

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 813
96TH GENERAL ASSEMBLY

5878H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 67.085, 313.800, 313.812, 313.817, 339.500, 339.501, 339.503, 339.505, 339.509, 339.511, 339.513, 339.515, 339.517, 339.525, 339.527, 339.529, 339.532, 339.533, 339.535, 339.537, 339.541, 339.543, 339.545, 339.549, 339.1100, 339.1105, 339.1110, 339.1115, 339.1120, 339.1125, 339.1130, 339.1135, 339.1140, 339.1145, 339.1150, 339.1155, 339.1160, 339.1170, 339.1175, 339.1180, 339.1185, 339.1190, 339.1200, 339.1205, 339.1210, 339.1215, 339.1220, 339.1230, 339.1235, and 339.1240, RSMo, and to enact in lieu thereof twenty-four new sections relating to financial transactions, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 67.085, 313.800, 313.812, 313.817, 339.500, 339.501, 339.503, 2 339.505, 339.509, 339.511, 339.513, 339.515, 339.517, 339.525, 339.527, 339.529, 339.532, 3 339.533, 339.535, 339.537, 339.541, 339.543, 339.545, 339.549, 339.1100, 339.1105, 339.1110, 4 339.1115, 339.1120, 339.1125, 339.1130, 339.1135, 339.1140, 339.1145, 339.1150, 339.1155, 5 339.1160, 339.1170, 339.1175, 339.1180, 339.1185, 339.1190, 339.1200, 339.1205, 339.1210, 6 339.1215, 339.1220, 339.1230, 339.1235, and 339.1240, RSMo, are repealed and twenty-four 7 new sections enacted in lieu thereof, to be known as sections 67.085, 313.800, 313.812, 313.817, 8 339.500, 339.501, 339.503, 339.505, 339.509, 339.511, 339.513, 339.515, 339.517, 339.525, 9 339.527, 339.529, 339.532, 339.533, 339.535, 339.537, 339.541, 339.543, 339.545, and 339.549, 10 to read as follows:

67.085. Notwithstanding any law to the contrary, any political subdivision of the state 2 and any other public entity in Missouri may invest funds of the public entity not immediately 3 needed for the purpose to which such funds or any of them may be applicable provided each

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

4 public entity meets the requirements for separate deposit insurance of public funds permitted by
5 federal deposit insurance and in accordance with the following conditions:

6 (1) The public funds are invested through a financial institution which has been selected
7 as a depository of the funds in accordance with the applicable provisions of the statutes of
8 Missouri relating to the selection of depositories and such financial institution enters into a
9 written agreement with the public entity;

10 (2) The selected financial institution arranges for the deposit of the public funds in
11 [certificates of] deposit **accounts** in one or more financial institutions wherever located in the
12 United States, for the account of the public entity;

13 (3) Each such [certificate of] deposit [issued by financial institutions as provided in
14 subdivision (2) of this section] **account** is insured by federal deposit insurance for one hundred
15 percent of the principal and accrued interest of the [certificate of] deposit;

16 (4) The selected financial institution acts as custodian for the public entity with respect
17 to [the certificate of] **such** deposit [issued for its account] **accounts**; and

18 (5) [At the same time] **On the same date** that the public funds are deposited [and the
19 certificates of deposit are issued] **under subdivision (2) of this section**, the selected financial
20 institution receives an amount of deposits from customers of other financial institutions equal
21 to the amount of the public funds initially invested by the public entity through the selected
22 financial institution.

313.800. 1. As used in sections 313.800 to 313.850, unless the context clearly requires
2 otherwise, the following terms mean:

3 (1) "Adjusted gross receipts", the gross receipts from licensed gambling games and
4 devices less winnings paid to wagerers;

5 (2) "Applicant", any person applying for a license authorized under the provisions of
6 sections 313.800 to 313.850;

7 (3) "Bank", the elevations of ground which confine the waters of the Mississippi or
8 Missouri Rivers at the ordinary high water mark as defined by common law;

9 (4) "Capital, cultural, and special law enforcement purpose expenditures" shall include
10 any disbursement, including disbursements for principal, interest, and costs of issuance and
11 trustee administration related to any indebtedness, for the acquisition of land, land
12 improvements, buildings and building improvements, vehicles, machinery, equipment, works
13 of art, intersections, signing, signalization, parking lot, bus stop, station, garage, terminal, hanger,
14 shelter, dock, wharf, rest area, river port, airport, light rail, railroad, other mass transit, pedestrian
15 shopping malls and plazas, parks, lawns, trees, and other landscape, convention center, roads,
16 traffic control devices, sidewalks, alleys, ramps, tunnels, overpasses and underpasses, utilities,
17 streetscape, lighting, trash receptacles, marquees, paintings, murals, fountains, sculptures, water

18 and sewer systems, dams, drainage systems, creek bank restoration, any asset with a useful life
19 greater than one year, cultural events, and any expenditure related to a law enforcement officer
20 deployed as horse-mounted patrol, school resource or drug awareness resistance education
21 (D.A.R.E) officer;

22 (5) "Cheat", to alter the selection of criteria which determine the result of a gambling
23 game or the amount or frequency of payment in a gambling game;

24 (6) "Commission", the Missouri gaming commission;

25 (7) **“Credit instrument”, a writing which evidences a gaming debt that is owed to**
26 **an excursion gambling boat licensee or any of its affiliated companies licensed by the**
27 **commission, and includes any writing taken in consolidation, redemption or payment of**
28 **a previous credit instrument;**

29 (8) "Dock", the location in a city or county authorized under subsection 10 of section
30 313.812 which contains any natural or artificial space, inlet, hollow, or basin, in or adjacent to
31 a bank of the Mississippi or Missouri Rivers, next to a wharf or landing devoted to the
32 embarking of passengers on and disembarking of passengers from a gambling excursion but shall
33 not include any artificial space created after May 20, 1994, and is located more than one
34 thousand feet from the closest edge of the main channel of the river as established by the United
35 States Army Corps of Engineers;

36 [(8)] (9) "Excursion gambling boat", a boat, ferry or other floating facility licensed by
37 the commission on which gambling games are allowed;

38 [(9)] (10) "Fiscal year" shall for the purposes of subsections 3 and 4 of section 313.820
39 mean the fiscal year of a home dock city or county;

40 [(10)] (11) "Floating facility", any facility built or originally built as a boat, ferry or barge
41 licensed by the commission on which gambling games are allowed;

42 [(11)] (12) "Gambling excursion", the time during which gambling games may be
43 operated on an excursion gambling boat whether docked or during a cruise;

44 [(12)] (13) "Gambling game" includes, but is not limited to, games of skill or games of
45 chance on an excursion gambling boat but does not include gambling on sporting events;
46 provided such games of chance are approved by amendment to the Missouri Constitution;

47 [(13)] (14) "Games of chance", any gambling game in which the player's expected return
48 is not favorably increased by his or her reason, foresight, dexterity, sagacity, design, information
49 or strategy;

50 [(14)] (15) "Games of skill", any gambling game in which there is an opportunity for the
51 player to use his or her reason, foresight, dexterity, sagacity, design, information or strategy to
52 favorably increase the player's expected return; including, but not limited to, the gambling games

53 known as "poker", "blackjack" (twenty-one), "craps", "Caribbean stud", "pai gow poker", "Texas
54 hold'em", "double down stud", and any video representation of such games;

55 [(15)] (16) "Gross receipts", the total sums wagered by patrons of licensed gambling
56 games;

57 [(16)] (17) "Holder of occupational license", a person licensed by the commission to
58 perform an occupation within excursion gambling boat operations which the commission has
59 identified as requiring a license;

60 [(17)] (18) "Licensee", any person licensed under sections 313.800 to 313.850;

61 [(18)] (19) "Mississippi River" and "Missouri River", the water, bed and banks of those
62 rivers, including any space filled by the water of those rivers for docking purposes in a manner
63 approved by the commission but shall not include any artificial space created after May 20, 1994,
64 and is located more than one thousand feet from the closest edge of the main channel of the river
65 as established by the United States Army Corps of Engineers;

66 [(19)] (20) "Supplier", a person who sells or leases gambling equipment and gambling
67 supplies to any licensee.

68 2. In addition to the games of skill [referred to in subdivision (14) of] **defined in**
69 subsection 1 of this section, the commission may approve other games of skill upon receiving
70 a petition requesting approval of a gambling game from any applicant or licensee. The
71 commission may set the matter for hearing by serving the applicant or licensee with written
72 notice of the time and place of the hearing not less than five days prior to the date of the hearing
73 and posting a public notice at each commission office. The commission shall require the
74 applicant or licensee to pay the cost of placing a notice in a newspaper of general circulation in
75 the applicant's or licensee's home dock city or county. The burden of proof that the gambling
76 game is a game of skill is at all times on the petitioner. The petitioner shall have the affirmative
77 responsibility of establishing his or her case by a preponderance of evidence including:

78 (1) Is it in the best interest of gaming to allow the game; and

79 (2) Is the gambling game a game of chance or a game of skill? All testimony shall be
80 given under oath or affirmation. Any citizen of this state shall have the opportunity to testify on
81 the merits of the petition. The commission may subpoena witnesses to offer expert testimony.
82 Upon conclusion of the hearing, the commission shall evaluate the record of the hearing and
83 issue written findings of fact that shall be based exclusively on the evidence and on matters
84 officially noticed. The commission shall then render a written decision on the merits which shall
85 contain findings of fact, conclusions of law and a final commission order. The final commission
86 order shall be within thirty days of the hearing. Copies of the final commission order shall be
87 served on the petitioner by certified or overnight express mail, postage prepaid, or by personal
88 delivery.

313.812. 1. The commission may issue licenses pursuant to subsection 1 of section 2 313.807 when it is satisfied that the applicant has complied with all rules and regulations, 3 including an update of all information provided to the commission in the licensee's initial 4 application. The commission shall decide the number, location and type of excursion gambling 5 boat in a city or county under subsection 10 of this section. The license shall set forth the name 6 of the licensee, the type of license granted, the place where the excursion gambling boat will 7 operate and dock, including the docking of an excursion gambling boat which is continuously 8 docked, and other information the commission deems appropriate. The commission shall have 9 the ultimate responsibility of deciding the number, location, and type of excursion gambling 10 boats licensed in a city or county; however, any city or county which has complied with the 11 provisions of subsection 10 of this section shall submit to the commission a plan outlining the 12 following:

13 (1) The recommended number of licensed excursion gambling boats operating in such 14 city or county;

15 (2) The recommended licensee or licensees operating in such city or county;

16 (3) The community's economic development or impact and affirmative action plan 17 concerning minorities' and women's ownership, contracting and employment for the waterfront 18 development;

19 (4) The city or county proposed sharing of revenue with any other municipality;

20 (5) Any other information such city or county deems necessary; and

21 (6) Any other information the commission may determine is necessary. The commission 22 shall provide for due dates for receiving such plan from the city or county.

23 2. A license to operate an excursion gambling boat shall only be granted to an applicant 24 upon the express conditions that:

25 (1) The applicant shall not, by a lease, contract, understanding, or arrangement of any 26 kind, grant, assign, or turn over to a person the operation of an excursion gambling boat licensed 27 under this section or of the system of wagering described in section 313.817. This section does 28 not prohibit a management contract with a person licensed by the commission; and

29 (2) The applicant shall not in any manner permit a person other than the licensee and the 30 management licensee to have a share, percentage, or proportion of the money received for 31 admissions to the excursion gambling boat.

32 3. The commission shall require, as a condition of granting a license, that an applicant 33 operate an excursion gambling boat which, as nearly as practicable, resembles or is a part of 34 Missouri's or the home dock city's or county's riverboat history.

35 4. The commission shall encourage through its rules and regulations the use of Missouri 36 resources, goods and services in the operation of any excursion gambling boat.

37 5. The excursion gambling boat shall provide for nongaming areas, food service and a
38 Missouri theme gift shop. The amount of space used for gaming shall be determined in
39 accordance with all rules and regulations of the commission and the United States Coast Guard
40 safety regulations.

41 6. A license to operate gambling games or to operate an excursion gambling boat shall
42 not be granted unless the applicant has, through clear and convincing evidence, demonstrated
43 financial responsibility sufficient to meet adequately the requirements of the proposed enterprise.

44 7. Each applicant shall establish by clear and convincing evidence its fitness to be
45 licensed. Without limitation, the commission may deny a license based solely on the fact that
46 there is evidence that any of the following apply:

47 (1) The applicant has been suspended from operating an excursion gambling boat or a
48 game of chance or gambling operation in another jurisdiction by a board or commission of that
49 jurisdiction;

50 (2) The applicant is not the true owner of the enterprise proposed;

51 (3) The applicant is not the sole owner, and other persons have ownership in the
52 enterprise, which fact has not been disclosed;

53 (4) The applicant is a corporation that is not publicly traded and ten percent or more of
54 the stock of the corporation is subject to a contract or option to purchase at any time during the
55 period for which the license is to be issued unless the contract or option was disclosed to the
56 commission and the commission approved the sale or transfer during the period of the license;

57 (5) The applicant has knowingly made a false statement of a material fact to the
58 commission; or

59 (6) The applicant has failed to meet a valid, bona fide monetary obligation in connection
60 with an excursion gambling boat.

61 8. A license shall not be granted if the applicant has not established [his] **the applicant's**
62 good repute and moral character or if the applicant has pled guilty to, or has been convicted of,
63 a felony. No licensee shall employ or contract with any person who has pled guilty to, or has
64 been convicted of, a felony to perform any duties directly connected with the licensee's privileges
65 under a license granted pursuant to this section, except that employees performing nongaming
66 related occupations as determined by the commission shall be exempt from the requirements of
67 this subsection.

68 9. **Except as provided in section 313.817**, a licensee shall not lend to any person money
69 or any other thing of value for the purpose of permitting that person to wager on any gambling
70 game authorized by law. This does not prohibit credit card or debit card transactions or cashing
71 of checks. Any check cashed, **other than a credit instrument**, must be deposited within
72 twenty-four hours. The commission may require licensees to verify a sufficient account balance

73 exists before cashing any check. Any licensee who violates the provisions of this subsection
74 shall be subject to an administrative penalty of five thousand dollars for each violation. Such
75 administrative penalties shall be assessed and collected by the commission.

76 10. Gambling excursions including the operation of gambling games on an excursion
77 gambling boat which is not continuously docked shall be allowed only on the Mississippi River
78 and the Missouri River. No license to conduct gambling games on an excursion gambling boat
79 in a city or county shall be issued unless and until the qualified voters of the city or county
80 approve such activities pursuant to this subsection. The question shall be submitted to the
81 qualified voters of the city or county at a general, primary or special election upon the motion
82 of the governing body of the city or county or upon the petition of fifteen percent of the qualified
83 voters of the city or county determined on the basis of the number of votes cast for governor in
84 the city or county at the last election held prior to the filing of the petition. The question shall
85 be submitted in substantially the following form:

86 Shall the City (County) of allow the licensing of excursion gambling boats
87 or floating facilities as now or hereafter provided by Missouri gaming law in the city (county)?

88 YES NO .

89

90 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
91 of the question, then the commission may license excursion gambling boats in that city or county
92 and such boats may operate on the Mississippi River and the Missouri River. If a majority of the
93 votes cast on the question by the qualified voters voting thereon are opposed to the question, then
94 the commission shall not license such excursion gambling boats in such city or county unless and
95 until the question is again submitted to and approved by a majority of the qualified voters of the
96 city or county at a later election. Excursion gambling boats may only dock in a city or
97 unincorporated area of a county which approves licensing of such excursion gambling boats
98 pursuant to this subsection, but gambling operations may be conducted at any point on the
99 Mississippi River or the Missouri River during an excursion. Those cities and counties which
100 have approved by election pursuant to this subsection, except those cities or counties which have
101 subsequently rejected by election, the licensing of any type of excursion gambling boats in the
102 city or county prior to April 6, 1994, are exempt from any local election requirement of this
103 section as such previous election shall have the same effect as if held after May 20, 1994.

104 11. If a docking fee is charged by a city or a county, a licensee operating an excursion
105 gambling boat shall pay the docking fee prior to the start of the excursion season.

106 12. Any licensee shall not be delinquent in the payment of property taxes or other taxes
107 or fees or in the payment of any other contractual obligation or debt due or owed to the state or
108 a political subdivision of the state.

109 13. An excursion gambling boat licensed by the state shall meet all of the requirements
110 of chapter 306 and is subject to an inspection of its sanitary facilities to protect the environment
111 and water quality by the commission or its designee before a license to operate an excursion
112 gambling boat is issued by the commission. Licensed excursion gambling boats shall also be
113 subject to such inspections during the period of the license as may be deemed necessary by the
114 commission. The cost of such inspections shall be paid by the licensee.

115 14. A holder of any license shall be subject to imposition of penalties, suspension or
116 revocation of such license, or if the person is an applicant for licensure, the denial of the
117 application, for any act or failure to act by himself or his agents or employees, that is injurious
118 to the public health, safety, morals, good order and general welfare of the people of the state of
119 Missouri, or that would discredit or tend to discredit the Missouri gaming industry or the state
120 of Missouri unless the licensee proves by clear and convincing evidence that it is not guilty of
121 such action. The commission shall take appropriate action against any licensee who violates the
122 law or the rules and regulations of the commission. Without limiting other provisions of this
123 subsection, the following acts or omissions may be grounds for such discipline:

124 (1) Failing to comply with or make provision for compliance with sections 313.800 to
125 313.850, the rules and regulations of the commission or any federal, state or local law or
126 regulation;

127 (2) Failing to comply with any rule, order or ruling of the commission or its agents
128 pertaining to gaming;

129 (3) Receiving goods or services from a person or business entity who does not hold a
130 supplier's license but who is required to hold such license by the provisions of sections 313.800
131 to 313.850 or the rules and regulations of the commission;

132 (4) Being suspended or ruled ineligible or having a license revoked or suspended in any
133 state of gaming jurisdiction;

134 (5) Associating with, either socially or in business affairs, or employing persons of
135 notorious or unsavory reputation or who have extensive police records, or who have failed to
136 cooperate with any officially constituted investigatory or administrative body and would
137 adversely affect public confidence and trust in gaming;

138 (6) Employing in any gambling games' operation or any excursion gambling boat
139 operation, any person known to have been found guilty of cheating or using any improper device
140 in connection with any gambling game;

141 (7) Use of fraud, deception, misrepresentation or bribery in securing any permit or
142 license issued pursuant to sections 313.800 to 313.850;

143 (8) Obtaining or attempting to obtain any fee, charge, or other compensation by fraud,
144 deception, or misrepresentation;

145 (9) Incompetence, misconduct, gross negligence, fraud, misrepresentation or dishonesty
146 in the performance of the functions or duties regulated by sections 313.800 to 313.850.

2 313.817. 1. Except as permitted in this section, the licensee licensed to operate gambling
2 games shall permit no form of wagering on gambling games.

3 2. The licensee may receive wagers only from a person present on a licensed excursion
4 gambling boat.

5 3. Wagering shall not be conducted with money or other negotiable currency. The
6 licensee shall exchange the money **or credit instrument** of each wagerer for electronic or
7 physical tokens, chips, or other forms of credit to be wagered on the gambling games. The
8 licensee shall exchange the tokens, chips, or other forms of wagering credit for money at the
9 request of the wagerer.

10 4. A person under twenty-one years of age shall not make a wager on an excursion
11 gambling boat and shall not be allowed in the area of the excursion boat where gambling is being
12 conducted; provided that employees of the licensed operator of the excursion gambling boat who
13 have attained eighteen years of age shall be permitted in the area in which gambling is being
14 conducted when performing employment-related duties, except that no one under twenty-one
15 years of age may be employed as a dealer or accept a wager on an excursion gambling boat. The
16 governing body of a home dock city or county may restrict the age of entrance onto an excursion
17 gambling boat by passage of a local ordinance.

18 5. In order to help protect patrons from invasion of privacy and the possibility of identity
19 theft, patrons shall not be required to provide fingerprints, retinal scans, biometric forms of
20 identification, any type of patron-tracking cards, or other types of identification prior to being
21 permitted to enter the area where gambling is being conducted on an excursion gambling boat
22 or to make a wager, except that, for purposes of establishing that a patron is at least twenty-one
23 years of age as provided in subsection 4 above, a licensee operating an excursion gambling boat
24 shall be authorized to request such patron to provide a valid state or federal photo identification
25 or a valid passport. This section shall not prohibit enforcement of identification requirements
26 that are required by federal law. This section shall not prohibit enforcement of any Missouri
27 statute requiring identification of patrons for reasons other than being permitted to enter the area
28 of an excursion gambling boat where gambling is being conducted or to make a wager.

29 6. A licensee shall only allow wagering and conduct gambling games at the times
30 allowed by the commission.

31 7. It shall be unlawful for a person to present false identification to a licensee or a
32 gaming agent in order to gain entrance to an excursion gambling boat, cash a check, **obtain a**
33 **credit instrument** or verify that such person is legally entitled to be present on the excursion
34 gambling boat. Any person who violates the provisions of this subsection shall be guilty of a

35 class B misdemeanor for the first offense and a class A misdemeanor for second and subsequent
36 offenses.

37 **8. Credit instruments executed on or after August 28, 2012, are valid contracts**
38 **creating debt that are enforceable by legal process. A licensee may accept credit**
39 **instruments from a qualified person in exchange for physical tokens or chips that can be**
40 **wagered on gambling games at the licensee's excursion gambling boat, or money that can**
41 **be exchanged for electronic or physical tokens, chips or other forms of credit to be wagered**
42 **on gambling games at the licensee's excursion gambling boat. "Qualified person" means**
43 **a person who has completed a credit application provided by the licensee and who is**
44 **determined by the licensee, after performing a credit check and applying usual standards**
45 **to establish creditworthiness, to qualify for a line of credit of at least five thousand dollars.**
46 **Approval to accept a credit instrument from a qualified person shall be made by the holder**
47 **of an occupational license. A licensee may accept multiple credit instruments from the**
48 **same person to consolidate or redeem a previous credit instrument. A lost or destroyed**
49 **credit instrument shall remain valid and enforceable if the party seeking enforcement can**
50 **prove its existence and terms. Any person who violates this subsection is subject only to**
51 **the penalties provided in section 313.812. The commission shall have no authority to**
52 **determine the validity or enforceability of a credit instrument or the enforceability of the**
53 **debt that the credit instrument represents. Failure to comply with any regulation**
54 **promulgated by the commission shall not impact the validity or enforceability of the credit**
55 **instrument or the debt that the credit instrument represents.**

339.500. This act shall be known and may be cited as the "Missouri Certified and
2 Licensed Real Estate Appraisers **and Appraisal Management Company Regulation Act**".

339.501. 1. Beginning July 1, 1999, it shall be unlawful for any person in this state to
2 act as a real estate appraiser, or to directly or indirectly, engage or assume to engage in the
3 business of real estate appraisal or to advertise or hold himself or herself out as engaging in or
4 conducting such business without first obtaining a license or certificate issued by the Missouri
5 real estate appraisers commission as provided in sections 339.500 to 339.549.

6 **2. Except for licenses issued to appraisal management companies under section**
7 **339.511, no license or certificate shall be issued pursuant to sections 339.500 to 339.549 to a**
8 **partnership, association, corporation, firm or group; except that, nothing in this section shall**
9 **preclude a state-licensed or state-certified real estate appraiser from rendering appraisals for, or**
10 **on behalf of, a partnership, association, corporation, firm or group, provided the appraisal report**
11 **is prepared by, or under the immediate personal direction of the state-licensed or state-certified**
12 **real estate appraiser and is reviewed and signed by such state-licensed or state-certified appraiser.**

13 3. Any person who is not state licensed or state certified pursuant to sections 339.500
14 to 339.549 may assist a state-licensed or state-certified real estate appraiser in the performance
15 of an appraisal; provided that, such person is personally supervised by a state-licensed or
16 state-certified appraiser and provided further that any appraisal report rendered in connection
17 with the appraisal is reviewed and signed by the state-licensed or state-certified real estate
18 appraiser.

19 4. Nothing in sections 339.500 to 339.549 shall abridge, infringe upon or otherwise
20 restrict the right to use the term "certified ad valorem tax appraiser" or any similar term by
21 persons performing ad valorem tax appraisals.

22 5. The provisions of sections 339.500 to 339.549 shall not be construed to require a
23 license or certificate for:

24 (1) Any person, partnership, association or corporation who, as owner, performs
25 appraisals of property owned by such person, partnership, association or corporation;

26 (2) Any licensed real estate broker or salesperson who prepares a comparative market
27 analysis or a broker price opinion;

28 (3) Any employee of a local, state or federal agency who performs appraisal services
29 within the scope of his or her employment; except that, this exemption shall not apply where any
30 local, state or federal agency requires an employee to be registered, licensed or certified to
31 perform appraisal services;

32 (4) Any employee of a federal or state-regulated lending agency or institution;

33 (5) Any agent of a federal or state-regulated lending agency or institution in a county of
34 third or fourth classification.

 339.503. As used in sections 339.500 to 339.549, the following words and phrases mean,
2 unless the context clearly indicates otherwise:

3 (1) "Appraisal" or "real estate appraisal", an objective analysis, evaluation, opinion, or
4 conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of,
5 identified real estate. An appraisal may be classified by subject matter into either a valuation or
6 an analysis;

7 (2) "Appraisal assignment", an engagement for which a person is employed or retained
8 to act as a disinterested third party in rendering an objective appraisal;

9 (3) "**Appraisal firm**", **a person, limited liability company, partnership, association,**
10 **or corporation whose principal is an appraiser licensed under sections 339.500 to 339.549**
11 **which for compensation prepares and communicates appraisals, reviews appraisals**
12 **prepared by others, provides appraisal consultation services, and supervises, trains, and**

13 reviews work produced or certified by persons licensed under sections 339.500 to 339.549
14 who produces appraisals;

15 (4) "Appraisal foundation", the organization of the same name that was incorporated as
16 an Illinois not-for-profit corporation on November 20, 1987, whose operative boards are the
17 appraisal standards board and the appraiser qualifications board;

18 (5) "Appraisal management company", an individual or business entity that utilizes
19 an appraisal panel and performs, directly or indirectly, appraisal management services;

20 (6) "Appraisal management services", to directly or indirectly perform any of the
21 following functions on behalf of a lender, financial institution, client, or any other person:

22 (a) Administer an appraiser panel;

23 (b) Recruit, qualify, verify licensing or certification, and negotiate fees and service
24 level expectations with persons who are part of an appraiser panel;

25 (c) Receive an order for an appraisal from one person and deliver the order for the
26 appraisal to an appraiser that is part of an appraiser panel for completion;

27 (d) Track and determine the status of orders for appraisals performed by
28 appraisers who are part of an appraisal panel;

29 (e) Conduct quality control of a completed appraisal performed by an appraiser
30 who is part of an appraisal panel prior to the delivery of the appraisal to the person who
31 ordered the appraisal; and

32 (f) Provide a completed appraisal performed by an appraiser who is part of an
33 appraisal panel to one or more persons who have ordered an appraisal;

34 [(4)] (7) "Appraisal report", any communication, written or oral, of an appraisal. The
35 purpose of an appraisal is immaterial, therefore valuation reports, real estate counseling reports,
36 real estate tax counseling reports, real estate offering memoranda, mortgage banking offers,
37 highest and best use studies, market demand and economic feasibility studies and all other
38 reports communicating an appraisal analysis, opinion or conclusion are appraisal reports,
39 regardless of title;

40 [(5)] (8) "Appraisal standards board (ASB)", the independent board of the appraisal
41 foundation which promulgates the generally accepted standards of the appraisal profession and
42 the uniform standards of professional appraisal practices;

43 (9) "Appraiser", an individual who holds a license as a state-licensed real estate
44 appraiser or certification as a state-certified real estate appraiser under sections 339.500
45 to 339.549;

46 (10) "Appraiser panel", a network of licensed or certified appraisers that have:

47 **(a) Responded to an invitation, request, or solicitation from an appraisal**
48 **management company, in any form, to perform appraisals for persons who have ordered**
49 **appraisals through the appraisal management company, or to perform appraisals for the**
50 **appraisal management company directly; and**

51 **(b) Been selected and approved by an appraisal management company to perform**
52 **appraisals for any client of the appraisal management company, or to perform appraisals**
53 **for the appraisal management company directly;**

54 [(6)] **(11)** "Appraiser qualifications board (AQB)", the independent board of the appraisal
55 foundation which establishes minimum experience, education and examination criteria for state
56 licensing of appraisers;

57 [(7)] **(12)** "Boat dock", a structure for loading and unloading boats and connecting real
58 property to water, public or private. A boat dock is real property and has riparian rights,
59 provided:

60 (a) The lender includes the boat dock as a fixture both in the lender's deed of trust and
61 a uniform commercial code fixture filing under section 400.9-502;

62 (b) The boat dock is attached to the real property by steel cable, bar, or chain that is
63 permanently imbedded in concrete or rock, and otherwise securely attached to the dock; and

64 (c) The owner of the dock has riparian rights by means of real estate rights bordering the
65 body of water, including such rights by license, grant, or other means allowing access to the body
66 of water, which access may be seasonal because the water may be reduced for electric power
67 production or flood control;

68 [(8)] **(13)** "Boat slip" or "watercraft slip", a defined area of water, including the riparian
69 rights to use such area, whether by grant, lease, or license, in accordance with all applicable laws
70 and regulations, which is a part of a boat dock serving a common interest community, including
71 by way of example and not of limitation condominiums and villas; and the exclusive right to
72 such use being allocated as a limited common element or being assigned to an owner of real
73 estate in the common interest community in which the boat dock is located, whether by grant,
74 lease, or otherwise. The rights of the real estate owner in such slip are included as collateral in
75 any deed of trust and uniform commercial code filings of a lender, if any, taking a security
76 interest in the owner's real estate;

77 [(9)] **(14)** "Broker price opinion", an opinion of value, prepared by a real estate licensee
78 for a fee, that includes, but is not limited to, analysis of competing properties, comparable sold
79 properties, recommended repairs and costs or suggested marketing techniques. A broker price
80 opinion is not an appraisal and shall specifically state it is not an appraisal;

81 [(10)] (15) "Certificate", the document issued by the Missouri real estate appraisers
82 commission evidencing that the person named therein has satisfied the requirements for
83 certification as a state-certified real estate appraiser and bearing a certificate number assigned
84 by the commission;

85 [(11)] (16) "Certificate holder", a person certified by the commission pursuant to the
86 provisions of sections 339.500 to 339.549;

87 [(12)] (17) "Certified appraisal report", an appraisal prepared or signed by a
88 state-certified real estate appraiser. A certified appraisal report represents to the public that it
89 meets the appraisal standards defined in sections 339.500 to 339.549;

90 [(13)] (18) "Commission", the Missouri real estate appraisers commission, created in
91 section 339.507;

92 [(14)] (19) "Comparative market analysis", the analysis of sales of similar recently sold
93 properties in order to derive an indication of the probable sales price of a particular property
94 undertaken by a licensed real estate broker or agent, for his or her principal. A comparative
95 market analysis is not an appraisal and shall specifically state it is not an appraisal;

96 (20) "Controlling person":

97 (a) **An owner, officer, or director of a corporation, partnership, or other business**
98 **entity seeking to offer appraisal management services in this state;**

99 (b) **An individual employed, appointed, or authorized by an appraisal management**
100 **company that has the authority to enter into a contractual relationship with other persons**
101 **for the performance of appraisal management services and has the authority to enter into**
102 **agreements with appraisers for the performance of appraisals; or**

103 (c) **An individual who possesses, directly or indirectly, the power to direct or cause**
104 **the direction of the management or policies of an appraisal management company;**

105 [(15)] (21) "Disinterested third party" shall not exclude any state-certified real estate
106 appraiser or state-licensed real estate appraiser employed or retained by any bank, savings
107 association, credit union, mortgage banker or other lender to perform appraisal assignments,
108 provided that the appraisal assignments are rendered with respect to loans to be extended by the
109 bank, savings association, credit union, mortgage banker or other lender, and provided further
110 that the state-certified real estate appraiser or state-licensed real estate appraiser is not requested
111 or required to report a predetermined analysis or opinion of value;

112 [(16)] (22) "License" or "licensure", a license or licensure issued pursuant to the
113 provisions of sections 339.500 to 339.549 evidencing that the person **or other legal entity**
114 named therein has satisfied the requirements for licensure as a state-licensed real estate appraiser

115 **or licensed appraisal management company** and bearing a license number assigned by the
116 commission;

117 **(23) "Licensed appraisal management company", a person or other legal entity**
118 **who holds a current valid license as a licensed appraisal management company under**
119 **sections 339.500 to 339.549;**

120 [(17)] **(24) "Real estate"**, an identified parcel or tract of land, including improvements,
121 if any;

122 [(18)] **(25) "Real estate appraiser" or "appraiser"**, a person who for a fee or valuable
123 consideration develops and communicates real estate appraisals or otherwise gives an opinion
124 of the value of real estate or any interest therein;

125 [(19)] **(26) "Real estate appraising"**, the practice of developing and communicating real
126 estate appraisals;

127 [(20)] **(27) "Real property"**, the interests, benefits and rights inherent in the ownership
128 of real estate;

129 [(21)] **(28) "Residential real estate"**, any parcel of real estate, improved or unimproved,
130 that is primarily residential in nature and that includes or is intended to include a residential
131 structure containing not more than four dwelling units and no other improvements except those
132 which are typical residential improvements that support the residential use for the location and
133 property type. A residential unit is a condominium, town house or cooperative complex, or a
134 planned unit development is considered to be residential real estate. Subdivisions are not
135 considered residential real estate. Individual parcels of property located within a residential
136 subdivision shall be considered residential property;

137 [(22)] **(29) "Specialized appraisal services"**, appraisal services which do not fall within
138 the definition of appraisal assignment. The term "specialized services" may include valuation
139 work and analysis work. Regardless of the intention of the client or employer, if the appraiser
140 is acting as a disinterested third party in rendering an unbiased analysis, opinion or conclusion,
141 the work is classified as an appraisal assignment and not specialized services;

142 **(30) "State-certified general appraiser trainee"**, a person who holds a current valid
143 **certificate as a state-certified general appraiser trainee issued under sections 339.500 to**
144 **339.539;**

145 [(23)] **(31) "State-certified general real estate appraiser"**, a person who holds a current,
146 valid certificate as a state-certified general real estate appraiser issued pursuant to the provisions
147 of sections 339.500 to 339.549;

148 **(32) "State-certified residential appraiser trainee", a person who holds a current**
149 **valid certificate as a state-certified residential appraiser trainee under sections 339.500 to**
150 **339.539;**

151 [(24)] **(33) "State-certified residential real estate appraiser", a person who holds a**
152 **current, valid certificate as a state-certified residential real estate appraiser issued pursuant to the**
153 **provisions of sections 339.500 to 339.549;**

154 **(34) "State-licensed appraiser trainee", a person who holds a current valid license**
155 **as a state-licensed appraiser trainee under sections 339.500 to 339.549;**

156 [(25)] **(35) "State-licensed real estate appraiser", a person who holds a current, valid**
157 **license as a state-licensed real estate appraiser pursuant to the provisions of sections 339.500 to**
158 **339.549;**

159 [(26)] **(36) "Subdivision", a tract of land that has been divided into blocks or plots with**
160 **streets, roadways, open areas and other facilities appropriate to its development as residential,**
161 **commercial or industrial sites;**

162 [(27)] **(37) "Temporary appraiser licensure or certification", the issuance of a temporary**
163 **license or certificate by the commission to a person licensed or certified in another state who**
164 **enters this state for the purpose of completing a particular appraisal assignment.**

339.505. 1. It shall be unlawful for any person in this state to assume or use the title
2 "state-licensed real estate appraiser" or "state-certified real estate appraiser", or any title,
3 designation or abbreviation likely to create the impression of licensure or certification by the
4 state of Missouri as a real estate appraiser, unless the person has first been licensed or certified
5 by the Missouri real estate appraisers commission pursuant to the provisions of sections 339.500
6 to 339.549. The commission may adopt for the exclusive use of persons licensed or certified
7 pursuant to sections 339.500 to 339.549, a seal, symbol or other mark identifying the user as a
8 state-licensed or state-certified real estate appraiser.

9 2. Any person certified as a real estate appraiser by an appraisal trade organization, on
10 August 28, 1998, shall retain the right to use the term "certified" or any similar term in
11 identifying himself or herself to the public; provided that, in each instance wherein such term is
12 used, the name of the certifying organization or body is prominently and conspicuously displayed
13 immediately adjacent to such term, and provided further that the use of such term does not create
14 the impression of certification by the state of Missouri. Nothing in this section shall entitle any
15 person certified only by a trade organization, and not certified or licensed by the state, the right
16 to conduct any appraisal.

17 3. The term "state-licensed real estate appraiser", "state-certified real estate appraiser"
18 or any similar term shall not be used following or immediately in connection with the name of

19 a partnership, association, corporation or other firm or group or in such manner that it might
20 create the impression of licensure or certification by the state of Missouri as a real estate
21 appraiser.

22 **4. No person shall, directly or indirectly, engage or attempt to engage in the**
23 **business as an appraisal management company, to directly or indirectly engage or attempt**
24 **to perform appraisal management services, or to advertise or hold itself out as engaging**
25 **in or conducting business as an appraisal management company without first obtaining**
26 **a registration issued by the commission under sections 339.500 to 339.549; except for:**

27 **(1) The performance of services as an appraisal firm;**

28 **(2) A national or state bank, federal or state savings institution, or credit union that**
29 **is subject to direct regulation or supervision by an agency of the United States government,**
30 **or by the Missouri department of insurance, financial institutions and professional**
31 **registration, that receives a request for the performance of an appraisal from one employee**
32 **of the financial institution, and another employee of the same financial institution assigns**
33 **the request for the appraisal to an appraiser who is an independent contractor to the**
34 **institution;**

35 **(3) An appraisal management company that is a subsidiary owned and controlled**
36 **by a financial institution and regulated by a federal institution regulatory agency;**

37 **(4) An appraiser that enters into an agreement, whether written or otherwise, with**
38 **an appraiser for the performance of an appraisal, and upon the completion of the**
39 **appraisal, the report of the appraiser performing the appraisal is signed by both the**
40 **appraiser who completed the appraisal and the appraiser who requested the completion**
41 **of the appraisal;**

42 **(5) A state agency or local municipality that orders appraisals for ad valorem tax**
43 **purposes or any other business on behalf of the state of Missouri;**

44 **(6) Any person licensed to practice law in this state, a court-appointed personal**
45 **representative, or a trustee who orders an appraisal in connection with a bona fide client**
46 **relationship when such person directly contracts with an independent appraiser.**

339.509. The commission shall have the following powers and duties:

2 **(1) To establish educational programs and research projects related to the appraisal of**
3 **real estate;**

4 **(2) To establish administrative procedures for processing applications and issuing**
5 **trainee licenses, certificates of state-certified real estate appraisers [and] , licenses of**
6 **state-licensed real estate appraisers, and licenses of appraisal management companies, and**
7 **for conducting disciplinary proceedings pursuant to the provisions of sections 339.500 to**

8 339.549 **or as required by federal law or regulation**; and shall have authority to determine
9 who meets the criteria for certification and licensure, and shall have authority to renew, censure,
10 suspend or revoke certifications and licenses;

11 (3) To further define by regulation, with respect to each category of **trainee**,
12 state-certified real estate appraiser, and for state-licensed real estate appraisers **and for appraisal**
13 **management companies**, the type of educational experience, appraisal experience and
14 equivalent experience, **and other criteria** that will meet the statutory requirements of sections
15 339.500 to 339.549 **or as required by federal law or regulation**; provided that such standards
16 shall be equivalent to the minimum criteria for certification and licensure issued by the appraiser
17 qualifications board of the appraisal foundation and the provisions of section 339.517 **or as**
18 **required by federal law or regulation**;

19 (4) To further define by regulation, with respect to each category of
20 **trainee**, state-certified real estate appraiser, and for state-licensed real estate appraisers, the
21 continuing education requirements for the renewal of certification and licensure that will meet
22 the statutory requirements provided in section 339.530 **or as required by federal law or**
23 **regulation**;

24 (5) To adopt standards for the development and communication of real estate appraisals
25 and to adopt regulations explaining and interpreting the standards; provided that such standards
26 shall meet the standards specified by the appraisal standards board of the appraisal foundation
27 **or as required by federal law or regulation**;

28 (6) To establish an examination for each category of state-certified real estate appraiser,
29 and for state-licensed real estate appraisers, to provide or procure appropriate examination
30 questions and answers, and to establish procedures for grading examinations; provided that such
31 standards for examinations for certification shall meet the minimum criteria specified by the
32 appraiser qualifications board of the appraisal foundation **or as required by federal law or**
33 **regulation**;

34 (7) To maintain a registry of the names and addresses of **trainees**, state-certified real
35 estate appraisers [and] , state-licensed real estate appraisers, **and appraisal management**
36 **companies**; [and]

37 (8) To perform such other functions and duties as may be necessary to carry out the
38 provisions of sections 339.500 to 339.549 **or to comply with the requirements of federal law**
39 **or regulation**; and

40 (9) **To establish by rule the standards of practice for appraisal management**
41 **companies.**

339.511. 1. There shall be [three] **six** classes of licensure for individuals including:

- 2 (1) [State licensed real estate appraiser] **State-licensed appraiser trainee;**
 3 (2) [Certified residential real estate appraiser; and] **State-licensed real estate appraiser;**
 4 (3) [Certified general real estate appraiser] **State-certified residential appraiser**
 5 **trainee;**
 6 (4) **State-certified residential real estate appraiser;**
 7 (5) **State-certified general appraiser trainee; and**
 8 (6) **State-certified general real estate appraiser.**

9 2. **There shall be one class of license for appraisal management companies.**

10 3. Persons desiring to obtain licensure as a **state-licensed appraiser trainee,**
 11 state-licensed real estate appraiser [or] , **state-certified residential appraiser trainee,**
 12 certification as a [certified] **state-certified residential real estate appraiser, state-certified**
 13 **general appraiser trainee,** or [certified] **state-certified** general real estate appraiser shall make
 14 written application to the commission on such forms as are prescribed by the commission setting
 15 forth the applicant's qualifications for licensure or certification and present to the commission
 16 satisfactory proof that the person is of good moral character and bears a good reputation for
 17 honesty, integrity and fair dealing.

18 [3.] 4. Each applicant for licensure as a **state-licensed appraiser trainee,** state-licensed
 19 real estate appraiser, **a state-certified residential appraiser trainee,** a state-certified residential
 20 real estate appraiser, **a state-certified general appraiser trainee,** or a state-certified general real
 21 estate appraiser shall have demonstrated the knowledge and competence necessary to perform
 22 appraisals of residential and other real estate as the commission may prescribe by rule not
 23 inconsistent with any requirements imposed by the appraiser qualifications board. The
 24 commission shall prescribe by rule procedures for obtaining and maintaining approved courses
 25 of instruction. The commission shall, also, prescribe the hours of training in real estate appraisal
 26 practices and the minimum level of experience acceptable for licensure or certification.

27 [4.] 5. Persons who receive certification after March 30, 1991, or who have a state
 28 license or certificate to engage in business as a real estate appraiser issued by the commission,
 29 shall receive the same license or certificate from the commission as such persons are currently
 30 holding without further education, experience, examination or application fee, but shall be
 31 required to meet all continuing education requirements prescribed by the commission.

32 **6. Appraisal management companies desiring to obtain licensure shall:**

- 33 (1) **Make application to the commission on such forms as are prescribed by the**
 34 **commission setting forth the applicant's qualifications for licensure;**
 35 (2) **Remit the fee or fees as established by rule;**

36 **(3) Post with the commission and maintain on renewal a surety bond in the amount**
37 **of twenty thousand dollars as further promulgated by rule; and**

38 **(4) Submit to the commission satisfactory proof that any controlling person, defined**
39 **in section 339.503, is of good moral character and bears a good reputation for honesty,**
40 **integrity, and fair dealing.**

339.513. 1. Applications for examination, original certification and licensure, and
2 renewal certification and licensure shall be made in writing to the commission on forms provided
3 by the commission. The application shall specify the classification of certification, or licensure,
4 for which application is being made.

5 2. Appropriate fees shall accompany all applications for examination, original
6 certification or licensure, and renewal certification or licensure; provided that such fees shall be
7 in amounts set by the commission in order to offset the cost and expense of administering
8 sections 339.500 to 339.549, and in amounts to be determined by the commission with reference
9 to the requirements of Section 1109 of the United States Public Law 101-73, as later codified and
10 as may be amended. All fees collected pursuant to this subsection shall be collected by the
11 commission and deposited with the state treasurer into a fund to be known as the "Missouri Real
12 Estate Appraisers **and Appraisal Management Company** Fund". The provisions of section
13 33.080 to the contrary notwithstanding, money in this fund shall not be transferred and placed
14 to the credit of general revenue until the amount in the fund at the end of the biennium exceeds
15 two times the amount of the appropriation from the board's funds for the preceding fiscal year
16 or, if the board requires by rule permit renewal less frequently than yearly, then three times the
17 appropriation from the board's funds for the preceding fiscal year. The amount, if any, in the
18 fund which shall lapse is that amount in the fund which exceeds the appropriate multiple of the
19 appropriations from the board's funds for the preceding fiscal year. In any proceeding in which
20 a remedy provided by subsection 1 or 2 of section 339.532 is imposed, the commission may also
21 require the respondent licensee to pay the costs of the proceeding if the commission is a
22 prevailing party or in settlement. The moneys shall be placed in the state treasury to the credit
23 of the Missouri real estate appraisers fund.

24 3. At the time of filing an application for certification or licensure, each applicant shall
25 sign a pledge to comply with the standards set forth in sections 339.500 to 339.549 and state that
26 he or she understands the types of misconduct for which disciplinary proceedings may be
27 initiated [against a state-certified real estate appraiser or a state-licensed real estate appraiser].

339.515. 1. An original certification as a state-certified real estate appraiser may be
2 issued to any person who meets the qualification requirements for certification and who has
3 achieved a passing grade on a written examination which is consistent with and equivalent to the

4 uniform state certification examination issued or endorsed by the appraiser qualifications board
5 of the appraisal foundation and the commission.

6 2. An original license as a state-licensed real estate appraiser may be issued to any person
7 who meets the qualification requirements for licensure and who has achieved a passing grade on
8 a written examination which is consistent with and equivalent to the uniform state licensure
9 examination issued or endorsed by the appraiser qualifications board of the appraisal foundation
10 and the commission.

11 3. If an applicant, **other than an appraisal management company**, is not certified or
12 licensed within two years after passing an examination given pursuant to the provisions of this
13 section, he or she shall be required to retake the examination prior to certification or licensure.

14 4. An applicant, **other than an appraisal management company**, who has failed an
15 examination taken pursuant to this section may apply for reexamination by submitting an
16 application with the appropriate examination fee within ninety days after the date of having last
17 taken and failed the examination.

339.517. 1. Any person who files with the commission an application for state licensure
2 or certification as a real estate appraiser shall be required to pass an examination to demonstrate
3 his or her competence. The commission shall, also, make such investigation as is required to
4 verify such qualifications. If the results of the investigation are satisfactory to the commission
5 and the applicant is otherwise qualified, then the commission shall issue to the applicant a license
6 or certificate authorizing the applicant to act as a state-licensed real estate appraiser or a
7 state-certified real estate appraiser in Missouri. If the results of the investigation are
8 unsatisfactory, action on the application may be deferred pending a hearing before the real estate
9 appraisal commission.

10 2. The commission shall promulgate and adopt regulations which prescribe and define
11 the subjects related to real estate appraisal and the experience in real estate appraisal that will
12 satisfy the qualification requirements for licensure or certification. The commission may
13 approve courses of instruction in an accredited college or university relating to the appraisal of
14 real estate and related disciplines including, but not limited to, economics, finance, statistics,
15 principles of capitalization, real estate and such other areas deemed relevant by the commission.
16 The commission may also approve similar courses of instruction offered by recognized
17 professional appraisal organizations and real estate organizations and agencies of the state and
18 federal government, and other qualified providers which may be approved by the commission.
19 The commission may require by rule that some or all of an applicant's qualifying experience in
20 real estate appraising be obtained on appraisals of real estate located in this state.

21 3. Each applicant for certification or licensure, **except for appraisal management**
22 **companies**, shall furnish under oath a detailed statement of the real estate appraisal assignments
23 or file memoranda for each year in which real estate appraisal experience is claimed by the
24 applicant. Upon request, the applicant shall furnish to the commission a sample of appraisal
25 reports or file memoranda which the applicant has prepared in the course of his or her appraisal
26 practice.

27 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
28 under the authority delegated in this section shall become effective only if it complies with and
29 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
30 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
31 pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule
32 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
33 proposed or adopted after August 28, 2003, shall be invalid and void.

339.525. 1. To obtain a renewal certificate or license, a state certified real estate
2 appraiser or state licensed real estate appraiser shall make application and pay the prescribed fee
3 to the commission not earlier than one hundred twenty days nor later than thirty days prior to the
4 expiration date of the certificate or license then held. With the application for renewal, the state
5 certified real estate appraiser or state licensed real estate appraiser shall present evidence in the
6 form prescribed by the commission of having completed the continuing education requirements
7 for renewal specified in section 339.530.

8 2. [If the commission determines that a state certified real estate appraiser or state
9 licensed real estate appraiser has failed to meet the requirements for renewal of certification or
10 licensure through mistake, misunderstanding, or circumstances beyond the appraiser's control,
11 the commission may extend the term of the certificate or license for good cause shown for a
12 period not to exceed six months, upon payment of a prescribed fee for the extension.

13 3.] If a person is otherwise eligible to renew the person's certification or license, the
14 person may renew an expired certification or license within two years from the date of
15 expiration. To renew such expired certification or license, the person shall submit an application
16 for renewal, pay the renewal fee, pay a delinquent renewal fee as established by the commission,
17 and present evidence in the form prescribed by the commission of having completed the
18 continuing education requirements for renewal specified in section 339.530. Upon a finding of
19 extenuating circumstances, the commission may waive the payment of the delinquent fee.

20 [4.] **3.** If a person has failed to renew the person's license within two years of its
21 expiration, the license shall be void.

22 [5.] 4. The commission is authorized to issue an inactive certificate or license to [any
23 licensee] **a state-certified real estate appraiser or a state-licensed real estate appraiser** who
24 makes written application for such on a form provided by the commission and remits the fee for
25 an inactive certificate or license established by the commission. An inactive certificate or license
26 may be issued only to a person who has previously been issued a certificate or license to practice
27 as a real estate appraiser in this state, who is no longer regularly engaged in such practice, and
28 who does not hold himself or herself out to the public as being professionally engaged in such
29 practice in this state. Each inactive certificate or license shall be subject to all provisions of this
30 chapter, except as otherwise specifically provided. Each inactive certificate or license may be
31 renewed by the commission subject to all provisions of this section and all other provisions of
32 this chapter. An inactive licensee may apply for a certificate or license to regularly engage in the
33 practice of real estate appraising upon filing a written application on a form provided by the
34 commission, submitting the reactivation fee established by the commission and submitting
35 satisfactory proof of current competency as established by the commission.

36 **5. To obtain a renewal license, an appraisal management company shall make**
37 **application on a form prescribed by the commission and pay the prescribed fee.**

38 **6. To obtain a renewal license, a state-licensed appraiser trainee, state-certified**
39 **residential appraiser trainee, or state-certified general appraiser trainee shall request an**
40 **extension in writing at least thirty days prior to the expiration date as required by rule.**

339.527. 1. [A certificate or license issued pursuant to sections 339.500 to 339.549 shall
2 bear the signature or facsimile signature of the chairman of the commission and a certificate or
3 license number assigned by the commission.

4 2.] A state-certified real estate appraiser may designate or identify an appraisal report
5 rendered by him or her as a certified appraisal for the type of property included in his or her
6 certification.

7 [3.] 2. Each state-certified real estate appraiser or state-licensed real estate appraiser shall
8 place the certificate or license number adjacent to or immediately below the designation
9 "Missouri State-certified (Residential/General) Real Estate Appraiser" or "Missouri
10 State-licensed Real Estate Appraiser" when used in an appraisal report or in a contract or other
11 instrument used by the holder of the certificate or license in conducting an appraisal assignment
12 or specialized appraisal services. **A state-licensed real estate appraiser trainee, state-certified**
13 **residential appraiser trainee, and state-certified general appraiser trainee shall place his**
14 **or her license number adjacent to or immediately below the title "state-licensed appraiser**
15 **trainee", "state-certified residential appraiser trainee", or "state-certified general**
16 **appraiser trainee".**

17 **3. Each appraisal management company shall be required to disclose its license**
18 **number on each engagement letter utilized in assigning an appraisal request for real estate**
19 **appraisal assignments within the state of Missouri.**

20 4. The terms "Missouri State-certified (Residential/General) Real Estate Appraiser" [and]
21 , "Missouri State-licensed Real Estate Appraiser", "**Missouri State-licensed Appraiser**
22 **Trainee**", "**Missouri State-certified Residential Appraiser Trainee**", and "**Missouri State-**
23 **certified General Appraiser Trainee**" may only be used to refer to individuals who hold a
24 certificate or license and may not be used following or immediately in connection with the name
25 or signature of a firm, partnership, corporation, or group or in such manner that it might be
26 interpreted as referring to certification or licensure of the firm, partnership, corporation, group,
27 or to certification or licensure of anyone other than an individual holder of the certificate or
28 license.

29 **5. Except for licensed appraisal management companies**, a certificate or license shall
30 be issued pursuant to sections 339.500 to 339.549 only to a natural person. However, nothing
31 in this section shall preclude a state-certified real estate appraiser or state-licensed real estate
32 appraiser from rendering appraisals for or on behalf of a corporation, partnership or association,
33 provided that the appraisal report is prepared by, or under the immediate direction of, a
34 state-certified real estate appraiser or state-licensed real estate appraiser, and further provided
35 that the appraisal report is signed by the state-certified real estate appraiser or state-licensed real
36 estate appraiser.

 339.529. 1. Each state-certified real estate appraiser, **state-certified appraiser trainee**,
2 **state-licensed appraiser trainee**, and state-licensed real estate appraiser shall advise the
3 commission of the address of his or her principal place of residence, business and all other
4 addresses at which he or she is currently engaged in the business of preparing real property
5 appraisal reports.

6 2. Whenever a state-certified real estate appraiser, **state-certified appraiser trainee**,
7 **state-licensed appraiser trainee**, or state-licensed real estate appraiser changes the location of
8 his or her place of business, he or she shall amend the certificate or license issued by the
9 commission to reflect the change and shall give written notification of the change to the
10 commission within thirty working days of the change.

11 3. Whenever a state-certified real estate appraiser or state-licensed real estate appraiser
12 changes the location of his or her residence, he or she shall notify the commission of the new
13 residence address within thirty working days of the change.

14 **4. Each appraisal management company shall notify the commission within thirty**
15 **days of a change in its controlling person, agent of record, ownership composition, or**
16 **address.**

 339.532. 1. The commission may refuse to issue or renew any certificate or license
2 issued pursuant to sections 339.500 to 339.549 for one or any combination of causes stated in
3 subsection 2 of this section. The commission shall notify the applicant in writing of the reasons
4 for the refusal and shall advise the applicant of the right to file a complaint with the
5 administrative hearing commission as provided by chapter 621.

 2. The commission may cause a complaint to be filed with the administrative hearing
7 commission as provided by chapter 621 against any state-certified real estate appraiser,
8 state-licensed real estate appraiser, **state-licensed appraiser trainee, state-certified residential**
9 **appraiser trainee, state-certified general appraiser trainee, state-licensed appraisal**
10 **management company that is a legal entity other than a natural person, any person who**
11 **is a controlling person as defined in this chapter,** or any person who has failed to renew or has
12 surrendered his or her certificate or license for any one or any combination of the following
13 causes:

14 (1) Procuring or attempting to procure a certificate or license pursuant to section 339.513
15 by knowingly making a false statement, submitting false information, refusing to provide
16 complete information in response to a question in an application for certification or licensure,
17 or through any form of fraud or misrepresentation;

18 (2) Failing to meet the minimum qualifications for certification or licensure or renewal
19 established by sections 339.500 to 339.549;

20 (3) Paying money or other valuable consideration, other than as provided for by section
21 339.513, to any member or employee of the commission to procure a certificate or license
22 pursuant to sections 339.500 to 339.549;

23 (4) The person has been finally adjudicated and found guilty, or entered a plea of guilty
24 or nolo contendere, in a criminal prosecution under the laws of any state or the United States, for
25 any offense reasonably related to the qualifications, functions or duties of any profession licensed
26 or regulated pursuant to sections 339.500 to 339.549 for any offense of which an essential
27 element is fraud, dishonesty or an act of violence, or for any offense involving moral turpitude,
28 whether or not sentence is imposed;

29 (5) Incompetency, misconduct, gross negligence, dishonesty, fraud, or misrepresentation
30 in the performance of the functions or duties of any profession licensed or regulated by sections
31 339.500 to 339.549;

- 32 (6) Violation of any of the standards for the development or communication of real estate
33 appraisals as provided in or pursuant to sections 339.500 to 339.549;
- 34 (7) Failure to comply with the Uniform Standards of Professional Appraisal Practice
35 promulgated by the appraisal standards board of the appraisal foundation;
- 36 (8) Failure or refusal without good cause to exercise reasonable diligence in developing
37 an appraisal, preparing an appraisal report, or communicating an appraisal;
- 38 (9) Negligence or incompetence in developing an appraisal, in preparing an appraisal
39 report, or in communicating an appraisal;
- 40 (10) Violating, assisting or enabling any person to willfully disregard any of the
41 provisions of sections 339.500 to 339.549 or the regulations of the commission for the
42 administration and enforcement of the provisions of sections 339.500 to 339.549;
- 43 (11) Accepting an appraisal assignment when the employment itself is contingent upon
44 the appraiser's reporting a predetermined analysis or opinion or where the fee to be paid for the
45 performance of the appraisal assignment is contingent upon the opinion, conclusion, or valuation
46 reached or upon the consequences resulting from the appraisal assignment;
- 47 (12) Violating the confidential nature of governmental records to which the person
48 gained access through employment or engagement to perform an appraisal assignment or
49 specialized appraisal services for a governmental agency;
- 50 (13) Violating any term or condition of a certificate or license issued by the commission
51 pursuant to the authority of sections 339.500 to 339.549;
- 52 (14) Violation of any professional trust or confidence;
- 53 (15) Obtaining or attempting to obtain any fee, charge, tuition or other compensation by
54 fraud, deception or misrepresentation;
- 55 (16) Assisting or enabling any person to practice or offer to practice any profession
56 licensed or regulated by sections 339.500 to 339.549 who is not licensed or certified and
57 currently eligible to practice pursuant to sections 339.500 to 339.549;
- 58 (17) Use of any advertisement or solicitation which is false, misleading or deceptive to
59 the general public or persons to whom the advertisement or solicitation is primarily directed;
- 60 (18) Disciplinary action against the holder of a license, certificate or other right to
61 practice any profession regulated pursuant to sections 339.500 to 339.549, imposed by another
62 state, territory, federal agency or country upon grounds for which revocation or suspension is
63 authorized in this state;
- 64 (19) Making any material misstatement, misrepresentation, or omission with regard to
65 any application for licensure or certification, or for license or certification renewal. As used in

66 this section, "material" means important information about which the commission should be
67 informed and which may influence a licensing decision;

68 (20) Engaging in or committing, or assisting any person in engaging in or committing,
69 any practice or act of mortgage fraud, as defined in section 443.930;

70 **(21) Influencing or attempting to influence the development, reporting, or review**
71 **of an appraisal through coercion, extortion, collusion, compensation, instruction,**
72 **inducement, intimidation, or bribery.**

73 3. After the filing of such complaint, the proceedings shall be conducted in accordance
74 with the provisions of chapter 621. Upon a finding by the administrative hearing commission
75 that the grounds, provided in subsection 2 of this section, for disciplinary action are met, the
76 commission may, singly or in combination, publicly censure or place the person named in the
77 complaint on probation on such terms and conditions as the commission deems appropriate for
78 a period not to exceed five years, or may suspend, for a period not to exceed three years, or
79 revoke, the certificate or license. The holder of a certificate or license, **or the legal entity and**
80 **any controlling person in the case of an appraisal management company**, revoked pursuant
81 to this section may not obtain certification as a state-certified real estate appraiser [or] , licensure
82 as a state-licensed real estate appraiser, **or licensure as an appraisal management company**
83 for at least five years after the date of revocation.

84 4. Notwithstanding other provisions of this section, a real estate appraiser license or
85 certification **or an appraisal management company license** shall be revoked, or in the case of
86 an applicant, shall not be issued, if the licensee or applicant, **or any controlling person in the**
87 **case of an appraisal management company**, has pleaded guilty to, entered a plea of nolo
88 contendere to, or been found guilty of mortgage fraud as defined in section 570.310. The
89 commission shall notify the individual **or legal entity** of the reasons for the revocation in
90 writing, by certified mail.

91 5. A person, **or the legal entity or controlling person in the case of an appraisal**
92 **management company**, whose license is revoked under subsection 4 of this section may appeal
93 such revocation to the administrative hearing commission, as provided by chapter 621, within
94 ninety days from the time the commission mails the notice of revocation. A person who fails to
95 do so waives all rights to appeal the revocation.

96 6. A certification of a state-certified real estate appraiser [or] , a license of a
97 state-licensed real estate appraiser, **or a license of an appraisal management company** that has
98 been suspended as a result of disciplinary action by the commission shall not be reinstated, and
99 a person, **controlling person, or legal entity** may not obtain certification as a state-certified real
100 estate appraiser [or] , licensure as a state-licensed real estate appraiser, **or licensure as an**

101 **appraisal management company** subsequent to revocation, unless the applicant presents
102 evidence of completion of the continuing education required by section 339.530 during the
103 period of suspension or revocation as well as fulfillment of any other conditions imposed by the
104 commission. Applicants for recertification, relicensure or reinstatement also shall be required
105 to successfully complete the examination for original certification or licensure required by
106 section 339.515 as a condition to reinstatement of certification or licensure, or recertification or
107 relicensure subsequent to revocation.

339.533. 1. The chairperson of the commission may administer oaths, issue subpoenas,
2 and issue subpoenas duces tecum requiring the production of documents and records. Subpoenas
3 and subpoenas duces tecum shall be served by a person authorized to serve subpoenas of courts
4 of record. In lieu of requiring attendance of a person, **controlling person, or other legal entity**
5 to produce original documents in response to a subpoena duces tecum, the commission may
6 require sworn copies of such documents to be filed with it or delivered to its designated
7 representative.

8 2. The commission may enforce its subpoenas and subpoenas duces tecum by applying
9 to the circuit court of Cole County; the county of the investigation, hearing, or proceeding; or any
10 county where the person, **controlling person, or other legal entity** subpoenaed resides or may
11 be found for an order to show cause why such subpoena should not be enforced, such order and
12 a copy of the application therefor to be served upon the person in the same manner as a summons
13 in a civil action, and if the circuit court shall, after a hearing, determine that the subpoena should
14 be sustained and enforced, such court shall proceed to enforce the subpoena in the same manner
15 as though the subpoena had been issued in a civil case in the circuit court.

339.535. [State certified] **State-certified** real estate appraisers [and state licensed] ,
2 **state-licensed** real estate appraisers, **state-licensed appraiser trainees, and state-certified**
3 **appraiser trainees** shall comply with the Uniform Standards of Professional Appraisal Practice
4 promulgated by the appraisal standards board of the appraisal foundation.

339.537. 1. State-certified real estate appraisers and state licensed real estate appraisers
2 shall retain originals or true copies of contracts engaging an appraiser's services for appraisal
3 assignments, specialized appraisal services, appraisal reports, and supporting data assembled and
4 formulated in preparing appraisal reports, for five years. The period for retention of the records
5 applicable to each engagement of the services of the state-certified real estate appraiser or
6 state-licensed real estate appraiser shall run from the date of the submission of the appraisal
7 report to the client. Upon requests by the commission, these records shall be made available by
8 the state-certified real estate appraiser or state-licensed real estate appraiser for inspection and
9 copying at his or her expense, by the commission on reasonable notice to the state-certified real

10 estate appraiser or state-licensed real estate appraiser. When litigation is contemplated at any
11 time, reports and records shall be retained for two years after the final disposition.

12 **2. All appraisal management company records shall be retained by the appraisal**
13 **management company for five years. Upon request by the commission, such records shall**
14 **promptly be made available to the commission for inspection and copying at the expense**
15 **of the appraisal management company.**

339.541. 1. It shall be a class B misdemeanor for any person to practice any deception
2 or fraud with respect to his **or her** identity in connection with an application for certification or
3 licensure or in the taking of an examination for certification as a state certified real estate
4 appraiser or licensure as a state licensed real estate appraiser or by holding himself **or herself**
5 out to any member of the public or representing himself **or herself** as a state certified real estate
6 appraiser or a state licensed real estate appraiser when, in fact, he **or she** is not so.

7 **2. It shall be a class B misdemeanor for any corporation, business, or controlling**
8 **person to practice any deception or fraud in its identity in connection with an application**
9 **or holding out to any member of the public or representation as a licensed appraisal**
10 **management company when in fact it is not so.**

339.543. 1. If the commission believes that an appraiser, **business, corporation, or**
2 **controlling person** has engaged in, is engaging in, or has willfully taken a substantial step
3 toward engaging in an act, practice, omission, or course of business constituting mortgage fraud,
4 as defined in section 443.930, or that a person, **business, corporation, or controlling person**
5 has materially aided or is materially aiding any such act, practice, omission, or course of
6 business, the commission may maintain an action in the circuit court of any county of the state
7 or any city not within a county to enjoin the person, **business, corporation, or controlling**
8 **person**. Upon a proper showing, the court may issue a permanent or temporary injunction,
9 restraining order, or declaratory judgment.

10 2. The court may impose a civil penalty against the person, **business, corporation, or**
11 **controlling person** not to exceed two thousand five hundred dollars for each violation and may
12 grant any other relief the court determines is just and proper in the circumstances including, but
13 not limited to, a temporary suspension of any license issued by the commission.

14 3. The commission may initiate an investigation and take all measures necessary to find
15 the facts of any potential violation of this section, including issuing subpoenas to compel the
16 attendance and testimony of witnesses and the production of documents and other evidence. The
17 commission may conduct joint investigations, enter into confidentiality agreements, and share
18 information obtained relating to an investigation under this section with other governmental
19 agencies.

20 4. The enforcement authority of the commission under this section is cumulative to any
21 other statutory authority of the commission.

339.545. 1. The commission shall take such action as is necessary to be able to issue
2 general certificates, residential certificates and licenses to qualified persons.

3 **2. The commission shall take action as is necessary to be able to issue licenses to**
4 **qualified applicants seeking licensure as an appraisal management company.**

339.549. 1. It is unlawful for any person, **business, corporation, or controlling person**
2 not certified or licensed pursuant to sections 339.500 to 339.549 to perform any act for which
3 certification or licensure is required. Upon application by the commission, and the necessary
4 burden having been met, a court may grant an injunction, restraining order or other order as may
5 be appropriate to enjoin a person, **business, corporation, or controlling person** from:

6 (1) Offering to engage or engaging in the performance of any acts or practices for which
7 a certificate or license is required by sections 339.500 to 339.549 upon a showing that such acts
8 or practices were performed or offered to be performed without a certificate or license; or

9 (2) Engaging in any practice or business authorized by a certificate or license issued
10 pursuant to sections 339.500 to 339.549 upon a showing that the holder presents a substantial
11 probability of serious danger to the health, safety or welfare of any resident of this state or client
12 of the certificate holder or licensee.

13 2. Any such action shall be commenced in the county in which such conduct occurred
14 or in the county in which the defendant resides.

15 3. Any actions brought pursuant to this section shall be in addition to and not in lieu of
16 any penalty provided by sections 339.500 to 339.549 and may be brought concurrently with other
17 actions to enforce the provisions of this chapter.

[339.1100. Sections 339.1100 to 339.1240 shall be known and may be
2 cited as the "Missouri Appraisal Management Company Registration and
3 Regulation Act".]
4

[339.1105. As used in sections 339.1100 to 339.1240, unless the context
2 otherwise requires, the following terms shall mean:

3 (1) "Appraisal" or "real estate appraisal", an objective analysis,
4 evaluation, opinion, or conclusion relating to the nature, quality, value or utility
5 of specified interests in, or aspects of, identified real estate. An appraisal may be
6 classified by subject matter into either a valuation or an analysis;

7 (2) "Appraisal firm", a person, limited liability company, partnership,
8 association, or corporation whose principal is an appraiser licensed under
9 sections 339.500 to 339.549 which for compensation prepares and communicates
10 appraisals, reviews appraisals prepared by others, provides appraisal consultation

- 11 services, and supervises, trains, and reviews work produced or certified by
12 persons licensed under sections 339.500 to 339.549 who produce appraisals;
- 13 (3) "Appraisal management company", an individual or business entity
14 that utilizes an appraisal panel and performs, directly or indirectly, appraisal
15 management services;
- 16 (4) "Appraisal management services", to directly or indirectly perform
17 any of the following functions on behalf of a lender, financial institution, client,
18 or any other person:
- 19 (a) Administer an appraiser panel;
- 20 (b) Recruit, qualify, verify licensing or certification, and negotiate fees
21 and service level expectations with persons who are part of an appraiser panel;
- 22 (c) Receive an order for an appraisal from one person and deliver the
23 order for the appraisal to an appraiser that is part of an appraiser panel for
24 completion;
- 25 (d) Track and determine the status of orders for appraisals;
- 26 (e) Conduct quality control of a completed appraisal prior to the delivery
27 of the appraisal to the person that ordered the appraisal; and
- 28 (f) Provide a completed appraisal performed by an appraiser to one or
29 more persons who have ordered an appraisal;
- 30 (5) "Appraisal review", the act or process of developing and
31 communicating an opinion about the quality of another appraiser's work that was
32 performed as part of an appraisal assignment, except that an examination of an
33 appraisal for grammatical, typographical, or other similar errors shall not be an
34 appraisal review;
- 35 (6) "Appraiser", an individual who holds a license as a state licensed real
36 estate appraiser or certification as a state certified real estate appraiser under this
37 chapter;
- 38 (7) "Appraiser panel", a network of licensed or certified appraisers that
39 have:
- 40 (a) Responded to an invitation, request, or solicitation from an appraisal
41 management company, in any form, to perform appraisals for persons that have
42 ordered appraisals through the appraisal management company or to perform
43 appraisals for the appraisal management company directly; and
- 44 (b) Been selected and approved by an appraisal management company
45 to perform appraisals for any client of the appraisal management company that
46 has ordered an appraisal through the appraisal management company or to
47 perform appraisals for the appraisal management company directly;
- 48 (8) "Commission", the Missouri real estate appraisers commission
49 created in section 339.507;
- 50 (9) "Controlling person":
- 51 (a) An owner, officer or director of a corporation, partnership, or other
52 business entity seeking to offer appraisal management services in this state;

53 (b) An individual employed, appointed, or authorized by an appraisal
54 management company that has the authority to enter into a contractual
55 relationship with other persons for the performance of appraisal management
56 services and has the authority to enter into agreements with appraisers for the
57 performance of appraisals; or

58 (c) An individual who possesses, directly or indirectly, the power to
59 direct or cause the direction of the management or policies of an appraisal
60 management company;

61 (10) "State certified real estate appraiser", a person who develops and
62 communicates real estate appraisals and who holds a current valid certificate
63 issued to the person for either general or residential real estate under this chapter;

64 (11) "State licensed real estate appraiser", a person who holds a current
65 valid real estate appraiser license issued under this chapter.]
66

[339.1110. 1. No person shall directly or indirectly engage or attempt to
2 engage in business as an appraisal management company, to directly or indirectly
3 engage or attempt to perform appraisal management services, or to advertise or
4 hold itself out as engaging in or conducting business as an appraisal management
5 company without first obtaining a registration issued by the commission under
6 sections 339.1100 to 339.1240.

7 2. The registration required by subsection 1 of this section shall, at a
8 minimum, include the following:

9 (1) Name of the entity seeking registration;

10 (2) Business address of the entity seeking registration, which shall be
11 located and maintained within this state;

12 (3) Phone contact information of the entity seeking registration;

13 (4) If the entity is not a corporation that is domiciled in this state, the
14 name and contact information for the company's agent for service of process in
15 this state;

16 (5) The name, address, and contact information for any individual or any
17 corporation, partnership, or other business entity that owns ten percent or more
18 of the appraisal management company;

19 (6) The name, address, and contact information for a designated
20 controlling person to be the primary communication source for the commission;

21 (7) A certification that the entity has a system and process in place to
22 verify that a person being added to the appraiser panel of the appraisal
23 management company for appraisal services to be performed in Missouri holds
24 a license in good standing in Missouri, if a license or certification is required to
25 perform appraisals under section 339.1180;

26 (8) A certification that the entity has a system in place to review the work
27 of all appraisers who are performing real estate appraisal services for the
28 appraisal management company on a periodic basis to validate that the real estate

29 appraisal services are being conducted in accordance with Uniform Standards of
30 Professional Appraisal Practice (USPAP) under section 339.1185;

31 (9) A certification that the entity maintains a detailed record of each
32 service request that it receives for appraisal services within the state of Missouri
33 and the appraiser who performs the real estate appraisal services for the appraisal
34 management company under section 339.1190;

35 (10) An irrevocable uniform consent to service of process under section
36 339.1130; and

37 (11) Any other reasonable information required by the commission to
38 complete the registration process.]

39

[339.1115. Sections 339.1100 to 339.1240 shall not apply to:

2 (1) The performance of services as an appraisal firm;

3 (2) A national or state bank, federal or state savings institution, or credit
4 union that is subject to direct regulation or supervision by an agency of the
5 United States government, or by the department of insurance, financial
6 institutions or professional registration, that receives a request for the
7 performance of an appraisal from one employee of the financial institution, and
8 another employee of the same financial institution assigns the request for the
9 appraisal to an appraiser who is an independent contractor to the institution. An
10 entity exempt as provided in this subdivision shall file a notice with the
11 commission containing the information required in section 339.1110;

12 (3) An appraiser that enters into an agreement, whether written or
13 otherwise, with an appraiser for the performance of an appraisal, and upon the
14 completion of the appraisal, the report of the appraiser performing the appraisal
15 is signed by both the appraiser who completed the appraisal and the appraiser
16 who requested the completion of the appraisal;

17 (4) A state agency or local municipality that orders appraisals for ad
18 valorem tax purposes or any other business on behalf of the state of Missouri;

19 (5) Any person licensed to practice law in this state, a court-appointed
20 personal representative, or a trustee who orders an appraisal in connection with
21 a bona fide client relationship when such person directly contracts with an
22 independent appraiser.]

23

2 [339.1120. An applicant for a registration as an appraisal management
3 company shall submit to the commission an application containing the
4 information required in subsection 2 of section 339.1110 on a form prescribed by
5 the commission.]

5

[339.1125. Registration shall be valid for two years from its issuance.]

2

2 [339.1130. Each entity applying for a registration as an appraisal
3 management company in Missouri shall complete an irrevocable uniform consent
4 to service of process, as prescribed by the commission.]

2 [339.1135. 1. The commission shall establish by rule the fee to be paid
3 by each appraisal management company seeking registration under sections
4 339.1100 to 339.1240, such that the sum of the fees paid by all appraisal
5 management companies seeking registration under this section shall be sufficient
6 for the administration of sections 339.1100 to 339.1240. The commission shall
7 charge and collect fees to be utilized to fund activities that may be necessary to
8 carry out the provisions of this chapter.

9 2. Each applicant for registration shall post with the commission and
10 maintain on renewal a surety bond in the amount of twenty thousand dollars. The
11 details of the bond shall be prescribed by rule of the commission, however, the
12 bond shall not be used to assist appraisers in collection efforts of credit extended
13 by the appraiser.

14 3. Any rule or portion of a rule, as that term is defined in section 536.010,
15 that is created under the authority delegated in sections 339.1100 to 339.1240
16 shall become effective only if it complies with and is subject to all of the
17 provisions of chapter 536 and, if applicable, section 536.028. Sections 339.1100
18 to 339.1240 and chapter 536 are nonseverable and if any of the powers vested
19 with the general assembly pursuant to chapter 536 to review, to delay the
20 effective date, or to disapprove and annul a rule are subsequently held
21 unconstitutional, then the grant of rulemaking authority and any rule proposed or
22 adopted after August 28, 2010, shall be invalid and void.]

2 [339.1140. 1. An appraisal management company applying for a
3 registration in Missouri shall not be more than ten percent owned by:

4 (1) A person who has had a license or certificate to act as an appraiser
5 refused, denied, canceled, revoked, or surrendered in lieu of a pending revocation
6 in any state;

7 (2) An entity that is more than ten percent owned by any person who has
8 had a license or certificate to act as an appraiser refused, denied, canceled,
9 revoked, or surrendered in lieu of a pending revocation in any state.

10 2. Each person who owns more than ten percent of an appraisal
11 management company in this state shall:

12 (1) Be of good moral character, as determined by the commission; and

13 (2) Submit to a background investigation, as determined by the
14 commission.

15 3. Each appraisal management company applying for registration shall
16 certify to the commission that it has reviewed each entity that owns more than ten
percent of the appraisal management company and that no entity that owns more

17 than ten percent of the appraisal management company is more than ten percent
18 owned by any person who has had a license or certificate to act as an appraiser
19 refused, denied, cancelled, revoked, or surrendered in lieu of a pending
20 revocation.

21 4. Each appraisal management company shall notify the commission
22 within thirty days of a change in its controlling principal, agent of record, or
23 ownership composition.]
24

[339.1145. 1. Each appraisal management company applying to the
2 commission for a registration in this state shall designate one compliance
3 manager who will be the main contact for all communication between the
4 commission and the appraisal management company.

5 2. The designated controlling person under subsection 1 of this section
6 shall:

7 (1) Have never had a license or certificate to act as an appraiser refused,
8 denied, canceled, revoked, or surrendered in lieu of a pending revocation in any
9 state;

10 (2) Be of good moral character, as determined by the commission; and

11 (3) Submit to a background investigation, as determined by the
12 commission.]
13

[339.1150. An appraisal management company that applies to the
2 commission for registration to do business in this state as an appraisal
3 management company under subdivision (1) of section 339.1115 shall not:

4 (1) Employ any person directly involved in appraisal management
5 services who has had a license or certificate to act as an appraiser in Missouri or
6 in any other state refused, denied, cancelled, revoked, or surrendered in lieu of
7 a pending revocation;

8 (2) Knowingly enter into any independent contractor arrangement,
9 whether in verbal, written, or other form, with any person who has had a license
10 or certificate to act as an appraiser in Missouri or in any other state refused,
11 denied, cancelled, revoked, or surrendered in lieu of a pending revocation;

12 (3) Knowingly enter into any contract, agreement, or other business
13 relationship directly involved with the performance of real estate appraisal or
14 appraisal management services, whether in verbal, written, or any other form,
15 with any entity that employs, has entered into an independent contract
16 arrangement, or has entered into any contract, agreement, or other business
17 relationship, whether in verbal, written, or any other form, with any person who
18 has ever had a license or certificate to act as an appraiser in Missouri or in any
19 other state, refused, denied, cancelled, revoked, or surrendered in lieu of a
20 pending revocation.]
21

2 [339.1155. Prior to placing an assignment for real estate appraisal
3 services within the state of Missouri with an appraiser on the appraiser panel of
4 an appraisal management company, the appraisal management company shall
5 have a system in place to verify that the appraiser receiving the assignment holds
6 a credential in good standing in the state of Missouri. Letters of engagement
7 shall include instructions to the appraiser to decline the assignment in the event
8 the appraiser is not geographically competent or the assignment falls outside the
9 appraiser's scope of practice restrictions.]

2 [339.1160. Any employee or independent contractor of the appraisal
3 management company who performs an appraisal review shall be an individual
4 who holds a license as a state licensed real estate appraiser or certification as a
5 state certified real estate appraiser under this chapter. Letters of engagement shall
6 include instructions to the appraiser to decline the appraisal review assignment
7 in the event the appraiser is not geographically competent or the assignment falls
8 outside the appraiser's scope of practice restrictions.]

2 [339.1170. Each appraisal management company seeking to be registered
3 shall certify to the commission on a biannual basis on a form prescribed by the
4 commission that the appraisal management company has a system and process
5 in place to verify that an individual being added to the appraiser panel of the
6 appraisal management company holds a license in good standing in this state
7 under this chapter.]

2 [339.1175. Each appraisal management company seeking to be registered
3 shall certify to the commission on a biannual basis on a form prescribed by the
4 commission that the appraisal management company has a system in place to
5 verify that an individual to whom the appraisal management company is making
6 an assignment for the completion of an appraisal has not had a license or
7 certification as an appraiser refused, denied, cancelled, revoked, or surrendered
8 in lieu of a pending revocation on a regular basis.]

2 [339.1180. Each registered appraisal management company shall certify
3 to the commission on a biannual basis that it has a system in place to perform an
4 appraisal review on a periodic basis of the work of all appraisers who are
5 performing appraisals for the appraisal management company to validate that the
6 appraisals are being conducted in accordance with Uniform Standards of
7 Professional Appraisal Practice (USPAP). An appraisal management company
8 shall report to the commission the results of any appraisal reviews in which an
9 appraisal is found to be substantially noncompliant with USPAP or state or
10 federal laws pertaining to appraisals.]

2 [339.1185. 1. Each appraisal management company seeking to be
3 registered shall certify to the commission biannually that it maintains a detailed
4 record of each service request for appraisal services within the state of Missouri
5 and that it receives of each appraiser who performs an appraisal for the appraisal
6 management company in the state of Missouri.

7 2. All appraisal management company records shall be retained for five
8 years.]

2 [339.1190. 1. An appraisal management company shall not prohibit its
3 appraiser who is part of an appraiser panel from recording the fee that the
4 appraiser was paid by the appraisal management company for the performance
5 of the appraisal within the appraisal report that is submitted by the appraiser to
6 the appraisal management company.

7 2. An appraisal management company shall separately state to the client
8 the fees paid to an appraiser for appraisal services and the fees charged by the
9 appraisal management company for services associated with the management of
10 the appraisal process, including procurement of the appraiser's services.]

2 [339.1200. 1. No employee, director, officer, or agent of an appraisal
3 management company shall influence or attempt to influence the development,
4 reporting, or review of an appraisal through coercion, extortion, collusion,
5 compensation, instruction, inducement, intimidation, bribery or in any other
6 manner, including but not limited to:

7 (1) Withholding or threatening to withhold timely payment for an
8 appraisal, except in cases of substandard performance or noncompliance with
9 conditions of engagement;

10 (2) Withholding or threatening to withhold future business, or demoting,
11 terminating, or threatening to demote or terminate an appraiser;

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

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

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

20 (6) Providing to an appraiser an anticipated, estimated, encouraged, or
21 desired value for a subject property or a proposed or target amount to be loaned
22 to the borrower, except that a copy of the sales contract for purchase transactions
23 may be provided;

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

25 (8) Allowing the removal of an appraiser from an appraiser panel without
26 prior written notice to such appraiser;

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

29 (10) Requiring an appraiser to collect an appraisal fee on behalf of the
30 appraisal management company from the borrower, homeowner, or other third
31 party; or

32 (11) Requiring an appraiser to indemnify an appraisal management
33 company or hold an appraisal management company harmless for any liability,
34 damage, losses, or claims arising out of the services performed by the appraisal
35 management company, and not the services performed by the appraiser.

36 2. Nothing in subsection 1 of this section shall prohibit the appraisal
37 management company from requesting that an appraiser:

38 (1) Provide additional information about the basis for a valuation; or

39 (2) Correct objective factual errors in an appraisal report; or

40 (3) Provide additional information with the appraisal regarding additional
41 sales provided through an established dispute process.]

42

[339.1205. An appraisal management company shall not:

2 (1) Require an appraiser to modify any aspect of an appraisal report
3 unless the modification complies with section 339.1200;

4 (2) Require an appraiser to prepare an appraisal report if the appraiser,
5 in the appraiser's own professional judgment, believes the appraiser does not have
6 the necessary expertise for the assignment or for the specific geographic area, and
7 has notified the appraisal management company and declined the assignment;

8 (3) Require an appraiser to prepare an appraisal under a time frame that
9 the appraiser, in the appraiser's own professional judgment, believes does not
10 afford the appraiser the ability to meet all the relevant legal and professional
11 obligations, and has notified the appraisal management company and declined the
12 assignment;

13 (4) Prohibit or inhibit legal or other allowable communication between
14 the appraiser and:

15 (a) The lender;

16 (b) A real estate licensee; or

17 (c) Any other person from whom the appraiser, in the appraiser's own
18 professional judgment, believes information would be relevant;

19 (5) Knowingly require the appraiser to do anything that does not comply
20 with:

21 (a) Uniformed Standards of Professional Appraisal Practice (USPAP);

22 (b) The Missouri certified and licensed real estate appraisers act
23 established under this chapter; or

24 (c) Any assignment conditions and certifications required by the client;

25 (6) Make any portion of the appraiser's fee or the appraisal management
26 company's fee contingent on a predetermined or favorable outcome, including but
27 not limited to:

28 (a) A loan closing; or

29 (b) Specific dollar amount being achieved by the appraiser in the
30 appraisal report.]

31

2 [339.1210. Each appraisal management company shall, except in cases
3 of breach of contract or substandard performance of services, make payment to
4 an appraiser for the completion of an appraisal or valuation assignment within
5 thirty days, unless a mutually agreed upon alternate payment schedule exists,
6 from when the appraiser transmits or otherwise provides the completed appraisal
7 or valuation study to the appraisal management company or its assignee.]

7

2 [339.1215. 1. An appraisal management company shall not alter, modify,
3 or otherwise change a completed appraisal report submitted by an appraiser by:

3 (1) Permanently removing the appraiser's signature or seal; or

4 (2) Adding information to, or removing information from, the appraisal
5 report with an intent to change the valuation conclusion.

6 2. No registered appraisal management company shall require an
7 appraiser to provide the appraisal management company with the appraiser's
8 digital signature or seal.]

9

2 [339.1220. 1. The commission shall issue a unique registration number
3 to each appraisal management company.

3 2. The commission shall publish a list of the appraisal management
4 companies that have registered under sections 339.1100 to 339.1240 and have
5 been issued a registration number.

6 3. An appraisal management company shall be required to disclose the
7 registration number on each engagement letter utilized in assigning an appraisal
8 request for real estate appraisal assignments within the state of Missouri.]

9

2 [339.1230. 1. Except within the first thirty days after an appraiser is first
3 added to the appraiser panel of an appraisal management company, an appraisal
4 management company shall not remove an appraiser from its appraiser panel or
5 otherwise refuse to assign requests for real estate appraisal services to an
6 appraiser without:

6 (1) Notifying the appraiser in writing of the reasons why the appraiser is
7 being removed from the appraiser panel of the appraisal management company;

8 (2) If the appraiser is being removed from the panel for illegal conduct,
9 violation of the Uniform Standards of Professional Appraisal Practice (USPAP),

10 or a violation of state licensing standards, describing the nature of the alleged
11 conduct or violation; and

12 (3) Providing an opportunity for the appraiser to respond to the
13 notification of the appraisal management company.

14 2. An appraiser who is removed from the appraiser panel of an appraisal
15 management company for alleged illegal conduct, violation of the Uniform
16 Standards of Professional Appraisal Practice (USPAP), or violation of state
17 licensing standards may file a complaint with the commission for a review of the
18 decision of the appraisal management company; except that, in no case shall the
19 commission make any determination regarding the nature of the business
20 relationship between the appraiser and the appraisal management company which
21 is unrelated to the actions specified in subsection 1 of this section.

22 3. If after notice and an opportunity for hearing and review, the
23 commission determines that an appraiser did not commit a violation of law, a
24 violation of the Uniform Standards of Professional Appraisal Practice (USPAP),
25 or a violation of state licensing standards, the commission shall order that such
26 appraiser be added to the appraiser panel of the appraisal management company.

27 4. If the commission has found that the appraisal management company
28 acted improperly in removing the appraiser from the appraiser panel, an appraisal
29 management company shall not refuse to make assignments for real estate
30 appraisal services to an appraiser, or reduce the number of assignments, or
31 otherwise penalize the appraiser.]
32

2 [339.1235. The commission may censure an appraisal management
3 company, conditionally or unconditionally suspend or revoke any registration
4 issued under sections 339.1100 to 339.1240, or impose civil penalties not to
5 exceed one thousand dollars for each offense. Each day of a continued violation
6 constitutes a separate offense, with a maximum penalty of ten thousand dollars.
7 In determining the amount of penalty to be imposed, the commission may
8 consider if an appraisal management company is:

- 8 (1) Knowingly committing any act in violation of sections 339.1100 to
- 9 339.1240;
- 10 (2) Violating any rule adopted by the commission; or
- 11 (3) Procuring a license by fraud, misrepresentation, or deceit.]
12

2 [339.1240. The conduct of adjudicatory proceedings for violations of this
3 section is vested in the commission, provided:

- 3 (1) Before censuring any registrant, or suspending or revoking any
- 4 registration, the commission shall notify the registrant in writing of any charges
- 5 made at least twenty days before the hearing and shall afford the registrant an
- 6 opportunity to be heard in person or by counsel; and

7 (2) Written notice shall be satisfied by personal service on the controlling
8 person of the registrant, or the registrant's agent for service of process in this
9 state, or by sending the notice by certified mail, return receipt requested to the
10 controlling person of the registrant to the registrant's address on file with the
11 commission.]

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