Defining the educational requirements pursuant to division (C) of section 4763.05 of the Revised Code;

(h) Establishing a real estate appraiser assistant program for the registration of real estate

appraiser assistants.

(2) Prescribe by rule the requirements for the examinations required by division (D) of section 4763.05 of the Revised Code;

(3) Periodically review the standards for the development and reporting of appraisal reports provided in this chapter and adopt rules explaining and interpreting those standards;

(4) Hear appeals, pursuant to Chapter 119. of the Revised Code, from decisions and orders the superintendent of real estate issues pursuant to this chapter;

(5) Request the initiation by the superintendent of investigations of violations of this chapter or the rules adopted pursuant thereto, as the board determines appropriate;

(6) Determine the appropriate disciplinary actions to be taken against certificate holders, registrants, and licensees under this chapter as provided in section 4763.11 of the Revised Code.

(B) In addition to any other duties imposed on the superintendent of real estate under this chapter, the superintendent shall:

(1) Prescribe the form and content of all applications required by this chapter;

(2) Receive applications for certifications, registrations, and licenses and renewal thereof under this chapter and establish the procedures for processing, approving, and disapproving those applications;

(3) Retain records and all application materials submitted to the superintendent;

(4) Establish the time and place for conducting the examinations required by division (D) of section 4763.05 of the Revised Code;

(5) Issue certificates, registrations, and licenses and maintain a register of the names and addresses of all persons issued a certificate, registration, or license under this chapter;

(6) Perform any other functions and duties, including the employment of staff, necessary to administer this chapter;

(7) Administer this chapter;

(8) Issue all orders necessary to implement this chapter;

(9) Investigate complaints, upon the superintendent's own motion or upon receipt of a complaint or upon a request of the board, concerning any violation of this chapter or the rules adopted pursuant thereto or the conduct of any person holding a certificate, registration, or license issued pursuant to this chapter;

(10) Establish and maintain an investigation and audit section to investigate complaints and conduct inspections, audits, and other inquiries as in the judgment of the superintendent are appropriate to enforce this chapter. The investigators and auditors have the right to review and audit the business records of certificate holders, registrants, and licensees during normal business hours. The superintendent may utilize the investigators and auditors employed pursuant to division (B)(4) of section 4735.05 of the Revised Code or currently licensed certificate holders or licensees to assist in performing the duties of this division.

(11) Appoint a ~~referee or hearing~~ examiner for any proceeding involving the disciplinary action of a certificate holder, licensee, or registrant under section 4763.11 of the Revised Code;

(12) Administer the real estate appraiser recovery fund;

(13) Conduct the examinations required by division (D) of section 4763.05 of the Revised Code at least four times per year.



(C) The superintendent may do all of the following:

(1) In connection with hearings, investigations~~and~~, or audits under division (B) of this section, subpoena witnesses as provided in section 4763.04 of the Revised Code;

(2) Apply to the appropriate court to enjoin any violation of this chapter. Upon a showing by the superintendent that any person has violated or is about to violate this chapter, the court shall grant an injunction, restraining order, or other appropriate relief, or any combination thereof.

(D) All information that is obtained by investigators and auditors performing investigations or conducting inspections, audits, and other inquiries pursuant to division (B)(10) of this section, from certificate holders, registrants, licensees, complainants, or other persons, and all reports, documents, and other work products that arise from that information and that are prepared by the investigators, auditors, or other personnel of the department of commerce, shall be held in confidence by the superintendent, the investigators and auditors, and other personnel of the department.

(E) This section does not prevent the division of real estate and professional licensing from releasing information relating to certificate holders, registrants, and licensees to the superintendent of financial institutions for purposes relating to the administration of sections 1322.01 to 1322.12 of the Revised Code, to the commissioner of securities for purposes relating to Chapter 1707. of the Revised Code, to the superintendent of insurance for purposes relating to the administration of Chapter 3953. of the Revised Code, to the attorney general, or to ~~local~~ law enforcement agencies and ~~local~~ prosecutors. Information released by the division pursuant to this section remains confidential.

(F) Any rule the board adopts shall ~~not meet or~~ exceed the requirements specified in federal law or regulations.

Sec. 4763.05. (A)(1)(a) A person shall make application for an initial state-certified general real estate appraiser certificate, an initial state-certified residential real estate appraiser certificate, an initial state-licensed residential real estate appraiser license, or an initial state-registered real estate appraiser assistant registration in writing to the superintendent of real estate on a form the superintendent prescribes. The application shall include the address of the applicant's principal place of business and all other addresses at which the applicant currently engages in the business of ~~preparing~~ performing real estate appraisals and the address of the applicant's current residence. The superintendent shall retain the applicant's current residence address in a separate record which does not constitute a public record for purposes of section 149.43 of the Revised Code. The application shall indicate whether the applicant seeks certification as a general real estate appraiser or as a residential real estate appraiser, licensure as a residential real estate appraiser, or registration as a real estate appraiser assistant and be accompanied by the prescribed examination and certification, registration, or licensure fees set forth in section 4763.09 of the Revised Code. The application also shall include a pledge, signed by the applicant, that the applicant will comply with the standards set forth in this chapter; and a statement that the applicant understands the types of misconduct for which disciplinary proceedings may be initiated against the applicant pursuant to this chapter.

(b) Upon the filing of an application and payment of any examination and certification, registration, or licensure fees, the superintendent of real estate shall request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the applicant's fingerprints in accordance with section 109.572 of the Revised Code. Notwithstanding division (K) of section 121.08 of the Revised Code, the

superintendent of real estate shall request that criminal record information from the federal bureau of investigation be obtained as part of the criminal records check. Any fee required under division (C) (3) of section 109.572 of the Revised Code shall be paid by the applicant.

(2) For purposes of providing funding for the real estate appraiser recovery fund established by section 4763.16 of the Revised Code, the real estate appraiser board shall levy an assessment against each person issued an initial certificate, registration, or license and against current licensees, registrants, and certificate holders, as required by board rule. The assessment is in addition to the application and examination fees for initial applicants required by division (A)(1) of this section and the renewal fees required for current certificate holders, registrants, and licensees. The superintendent of real estate shall deposit the assessment into the state treasury to the credit of the real estate appraiser recovery fund. The assessment for initial certificate holders, registrants, and licensees shall be paid prior to the issuance of a certificate, registration, or license, and for current certificate holders, registrants, and licensees, at the time of renewal.

(B) An applicant for an initial general real estate appraiser certificate, residential real estate appraiser certificate, or residential real estate appraiser license shall possess experience in real estate appraisal as the board prescribes by rule. In addition to any other information required by the board, the applicant shall furnish, under oath, a detailed listing of the appraisal reports or file memoranda for each year for which experience is claimed and, upon request of the superintendent or the board, shall make available for examination a sample of the appraisal reports prepared by the applicant in the course of the applicant's practice.

(C) An applicant for an initial certificate, registration, or license shall be at least eighteen years of age, honest, truthful, and of good reputation and shall present satisfactory evidence to the superintendent that the applicant has successfully completed any education requirements the board prescribes by rule.

(D) An applicant for an initial general real estate appraiser or residential real estate appraiser certificate or residential real estate appraiser license shall take and successfully complete a written examination in order to qualify for the certificate or license.

The board shall prescribe the examination requirements by rule.

(E)(1) A nonresident, natural person of this state who has complied with this section may obtain a residential real estate appraiser license, a residential real estate appraiser certificate, registration, or a general real estate appraiser certificate from another state may apply to obtain a license or certificate issued under this chapter provided the state that issued the license or certificate has requirements that meet or exceed the requirements found in this chapter. The board shall adopt rules relating to the certification, registration, and licensure of a nonresident applicant whose state of residence the board determines to have certification, registration, or licensure requirements that are substantially similar to those set forth in this division. The application for obtaining a license or certificate under this division may include any of the following:

(a) A pledge, signed by the applicant, that the applicant will comply with the standards set forth in this chapter;

(b) A statement that the applicant understands the types of misconduct for which disciplinary proceedings may be initiated against the applicant pursuant to this chapter and the rules adopted thereunder;

(c) A consent to service of process.

(2)(a) The board shall recognize on a temporary basis a certification or license issued in another state and shall register on a temporary basis an appraiser who is certified or licensed in another state if all of the following apply:

~~(a)-(i)~~ The temporary registration is to perform an appraisal assignment that is part of a federally related transaction.

~~(b)-(ii)~~ The appraiser's business in this state is of a temporary nature.

~~(c)-(iii)~~ The appraiser registers with the board pursuant to this division.

~~(b)~~ An appraiser who is certified or licensed in another state shall register with the board for temporary practice before performing an appraisal assignment in this state in connection with a federally related transaction.

~~(c)~~ The board shall adopt rules relating to registration for the temporary recognition of certification and licensure of appraisers from another state. The registration for temporary recognition of certified or licensed appraisers from another state shall not authorize completion of more than one appraisal assignment in this state. The board shall not issue more than two registrations for temporary practice to any one applicant in any calendar year. The application for obtaining a registration under this division may include any of the following:

(i) A pledge, signed by the applicant, that the applicant will comply with the standards set forth in this chapter;

(ii) A statement that the applicant understands the types of misconduct for which disciplinary proceedings may be initiated against the applicant pursuant to this chapter;

(iii) A consent to service of process.

~~(3) In addition to any other information required to be submitted with the nonresident applicant's or appraiser's application for a certificate, registration, license, or temporary recognition of a certificate or license, each nonresident applicant or appraiser shall submit a statement consenting to the service of process upon the nonresident applicant or appraiser by means of delivering that process to the secretary of state if, in an action against the applicant, certificate holder, registrant, or licensee arising from the applicant's, certificate holder's, registrant's, or licensee's activities as a certificate holder, registrant, or licensee, the plaintiff, in the exercise of due diligence, cannot effect personal service upon the applicant, certificate holder, registrant, or licensee. The board may enter into reciprocal agreements with other states. The board shall prescribe reciprocal agreement requirements by rule.~~

(F) The superintendent shall not issue a certificate, registration, or license to, or recognize on a temporary basis an appraiser from another state that is a corporation, partnership, or association. This prohibition shall not be construed to prevent a certificate holder or licensee from signing an appraisal report on behalf of a corporation, partnership, or association.

(G) Every person licensed, registered, or certified under this chapter shall notify the superintendent, on a form provided by the superintendent, of a change in the address of the licensee's, registrant's, or certificate holder's principal place of business or residence within thirty days of the change. If a licensee's, registrant's, or certificate holder's license, registration, or certificate is revoked or not renewed, the licensee, registrant, or certificate holder immediately shall return the annual and any renewal certificate, registration, or license to the superintendent.

(H)(1) The superintendent shall not issue a certificate, registration, or license to any person, or recognize on a temporary basis an appraiser from another state, who does not meet applicable minimum criteria for state certification, registration, or licensure prescribed by federal law or rule.

(2) The superintendent shall not issue a general real estate appraiser certificate, residential real estate appraiser certificate, residential real estate appraiser license, or real estate appraiser assistant registration to any person who has been convicted of or pleaded guilty to any criminal offense involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, or drug trafficking, or any criminal offense involving money or securities, including a violation of an existing or former law of this state, any other state, or the United States that substantially is equivalent to such an offense. However, if the applicant has pleaded guilty to or been convicted of such an offense, the superintendent shall not consider the offense if the applicant has proven to the superintendent, by a preponderance of the evidence, that the applicant's activities and employment record since the conviction show that the applicant is honest, truthful, and of good reputation, and there is no basis in fact for believing that the applicant will commit such an offense again.

Sec. 4763.08. On and after December 22, 1992, each certificate, registration, and license issued under this chapter, other than a temporary certificate or license issued under division (E)(2) of section 4763.05 of the Revised Code, is valid for a period of one year from its date of issuance. The superintendent of real estate shall provide renewal notices to certificate holders, registrants, and licensees no later than thirty days prior to the expiration of the certificate, registration, or license. The superintendent shall issue to each person initially certified, registered, or licensed under this chapter a certificate, registration, or license in the form and size the superintendent prescribes. The initial certificate, registration, and license shall indicate the name of the certificate holder, registrant, or licensee, bear the signatures of the members of the real estate appraiser board, be issued under the seal prescribed in section 121.20 of the Revised Code, and contain a certificate, registration, or license number assigned by the superintendent. The superintendent shall issue to each person who renews a certificate, registration, or license a renewal certificate, registration, or license in the size and form the superintendent prescribes. The renewal certificate, registration, or license shall contain the name ~~and principal address~~ of the certificate holder, registrant, or licensee and the expiration and number of the certificate, registration, or license. Each certificate holder and licensee shall place the certificate holder's or licensee's certificate or license number adjacent to the title "state-licensed residential real estate appraiser," "state-certified residential real estate appraiser," or "state-certified general real estate appraiser," when issuing an appraisal report or in a contract or other instrument used in conducting real estate appraisal activities as required by section 4763.12 of the Revised Code. If a state-registered real estate appraiser assistant participated in the ~~development of an appraisal or specialized service report~~, the certificate holder or licensee shall also place the registrant's name, registration number, and the title "state-registered real estate appraiser assistant" on the ~~appraisal or report~~.

Sec. 4763.11. (A) Within ten business days after a person files a written complaint against a person certified, registered, or licensed under this chapter with the division of real estate, the superintendent of real estate shall acknowledge receipt of the complaint by sending notice to the certificate holder, registrant, or licensee that includes a copy of the complaint. The acknowledgement

to the complainant and the notice to the certificate holder, registrant, or licensee may state that an informal mediation meeting will be held with the complainant, the certificate holder, registrant, or licensee, and an investigator from the investigation and audit section of the division, if the complainant and certificate holder, registrant, or licensee both file a request for such a meeting within twenty calendar days after the acknowledgment and notice are mailed.

(B) If the complainant and certificate holder, registrant, or licensee both file with the division requests for an informal mediation meeting, the superintendent shall notify the complainant and certificate holder, registrant, or licensee of the date of the meeting, by regular mail. If the complainant and certificate holder, registrant, or licensee reach an accommodation at an informal mediation meeting, the investigator shall report the accommodation to the superintendent, the complainant, and the certificate holder, registrant, or licensee and the complaint file shall be closed upon the superintendent receiving satisfactory notice that the accommodation has been fulfilled.

(C) If the complainant and certificate holder, registrant, or licensee fail to agree to an informal mediation meeting or fail to reach an accommodation agreement, or fail to fulfill an accommodation agreement, the superintendent shall assign the complaint to an investigator for an investigation into the conduct of the certificate holder, registrant, or licensee against whom the complaint is filed.

(D) Upon the conclusion of the investigation, the investigator shall file a written report of the results of the investigation with the superintendent. The superintendent shall review the report and determine whether there exists reasonable and substantial evidence of a violation of division (G) of this section by the certificate holder, registrant, or licensee.

(1) If the superintendent finds ~~such~~ evidence exists showing a violation of division (G) of this section by a certificate holder, registrant, or licensee, the superintendent shall notify the complainant and certificate holder, registrant, or licensee of the determination. The certificate holder, registrant, or licensee may enter into a settlement agreement with the superintendent. The settlement agreement is subject to board approval, and the board shall prescribe requirements by rule for such settlement agreements. The certificate holder, registrant, or licensee may request a hearing pursuant to Chapter 119. of the Revised Code. If a formal hearing is conducted, the hearing examiner shall file a report of that contains findings of fact and conclusions of law with the division hearing administrator. The division hearing administrator shall serve the hearing examiner report on the superintendent, the assistant attorney general representing the superintendent in the matter, the board, the complainant and the certificate holder, licensee, or registrant after the conclusion of the formal hearing, and if applicable, counsel representing the complainant, certificate holder, licensee, or registrant. Service of the hearing examiner report on the complainant and on the certificate holder, licensee, or registrant shall comply with division (K) of this section. Service of the hearing examiner's report on the superintendent, the assistant attorney general representing the superintendent in the matter, and the board shall be by either regular mail or electronic means. Service of the hearing examiner report on counsel representing the complainant, certificate holder, licensee, or registrant shall be by regular mail.

Within ten calendar days of receipt by the assistant attorney general representing the superintendent of the copy of the hearing examiner's report served by the division hearing administrator, the assistant attorney general may file with the board written objections to the hearing

examiner's report, which shall be considered by the board before approving, modifying, or rejecting the hearing examiner's report. Within ten calendar days of receipt by the certificate holder, licensee, or registrant of the copy of the hearing examiner's finding of fact and conclusions of law report served by the division hearing administrator, the certificate holder, licensee, or registrant or the division may file with the board written objections to the hearing examiner's report, which shall be considered by the board before approving, modifying, or rejecting the hearing examiner's report. If Within ten calendar days of receipt by the superintendent of the copy of the hearing examiner's report served by the division hearing administrator, the superintendent may grant an extension of time to file written objections to the hearing examiner's report for good cause shown.

(2) If the superintendent finds, following the conclusion of the investigation, that such evidence does not exist showing a violation of division (G) of this section by the certificate holder, registrant, or licensee, the superintendent shall notify the complainant and certificate holder, registrant, or licensee of that determination and the basis for the determination. Within fifteen business days after the superintendent notifies the complainant and certificate holder, registrant, or licensee that such evidence does not exist, the complainant may file with the division a request that the real estate appraiser board review the determination. If the complainant files such request, the board shall review the determination at the next regularly scheduled meeting held at least fifteen business days after the request is filed but no longer than six months after the request is filed. The board may hear the testimony of the complainant, certificate holder, registrant, or licensee at the meeting upon the request of that party. If the board affirms the determination of the superintendent, the superintendent shall notify the complainant and the certificate holder, registrant, or licensee within five business days thereafter. If the board reverses the determination of the superintendent, a hearing before a hearing examiner shall be held and the complainant and certificate holder, registrant, or licensee notified as provided in this division the matter shall be returned to the superintendent for additional investigation or review.

(E) The board shall review the ~~referee's or~~ hearing examiner's report and the evidence at the next regularly scheduled board meeting held at least fifteen business days after receipt of the ~~referee's or~~ examiner's report. The board may hear the testimony of the complainant, certificate holder, registrant, or licensee upon request. If the complainant is the Ohio civil rights commission, the board shall review the complaint.

(F) If the board determines that a licensee, registrant, or certificate holder has violated this chapter for which disciplinary action may be taken under division (G) of this section, after review of the ~~referee's or~~ hearing examiner's report and the evidence as provided in division (E) of this section, or after review of a settlement agreement entered into pursuant to division (D)(1) of this section, the board shall order the disciplinary action the board considers appropriate, which may include, but is not limited to, any of the following:

- (1) Reprimand of the certificate holder, registrant, or licensee;
- (2) Imposition of a fine, not exceeding, two thousand five hundred dollars per violation;
- (3) Requirement of the completion of additional education courses. Any course work imposed pursuant to this section shall not count toward continuing education requirements or prelicense or precertification requirements set forth in section 4763.05 of the Revised Code.
- (4) Suspension of the certificate, registration, or license for a specific period of time;

(5) Revocation or surrender of the certificate, registration, or license.

The decision and order of the board is final, except that following the review of the hearing examiner report and the evidence as provided in division (E) of this section, the decision and order of the board is subject to review in the manner provided for in Chapter 119. of the Revised Code and appeal to any court of common pleas. If the board orders a disciplinary action as provided in division (F)(2) or (3) of this section, the superintendent may grant an extension of time to satisfy the board-ordered disciplinary action for good cause shown.

(G) The board shall take any disciplinary action authorized by this section against a certificate holder, registrant, or licensee or an applicant who obtains a certificate, registration, or license pursuant to this chapter who is found to have committed any of the following acts, omissions, or violations during the appraiser's certification, registration, or licensure:

(1) ~~Procuring~~ As an applicant, procuring or attempting to procure a certificate, registration, or license pursuant to ~~this chapter~~ section 4763.05, 4763.06, or 4763.07 of the Revised Code by knowingly making a false statement, submitting false information, refusing to provide complete information in response to a question in an application for certification, registration, or licensure, or by any means of fraud or misrepresentation;

(2) Paying, or attempting to pay, anything of value, other than the fees or assessments required by this chapter, to any member or employee of the board for the purpose of procuring a certificate, registration, or license;

(3) ~~Being~~ In a criminal proceeding, being convicted in a criminal proceeding for ~~of or pleading guilty or no contest to a felony or~~; a crime involving moral turpitude; or a crime involving theft, receiving stolen property, embezzlement, forgery, fraud, passing bad checks, money laundering, drug trafficking, or any criminal offense involving money or securities, including a violation of an existing or former law of this state, any other state, or the United States that is substantially equivalent to such an offense;

(4) Dishonesty, fraud, or misrepresentation, with the intent to either benefit the certificate holder, registrant, or licensee or another person or injure another person;

(5) Violation of any of the standards for the development, preparation, communication, or reporting of an appraisal report set forth in this chapter and rules of the board;

(6) Failure or refusal to exercise reasonable diligence in developing, preparing, or communicating an appraisal report;

(7) Negligence or incompetence in developing, preparing, communicating, or reporting an appraisal report;

(8) ~~Violating or willfully disregarding~~ this chapter or the rules adopted thereunder;

(9) Accepting an appraisal assignment where the employment is contingent upon the appraiser preparing or reporting a predetermined estimate, analysis, or opinion, or where the fee to be paid for the appraisal is contingent upon the opinion, conclusion, or valuation attained or upon the consequences resulting from the appraisal assignment;

(10) Violating the confidential nature of governmental records to which the certificate holder, registrant, or licensee gained access through employment or engagement as an appraiser by a governmental agency;

(11) Entry of final judgment against the certificate holder, registrant, or licensee on the

grounds of fraud, deceit, misrepresentation, or gross negligence in ~~the making of performing any~~ appraisal of real estate;

(12) Violating any federal or state civil rights law;

(13) Having published advertising, whether printed, radio, display, or of any other nature, which was misleading or inaccurate in any material particular, or in any way having misrepresented any appraisal or specialized service;

(14) Failing to provide copies of records to the superintendent or failing to maintain records as required by section 4763.14 of the Revised Code. Failure of a certificate holder, licensee, or registrant to comply with a subpoena issued under division (C)(1) of section 4763.03 of the Revised Code is prima-facie evidence of a violation of division (G)(14) of section 4763.11 of the Revised Code.

(15) Failing to provide notice to the board as required in division (I) of this section;

(16) In the case of a certificate holder acting as a supervisory appraiser, refusing to sign an appraiser experience log required by rule for a person making application for an initial state-certified general real estate appraiser certificate, state-certified residential real estate appraiser certificate, or state-licensed residential real estate appraiser license, unless there is reasonable and substantial evidence that there is false information contained within the log;

(17) Being sanctioned or disciplined in another jurisdiction as a real estate appraiser;

(18) Failing to provide assistance, whenever possible, to the members and staff of the board or to the division of real estate in the enforcement of this chapter and the rules adopted under it.

(H) The board immediately shall notify the superintendent of real estate of any disciplinary action taken under this section against a certificate holder, registrant, or licensee who also is licensed under Chapter 4735. of the Revised Code, and also shall notify any other federal, state, or local agency and any other public or private association that the board determines is responsible for licensing or otherwise regulating the professional or business activity of the appraiser. Additionally, the board shall notify the complainant and any other party who may have suffered financial loss because of the certificate holder's, registrant's, or licensee's violations, that the complainant or other party may sue for recovery under section 4763.16 of the Revised Code. The notice provided under this division shall specify the conduct for which the certificate holder, registrant, or licensee was disciplined and the disciplinary action taken by the board and the result of that conduct.

(I) A certificate holder, registrant, or licensee shall notify the board within fifteen days of the agency's issuance of an order revoking or permanently surrendering any professional license, certificate, or registration by any public entity other than the division of real estate. A certificate holder, registrant, or licensee who is convicted of or pleads guilty or no contest to a felony or crime of moral turpitude as described in division (G)(3) of this section shall notify the board of the conviction or plea within fifteen days of the conviction or plea.

(J) If the board determines that a certificate holder, registrant, or licensee has violated this chapter for which disciplinary action may be taken under division (G) of this section as a result of an investigation conducted by the superintendent upon the superintendent's own motion or upon the request of the board, the superintendent shall notify the certificate holder, registrant, or licensee of the certificate holder's, registrant's, or licensee's right to a hearing pursuant to Chapter 119. of the Revised Code and, if applicable, to an appeal of a final determination of such administrative



proceedings to any court of common pleas.

(K) Notwithstanding section 119.07 of the Revised Code, acknowledgment of complaint notices issued under division (A) of this section and continuance notices associated with hearings conducted under this section may be sent by regular mail and a certificate of mailing shall be obtained for the notices. All other notices, written reports, and determinations issued to a complainant and to a certificate holder, registrant, licensee, or other party pursuant to this section shall be mailed via certified mail, return receipt requested. If the certified mail is returned because of failure of delivery or because the notice was unclaimed, the then that notice, written reports, or determinations are is deemed served if the superintendent subsequently sends the notice, written reports, or determination via by regular mail and obtains a certificate of mailing of is obtained for the notice, written reports, or determination. If a notice, whether sent by certified mail, return receipt requested, or by regular mail with a certificate of mailing, is returned for failure of delivery, then the superintendent shall make personal delivery of the notice by an employee or agent of the department of commerce or shall cause a summary of the substantive provisions of the notice to be published once a week for three consecutive weeks in a newspaper of general circulation in the county where the last known address of the party is located. When notice is given by publication, a proof of publication affidavit, with the first publication of the notice set forth in the affidavit, shall be mailed by regular mail to the party at the party's last known address. The notice shall be deemed received as of the date of the last publication of the summary. An employee or agent of the department of commerce may make personal delivery of the notice upon the party at any time. Refusal of delivery by personal service or by mail is not failure of delivery and service is deemed to be complete. Failure of delivery occurs only when a mailed notice is returned by the postal authorities marked undeliverable, address or addressee unknown, or forwarding address unknown or expired.

Sec. 4763.12. (A) A person licensed or certified under this chapter may be retained or employed to act as a disinterested third party in rendering an unbiased valuation or analysis of real estate or to provide specialized services to facilitate the client or employer's objectives. An appraisal or appraisal report rendered by a certificate holder or licensee shall comply with this chapter. A certified appraisal or certified appraisal report represents to the public that it satisfies the standards set forth in this chapter.

(B) No certificate holder or licensee shall accept a fee for an appraisal assignment that is contingent, in whole or in part, upon the reporting of a predetermined estimate, analysis, or opinion or upon the opinion, conclusion, or valuation reached, or upon consequences resulting from the appraisal assignment. A certificate holder or licensee who enters into an agreement to provide specialized services may charge a fixed fee or a fee that is contingent upon the results achieved by the specialized services, provided that this fact is clearly stated in each oral report rendered pursuant to the agreement, and the existence of the contingent fee arrangement is clearly stated in a prominent place on each written report and in each letter of transmittal and certification statement made by the certificate holder or licensee within that report.

(C) Every written report rendered by a certificate holder or licensee in conjunction with an appraisal assignment or specialized service performed shall include the following information:

(1) The name of the certificate holder or licensee;

(2) The class of certification or licensure held by and the certification or licensure number of the certificate holder or licensee;

(3) Whether the appraisal or specialized service is performed within the scope of the certificate holder's or licensee's certification or licensure;

(4) Whether the appraisal or specialized service is provided by a certificate holder or licensee as a disinterested and unbiased third party or as a person on an interested and biased basis or as an interested third party on a contingent fee basis;

(5) The signature of the person ~~preparing~~ performing and reporting the appraisal or specialized service;

(6) The license, certificate, or registration number of the appraisal management company that has engaged the appraiser for the assignment within the body of the appraisal report;

(7) If an appraisal report is completed for an appraisal management company, one of the following:

(a) The actual fees paid to the appraiser within the body of the appraisal report;

(b) If the appraiser is employed by the appraisal management company on an employee and employer basis for the performance of appraisals, a statement of that fact and a statement that the appraiser was not paid a fee.

If the certificate holder or licensee provides an oral real estate appraisal report or specialized service, the certificate holder or licensee shall send, within seven days of providing the oral report, a form to the client containing the appropriate information specified in this division and the rules adopted pursuant to this division.

(D) Nothing in this chapter shall be construed as requiring a certificate holder or licensee to provide a client with a copy of any writing prepared in support of an oral appraisal report except as provided in division (C) of this section or as agreed to between the certificate holder or licensee and the certificate holder's or licensee's client.

(E) No person, directly or indirectly, shall knowingly compensate, instruct, induce, coerce, or intimidate, or attempt to compensate, instruct, induce, coerce, or intimidate, a certificate holder or licensee for the purpose of corrupting or improperly influencing the independent judgment of the certificate holder or licensee with respect to the value of the dwelling offered as security for repayment of a mortgage loan.

Sec. 4763.13. (A) In engaging in appraisal activities, a person certified, registered, or licensed under this chapter shall comply with the applicable standards prescribed by the board of governors of the federal reserve system, the federal deposit insurance corporation, the comptroller of the currency, the office of thrift supervision, the national credit union administration, and the resolution trust corporation in connection with federally related transactions under the jurisdiction of the applicable agency or instrumentality. A certificate holder, registrant, and licensee also shall comply with the uniform standards of professional appraisal practice, as adopted by the appraisal standards board of the appraisal foundation and such other standards adopted by the real estate appraiser board, to the extent that those standards do not conflict with applicable federal standards in connection with a particular federally related transaction.

(B) The terms "state-licensed residential real estate appraiser," "state-certified residential real estate appraiser," "state-certified general real estate appraiser," and "state-registered real estate

appraiser assistant" shall be used to refer only to those persons who have been issued the applicable certificate, registration, or license or renewal certificate, registration, or license pursuant to this chapter. None of these terms shall be used following or in connection with the name or signature of a partnership, corporation, or association or in a manner that could be interpreted as referring to a person other than the person to whom the certificate, registration, or license has been issued. No person shall fail to comply with this division.

(C) No person, other than a certificate holder, a registrant, or a licensee, shall assume or use a title, designation, or abbreviation that is likely to create the impression that the person possesses certification, registration, or licensure under this chapter, provided that professional designations containing the term "certified appraiser" and being used on or before July 26, 1989, shall not be construed as being misleading under this division. No person other than a person certified or licensed under this chapter shall describe or refer to an appraisal or other evaluation of real estate located in this state as being certified.

(D) The terms "state-certified or state-licensed real estate appraisal report," "state-certified or state-licensed appraisal report," or "state-certified or state-licensed appraisal" shall be used to refer only to those real estate appraisals conducted by a certificate holder or licensee as a disinterested and unbiased third party provided that the certificate holder or licensee provides certification with the appraisal report and provided further that if a licensee is providing the appraisal, such terms shall only be used if the licensee is acting within the scope of the licensee's license. No person shall fail to comply with this division.

(E) Nothing in this chapter shall preclude a partnership, corporation, or association which employs, retains, or engages the services of a certificate holder or licensee to advertise that the partnership, corporation, or association offers state-certified or state-licensed appraisals through a certificate holder or licensee if the advertisement clearly states such fact in accordance with guidelines for such advertisements established by rule of the real estate appraiser board.

(F) Except as otherwise provided in section 4763.19 of the Revised Code, nothing in this chapter shall preclude a person who is not licensed or certified under this chapter from appraising real estate for compensation.

Sec. 4763.14. A person licensed, registered, or certified under this chapter shall retain for a period of five years the original or a true copy of each written contract for the person's services relating to real estate appraisal work, all appraisal reports, and all work file documentation and data assembled in preparing those reports. The retention period begins on the date the appraisal report is submitted to the client unless, prior to expiration of the retention period, the certificate holder, registrant, or licensee is notified that the appraisal or report is the subject of or is otherwise involved in pending litigation, in which case the retention period ~~begins on~~ shall commence two years from the date of final disposition of the litigation.

A certificate holder, registrant, and a licensee shall make available all records required to be maintained under this section for inspection and copying by the superintendent of real estate or the real estate appraiser board, or both, upon reasonable notice to the certificate holder, registrant, or licensee.

Sec. 4763.15. Except for moneys required to be transferred into the real estate appraiser recovery fund pursuant to section 4763.16 of the Revised Code or as required pursuant to this

section, the superintendent of real estate may deposit all fees collected under this chapter into the state treasury to the credit of the real estate appraiser operating fund, which is hereby created. All operating expenses of the real estate appraiser board and the superintendent of real estate relating to the administration and enforcement of this chapter and Chapter 4768. of the Revised Code shall be paid from this fund. The fund shall be assessed a proportionate share of the administrative cost of the department of commerce in accordance with procedures prescribed by the director of commerce and approved by the director of budget and management and the assessment shall be paid from the operating fund to the division of administration fund.

If, in any biennium, the director of commerce determines that moneys in the operating fund exceed those necessary to fund the activities of the board and of the superintendent of real estate that relate to this chapter and Chapter 4768. of the Revised Code, ~~he the director~~ may pay the excess funds to the real estate appraiser recovery fund.

Sec. 4763.17. Every partnership, corporation, or association which employs, retains, or engages the services of a person licensed, registered, or certified under this chapter, whether the certificate holder, registrant, or licensee is an independent contractor or under the supervision or control of the partnership, corporation, or association, is jointly and severally liable for any damages incurred by any person as a result of an act or omission concerning a state-certified or state-licensed real estate appraisal report prepared or facilitated in the preparation by a certificate holder, registrant, or licensee while employed, retained, or engaged by the partnership, corporation, or association.

Sec. 4763.19. (A) Subject to division (B) of this section, no person shall perform or prepare a real estate appraisal, appraisal report, or real estate appraisal review for a mortgage loan ~~if~~, unless the person is not licensed or certified under this chapter to do the appraisal.

(B) Division (A) of this section does not apply to a lender using a market analysis or price opinion, an internal valuation analysis, or an automated valuation model or report based on an automated valuation model, and any person providing that report to the lender, ~~in performing a valuation for purposes of a loan application, as long as the lender does both of the following:~~

~~(1) Gives the consumer loan applicant a copy of any written market analysis or price opinion or valuation report based on an automated valuation model;~~

~~(2) Includes a disclaimer on the consumer's copy specifying that the valuation used for purposes of the application was obtained from a market analysis or price opinion or automated valuation model report and not from a to validate or support the value conclusion provided by the person licensed or certified under this chapter to do the appraisal.~~

Sec. 4768.01. As used in this chapter:

(A) "Real estate appraisal" or "appraisal" means the act or process of developing an opinion of value of real property in conformity with the uniform standards of professional appraisal practice.

(B) "Appraisal management company" means any person authorized either by a creditor of a consumer credit transaction secured by a consumer's principal dwelling, or by an underwriter of or other principal in the secondary mortgage markets, that performs appraisal management services in connection with valuing properties collateralizing mortgage loans or valuing properties collateralizing mortgages incorporated in a securitization.

(C) "Appraisal management services" means to perform any of the following functions on behalf of a lender, financial institution, client, or any other person in conjunction with a consumer

credit transaction that is secured by a consumer's primary dwelling:

(1) Administer an appraiser panel;

(2) Recruit, retain, or select appraisers;

(3) Qualify, verify licensure or certification, and negotiate fees and service level expectations with persons who are part of an appraiser panel;

(4) Contract with appraisers to perform appraisal assignments;

(5) Receive an order for an appraisal from one person and deliver the order for the appraisal to an appraiser who is part of an appraiser panel for completion;

(6) Manage the process of having an appraisal performed, including providing administrative duties, such as receiving appraisal orders and reports, submitting completed appraisal reports to creditors and underwriters, collecting fees from creditors and underwriters for services provided, and reimbursing appraisers for services performed;

(7) Track and determine the status of orders for appraisals;

(8) Conduct quality control of a completed appraisal prior to the delivery of the appraisal to the person that ordered the appraisal;

(9) Provide a completed appraisal performed by an appraiser to one or more clients.

(D) "Appraisal report" means a written communication of a real estate appraisal or appraisal review or an oral communication of a real estate appraisal or appraisal review that is documented by a writing that supports the oral communication.

(E) "Appraisal review" means 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 or appraisal review. "Appraisal review" does not include an examination of an appraisal for grammatical errors, typographical errors, or completeness, provided the review for completeness does not require an opinion about the quality of the work of an appraiser. The real estate appraiser board may define, by rule, "review for completeness."

(F) "Appraisal services" or "real estate appraisal services" means a real estate appraisal or appraisal review.

(G) "Appraiser" means a person licensed or certified under Chapter 4763. of the Revised Code.

(H) "Appraiser panel" means a network of appraisers who are independent contractors to the appraisal management company and who have been approved by the appraisal management company, after responding to an invitation or request from the appraisal management company, to perform appraisals for any client of the appraisal management company or for the appraisal management company directly, on a periodic basis, as assigned by the appraisal management company.

(I) "Automated valuation model" means a computer software program that analyzes data using an automated process, such as regression, adaptive estimation, neural network, expert reasoning, or artificial intelligence programs, that produces an output that may become a basis for appraisal or appraisal review if the appraiser believes the output to be credible for use in a specific assignment.

(J) "Client" means any person that contracts with, or otherwise enters into an agreement with, an appraisal management company for residential or commercial real estate appraisal services.

(K) "Controlling person" means any of the following:

(1) An owner, officer, or director of a business entity seeking to offer appraisal management services in this state;

(2) An individual employed, appointed, or authorized by an appraisal management company, who has the authority to enter into contractual relationships with clients for the performance of appraisal management services and the authority to enter into agreements with appraisers for the performance of residential or commercial real estate appraisal services;

(3) An individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.

(L) "Federally regulated appraisal management company" means an appraisal management company that is owned and controlled by an insured depository institution as defined in 12 U.S.C. 1813 or an insured credit union as defined in 12 U.S.C. 1752 and that is regulated by the office of the comptroller of the currency, the board of governors of the federal reserve system, the national credit union administration, or the federal deposit insurance corporation.

(M) "Owner" means a person who owns or controls ten per cent or more of an appraisal management company.

(N) "Person" means an individual, corporation, partnership, sole proprietorship, subsidiary, unit, or other business entity.

(O) "Real estate" has the same meaning as in section 4735.01 of the Revised Code.

Sec. 4768.02. (A)(1) No person shall do any of the following without first obtaining a license under this chapter:

(a) Directly or indirectly engage or attempt to engage in business as an appraisal management company;

(b) Directly or indirectly engage in or attempt to perform appraisal management services;

(c) Advertise or hold itself out as engaging in or conducting business as an appraisal management company.

(2) A person that violates division (A)(1) of this section may be subject to sanctions under section 4768.14 of the Revised Code.

(B) This chapter shall not apply to any of the following:

(1) An appraisal management company that is a federally regulated appraisal management company;

(2) Any person that exclusively employs appraisers on an employer and employee basis for the performance of appraisals;

(3) Any person engaged in appraisal services who, in the normal course of business, enters into an agreement, whether written or otherwise, with an independent appraiser for the performance of appraisal services that the hiring or contracting person is not completing for any reason, including competency, work load, schedule, or geographic location. Division (B)(3) of this section applies only to an appraiser and to that appraiser's business entity provided that entity is engaging in real estate appraisal services, not appraisal management services;

(4) Any person engaged in appraisal services who, in the normal course of business, enters into an agreement, whether written or otherwise, with an independent contractor appraiser for the performance of appraisal services and, upon the completion of the appraisal, the report of the

independent contractor appraiser performing the appraisal services is cosigned by the person who subcontracted with the independent contractor appraiser for the performance of the appraisal services. An appraisal management company shall not avoid the requirements of this division by requiring an employee of the appraisal management company, who is an appraiser, to sign the appraisal that has been completed by an appraiser that is part of the appraisal panel for the appraisal management company.

(5) Any appraiser engaged in mass appraisal services under the direction of the tax commissioner or a county auditor.

Sec. 4768.03. The real estate appraiser board shall do all of the following:

(A) Adopt rules, in accordance with Chapter 119. of the Revised Code in furtherance of this chapter, including, but not limited to, all of the following:

(1) Procedures for criminal records checks that are required under section 4768.06 of the Revised Code, in accordance with division (K) of section 121.08 and division (C) of section 4768.06 of the Revised Code;

(2) The following nonrefundable fees:

(a) The initial appraisal management company license fee, which shall not exceed two thousand dollars;

(b) The annual renewal fee, which shall not exceed two thousand dollars;

(c) The late filing fee, which shall not exceed one thousand dollars, for the renewal of a license under division (C) of section 4768.07 of the Revised Code.

(3) Requirements for settlement agreements that the superintendent of real estate and professional licensing and an appraisal management company or other person may enter into under division (H) of section 4768.13 or division (C) of section 4768.14 of the Revised Code;

(4) Presumptions of compliance with regard to the customary and reasonable fees required under division (B) of section 4768.12 of the Revised Code. In adopting rules under division (A)(4) of this section, the board shall consider presumptions of compliance promulgated for the same purpose under the federal "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1631 et seq.;

(5) Rules regarding consent to service of process for appraisal management companies in accordance with division (A)(6) of section 4768.06 of the Revised Code.

(B) Determine the appropriate disciplinary actions to be taken against a person, including a licensee, under section 4768.13 of the Revised Code;

(C) Hear appeals, pursuant to Chapter 119. of the Revised Code, from decisions and orders that the superintendent issues pursuant to this chapter;

(D) Request that the superintendent initiate an investigation of a violation of this chapter or the rules adopted under it, as the board determines appropriate.

Sec. 4768.04. (A) The superintendent of real estate and professional licensing shall do all of the following:

(1) Prescribe the form and content of all applications required by this chapter;

(2) Receive applications for licenses and renewal thereof under this chapter and establish the procedures for processing, approving, and disapproving those applications;

(3) Retain records and all application materials submitted to the superintendent;

(4) Issue licenses and maintain a register of the names and addresses of all appraisal

management companies issued a license under this chapter;

(5) Perform any other functions and duties, including the employment of staff, necessary to administer this chapter;

(6) Administer this chapter;

(7) Issue all orders necessary to implement this chapter;

(8) Investigate complaints, upon the motion of the superintendent of real estate and professional licensing or upon receipt of a complaint, or at the request of the real estate appraiser board, concerning any violation of this chapter or the rules adopted pursuant thereto or the conduct of any person holding a license issued pursuant to this chapter;

(9) Establish and maintain an investigation and audit section to investigate complaints and conduct inspections, audits, and other inquiries as, in the judgment of the superintendent of real estate and professional licensing, are appropriate to enforce this chapter. The investigators and auditors may review and audit the business records of licensees during normal business hours. The superintendent of real estate and professional licensing may utilize the investigators and auditors who are employed by the division of real estate and professional licensing for other related purposes.

(10) Appoint a hearing examiner for any proceeding under section 4768.13 or 4768.14 of the Revised Code;

(11) Make and transmit any reports, and collect and transmit any fees, that are required under section 1109(a) of the "Financial Institutions, Reform, Recovery, and Enforcement Act," as amended, 12 U.S.C. 3338(a).

(B) The superintendent of real estate and professional licensing may do any of the following:

(1) In connection with investigations and audits under division (A)(8) of this section, subpoena witnesses as provided in section 4768.05 of the Revised Code;

(2) Apply to the appropriate court to enjoin any violation of this chapter. Upon a showing by the superintendent of real estate and professional licensing that any person has violated or is about to violate this chapter, the court shall grant an injunction, restraining order, or other appropriate relief, or any combination thereof;

(3) In conjunction with the enforcement of this chapter, when the superintendent of real estate and professional licensing has reasonable cause to believe that any owner or controlling person of a licensee has committed a criminal offense, the superintendent of real estate and professional licensing may request the superintendent of the bureau of criminal identification and investigation to conduct a criminal records check of the owner or controlling person. The superintendent of the bureau of criminal identification and investigation shall obtain information from the federal bureau of investigation as part of the criminal records check of the owner or controlling person. The superintendent of real estate and professional licensing may assess the licensee a fee equal to the fee assessed for the criminal records check.

(C)(1) The following information and documents are confidential and not public records under section 149.43 of the Revised Code:

(a) All information that is obtained by investigators and auditors performing investigations or conducting inspections, audits, and other inquiries pursuant to divisions (A)(8) and (9) of this section;

(b) All reports, documents, and other work products that arise from the information described



in division (C)(1)(a) of this section and that are prepared by the investigators, auditors, or other personnel of the department of commerce.

(2) The superintendent of real estate and professional licensing, the investigators and auditors, and other personnel of the department shall hold in confidence the information, reports, documents, and other work products described in division (C)(1) of this section.

(3) Divisions (C)(1) and (2) of this section do not prevent the division from releasing information relating to licensees to the superintendent of financial institutions for purposes relating to the administration of sections 1322.01 to 1322.12 of the Revised Code, to the commissioner of securities for purposes relating to Chapter 1707. of the Revised Code, to the superintendent of insurance for purposes relating to the administration of Chapter 3953. of the Revised Code, to the attorney general, or to law enforcement agencies and prosecutors. Information released by the division pursuant to division (C)(3) of this section remains confidential.

Sec. 4768.05. The real estate appraiser board or the superintendent of real estate and professional licensing may compel, by order or subpoena, the attendance of witnesses to testify in relation to any matter over which the board or the superintendent has jurisdiction and that is the subject of the inquiry and investigation by the board or superintendent and may require the production of any book, paper, or document pertaining to such matter. For such purpose, the board or the superintendent has the same power as judges of county courts to administer oaths, compel the attendance of witnesses, and punish witnesses for refusal to testify. Service of the subpoena may be made by sheriffs or by certified mail, return receipt requested, and the subpoena shall be deemed served on the date delivery is made or the date the person refuses to accept delivery. Sheriffs or constables shall return such process and shall receive the same fees for doing so as are allowed for like service if service of the subpoena is made by sheriffs or constables. Witnesses shall receive, after their appearance before the board or the superintendent, the fees and mileage provided for under section 119.094 of the Revised Code. If two or more witnesses travel together in the same vehicle, the mileage fee shall be paid to only one of those witnesses, but the witnesses may agree to divide the fee amongst themselves in any manner.

If any person fails to file any statement or report, obey any subpoena, give testimony, answer questions, or produce books, records, or papers as required by the board or the superintendent under this chapter, the board or the superintendent may apply to the court of common pleas of any county in the state setting forth the failure. Upon receiving such an application, the court may make an order awarding process of subpoena or subpoena duces tecum for the person to appear and testify before the board or the superintendent; order any person to give testimony and answer questions; and order any person to produce books, records, or papers, as required by the board or the superintendent. Upon the filing of such an order in the office of the clerk of the court of common pleas, the clerk, under the seal of the court, shall issue process or subpoena each day until the examination of the person is completed. The subpoena may contain a direction that the witness bring to the examination any books, records, or papers described in the subpoena. The clerk also shall issue, under the seal of the court, such other orders, in reference to the examination, appearance, and production of books, records, or papers, as the court directs. If any person summoned by subpoena fails to obey the subpoena, to give testimony, to answer questions as required, or to obey an order of the court, the court, on motion supported by proof, may order an attachment for contempt to be issued against the

person charged with disobedience of the order. If the person is brought before the court by virtue of the attachment, and if upon a hearing the disobedience appears, the court may order the offender to be committed and kept in close custody.

Sec. 4768.06. (A) To obtain an appraisal management company license, each applicant shall submit all of the following to the superintendent of real estate and professional licensing:

(1) A completed application on a form the superintendent provides;

(2) The name of a controlling person who will be the main contact between the appraisal management company and the division of real estate and professional licensing and the real estate appraiser board;

(3) Payment of the fee established for initial licensure under division (A)(2) of section 4768.03 of the Revised Code;

(4) A list of all owners and controlling persons of the appraisal management company;

(5) A statement that each owner and controlling person of the appraisal management company satisfies the requirements set forth in divisions (B)(1) to (4) of this section;

(6) A completed consent to service of process in this state as prescribed by rule of the real estate appraiser board;

(7) A statement that the applicant understands the grounds for any disciplinary action that may be initiated under this chapter;

(8) The name of each state in which the appraisal management company holds an appraisal management company license, certificate, or registration and affirmation that the applicant is in good standing in each state where the applicant holds a license, certificate, or registration;

(9) A statement that the applicant acknowledges that a system or process must be in place to verify that any appraiser added to the appraisal management company's appraiser panel for the purpose of performing real estate appraisal services in this state holds a license or certificate under Chapter 4763. of the Revised Code and is in good standing with this state;

(10) A statement that the applicant acknowledges that a system or process must be in place to review the work of appraisers who are performing real estate appraisal services for compliance with the uniform standards of professional appraisal practice;

(11) A statement that the applicant acknowledges that a system or process must be in place to verify that any employee of, or independent contractor to, the appraisal management company that performs an appraisal review shall be an appraiser licensed or certified pursuant to Chapter 4763. of the Revised Code, provided the property that is the subject of the appraisal is located in this state;

(12) A statement that the applicant acknowledges that the controlling person who will be the main contact between the appraisal management company and the division of real estate and professional licensing and the real estate appraiser board described in division (A)(2) of this section has successfully completed fifteen hours of uniform standards of professional appraisal practice and thereafter must complete seven hours of instruction in uniform standards of professional appraisal practice at least once every two years;

(13) A statement that the applicant acknowledges that a system or process must be in place to disclose to its client the actual fees paid to an appraiser for appraisal services separately from any other fees or charges for appraisal management services;

(14) A statement that the applicant acknowledges that a system or process must be in place to

disclose the license, certificate, or registration number of the appraisal management company on each engagement letter used in assigning an appraisal request for real estate appraisal assignments within the state;

(15) A statement that the applicant acknowledges that it is required to report suspected violations of Chapter 4763. of the Revised Code by a person licensed, registered, or certified under that chapter;

(16) A statement that the applicant acknowledges that the real estate appraiser board or the superintendent may require the applicant to submit to an audit, conducted by staff of the division of real estate and professional licensing, of the applicant's operations or books;

(17) A statement that the applicant acknowledges that it is required to comply with section 129e of the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1639e.

(B) Each owner and controlling person of an appraisal management company shall satisfy all of the following criteria:

(1) Be an individual who is at least eighteen years of age;

(2) Have graduated the twelfth grade or received a certificate of high school equivalence as defined in section 4109.06 of the Revised Code;

(3) Be honest, truthful, and of good moral character;

(4) Have not had a license, certificate, or registration to act as an appraiser that has been refused, denied, canceled, surrendered, or revoked in this state or in any other state for a substantive reason. A designated controlling person may have had a license or certificate to act as an appraiser refused, denied, canceled, revoked, or surrendered in lieu of revocation in a state for a nonsubstantive reason if the license or certificate was subsequently granted or reinstated;

(5) Submit to a criminal records check in accordance with this section and any rule that the superintendent adopts under division (A)(1) of section 4768.03 of the Revised Code.

(C) Upon receiving an application under this section, the superintendent shall request the superintendent of the bureau of criminal identification and investigation, or a vendor approved by the bureau, to conduct a criminal records check based on the fingerprint impressions of each owner and controlling person of the applicant in accordance with division (A)(15) of section 109.572 of the Revised Code. Notwithstanding division (K) of section 121.08 of the Revised Code, the superintendent of real estate and professional licensing shall request that the superintendent of the bureau of criminal identification and investigation obtain criminal record information from the federal bureau of investigation be obtained as part of the criminal records check. Any fee required under division (C)(3) of section 109.572 of the Revised Code shall be paid by the applicant.

(D)(1) Subject to section 4768.08 of the Revised Code and except as provided in division (D)(2) of this section, the superintendent shall issue a license to the applicant if the applicant and each owner and controlling person of the applicant satisfies the requirements of this section.

(2) The superintendent shall not issue a license to an applicant if any owner or controlling person of the applicant has been convicted of or pleaded guilty or no contest to a felony. However, if an owner or controlling person of the applicant has pleaded guilty or no contest to or been convicted of a felony, the superintendent shall not consider the conviction or plea if the person has proven to the superintendent, by a preponderance of the evidence, that the person's activities and employment record since the conviction or plea show that the person is honest, truthful, and of good moral

character, and there is no basis in fact for believing that the person will commit a felony again.

(E) A license issued under this section shall be valid for one year after the date of issue.

Sec. 4768.07. (A) An appraisal management company licensed under this chapter may obtain a renewal license by filing an annual renewal application with the superintendent of real estate and professional licensing and paying the renewal fee established under division (A)(2) of section 4768.03 of the Revised Code. The renewal application shall include a statement, signed by the licensee's controlling person, that states all of the following:

(1) The licensee has a system or process in place to verify that any appraiser added to the appraisal management company's appraiser panel for the purpose of performing real estate appraiser services in this state holds a license or certificate under Chapter 4763. of the Revised Code and is in good standing with this state.

(2) The licensee has a system or process in place to review the work of appraisers who are performing real estate appraisal services for compliance with the uniform standards of professional appraisal practice.

(3) The controlling person of the licensee who is the main contact between the appraisal management company and the division of real estate and professional licensing and the real estate appraiser board described in division (A)(2) of section 4768.06 of the Revised Code has successfully completed an initial fifteen hours of uniform standards of professional appraisal practice and thereafter completes seven hours of instruction in uniform standards of professional appraisal practice at least once every two years.

(4) The licensee has a system or process in place to disclose to its client the actual fees paid to an appraiser for appraisal services separately from any other fees or charges for appraisal management services.

(5) The licensee has a system or process in place to disclose the license, certificate, or registration number of the appraisal management company on each engagement letter used in assigning an appraisal request for real estate appraisal assignments within the state.

(6) Each owner and controlling person of the licensee continues to satisfy the requirements provided for under divisions (B)(1) to (4) of section 4768.06 of the Revised Code;

(7) The licensee acknowledges that it is required to report suspected violations of Chapter 4763. of the Revised Code by a person licensed, registered, or certified under that chapter;

(8) The licensee acknowledges that the real estate appraiser board or the superintendent may require the licensee to submit to an audit, conducted by the staff of the division of real estate and professional licensing, of the applicant's operations or books;

(9) The licensee acknowledges that it is required to comply with section 129e of the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1639e.

(B) The licensee shall file the renewal application at least thirty days, but not earlier than one hundred twenty days, prior to expiration of the license. Subject to section 4768.08 of the Revised Code, the superintendent shall renew the license if the applicant has complied with division (A) of this section. Each license renewed under this section shall expire one year after the date of renewal.

(C) A licensee who fails to renew a license prior to its expiration is ineligible to obtain a renewal license and shall comply with section 4768.06 of the Revised Code to regain licensure, except that a licensee may, within three months after the expiration of the license, renew the license

without having to comply with section 4768.06 of the Revised Code by paying all the renewal fees and the late filing fee established under division (A)(2) of section 4768.03 of the Revised Code. A licensee who applies for late renewal of the licensee's license shall not engage in any activities permitted by the license being renewed during the three-month period following the license's normal expiration date until all renewal fees and the late filing fee have been paid.

Sec. 4768.08. The superintendent of real estate and professional licensing may refuse to issue a license to an applicant under this chapter based upon any act or omission for which a person, including a licensee, may be disciplined under division (K) of section 4768.13 of the Revised Code or may refuse to renew a license if the licensee has failed to comply with this chapter. If the superintendent refuses to issue or renew a license under this section, the superintendent shall notify the applicant or the licensee of the basis for the refusal. The notice shall comply with division (N) of section 4768.13 of the Revised Code, and the hearing shall be conducted in accordance with Chapter 119. of the Revised Code. An applicant or licensee may appeal the superintendent's decision to the real estate appraiser board, which shall provide the applicant or licensee with the opportunity to be heard in person or by counsel, or both. The decision and order of the board is final, subject to review in the manner provided in Chapter 119. of the Revised Code and appeal to the court of common pleas of Franklin county.

Sec. 4768.09. (A) Except within the first thirty days after an appraiser is first added to the appraiser panel of an appraisal management company, an appraisal management company shall not remove the appraiser from its appraiser panel or otherwise refuse to assign requests for real estate appraisal services to the appraiser without first doing both of the following:

(1) Notifying the appraiser in writing of the reasons the appraiser is being removed from the appraiser panel or is refused assignment requests for appraisal services;

(2) Providing the appraiser with an opportunity to respond to that notification, in writing, within ten business days after the appraisal management company sends the removal notification.

(B) The notice described in division (A)(1) of this section shall be sent by a delivery system that delivers letters, packages, and other materials in its ordinary course of business with traceable delivery and signature receipt. An appraisal management company that sends such notice shall keep a copy of the notice for at least five years from the date the notice is sent to the appraiser.

(C) Nothing in this section prohibits an appraisal management company from suspending an appraiser from receiving assignment requests during the period described in division (A)(2) of this section.

Sec. 4768.10. (A) Each appraisal management company licensed under this chapter shall maintain all of the following items for a period of at least five years from the date the appraisal report is submitted to the client:

(1) The original or true copy of every request relating to the report that the appraisal management company receives from the client;

(2) The original or true copy of each request sent to an appraiser who is considered for the assignment;

(3) Copies of the appraisal report and all versions of that report.

(B) An appraisal management company shall include all of the following information in each appraisal assignment file:

(1) The name and contact information of both the appraisal management company and the individual from the appraisal management company involved in ordering the appraisal or, if the assignment is generated by an automated system, the name of that system;

(2) The amount of any fee paid to the appraiser for each assignment included in the appraisal assignment file and the time and method of payment;

(3) Details of all communications between the appraisal management company, the appraiser, and the client for each appraisal assignment included in the appraisal assignment file.

Sec. 4768.11. (A) No employee, director, officer, or agent of an appraisal management company licensed under this chapter shall recklessly influence or attempt to influence the development, reporting, or review of an appraisal through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, bribery, or in any other manner, including the following:

(1) Withholding or threatening to withhold timely payment for appraisal services rendered when the appraisal report or services rendered are provided in accordance with a contract between the parties;

(2) Withholding or threatening to withhold future business for an appraiser, or demoting or threatening to demote an appraiser, or terminating the relationship with or threatening to terminate the relationship with an appraiser;

(3) Expressly or impliedly promising future business, promotions, or increased compensation for an appraiser;

(4) Conditioning the assignment of an appraisal or the payment of an appraisal fee, salary, or bonus, on the opinion, conclusion, or valuation to be reached by, or on a preliminary estimate or opinion requested from, an appraiser;

(5) Requesting that an appraiser provide an estimated, predetermined, or desired valuation in an appraisal report, or provide estimated values or comparable sales at any time prior to the appraiser's completion of an appraisal;

(6) Providing to an appraiser an anticipated, estimated, encouraged, or desired value for a subject property or a proposed or target amount to be loaned to the borrower, except that the employee, director, officer, or agent of an appraisal management company may provide the appraiser with a copy of the sales contract for purchase transactions;

(7) Providing stock or other financial or nonfinancial benefits to an appraiser or any person related to the appraiser;

(8) Any other act or practice that impairs, or attempts to impair, an appraiser's independence, objectivity, or impartiality;

(9) Obtaining, using, or paying for a second or subsequent appraisal or ordering an automated valuation model in connection with a mortgage financing transaction, unless any of the following are true:

(a) There is a reasonable basis to believe that the initial appraisal was flawed or tainted and such basis is clearly and appropriately noted in the loan file.

(b) The appraisal or automated valuation model is done pursuant to a bona fide pre- or post-funding appraisal review or quality control process.

(c) A second appraisal is required under state or federal law.

(10) Allowing the removal of an appraiser from the appraisal management company's appraiser panel without prior written notice as required under section 4768.09 of the Revised Code;

(11) Requiring an appraiser to indemnify the appraisal management company against liability, damages, losses, or claims other than those liabilities, damages, losses, or claims arising out of the services performed by the appraiser, including performance or nonperformance of the appraiser's duties and obligation, whether as a result of negligence or willful misconduct;

(12) Requiring an appraiser to perform an appraisal assignment if the appraiser declines the assignment and informs the appraisal management company that the appraiser is not competent to perform the appraisal assignment and the appraiser declines to acquire the necessary competency to perform the assignment;

(13) Requiring an appraiser who has notified the appraisal management company and declined the assignment to prepare an appraisal under a time frame 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.

(B) Nothing in division (A) of this section shall be construed as prohibiting an appraisal management company from requesting that an appraiser do any of the following:

(1) Consider additional, appropriate property information, including the consideration of additional comparable properties, to make or support an appraisal;

(2) Provide further detail, substantiation, or explanation for the appraiser's value conclusion;

(3) Correct objective factual errors in an appraisal report.

(C) No appraisal management company shall recklessly alter, modify, or otherwise change a completed appraisal report submitted by an appraiser, except that the format of the appraisal report may be modified solely for the purpose of transmission.

(D) Each appraisal management company shall require that appraisals be conducted independently and free from inappropriate influence and coercion pursuant to the appraisal independence standards established under section 129e of the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1639e.

Sec. 4768.12. (A) An appraisal management company licensed under this chapter shall compensate an appraiser for the completion of an appraisal within sixty days of the date on which the appraiser transmits or otherwise provides the completed appraisal to the appraisal management company or its assignees, except in cases of breach of contract or substandard performance of services.

(B)(1) An appraisal management company licensed under this chapter shall compensate each appraiser who performs appraisal services for the appraisal management company in accordance with the appraisal independence standards established under section 129e of the "Truth in Lending Act," 82 Stat. 146, 15 U.S.C. 1639e.

(2) In the case of an appraisal involving a complex assignment, the customary and reasonable fee may reflect the increased time, difficulty, and scope of the work required for the appraisal, and may include an amount over and above the customary and reasonable fee for noncomplex assignments.

Sec. 4768.13. (A) Within ten business days after a person files with the division of real estate and professional licensing a written complaint against a person licensed under this chapter or any

other person, the superintendent of real estate and professional licensing shall acknowledge receipt of the complaint by sending notice to the person against whom the complaint is filed that includes a copy of the complaint. That notice and the acknowledgment to the complainant may state that an informal mediation meeting will be held with the complainant, the person against whom the complaint is filed, and an investigator from the investigation and audit section of the division, if the complainant and person both file a request for such a meeting within twenty calendar days after the acknowledgment and notice are mailed.

(B) If the complainant and the person against whom the complaint is filed both file with the division requests for an informal mediation meeting, the superintendent shall notify the complainant and the person of the date, time, and place of the meeting by regular mail. If the complainant and the person reach an accommodation at an informal mediation meeting, the investigator shall report the accommodation to the superintendent, the complainant, and the person against whom the complaint is filed and the file shall be closed upon the superintendent receiving satisfactory notice that the accommodation agreement has been fulfilled.

(C) If the complainant and the person against whom the complaint is filed fail to agree to an informal mediation meeting, fail to reach an accommodation agreement, or fail to fulfill an accommodation agreement, the superintendent shall assign the complaint to an investigator for an investigation into the conduct of the person against whom the complaint is filed.

(D) Upon the conclusion of the investigation, the investigator shall file a written report of the results of the investigation with the superintendent. The superintendent shall review the report and determine whether there exists reasonable and substantial evidence to justify disciplinary action against the person on a ground described in division (K) of this section.

(E) If the superintendent finds that reasonable and substantial evidence to justify disciplinary action against the person on a ground described in division (K) of this section does not exist, the superintendent shall notify that person and the complainant of that determination and the basis for the determination. Within fifteen business days after the superintendent notifies the complainant and the person against whom the complaint is filed of that determination, the complainant may file with the division a request that the real estate appraiser board review the determination. If the complainant files such request, the board shall review the superintendent's determination at the next regularly scheduled meeting held at least fifteen business days after the request is filed but not longer than six months after the request is filed. The board may hear the testimony of the complainant or the person against whom the complaint is filed at the meeting upon the request of that party. If the board affirms the determination of the superintendent, the superintendent shall notify the complainant and the person against whom the complaint is filed within ten business days thereafter. If the board reverses the determination of the superintendent, a hearing before a hearing examiner shall be held, and the complainant and the person against whom the complaint is filed shall be notified as provided in division (N) of this section.

(F) If the superintendent finds that reasonable and substantial evidence to justify disciplinary action against the person on a ground described in division (K) of this section does exist, the superintendent shall notify that person and the complainant of the determination. The person against whom the complaint is filed may request a hearing pursuant to Chapter 119. of the Revised Code. If a formal hearing is to be conducted, the superintendent shall appoint a hearing examiner to conduct the



hearing in accordance with that chapter.

(G) In accordance with section 119.09 of the Revised Code, after conducting a hearing, the hearing examiner shall submit a report of findings of fact and conclusions of law with the superintendent, the board, the complainant, and the person against whom the complaint is filed. Within ten calendar days of receipt of the copy of the hearing examiner's report, the person against whom the complaint is filed and the division may file with the board objections to the hearing examiner's report, which shall be considered by the board before approving, modifying, or rejecting the hearing examiner's report. The board may hear the testimony of the complainant and the person against whom the complaint is filed upon request of those parties.

(H) At any time after the superintendent notifies a person against whom the complaint is filed of the superintendent's determination in accordance with division (F) of this section but before a hearing is held on the matter, the person may apply to the superintendent to enter into a settlement agreement regarding the alleged violation. The superintendent and the person shall comply with the requirements for settlement agreements established by rules adopted by the board under division (A) (3) of section 4768.03 of the Revised Code. If the parties enter into the settlement agreement, the hearing before the hearing examiner shall be postponed, and the board shall review the settlement agreement at its next regularly scheduled meeting. If the board disapproves the settlement agreement, the hearing before the hearing examiner shall be rescheduled.

(I) If, after review of the hearing examiner's report or the settlement agreement, the board determines that a ground for disciplinary action that is described in division (K) of this section exists against a person, the board shall order the disciplinary action the board considers appropriate, which may include any of the following:

- (1) Reprimand of the person, if licensed under this chapter;
- (2) Imposition of a fine, not exceeding twenty-five thousand dollars per violation;
- (3) Suspension of a license issued under this chapter for a specific period of time;
- (4) Revocation of a license issued under this chapter.

If the board approved a settlement agreement entered into pursuant to division (H) of this section in relation to the ground for disciplinary action, the disciplinary action shall not be inconsistent with that settlement agreement.

(J) The decision and order of the board is final, subject to review in the manner provided for in Chapter 119. of the Revised Code and appeal to the court of common pleas of Franklin county.

(K) The board may take any disciplinary action authorized by division (I) of this section against any person, including an appraisal management company licensed under this chapter, to which any of the following grounds apply:

(1) The person procured or attempted to procure a license under this chapter by knowingly making a false statement, submitting false information, refusing to provide complete information in response to a question in an application for licensure, or by any means of fraud or misrepresentation.

(2) The person paid, or attempted to pay, anything of value, other than the fees or assessments required by this chapter, to any member or employee of the board for the purpose of procuring a license under this chapter.

(3) The person offered, performed, or otherwise provided appraisal management services, without a license issued under this chapter, under a business structure that was designed to

circumvent the requirements and prohibitions of this chapter.

(4) The person violated section 4768.09 of the Revised Code.

(5) The person violated section 4768.11 of the Revised Code.

(6) The person violated section 4768.12 of the Revised Code.

(7) The person failed to provide copies of records to the superintendent as required under this chapter or failed to maintain records, or include certain information in the appraisal assignment file, as required under section 4768.10 of the Revised Code.

(8) Entry of final judgment exists against a person licensed under this chapter on the grounds of fraud, deceit, misrepresentation, or coercion in the making of any appraisal of real estate.

(9) The person failed to provide notice to the board as required in division (M) of this section.

(10) The person failed to assist the superintendent in the investigation of complaints under division (A)(8) of section 4768.04 of the Revised Code.

(11) The license, certificate, or registration of the appraisal management company that was issued by another state was revoked or surrendered for a substantive reason. An appraisal management company may have had a license, certificate, or registration refused, denied, canceled, revoked, or surrendered in lieu of revocation in a state for a nonsubstantive reason if the license, certificate, or registration was subsequently granted or reinstated.

(12) If the person is an appraisal management company licensed under this chapter, the person failed to provide written notice to the division within fifteen days of changing the controlling person who is designated as the appraisal management company's main contact under division (A)(2) of section 4768.06 of the Revised Code.

(13) If the person is an appraisal management company licensed under this chapter, the person entered into a contract or an agreement with an appraiser who is not licensed or certified under Chapter 4763. of the Revised Code for the performance of real estate appraisal services.

(14) If the person is an appraisal management company licensed under this chapter, the person failed to verify that an appraiser added to the appraisal management company's appraiser panel is a licensed or certified appraiser under Chapter 4763. of the Revised Code who is in good standing with this state.

(15) If the person is an appraisal management company licensed under this chapter, the person failed to require that appraisals coordinated by the appraisal management company comply with the uniform standards of professional appraisal practice.

(16) An owner or controlling person of an appraisal management company was convicted of or pleaded guilty to a felony.

(L) Failure of a person, including a licensee under this chapter, to comply with a subpoena issued under division (B)(1) of section 4768.04 of the Revised Code is prima facie evidence of a violation of division (K)(7) of this section.

(M) A licensee shall notify the board within thirty days of any state agency's issuance of an order revoking or permanently surrendering any professional appraisal management company license, certificate, or registration issued by any public entity other than the division.

(N) Except as otherwise provided, all notices, written reports, and determinations issued pursuant to this section shall be mailed via certified mail, return receipt requested. If the notice, written report, or determination is returned because of failure of delivery or was unclaimed, the

notice, written report, or determination shall be deemed served if the superintendent sends the notice, written report, or determination via regular mail and obtains a certificate of mailing of the notice, written report, or determination. Refusal of delivery by personal service or by mail is not failure of delivery and service is deemed to be complete.

Sec. 4768.14. (A) Upon receipt of a written complaint or upon the superintendent of real estate and professional licensing's own motion, the superintendent may investigate any person that allegedly violated division (A)(1) of section 4768.02 of the Revised Code.

(B) If, after investigation, the superintendent determines there exists reasonable evidence of a violation of division (A)(1) of section 4768.02 of the Revised Code, within fourteen business days after that determination, the superintendent shall send the party who is the subject of the investigation a written notice, by regular mail, that includes all of the following information:

(1) A description of the activity in which the party allegedly is engaging or has engaged that is a violation of division (A)(1) of section 4768.02 of the Revised Code;

(2) The applicable law allegedly violated;

(3) A statement informing the party that a hearing concerning the alleged violation will be held before a hearing examiner, and a statement giving the date and place of that hearing;

(4) A statement informing the party that the party or the party's attorney may appear in person at the hearing and present evidence and examine witnesses appearing for and against the party, or the party may submit written testimony stating any positions, arguments, or contentions.

(C) At any time after the superintendent notifies a person of the superintendent's determination in accordance with division (B) of this section but before a hearing is held on the matter, the person may apply to the superintendent to enter into a settlement agreement regarding the alleged violation. The superintendent and the person shall comply with the requirements for settlement agreements established by rules adopted by the board under division (A)(3) of section 4768.03 of the Revised Code. If the parties enter into the settlement agreement, the hearing before the hearing examiner shall be postponed and the board shall review the settlement agreement at its next regularly scheduled meeting. If the board disapproves the settlement agreement, the hearing before the hearing examiner shall be rescheduled.

(D) The hearing examiner shall hear the testimony of all parties present at the hearing and consider any written testimony submitted pursuant to division (B)(4) of this section. At the conclusion of the hearing, the hearing examiner shall determine if there has been a violation of division (A)(1) of section 4768.02 of the Revised Code.

(E) After the conclusion of formal hearings, the hearing examiner shall file with the superintendent, the real estate appraiser board, the complainant, and the parties a written report setting forth the examiner's findings of fact and conclusions of law and a recommendation of the action to be taken by the superintendent. Within ten days of receiving a copy of that report, the parties and the division of real estate and professional licensing may file with the board written objections to the report. The board shall consider the objections before approving, modifying, or disapproving the report.

The board shall review the hearing examiner's report at the next regularly scheduled board meeting held at least fifteen business days after receipt of the hearing examiner's report. The board shall hear the testimony of the complainant or the parties.

(F) After reviewing the hearing examiner's report pursuant to division (E) of this section, or after reviewing the settlement agreement pursuant to division (C) of this section, the board shall decide whether to impose sanctions upon a party for a violation of division (A)(1) of section 4768.02 of the Revised Code. The board may assess a civil penalty in an amount it determines, not to exceed one thousand dollars per violation, not to exceed ten thousand dollars in aggregate. Each day a violation occurs or continues is a separate violation. The board shall determine the terms of payment. The board shall maintain a transcript of the proceedings of the hearing and issue a written opinion to all parties, citing its findings and grounds for any action taken. If the board approved a settlement agreement entered into pursuant to division (C) of this section in relation to the violation, the civil penalty shall not be inconsistent with that settlement agreement.

(G) Civil penalties collected under this section shall be deposited in the real estate appraiser operating fund created under section 4763.15 of the Revised Code.

(H) If a party fails to pay a civil penalty assessed pursuant to this section within the time prescribed by the board, the superintendent shall forward to the attorney general the name of the party and the amount of the civil penalty, for the purpose of collecting that civil penalty. The party shall pay the fee assessed by the attorney general for collection of the civil penalty in addition to the civil penalty assessed pursuant to this section in an amount not to exceed ten thousand dollars.

Sec. 4768.15. The superintendent of real estate and professional licensing shall deposit all moneys collected under this chapter into the state treasury to the credit of the real estate appraiser operating fund created under section 4763.15 of the Revised Code.

Sec. 4768.99. (A) Whoever violates division (A)(1), (2), (3), (4), (5), (6), (7), (8), or (9) or division (C) of section 4768.11 of the Revised Code is guilty of a felony of the fifth degree.

(B) Whoever violates division (A)(10), (11), (12), or (13) of section 4768.11 of the Revised Code is guilty of a misdemeanor of the first degree.

SECTION 2. That existing sections 109.572, 121.08, 4763.01, 4763.02, 4763.03, 4763.05, 4763.08, 4763.11, 4763.12, 4763.13, 4763.14, 4763.15, 4763.17, and 4763.19 of the Revised Code are hereby repealed.

SECTION 3. Nothing in this act shall affect the term of any member of the Real Estate Appraiser Board serving on the effective date of this act.

SECTION 4. Division (A)(11) of section 4768.11 of the Revised Code as enacted by this act, applies to contracts entered into on or after the effective date of this act.

SECTION 5. Sections 109.572, 121.08, 4763.01, 4763.02, 4763.03, 4763.05, 4763.08, 4763.11, 4763.12, 4763.13, 4763.14, 4763.15, 4763.17, 4763.19, 4768.01, 4768.02, 4768.04, 4768.05, 4768.06, 4768.07, 4768.08, 4768.09, 4768.10, 4768.11, 4768.12, 4768.13, 4768.14, 4768.15, and 4768.99 of the Revised Code, as amended or enacted by this act, shall take effect six months after the effective date of this act.

SECTION 6. This act is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, and safety. The reason for such necessity is that the act's requirements for appraisal management companies and appraisers will economically protect citizens of this state, as well as ensure confidence in the property appraisal procedure. Therefore, this act shall go into immediate effect.

SECTION 7. Section 109.572 of the Revised Code is presented in this act as a composite of the section as amended by both Sub. H.B. 523 and Am. Sub. S.B. 227 of the 131st General Assembly. The General Assembly, applying the principle stated in division (B) of section 1.52 of the Revised Code that amendments are to be harmonized if reasonably capable of simultaneous operation, finds that the composite is the resulting version of the section in effect prior to the effective date of the section as presented in this act.

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*Speaker* \_\_\_\_\_ *of the House of Representatives.*

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*President* \_\_\_\_\_ *of the Senate.*

Passed \_\_\_\_\_, 20\_\_\_\_

Approved \_\_\_\_\_, 20\_\_\_\_

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*Governor.*

The section numbering of law of a general and permanent nature is complete and in conformity with the Revised Code.

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*Director, Legislative Service Commission.*

Filed in the office of the Secretary of State at Columbus, Ohio, on the \_\_\_\_ day of \_\_\_\_\_, A. D. 20 \_\_\_\_.

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*Secretary of State.*

File No. \_\_\_\_\_ Effective Date \_\_\_\_\_