

**STATE OF CALIFORNIA**  
**OFFICE OF REAL ESTATE APPRAISERS**

**CALIFORNIA BUSINESS AND PROFESSIONS CODE**  
**DIVISION 4, PART 3,**  
**SECTIONS 11300 *et seq.***

**October 5, 2007**

**NOTICE**

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### **11300. Short title**

This part may be cited as the Real Estate Appraisers' Licensing and Certification Law.

### **11301. Office of real estate appraisers**

There is hereby created within the Business, Transportation and Housing Agency an Office of Real Estate Appraisers to administer and enforce this part.

### **11302. Definitions**

For the purpose of applying this part, the following terms, unless otherwise expressly indicated, shall mean and have the following definitions:

(a) "Agency" means the Business, Transportation and Housing Agency.

(b) "Appraisal" means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion in a federally related transaction as to the market value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

The term "appraisal" does not include an opinion given by a real estate licensee or engineer or land surveyor in the ordinary course of his or her business in connection with a function for which a license is required under Chapter 7 (commencing with Section 6700) or Chapter 15 (commencing with Section 8700) of Division 3, or Chapter 3 (commencing with Section 10130) or Chapter 7 (commencing with Section 10500) and the opinion shall not be referred to as an appraisal. This part does not apply to a probate referee acting pursuant to Sections 400 to 408, inclusive, of the Probate Code unless the appraised transaction is federally related.

(c) "Appraisal Foundation" means the Appraisal Foundation that was incorporated as an Illinois not-for-profit corporation on November 30, 1987.

(d) "Appraisal Subcommittee" means the Appraisal Subcommittee of the Federal Financial Institutions Examination Council.

(e) "Director" means the Director of the Office of Real Estate Appraisers.

(f) "Federal financial institutions regulatory agency" means the Federal Reserve Board, Federal Deposit Insurance Corporation, Office of the Comptroller of the Currency, Office of Thrift Supervision, Federal Home Loan Bank System, National Credit Union Administration, the Resolution Trust Corporation, and any other agency determined by the director to have jurisdiction over transactions subject to this part.

(g) "Federally related real estate appraisal activity" means the act or process of making or performing an appraisal on real estate or real property in a federally related transaction and preparing an appraisal as a result of that activity.

(h) "Federally related transaction" means any real estate-related financial transaction which a federal financial institutions regulatory agency engages in, contracts for or regulates and which requires the services of a state licensed real estate appraiser regulated by this part. This term also includes any transaction identified as such by a federal financial institutions regulatory agency.

(i) "License" means any license, certificate, permit, registration, or other means issued by the office authorizing the person to whom it is issued to act pursuant to this part within this state.

(j) "Licensure" means the procedures and requirements a person shall comply with in order to qualify for issuance of a license and includes the issuance of the license.

(k) "Office" means the Office of Real Estate Appraisers.

(l) "Secretary" means the Secretary of the Business, Transportation and Housing Agency.

(m) "State licensed real estate appraiser" is a person who is issued and holds a current valid license under this part.

(n) "Uniform Standards of Professional Appraisal Practice" are the standards of professional appraisal practice established by the Appraisal Foundation.

(o) "Course provider" means a person or entity that provides educational courses related to professional appraisal practice.

### **11310. Director of office of real estate appraisers**

The Governor shall appoint, subject to confirmation by the Senate, the Director of the Office of Real Estate Appraisers who shall, in consultation with the Governor and secretary, administer the licensing and certification program for real estate appraisers. In making the appointment, consideration shall be given to the qualifications of an individual that demonstrate knowledge of the real estate appraisal profession.

(a) The director shall serve at the pleasure of the Governor. The salary for the director shall be fixed and determined by the secretary with approval of the Department of Personnel Administration.

(b) The director shall not be actively engaged in the appraisal business or any other affected industry for the term of appointment, and thereafter the director shall be subject to Section 87406 of the Government Code.

(c) The director, in consultation with the secretary and in accordance with the State Civil Service Act, may appoint and fix the compensation of legal, clerical, technical, investigation, and auditing personnel as may be necessary to carry out this part. All

personnel shall perform their respective duties under the supervision and direction of the director.

(d) The director may appoint not more than four deputy directors as he or she deems appropriate. The deputy directors shall perform their respective duties under the supervision and direction of the director.

(e) Every power granted to or duty imposed upon the director under this part may be exercised or performed in the name of the director by the deputy directors, subject to conditions and limitations as the director may prescribe.

### **11313. Supervision and control of office; rules and regulations; enforcement**

The office is under the supervision and control of the secretary. The duty of enforcing and administering this part is vested in the director and he or she is responsible to the secretary therefor. The director shall adopt and enforce rules and regulations as are determined reasonably necessary to carry out the purposes of this part. Those rules and regulations shall be adopted pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

### **11314. Licensure, certification, and discipline requirements; public interest; minimum criteria**

The office is required to include in its regulations requirements for licensure and discipline of real estate appraisers that ensure protection of the public interest and comply in all respects with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Public Law 101-73 and any subsequent amendments thereto. Requirements for each level of licensure shall, at a minimum, meet the criteria established by the Appraiser Qualification Board of the Appraisal Foundation.

### **11315. Violations; citations; fines; contests and appeals**

(a) The director may issue to a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation a citation that may contain an order to pay an administrative fine assessed by the office if the person or entity is in violation of this part or any regulations adopted to carry out its purposes.

(b) A citation shall be written and describe with particularity the nature of the violation, including a specific reference to the provision of law determined to have been violated.

(c) If appropriate, the citation may contain an order of abatement fixing a reasonable time for abatement of the violation.

(d) (1) If appropriate, the citation may contain an order to enroll in and successfully complete additional basic or continuing education courses.

(2) When a citation imposes an education course or courses, the completion of the course or courses by the licensee shall be subject to the following conditions:

(A) The citation imposing the education requirement may specify the specific course content, the number of hours to be completed, the date by which the course is to be completed, and the method by which satisfaction of the order is to be reported to the office.

(B) An education course imposed by citation may not be credited towards the licensee's continuing education requirements pursuant to Section 11360.

(C) Only courses accredited by the office shall be accepted for purposes of fulfilling education imposed by citation.

(D) Any failure to satisfactorily complete or timely report an education course to the office by the date specified in the citation shall result in the automatic suspension of the licensee's real estate appraiser license as of that date.

(E) Reinstatement of a license suspended pursuant to subparagraph (D) shall be made only if all of the following events occur:

(i) Satisfactory verification of the completion of the education course or courses imposed by the citation.

(ii) Completion and filing of a reinstatement application.

(iii) Payment of all applicable fees, fines, or penalties.

(e) In no event shall the administrative fine assessed by the office by citation or order exceed ten thousand dollars (\$10,000) per violation. In assessing a fine, the office shall give due consideration to the appropriateness of the amount of the fine with respect to factors such as the gravity of the violation, the good faith of the person who committed the violation, and the history of previous violations.

(f) A citation or fine assessment issued pursuant to a citation shall inform the person cited that, if he or she desires a hearing to contest the finding of a violation, he or she must request a hearing by written notice to the office within 30 days of the date of issuance of the citation or assessment. Hearings shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. The citation or fine assessment shall also inform the person cited that failure to respond to the citation or fine assessment shall result in any order or administrative fine imposed becoming final, and that any order or administrative fine shall constitute an enforceable civil judgment in addition to any other penalty or remedy available pursuant to law.

(g) (1) If a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider

accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation fails to pay a fine, penalty, or required installment payment on the fine or penalty by the date when it is due, the director shall charge him or her interest and a penalty of 10 percent of the fine or installment payment amount. Interest shall be charged at the pooled money investment rate.

(2) Failure of a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation to pay a fine or required installment payment on the fine within 30 days of the date ordered in the citation, unless the citation is being appealed, shall be cause for additional disciplinary action by the office.

(3) If a citation is not contested and a fine or fine payment is not paid within 30 days of the date ordered in the citation or other order of the director, the full amount of the unpaid balance of the assessed fine shall be added to any fee for renewal of a license. A license shall not be renewed prior to payment of the renewal fee and fine.

(4) The director may order the full amount of any fine to be immediately due and payable if any payment due on a fine is not received by the office within 30 days of its due date.

(5) Any fine, or interest thereon, not paid within 30 days of a final citation or order shall constitute a valid and enforceable civil judgment.

(6) A certified copy of the final order, or the citation with certification by the office that no request for hearing was received within 30 days of the date of issuance of the citation, shall be conclusive proof of the civil judgment, its terms, and its validity.

(h) A citation may be issued without the assessment of an administrative fine.

(i) Any administrative fine or penalty imposed pursuant to this section shall be in addition to any other criminal or civil penalty provided for by law.

(j) Administrative fines collected pursuant to this section shall be deposited in the Real Estate Appraisers Regulation Fund.

### **11315.5. Settlement for alleged violations**

Notwithstanding any other provision of law, the office may, at any time the director deems it to be in the public interest, enter into a settlement of any administrative allegation of violation of this part, or of regulations promulgated pursuant thereto, upon any terms and conditions as the director deems appropriate. Those settlements may include, but are not limited to, a plan for abatement of the violation or rehabilitation or requalification of the applicant, licensed appraiser, course provider, or person acting in a capacity requiring a license or course provider accreditation within a specified time.

### **11316. Persons requiring course provider accreditation; violations; fines**

(a) The director may assess a fine against a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation for violation of this part or any regulations adopted to carry out its purposes.

(b) (1) Failure of a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation to pay a fine or make a fine payment within 30 days of the date of assessment shall result in disciplinary action by the office. If a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation fails to pay a fine within 30 days, the director shall charge him or her interest and a penalty of 10 percent of the fine or payment amount. Interest shall be charged at the pooled money investment rate.

(2) If a fine is not paid, the full amount of the assessed fine shall be added to any fee for renewal of a license. A license shall not be renewed prior to payment of the renewal fee and fine.

(3) The director may order the full amount of any fine to be immediately due and payable if any payment on the fine, or portion thereof, is not received within 30 days of its due date.

(4) Any fine, or interest thereon, not paid within 30 days of a final order shall constitute a valid and enforceable civil judgment.

(5) A certified copy of the final order shall be conclusive proof of the validity of the order of payment and the terms of payment.

(c) Any administrative fine or penalty imposed pursuant to this section shall be in addition to any other criminal or civil penalty provided for by law.

(d) Administrative fines collected pursuant to this section shall be deposited in the Real Estate Appraisers Regulation Fund.

### **11317. Public disciplinary action summaries; publication**

The office shall publish a summary of public disciplinary actions taken by the office, including resignations while under investigation and the violations upon which these actions are based, which shall meet, at a minimum, the requirements of the appraisal subcommittee. The office shall not publish identifying information with respect to private reprovals or letters of warning, which shall remain confidential.

### **11318. Licensee applicants; convictions or crimes; reporting requirements**

(a) A licensee, applicant for licensure, course provider, or applicant for course provider accreditation shall report to the office, in writing, the occurrence of any of the following events within 30 days of the date he or she has knowledge of any of these events:

(1) The conviction of the licensee, applicant for licensure, course provider, or applicant for course provider accreditation of any of the following:

(A) A felony.

(B) Any crime related to the qualifications, functions, or duties of a licensee, or to acts or activities committed in the course of the licensee's or course provider's practice.

As used in this section, a conviction includes an initial plea, verdict, or finding of guilty, plea of no contest, or pronouncement of sentence by a trial court even though that conviction may not be final, the sentence may not be imposed, or all appeals may not be exhausted.

(2) The cancellation, revocation, or suspension of a license, other authority to practice, or refusal to renew a license or other authority to practice as an occupational or professional licensee or course provider, by any other regulatory entity.

(3) The cancellation, revocation, or suspension of the right to practice before any governmental body or agency.

(b) The report required by subdivision (a) shall be signed by the licensee, applicant for licensure, course provider, or applicant for course provider accreditation and clearly set forth the facts that constitute the reportable event. The report shall include the title of the matter, court or agency name, docket number, and dates of occurrence of the reportable event.

(c) The licensee, applicant for licensure, course provider, or applicant for course provider accreditation shall also promptly obtain and submit a certified copy of the police or administrative agency's investigative report and certified copies of the court or administrative agency's docket, complaint or accusation, and judgment or other order.

(d) A licensee, applicant for licensure, course provider, or applicant for course provider accreditation shall promptly respond to oral or written inquiries from the office concerning the reportable events.

### **11319. Standards for conduct and performance; additional standards**

Notwithstanding any other provision of this code, the Uniform Standards of Professional Appraisal Practice constitute the minimum standard of conduct and performance for a licensee in any work or service performed that is addressed by those standards. If a licensee also is certified by the Board of Equalization, he or she shall follow the standards established by the Board of Equalization when fulfilling his or her responsibilities for assessment purposes.

### **11320. Practice without a license; prohibition; application of other statutes**

No person shall engage in federally related real estate appraisal activity governed by this part or assume or use the title of or any title designation or abbreviation as a licensed appraiser in this state without first obtaining a license as defined in Section 11302. Any person who willfully violates this provision is guilty of a public offense punishable by imprisonment in the state prison, or in a county jail for not more than one year, or by a fine not exceeding ten thousand dollars (\$10,000), or by both the imprisonment and fine. The possession of a license issued pursuant to this part does not preempt the application of other statutes including the requirement for specialized training or licensure pursuant to Article 3 (commencing with Section 750) of Chapter 2.5 of Division 1 of the Public Resources Code.

### **11321. Authorization to use title, designation and abbreviation; authorization to perform and sign certified real estate appraisal reports**

(a) No person other than a state licensed real estate appraiser may assume or use that title or any title, designation, or abbreviation likely to create the impression of state licensure as a real estate appraiser in this state.

(b) No person other than a licensee may sign an appraisal. A trainee licensed pursuant to Section 11327 may sign an appraisal if it is also signed by a licensee.

(c) No person other than a licensee holding a current valid license at the residential level issued under this part to perform, make, or approve and sign an appraisal may use the abbreviation SLREA in his or her real property appraisal business.

(d) No person other than a licensee holding a current valid license at a certified level issued under this part to perform, make, or approve and sign an appraisal may use the term "state certified real estate appraiser" or the abbreviation SCREA in his or her real property appraisal business.

### **11323. Compensation affected by sales commission generated from transaction; prohibition**

No licensee shall engage in any appraisal activity in connection with the purchase, sale, transfer, financing, or development of real property if his or her compensation is dependent on or affected by the value conclusion generated by the appraisal.

**11324. Assistance in preparation of appraisal without a license; conditions**

An individual who is not a licensee may assist in the preparation of an appraisal under the following conditions:

(a) The assistance is under the direct supervision of an individual who is a licensed appraiser and the final conclusion as to value is made by a licensed appraiser.

(b) The final appraisal document is approved and signed, with acceptance of full responsibility, by the supervising individual who is licensed by the state pursuant to this part, identifies the assisting individual, and identifies the scope of work performed by the individual who assisted in the preparation of the appraisal.

**11325. Performance parameters of appraisal work; adoption of regulations; minimum standards**

(a) The director shall adopt regulations which determine the parameters of appraisal work which may be performed by licensed appraisers.

(b) Regulations adopted by the director pursuant to this section shall, at a minimum, meet the standards established by federal financial institution regulatory agencies as required by Section 1112 of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989, Public Law 101-73.

**11326. Investigations related to professional conduct of appraisers; disclosure of information and materials by county assessors**

(a) The county assessor shall, upon request, disclose information, furnish abstracts, copies of maps, construction permits, notices of completion, sales confirmation, and permit access to all records in his or her office or branch offices, to the Office of Real Estate Appraisers when it is conducting an investigation related to professional conduct of appraisers.

(b) Whenever the assessor discloses information, furnishes abstracts, and all of the above and permits access to records to the Office of Real Estate Appraisers, the office shall reimburse the assessor for any reasonable cost incurred as a result thereof.

**11327. Trainee licenses**

The director shall adopt regulations governing the process and procedure of applying for a trainee license, which shall meet, at a minimum, the requirements of the Appraisal Foundation.

### **11328. Copies of appraisals; submission to office; confidentiality of documents**

To substantiate documentation of appraisal experience, or to facilitate the investigation of illegal or unethical activities by a licensee, applicant, or other person acting in a capacity that requires a license, that licensee, applicant, or person shall, upon the request of the director, submit copies of appraisals, or any work product which is addressed by the Uniform Standards of Professional Appraisal Practice, and all supporting documentation and data to the office. This material shall be confidential in accordance with the confidentiality provisions of Uniform Standards of Professional Appraisal Practice.

### **11340. Process and procedure; regulations; educational requirements; equivalent courses and experience; certification**

The director shall adopt regulations governing the process and the procedure of applying for a license which shall include, but not be limited to, necessary experience or education, equivalency, and minimum requirements of the Appraisal Foundation, if any.

(a) For purposes of the educational background requirements established under this section, the director shall grant credits for any courses taken on real estate appraisal ethics or practices pursuant to Section 10153.2, or which are deemed by the director to meet standards established pursuant to this part and federal law.

(b) For the purpose of implementing and applying this section, the director shall prescribe by regulation "equivalent courses" and "equivalent experience." The experience of employees of an assessor's office or of the State Board of Equalization in setting forth opinions of value of real property for tax purposes shall be deemed equivalent to experience in federally related real estate appraisal activity. Notwithstanding any other law, a holder of a valid real estate broker license shall be deemed to have completed appraisal license application experience requirements upon proof that he or she has accumulated 1,000 hours of experience in the valuation of real property.

(c) The director shall adopt regulations for licensure which shall meet, at a minimum, the requirements and standards established by the Appraisal Foundation, the Resolution Trust Corporation, and the federal financial institutions regulatory agencies acting pursuant to Section 1112 of the Financial Institutions Reform Recovery and Enforcement Act of 1989, Public Law 101-73 (FIRREA). The director shall, by regulation, require the application for a real estate appraiser license to include the applicant's social security number.

(d) In evaluating the experience of any applicant for a license, regardless of the number of hours required of that applicant, the director shall apply the same standards to the experience of all applicants.

(e) No license shall be issued to an applicant who is less than 18 years of age.

### **11341. Validity of license**

A license issued with an effective date of January 1, 2000, or later shall be valid for two years unless otherwise extended or limited by the director.

**11343. Fingerprint cards; purpose**

- (a) Each applicant for a license shall submit two completed fingerprint cards.
- (b) The fingerprint cards shall be used for the purpose of a criminal records check of applicants and licensees through state and federal law enforcement authorities.
- (c) Results of any records check by federal law enforcement authorities shall not be released except in accordance with federal requirements.

**11344. Temporary license or certifications; issuance pending outcome of fingerprint check; probationary licenses or certificates**

(a) Notwithstanding Sections 11341, a temporary license may be issued pending the outcome of the fingerprint and background check or as otherwise prescribed by the director. A temporary license is valid for up to 150 days. Unless otherwise prohibited pursuant to Section 11350.6 of the Welfare and Institutions Code, a temporary license may be renewed once at the discretion of the director.

- (b) The director may issue a probationary license as follows:
  - (1) By term.
  - (2) By conditions to be observed in the exercise of the privileges granted.

**11350. Application for reciprocity; regulations**

The director shall adopt regulations governing the process and procedure of applying for reciprocity, which shall meet, at a minimum, the requirements of the Appraisal Subcommittee.

**11351. Temporary practice condition for reciprocity; exception**

Temporary practice is not required under this chapter if the appraiser from another state assists in the performance of the appraisal as provided by Section 11324.

**11352. Temporary practice; application procedures**

The director shall adopt regulations governing the process and procedure of applying for temporary practice, which shall meet, at a minimum, the requirements of the Appraisal Subcommittee.

**11360. Renewal of licenses or certificates; process and procedures; adoption of regulations; demonstration of continued fitness to hold license**

(a) The director shall adopt regulations governing the process and procedures for renewal of a license which shall include, but not be limited to, continuing education requirements, which shall be reported on the basis of four-year continuing education cycles.

(b) An applicant for renewal of a license shall be required to demonstrate his or her continuing fitness to hold a license prior to its renewal. Applicants shall also fulfill continuing education requirements established pursuant to this section and may certify that they have read and understand all applicable California and federal laws and regulations pertaining to the licensing and certification of real estate appraisers in lieu of being required to take a minimum of four hours of federal and California appraisal-related statutory and regulatory law every four years.

**11361. Implementation of chapter**

The director shall adopt regulations for implementation of this chapter to ensure that persons engaged in appraisal activity have current knowledge of real estate appraisal theories, practices, and techniques which will provide a high degree of service and protection to the public.

**11400. Payment of fees; refunds**

(a) Initial application fees shall be paid to the office at the time of application.

(b) All issuance-related fees shall be paid to the office at the time the issuance application is submitted to the office.

(c) All fees shall be paid by cashier's check, certified check, money order, or government purchase order. In addition, the office may accept personal checks or credit cards for the payment of fees. All fees shall be deemed earned by the office upon receipt and are refundable at the discretion of the director.

**11401. Examination for license; reexamination**

(a) The fee to take an examination or reexamination for a license shall be set at an amount not to exceed the cost to the office as determined by competitive bid.

(b) The director may provide that the applicant pay the fee directly to the examination provider.

**11404. Licensing fee; renewal; maximum amount**

The fee for an original or renewal real estate appraisal license or appraiser trainee license shall not exceed four hundred fifty dollars (\$450), which includes the application and issuance fees.

**11405. Certification fee; renewal; maximum amount**

The fee for an original or renewal certification as a state certified real estate appraiser shall not exceed five hundred twenty-five dollars (\$525), which includes the application and issuance fees.

**11406. Approval of continuing education; evaluation of petitions; approval of courses of study for licensing; fees to cover costs**

(a) The director shall by regulation establish fees for approval of basic education and continuing education courses or their equivalent, or for the evaluation of petitions of applicants based upon claims of equivalency pursuant to Section 11340. The fees established by regulation shall be sufficient to cover the costs incurred by the office in processing applications for course approvals and petitions for equivalency.

(b) The director shall by regulation establish fees for approval of courses of study required to be taken by applicants for licenses. The fees established by regulation shall be sufficient to cover the costs incurred by the office in processing applications for course approvals and petitions for equivalency.

**11407. Amount of fees; prescribing below maximum**

The director may by regulation prescribe fees lower than the maximum fees established by this chapter if he or she determines that lower fees will be adequate to offset the costs incurred by the office and the committee in the administration of this part.

**11408. Period for filing of application and fee**

(a) Application for issuance of a license must be submitted to the office within one year of the successful completion of the examination.

(b) Every applicant or licensee shall pay federal registry fees and state registry processing fees to the state as required as part of issuance-related fees.

**11409. Disciplinary proceedings; orders; payment of reasonable costs of investigation, enforcement, and prosecution of case; failure to pay; civil judgement**

(a) Except as otherwise provided by law, any order issued in resolution of a disciplinary proceeding may direct a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation found to have committed a violation or violations of statutes or regulations relating to real estate appraiser practice to pay a sum not to exceed the reasonable costs of investigation, enforcement, and prosecution of the case.

(b) Where an order for recovery of costs is made and payment is not made within 30 days of the date directed in the office's decision, the order for recovery shall constitute a valid and enforceable civil judgment. This judgment shall be in addition to, and not in place of, any other criminal or civil penalties provided for by law.

(c) (1) Failure of a licensee, applicant for licensure, person who acts in a capacity that requires a license under this part, course provider, applicant for course provider accreditation, or a person who, or entity that, acts in a capacity that requires course provider accreditation to pay recovery costs or make a recovery cost payment within 30 days of the date ordered, shall result in disciplinary action by the office. If the person fails to pay recovery costs within 30 days, that person shall pay interest and a penalty of 10 percent of the recovery costs or payment amount. Interest shall be charged at the pooled money investment rate.

(2) If recovery costs are not paid as ordered, the full amount of the assessed fine shall be added to any fee for renewal of a license. A license shall not be renewed prior to payment of the renewal fee and recovery costs.

(3) The director may order the full amount of any recovery costs to be immediately due and payable if any payment on the recovery costs, or portion thereof, is not received within 30 days of its due date.

(4) Any recovery costs, or interest thereon, not paid within 30 days of a final order shall constitute a valid and enforceable civil judgment.

(d) A certified copy of the office's decision shall be conclusive proof of the validity of the order and its terms.

(e) The office shall not renew or reinstate the license of any licensee who has failed to pay all of the costs ordered under this section.

(f) Nothing in this section shall preclude the office from including the recovery of the costs of investigation and enforcement of a case in any default decision or stipulated settlement.

#### **11410. Establishment**

The Real Estate Appraisers Regulation Fund is hereby created in the State Treasury to consist of moneys raised by fees and assessments imposed pursuant to this part. Interest

shall be paid at the pooled money investment rate on all money transferred to the General Fund from the Real Estate Appraisers Regulation Fund, notwithstanding the provisions of Section 16310 of the Government Code.

#### **11411. Administration and recovery accounts; deposits**

There shall be separate accounts in the Real Estate Appraisers Regulation Fund for purposes of administration and for purposes of recovery. These accounts shall be known respectively as the Administration Account and the Recovery Account. On and after January 1, 2003, 5 percent of the amount of any license or certificate fee collected under this part shall be credited to the Recovery Account. The Recovery Account is a continuing appropriation for carrying out this chapter.

#### **11412. Recovery account; administration; claims against fund; limitation of actions**

(a) On or before January 1, 2002, the director shall determine the number of complaint cases containing judicial findings of fraud that may be eligible for recovery pursuant to future regulations that are closely analogous to those which have been adopted for the Real Estate Recovery Fund established in Chapter 6.5 (commencing with Section 10470) of Part 1. This information shall be used by the director to determine whether a real estate appraiser Recovery Account is necessary or whether to recommend that it should be eliminated.

(b) On or before January 1, 2004, regulations shall be adopted for administration of the Recovery Account, which shall include claims, funding, and administrative procedures closely analogous to those which have been adopted for the Real Estate Recovery Fund established in Chapter 6.5 (commencing with Section 10470) of Part 1.

(c) The statute of limitations for claims against the fund arising between the effective date of this part and the creation of the fund shall be tolled until the date the fund is created.

#### **11422. Roster of licensed persons**

The office shall, on or before February 1, 1994, and at least annually thereafter, transmit to the appraisal subcommittee specified in subdivision (d) of Section 11302 a roster of persons licensed pursuant to this part.

#### **11423. Appraisal report; loans secured by real property; right of access; notice**

(a) For purposes of this section:

(1) "Applicant" means a person who has made a written request for an extension of credit which is proposed to be secured by real property. The term does not include a guarantor, surety, or other person who will not be directly liable on the loan.

(2) "Appraisal" shall have the same meaning as set forth in subdivision (b) of Section 11302.

(3) "Residential real property" means real property located in the State of California containing only a one-to-four family residence.

(b) A lender in a loan transaction secured by real property shall provide notice as described in this section to a loan applicant of the applicant's right to receive a copy of the appraisal, provided he or she has paid for the appraisal.

An applicant's written request for a copy of an appraisal must be received by the lender no later than 90 days after (1) the lender has provided notice of the action taken on the application, including a notice of incompleteness, or (2) the application has been withdrawn.

(c) The lender shall mail or deliver a copy of an appraisal within 15 days after receiving a written request from the applicant, or within 15 days after receiving the appraisal, whichever occurs later.

(d) Where the loan is proposed to be secured by residential real property, the notice of the applicant's right to a copy of the appraisal as provided in subdivision (b) shall be given in at least 10-point boldface type, as a separate document in a form that the applicant may retain, and no later than 15 days after the lender receives the written application. The notice shall specify that the applicant's request for the appraisal must be in writing and must be received by the lender no later than 90 days after the lender provides notice of the action taken on the application or a notice of incompleteness, or in the case of a withdrawn application, 90 days after the withdrawal. An address to which the request should be sent shall be specified in the notice. Release of the appraisal to the applicant may be conditioned upon payment of the cost of the appraisal.

(e) Where the loan is proposed to be secured by nonresidential real property, the notice of the applicant's right to a copy of the appraisal shall be given within 15 days of receiving the appraisal. The notice shall specify that the applicant's request for a copy of the appraisal must be in writing and that the request must be made within the time specified in subdivision (b) and that the applicant is only entitled to receive the appraisal or appraisals obtained by the lender for the purpose of evaluating the applicant's pending request for an extension of credit. Release of the appraisal to the applicant may be conditioned upon payment of the cost of the appraisal and the cost of duplicating the appraisal.

(f) Nothing in this section is intended to effect a change in current law in any manner with respect to reliance on an appraisal by anyone other than the lender who released the appraisal.

(g) This section does not apply to appraisals obtained by lenders on property owned by the lender, nor to appraisals obtained by the lender in anticipation of modifying any existing loan agreement if the lender has not charged for the appraisal.

(h) In the case of loans secured by residential real property, compliance with Regulation B (12 CFR Part 202 et seq.) of the Federal Reserve Board is deemed to be compliance with the provisions of this section and Section 10241.3.

(i) This section is in addition to any right of access to appraisals that exists under any other provision of state or federal law.