

MAR 05 2009

SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A REVIEW OF THE REGULATION OF
REAL ESTATE APPRAISAL MANAGEMENT COMPANIES.

1 WHEREAS, real estate appraisal management companies are
2 business entities administering a network of independent real
3 estate appraisers to fulfill real estate appraiser assignments
4 on behalf of mortgage lending institutional clients; and
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6 WHEREAS, real estate appraisers are regulated by the State
7 of Hawaii's Department of Commerce and Consumer Affairs,
8 Professional and Vocational Licensing Division's, Real Estate
9 Appraisers Program pursuant to chapter 466K, Hawaii Revised
10 Statutes; and
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12 WHEREAS, real estate appraisers are further regulated by
13 the federal Financial Institutions, Reform, Recovery, and
14 Enforcement Act of 1989; and
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16 WHEREAS, unlike real estate appraisers, real estate
17 appraisal management companies are not currently required to
18 register with any state or federal governmental agency and are
19 not subject to any state or federal regulation; and
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21 WHEREAS, section 26H-6, Hawaii Revised Statutes, requires
22 that "[n]ew regulatory measures being considered for enactment
23 that, if enacted, would subject unregulated professions and
24 vocations to licensing or other regulatory controls shall be
25 referred to the auditor for analysis"; and
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27 WHEREAS, section 1 of S.B. No. 1606, introduced during the
28 2009 Regular Session, proposes the registration and regulation
29 of Hawaii real estate appraisal management companies; now,
30 therefore,
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32 BE IT RESOLVED by the Senate of the Twenty-fifth
33 Legislature of the State of Hawaii, Regular Session of 2009, the



S.C.R. NO. 53

1 House of Representatives concurring, that the Auditor is
2 requested to perform a review setting forth the probable effects
3 of the registration and regulation of real estate appraisal
4 management companies and assess whether the enactment of the
5 regulatory measure contained in section 1 of S.B. No. 1606 is
6 consistent with the policies set forth in section 26H-2, Hawaii
7 Revised Statutes; and
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9 BE IT FURTHER RESOLVED that the Auditor is requested to
10 report findings and recommendations, including an assessment of
11 alternate regulatory enforcement frameworks to the one contained
12 in section 1 of S.B. No. 1606, to the Legislature no later than
13 twenty days prior to the convening of the Regular Session of
14 2010; and
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16 BE IT FURTHER RESOLVED that certified copies of this
17 Concurrent Resolution be transmitted to the Auditor and the
18 Director of Commerce and Consumer Affairs.
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OFFERED BY: _____

Rosalyn H. Pake

