

HOUSE RESEARCH

Bill Summary

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Overview

This bill involves various changes involving licenses issued by the Department of Commerce.

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1 Application fees.

Subd. 1. Fee refunds. Provides that the department will not refund license application fees, except for overpayment. Defines overpayment as paying more than the required fee or for a license for which a person does not qualify. Requires the department to make refunds for overpayment, upon application for the refund. Provides that an application for a refund must be made within six months, or the overpayment is forfeited.

Subd. 2. Withdrawal of application. Provides that an incomplete application is considered withdrawn if not completed within six months. An application deemed withdrawn under this provision is not eligible for a refund of the application fee.

2 License education. (a) Requires that courses used as education for licensure must be approved in advance by the commissioner. (This apparently refers only to situations in which an applicant for a license is required to take an approved course as a condition of licensure and not to courses taken voluntarily in order to prepare for an examination given for licensure.) Requires sponsors of license education courses to designate a coordinator approved by the commissioner, to be responsible for supervision and compliance with state

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laws.

(b) Provides that approval of existing coordinators and courses will expire on various dates, depending upon their initial approval date.

3 **Examination not required.** Adds mobile telephone insurance to the limited lines for which a written examination is not required for agent licensure.

4 **Resident insurance producer.** Eliminates licensure as a resident agent for insurance agents who live in an adjacent state within a "community or trade area."

5 **Issuance.** Eliminates a provision permitting limited lines insurance agent licenses for "any other line of insurance," in addition to those listed as available for limited lines licenses. (A limited lines license permits a person to be licensed to sell only a specialized type of insurance, such as title insurance, without getting a general insurance agent license.) Also permits a new category of limited lines license, namely for mobile telephone insurance.

6 **Change of address.** Eliminates a requirement that a resident insurance agent who moves out of the state must file a change of address with the commissioner.

7 **Period for application.** For a real estate salesperson license, eliminates the requirement that pre-license education be retaken if the applicant needs to retake the examination because of failure to obtain the license within one year of passing a previous examination.

8 **USPAP.** Defines this term as referring to the Uniform Standards of Professional Appraisal Practice, established by the Appraisal Foundation.

9 **Appraiser qualification components.** States that the three components for real property appraisal licensing are education, experience, and examination. Requires license applicants to show that they have met at least the criteria in effect when they completed that component.

10 **Period for application.** Permits applicants for a real estate appraiser license to obtain the license within two years, instead of one year, of passing the examination, to avoid having to retake the examination.

11 **Temporary practice.** Provides a time limit for temporary licenses issued by the commissioner to real estate appraisers licensed in another state.

12 **Registered real property appraiser or licensed real property appraiser.** For pre-license education, requires the 15-hour national USPAP course, as part of the 90 hours, instead of the current requirement of 15 hours devoted to standards of appraisal practice and Minnesota laws regulating appraisals.

13 **Commissioner's approval; rules.** For pre-license real estate appraiser education, permits distance education courses that meet Appraiser Qualification Board criteria.

14 **Certified residential real estate appraiser.** For pre-license education for residential real estate appraisers, makes the same change made in section 12 for the general appraiser license.

15 **Certified general real property appraiser.** Makes the same change as in section 12.

16 **Experience requirement.** For licensure as a certified residential real property appraiser, requires that the 2,500 hours of experience have been obtained in no fewer than 24 months. For licensure as a certified general real property appraiser, requires that the 3,000 hours of experience have been obtained in no fewer than 30 months.

17 **License renewals.** For real estate appraiser continuing education, provides that courses must be at least two hours to be accepted for credit. Requires the seven-hour national USPAP course every two years instead of the current more general seven-hour requirement. Eliminates a current provision exempting an appraiser from continuing education if a

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license period was less than 12 months. Permits credit for distance education courses that meet Appraiser Qualification Board criteria.

- 18** **Repealer.** Repeals (a) an obsolete law relating to real estate appraiser transition licensing in 1993; and (b) a Department of Commerce rule specifying pre-licensure experience requirements for real estate appraisers, which are now covered by statute.