

HB 1103 -- REAL ESTATE

This bill changes the laws regarding the maintenance of private roads and real estate appraisers and appraisal management companies.

MAINTENANCE OF PRIVATE ROADS (Sections 228.341, 228.368, 228.369, and 228.374, RSMo)

The bill specifies that when adjoining homeowners who have an easement or benefitted homeowners for any private road subject to the use of more than one homeowner, in the absence of a prior order or written agreement for the maintenance of the road, are unable to agree in writing upon a plan for the maintenance, repair, or improvement of the private road, one or more of the homeowners may petition the circuit court for an order establishing a plan of maintenance. The cost of the plan must be apportioned among the homeowners according to the use and benefit to the residential property benefitted by the access as mutually agreed by the homeowners or as ordered by the court. The court may order a plan or may appoint disinterested commissioners to determine a plan and the apportionment of costs. Any agreement executed by all owners for, or final order approving, a plan of maintenance must be recorded with the county recorder of deeds. One or more adjoining landowners or holders of an easement to use a private road may bring an action to enforce the maintenance plan, whether as mutually agreed or as ordered by the court. The bill allows a prior agreement or court order establishing a plan of maintenance to be amended or modified and to be restated at any time by a recorded agreement signed by all the homeowners or other benefitted owners. A court proceeding to amend, modify, or restate a plan of maintenance cannot be filed sooner than seven years from the entry of a prior order unless there is prima facie evidence showing that the real property benefitted by the private road has been developed or divided in a manner rendering the plan of maintenance obsolete or showing that the existing apportionment of the use and benefit is no longer equitable.

A private road does not include any road that is owned by the United States; the State of Missouri; or any political entity, instrumentality, or agency of the state. The provisions of the bill do not apply to any road created by or included in any recorded plat referencing or referenced in an indenture or declaration creating an owner's association or to any land or property owned or operated by a railroad regulated by the Federal Railroad Administration.

REAL ESTATE APPRAISERS AND APPRAISAL MANAGEMENT COMPANIES  
(Sections 339.500 - 339.549)

The bill:

(1) Renames the Missouri Certified and Licensed Real Estate Appraisers Act the Missouri Certified and Licensed Real Estate Appraisers and Appraisal Management Company Regulation Act;

(2) Prohibits a person from engaging in the business as an appraisal management company, engaging to perform appraisal management services, or holding himself or herself out as being an appraisal management company without first obtaining a registration issued by the Missouri Real Estate Appraisers Commission within the Department of Insurance, Financial Institutions and Professional Registration;

(3) Creates the classifications of licensure for appraiser trainees of state-certified general appraiser trainee, state-certified residential appraiser trainee, and state-licensed appraiser trainee. The commission is required to adopt rules and procedures for the issuance and regulation of appraiser trainee licenses;

(4) Requires state-certified and state-licensed trainees to comply with the Uniform Standards of Professional Appraisal Practice established by the Appraisal Standards Board of the Appraisal Foundation;

(5) Requires the commission to maintain a registry of the names and addresses of appraisal management companies and to establish by rule the requirements for obtaining a license as an appraisal management company;

(6) Renames the Missouri Real Estate Appraisers Fund the Missouri Real Estate Appraisers and Appraisal Management Company Fund;

(7) Exempts an appraisal management company from specified licensing and examination requirements;

(8) Repeals the provision requiring the signature of the chairman of the commission and a certificate or assigned license number to be on each certificate or license;

(9) Requires each appraisal management company to disclose its license number on every engagement letter utilized in assigning an appraisal request for assignments within the state;

(10) Exempts an appraisal management company from the requirement that a certificate or license can be issued only to a natural person;

(11) Requires an appraisal management company to notify the commission within 30 days of any change in its controlling person, agent of record, ownership composition, or address;

(12) Authorizes the commission to cause complaints to be filed with the Administrative Hearing Commission against a state-certified or state-licensed real estate appraiser or trainee or a state-licensed appraisal management company that is a legal entity other than a natural person and against a person influencing or attempting to influence the development, reporting, or review of an appraisal through coercion, extortion, collusion, compensation, instruction, inducement, intimidation, or bribery;

(13) Requires all appraisal management company records to be retained for five years and to be made promptly available to the commission for inspection and copying;

(14) Specifies that it will be a class B misdemeanor for any company or controlling person to practice any deception or fraud in its identity in connection with an application or holding out to the public or representation as a licensed appraisal management company when it is not;

(15) Requires the commission to take all action necessary to be able to issue licenses to qualified applicants seeking a license as an appraisal management company; and

(16) Repeals Sections 339.1100 to 339.1240 regarding the Missouri Appraisal Management Company Registration and Regulation Act.