

**RULES
OF
TENNESSEE REAL ESTATE APPRAISER COMMISSION**

**CHAPTER 1255-08
APPRAISAL MANAGEMENT COMPANY REGISTRATION AND REGULATION**

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1255-08-.01 REGISTRATION APPLICATION REQUIREMENTS.

- (1) An applicant for registration as an Appraisal Management Company or an entity that is exempt from the registration requirements pursuant to T.C.A. § 62-39-404(1) must submit a written application on the prescribed form. The application shall include the following information and certifications:
 - (a) The name, business address, telephone number and email address of the person or entity seeking registration.
 - (b) Designation of an agent for service of process within the state and an irrevocable Uniform Consent to Service of Process.
 - (c) If the entity is not a corporation that is domiciled in this state, the name and contact information for the company's agent for service of process in this state.
 - (d) The name, address and contact information for any individual or entity owning ten percent (10%) or more of the Appraisal Management Company.
 - (e) The name, address and contact information for an individual designated as the controlling person.
 - (f) Certification that the controlling person had never been convicted of a criminal act involving moral turpitude nor had a license or certificate to act as an appraiser refused, revoked or surrendered in lieu of disciplinary action in any state.
 - (g) Certification that the Appraisal Management Company is not more than ten percent (10%) owned by an individual or entity that has had an appraiser license, certification or registration denied, revoked or suspended subject to a disciplinary proceeding in any state.
- (2) A registration fee of two thousand dollars (\$2,000.00) is required at the time of application.
- (3) The applicant shall post with the Commission at the time of application a surety bond in the amount of twenty thousand dollars (\$20,000.00).
 - (a) The bond shall accrue to the State for the benefit of a claimant against the registrant to secure the performance of the registrant's obligation.
 - (b) Any claims reducing the face amount of the bond must be restored at the time of the biennial renewal.

(Rule 1255-08-.01, continued)

- (4) Upon completion of the registration application and payment of all fees the Commission shall issue the registrant a unique registration number and shall publish a list of all registered Appraisal Management Companies.

Authority: T.C.A. §§ 62-39-403, 62-39-407, 62-39-408, 62-39-409, 62-39-410 and 62-39-423.

Administrative History: Original rule filed May 24, 2011; effective August 22, 2011.

1255-08-.02 BACKGROUND CHECKS.

Any individual owning more than ten percent (10%) of the Appraisal Management Company or any individual designated as the controlling person of the Appraisal Management Company shall submit a background check at time of application.

Authority: T.C.A. §§ 62-39-409 and 62-39-410. **Administrative History:** Original rule filed May 24, 2011; effective August 22, 2011.

1255-08-.03 DENIAL OF REGISTRATION.

- (1) An Appraisal Management Company denied registration shall be notified in writing by the Commission of such denial and the reasons therefor. Such applicant may request an informal conference with the Commission to reconsider such denial at its next scheduled meeting. Such request must be sent to the Commission office within thirty (30) days of the date of the notice of denial.
- (2) Nothing in this rule shall be construed as creating the right to a contested case proceeding (as defined by the Tennessee Administrative Procedures Act, T.C.A. Title 4, Chapter 5) if a registration is denied an applicant.

Authority: T.C.A. §§ 62-39-203, 62-39-204 and 62-39-333. **Administrative History:** Original rule filed May 24, 2011; effective August 22, 2011.

1255-08-.04 REGISTRATION RENEWAL.

- (1) A registration shall expire two (2) years following the date of issuance.
- (2) To obtain renewal of a registration, the holder of a current, valid registration must make application on the prescribed form no later than thirty (30) days prior to the expiration of the registration then held.
- (3) An application for renewal must be accompanied by the two thousand dollar (\$2,000.00) registration renewal fee plus the applicable federal registry fee.
- (4) Failure to renew the registration prior to expiration will result in the loss of authority to operate as an Appraisal Management Company in Tennessee until a request for reinstatement has been processed by the Commission. A late penalty fee of one hundred dollars (\$100.00) per month, or portion thereof, of delinquency must be paid prior to reinstatement in addition to the registration renewal fees.

Authority: T.C.A. §§ 62-39-403 and 62-39-408. **Administrative History:** Original rule filed May 24, 2011; effective August 24, 2011.

1255-08-05 FEDERAL APPRAISER REGISTRY.

Registrants who are qualified for enrollment in the federal roster or registry of Appraisal Management Companies must apply for enrollment or reinstatement of such enrollment in same upon a form approved

(Rule 1255-08-.05, continued)

by the Commission accompanied by the fee established for that purpose by the appropriate federal agency or instrumentality.

Authority: T.C.A. § 62-39-333. **Administrative History:** Original rule filed May 24, 2011; effective August 22, 2011.

1255-08-.06 FILING OF DOCUMENTS.

- (1) Registrants must file the biannual certification required pursuant to T.C.A. §§ 62-39-414, 62-39-415, 62-39-416 and 62-39-417 every one hundred and eighty (180) days beginning on the date of registration issuance.
- (2) When documents are remitted to the office of the Tennessee Real Estate Appraiser Commission by mail for filing, the date of filing shall be determined by the official postmark on such mail.

Authority: T.C.A. §§ 62-39-414, 62-39-415, 62-39-416 and 62-39-417. **Administrative History:** Original rule filed May 24, 2011; effective August 22, 2011.

1255-08-.07 ADMINISTRATIVE PENALTIES.

- (1) With respect to any registrant, the Commission may in addition to or in lieu of any other lawful disciplinary action, assess an administrative penalty against such registrant for each separate violation of a statute, rule or order pertaining to the Commission in accordance with the following schedule:

Violation	Penalty
(a) T.C.A. § 62-39-411	\$50 - \$1,000
(b) T.C.A. § 62-39-412	\$50 - \$1,000
(c) T.C.A. § 62-39-413	\$50 - \$1,000
(d) T.C.A. § 62-39-414	\$50 - \$1,000
(e) T.C.A. § 62-39-415	\$50 - \$1,000
(f) T.C.A. § 62-39-416	\$50 - \$1,000
(g) T.C.A. § 62-39-417	\$50 - \$1,000
(h) T.C.A. § 62-39-418	\$50 - \$1,000
(i) T.C.A. § 62-39-419	\$50 - \$1,000
(j) T.C.A. § 62-39-420	\$50 - \$1,000
(k) T.C.A. § 62-39-421	\$50 - \$1,000
(l) T.C.A. § 62-39-422	\$50 - \$1,000
(m) T.C.A. § 62-39-424	\$50 - \$1,000
(n) T.C.A. § 62-39-425	\$50 - \$1,000

(Rule 1255-08-.07, continued)

- (o) Rule 1255-08-.01\$50 - \$1,000
- (p) Commission Order\$50 - \$1,000
- (2) With respect to any person or entity required to be registered in this state as an Appraisal Management Company (regardless of whether the person or entity is actually licensed or certified), the Commission may assess an administrative penalty against such person or entity for each separate violation of a statute in accordance with the following schedule:

Violation	Penalty
(a) T.C.A. § 62-39-403	\$100 - \$1,000
- (3) Each day of continued violation may constitute a separate violation.
- (4) In determining the amount of administrative penalty to be assessed pursuant to this rule, the Commission may consider such factors as the following:
 - (a) Whether the amount imposed will be substantial economic deterrent to the violation;
 - (b) The circumstances leading to the violation;
 - (c) The severity of the violation and the risk of harm to the public;
 - (d) The economic benefits gained by the violator as a result of noncompliance; and
 - (e) The interest of the public.

Authority: T.C.A. §§ 56-1-308, 62-39-411, 62-39-412, 62-39-413, 62-39-418, 62-39-419, 62-39-420, 62-39-421, 62-39-422, 62-39-424 and 62-39-425. **Administrative History:** Original rule filed May 24, 2011; effective August 22, 2011.