

S.F. No. 3503 and H.F. No. 3784, which had been referred to the Chief Clerk for comparison, were examined and found to be not identical.

The following document shows the differences between S.F. No. 3503, the first engrossment, and H.F. No. 3784, the first engrossment.

May 11, 2022

Patrick D. Murphy  
Chief Clerk, House of Representatives

### **Explanation of Comparison Reports**

When a Senate File is received from the Senate, it is given its first reading and must be referred to the appropriate standing committee or division under Rule 1.11. But if the House File companion of that Senate File has already been reported out of Committee and given its second reading and is on the General Register, the Senate File must be referred to the Chief Clerk for comparison pursuant to Rule 1.15. The Chief Clerk reports whether the bills were found to be identical or not identical. Once the bills have been compared and the differences have been reported, the Senate File is given its second reading and is substituted for the House File. The House File is then considered withdrawn. Pursuant to rule 3.33, if the bills are not identical and the chief author of the bill wishes to use the House language, the chief author must give notice of their intent to substitute the House language when the bill is placed on the Calendar for the Day or the Fiscal Calendar. If the chief author of the bill wishes to keep the Senate language, no action is required.

1.1 A bill for an act

1.2 relating to commerce; real estate appraisers; making changes related to minimum

1.3 damage acquisition reports and continuing education; amending Minnesota Statutes

1.4 2020, sections 82B.03, by adding a subdivision; 82B.19, by adding a subdivision;

1.5 82C.17, subdivision 2; Minnesota Statutes 2021 Supplement, section 82B.25,

1.6 subdivision 2.

1.7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.8 Section 1. Minnesota Statutes 2020, section 82B.03, is amended by adding a subdivision

1.9 to read:

1.10 Subd. 4. **Minimum damage acquisition report.** A real estate appraiser may provide a

1.11 minimum damage acquisition report for purposes of section 117.036. When providing a

1.12 minimum damage acquisition report, a real estate appraiser is not engaged in real estate

1.13 appraisal activity and is not subject to this chapter.

1.14 Sec. 2. Minnesota Statutes 2020, section 82B.19, is amended by adding a subdivision to

1.15 read:

1.16 Subd. 5. **Out-of-state continuing education credit.** (a) For purposes of this subdivision,

1.17 the following terms have the meanings given:

1.18 (1) "asynchronous educational offering" has the meaning given in the most recent version

1.19 of the Real Property Appraiser Qualification Criteria, as established by the Appraiser

1.20 Qualifications Board; and

1.21 (2) "synchronous educational offering" has the meaning given in the most recent version

1.22 of the Real Property Appraiser Qualification Criteria, as established by the Appraiser

2.1 Qualifications Board, and includes an educational process based on live or real-time

2.2 instruction where there is no geographic separation of instructor and student.

2.3 (b) Notwithstanding section 45.30, subdivisions 1 and 6, a real estate appraiser may

2.4 submit, in a form prescribed by the commissioner, an application for continuing education

2.5 credit for a synchronous educational offering that has not been submitted for prior approval

2.6 in Minnesota. The commissioner must grant a real estate appraiser continuing education

2.7 credit if:

2.8 (1) the application is submitted on or before August 1 of the year in which the real estate

2.9 appraiser license is due for renewal;

2.10 (2) the synchronous educational offering has been approved for continuing education

2.11 credit by the regulator of real estate appraisers in at least one other state or United States

2.12 territory; and

1.1 A bill for an act

1.2 relating to commerce; real estate appraisers; making changes related to minimum

1.3 damage acquisition reports and continuing education; amending Minnesota Statutes

1.4 2020, sections 82B.03, by adding a subdivision; 82B.19, by adding a subdivision;

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1.8 Section 1. Minnesota Statutes 2020, section 82B.03, is amended by adding a subdivision

1.9 to read:

1.10 Subd. 4. **Minimum damage acquisition report.** A real estate appraiser may provide a

1.11 minimum damage acquisition report for purposes of section 117.036. When providing a

1.12 minimum acquisition damage report, a real estate appraiser is not engaged in real estate

1.13 appraisal activity and is not subject to this chapter.

1.14 Sec. 2. Minnesota Statutes 2020, section 82B.19, is amended by adding a subdivision to

1.15 read:

1.16 Subd. 5. **Out-of-state continuing education credit.** (a) For purposes of this subdivision,

1.17 the following terms having the meanings given:

1.18 (1) "asynchronous educational offering" has the meaning given in the most recent version

1.19 of the real property appraiser qualification criteria, as established by the Appraiser

1.20 Qualifications Board; and

1.21 (2) "synchronous educational offering" has the meaning given in the most recent version

1.22 of the real property appraiser qualification criteria, as established by the Appraiser

2.1 Qualifications Board, and includes an educational process based on live or real-time

2.2 instruction where there is no geographic separation of instructor and learner.

2.3 (b) Notwithstanding section 45.30, subdivisions 1 and 6, an appraiser licensee may

2.4 submit, in a form prescribed by the commissioner, an application for continuing education

2.5 credit for a synchronous educational offering that has not been submitted for prior approval

2.6 in Minnesota. The commissioner must grant the appraiser licensee continuing education

2.7 credit if:

2.8 (1) the application is submitted by August 1 of the year in which the appraiser license

2.9 is due for renewal;

2.10 (2) the synchronous educational offering has been approved for continuing education

2.11 credit by the regulator of appraisers in at least one other state or United States territory; and

2.12 (3) the application is submitted by the appraiser licensee to the commissioner within 30

2.13 days of successfully completing the synchronous educational offering.

2.13 (3) an application is submitted by the real estate appraiser to the commissioner within  
2.14 30 days of successful completion of the synchronous education offering.

2.15 (c) The application must include a certificate of successful completion from the  
2.16 synchronous educational offering provider. The commissioner must grant a real estate appraiser  
2.17 the same number of continuing education credits for the successful completion of the  
2.18 synchronous educational offering as was approved for the offering by the out-of-state real  
2.19 estate appraiser regulatory authority. The commissioner must grant a real estate appraiser  
2.20 continuing education credit within 60 days of the submission of the completed application  
2.21 for out-of-state continuing education credit.

2.22 (d) The commissioner may charge a fee to a real estate appraiser, in an amount to be  
2.23 determined by the commissioner, to submit an application under this subdivision.

2.24 (e) This subdivision does not apply to asynchronous educational offerings.

2.25 Sec. 3. Minnesota Statutes 2021 Supplement, section 82B.25, subdivision 2, is amended  
2.26 to read:

2.27 Subd. 2. **Education.** ~~Within two years of receiving a license under this chapter and as~~  
2.28 ~~required by the Appraiser Qualifications Board, A real property appraiser shall provide to~~  
2.29 ~~the commissioner evidence of satisfactory completion of a continuing education course on~~  
2.30 ~~the valuation bias of real property. An appraiser licensed after September 1, 2021, must~~  
2.31 ~~complete the course required by this section prior to the appraiser's first license renewal.~~

3.1 Sec. 4. Minnesota Statutes 2020, section 82C.17, subdivision 2, is amended to read:

3.2 Subd. 2. **Evidence.** (a) ~~An appraisal management company can evidence that the fees~~  
3.3 ~~paid to an appraiser were reasonable and customary through:~~

3.4 (1) ~~objective third-party information, including, but not limited to, government agency~~  
3.5 ~~fee schedules or academic studies. An academic study used must exclude appraisal~~  
3.6 ~~assignments ordered by an appraisal management company. The commissioner may establish~~  
3.7 ~~a fee scheduled for use by an appraisal management company; or~~

3.8 (2) ~~reviewing each of the following factors and making adjustments to recent fees paid~~  
3.9 ~~for appraisal services performed in the market area:~~

- 3.10 (i) ~~the type of property appraised;~~
- 3.11 (ii) ~~the scope of the appraisal work;~~
- 3.12 (iii) ~~the time in which the appraisal service must be performed;~~
- 3.13 (iv) ~~appraiser qualifications;~~
- 3.14 (v) ~~appraiser experience and professional record; and~~

2.14 (c) The application must include a certificate of successful course completion from the  
2.15 synchronous educational offering provider. The commissioner must grant an appraiser  
2.16 licensee the same number of continuing education credits for successfully completing the  
2.17 synchronous educational offering as that course was approved for by the out-of-state appraiser  
2.18 regulatory authority.

2.19 (d) The commissioner may charge an appraisal licensee an application fee in an amount  
2.20 to be determined by the commissioner.

2.21 (e) This subdivision does not apply to asynchronous educational offerings.

2.22 Sec. 3. Minnesota Statutes 2021 Supplement, section 82B.25, subdivision 2, is amended  
2.23 to read:

2.24 Subd. 2. **Education.** ~~Within two years of receiving a license under this chapter and as~~  
2.25 ~~required by the Appraiser Qualifications Board, A real property appraiser shall provide to~~  
2.26 ~~the commissioner evidence of satisfactory completion of a continuing education course on~~  
2.27 ~~the valuation bias of real property. Appraisers licensed after September 1, 2021, must~~  
2.28 ~~complete the course required by this section prior to their first license renewal.~~

2.29 Sec. 4. Minnesota Statutes 2020, section 82C.17, subdivision 2, is amended to read:

2.30 Subd. 2. **Evidence.** (a) ~~An appraisal management company can evidence that the fees~~  
2.31 ~~paid to an appraiser were reasonable and customary through:~~

3.1 (1) ~~objective third-party information, including, but not limited to, government agency~~  
3.2 ~~fee schedules or academic studies. An academic study used must exclude appraisal~~  
3.3 ~~assignments ordered by an appraisal management company. The commissioner may establish~~  
3.4 ~~a fee scheduled for use by an appraisal management company; or~~

3.5 (2) ~~reviewing each of the following factors and making adjustments to recent fees paid~~  
3.6 ~~for appraisal services performed in the market area:~~

- 3.7 (i) ~~the type of property appraised;~~
- 3.8 (ii) ~~the scope of the appraisal work;~~
- 3.9 (iii) ~~the time in which the appraisal service must be performed;~~
- 3.10 (iv) ~~appraiser qualifications;~~
- 3.11 (v) ~~appraiser experience and professional record; and~~

3.15 (vi) appraiser work quality.

3.16 (b) The fees paid for a complex appraisal assignment shall reflect the increased time,  
3.17 difficulty, and scope of work required.

3.18 (c) An appraisal management company shall maintain written documentation describing  
3.19 and substantiating all methods and information used to determine the customary and  
3.20 reasonable fees required by this section.

3.21 Sec. 5. **EFFECTIVE DATE.**

3.22 Sections 1 to 4 are effective September 1, 2022.

3.12 (vi) appraiser work quality.

3.13 (b) The fees paid for a complex appraisal assignment shall reflect the increased time,  
3.14 difficulty, and scope of work required.

3.15 (c) An appraisal management company shall maintain written documentation describing  
3.16 and substantiating all methods and information used to determine the customary and  
3.17 reasonable fees required by this section.

3.18 Sec. 5. **EFFECTIVE DATE.**

3.19 This act is effective September 1, 2022.