AMENDMENT TO RULES COMMITTEE PRINT 118–10

OFFERED BY MR. SHERMAN OF CALIFORNIA

Page 1033, after line 14, insert the following new section:

SEC. 1839. APPRAISAL STANDARDS FOR SINGLE-FAMILY HOUSING MORTGAGES.

(a) Certification or Licensing.—Paragraph (5) of section 202(g) of the National Housing Act (12 U.S.C. 1708(g)) is amended—

(1) by striking subparagraph (A) and inserting the following new subparagraph:

“(A)(i) in the case of an appraiser for a mortgage for single-family housing, be certified or licensed by the State in which the property to be appraised is located; and

“(ii) in the case of an appraiser for a mortgage for multifamily housing, be certified by the State in which the property to be appraised is located; and’’; and

(2) in subparagraph (B), by inserting before the period at the end the following: ‘‘, which, in the case of appraisers for any mortgage for single-family
housing, shall include completion of a course or seminar that consists of not less than 7 hours of training regarding such appraisal requirements that is approved by the Course Approval Program of the Appraiser Qualifications Board of the Appraisal Foundation or a State appraiser certifying and licensing agency”.

(b) COMPLIANCE WITH VERIFIABLE EDUCATION REQUIREMENTS; GRANDFATHERING.—Effective beginning on the date of the effectiveness of the mortgagee letter or other guidance issued pursuant to subsection (e) of this section, notwithstanding any choice or approval of any appraiser made before such date of enactment, no appraiser may conduct an appraisal for any mortgage for single-family housing insured under title II of the National Housing Act (12 U.S.C. 1707 et seq.) unless such appraiser is, as of such date of effectiveness, in compliance with—

(1) all of the requirements under section 202(g)(5) of such Act (12 U.S.C. 1708(g)(5)), as amended by subsection (a) of this section, including the requirement under subparagraph (B) of such section 202(g)(5) (relating to demonstrated verifiable education in appraisal requirements); or
(2) all of the requirements under section 202(g)(5) of such Act as in effect on the day before the date of the enactment of this Act.

(c) IMPLEMENTATION.—Not later than the expiration of the 240-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue a mortgagee letter or other guidance that shall—

(1) implement the amendments made by subsection (a) of this section;

(2) clearly set forth all of the specific requirements under section 202(g)(5) of the National Housing Act (as amended by subsection (a) of this section) for approval to conduct appraisals under title II of such Act for mortgages for single-family housing, which shall include—

(A) providing that the completion, prior to the effective date of such mortgagee letter or guidance, of training meeting the requirements under subparagraph (B) of such section 202(g)(5) (as amended by subsection (a) of this section) shall be considered to fulfill the requirement under such subparagraph; and

(B) providing a method for appraisers to demonstrate such prior completion; and
(3) take effect not later than the expiration of the 180-day period beginning upon issuance of such mortgagee letter or guidance.