

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 HOUSE BILL 4107

By: Grego

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6 AS INTRODUCED

7 An Act relating to professions and occupations;  
8 amending 59 O.S. 2021, Section 858-723, which relates  
9 to the Oklahoma Certified Real Estate Appraisers Act;  
10 requiring bond with certain complaints filed;  
11 mandating forfeiture of bond for frivolous  
12 complaints; proscribing use of forfeited bonds; and  
13 providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 59 O.S. 2021, Section 858-723, is  
16 amended to read as follows:

17 Section 858-723. A. The Real Estate Appraiser Board, after  
18 notice and opportunity for a hearing, pursuant to Article II of the  
19 Administrative Procedures Act, may issue an order imposing one or  
20 more of the following penalties whenever the Board finds, by clear  
21 and convincing evidence, that a certificate holder has violated any  
22 provision of the Oklahoma Certified Real Estate Appraisers Act, or  
23 rules promulgated pursuant thereto:  
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1 1. Revocation of the certificate with or without the right to  
2 reapply;

3 2. Suspension of the certificate for a period not to exceed  
4 five (5) years;

5 3. Probation, for a period of time and under such terms and  
6 conditions as deemed appropriate by the Board;

7 4. Stipulations, limitations, restrictions, and conditions  
8 relating to practice;

9 5. Censure, including specific redress, if appropriate;

10 6. Reprimand, either public or private;

11 7. Satisfactory completion of an educational program or  
12 programs;

13 8. Administrative fines as authorized by the Oklahoma Certified  
14 Real Estate Appraisers Act; and

15 9. Payment of costs expended by the Board for any legal fees  
16 and costs and probation and monitoring fees including, but not  
17 limited to, administrative costs, witness fees and attorney fees.

18 B. 1. Any administrative fine imposed as a result of a  
19 violation of the Oklahoma Certified Real Estate Appraisers Act or  
20 the rules of the Board promulgated pursuant thereto shall not:

21 a. be less than Fifty Dollars (\$50.00) and shall not  
22 exceed Two Thousand Dollars (\$2,000.00) for each  
23 violation of this act or the rules of the Board, or  
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1           b.    exceed Five Thousand Dollars (\$5,000.00) for all  
2                    violations resulting from a single incident or  
3                    transaction.

4           2.   All administrative fines shall be paid within thirty (30)  
5 days of notification of the certificate holder by the Board of the  
6 order of the Board imposing the administrative fine, unless the  
7 certificate holder has entered into an agreement with the Board  
8 extending the period for payment.

9           3.   The certificate may be suspended until any fine imposed upon  
10 the licensee by the Board is paid.

11           4.   Unless the certificate holder has entered into an agreement  
12 with the Board extending the period for payment, if fines are not  
13 paid in full by the licensee within thirty (30) days of the  
14 notification by the Board of the order, the fines shall double and  
15 the certificate holder shall have an additional thirty-day period.  
16 If the double fine is not paid within the additional thirty-day  
17 period, the certificate shall automatically be revoked.

18           5.   All monies received by the Board as a result of the  
19 imposition of the administrative fine provided for in this section  
20 shall be deposited in the Oklahoma Certified Real Estate Appraisers  
21 Revolving Fund created pursuant to Section 858-730 of this title.

22           C.   The rights of any holder under a certificate as a trainee,  
23 state licensed, state certified residential or state certified  
24 general real estate appraiser may be revoked or suspended, or the

1 holder of the certificate may be otherwise disciplined pursuant to  
2 the provisions of the Oklahoma Certified Real Estate Appraisers Act,  
3 upon any of the grounds set forth in this section. The Board may  
4 investigate the actions of a trainee, state licensed, state  
5 certified residential or state certified general real estate  
6 appraiser, and may revoke or suspend the rights of a certificate  
7 holder or otherwise discipline a trainee, state licensed, state  
8 certified residential or state certified general real estate  
9 appraiser for any of the following acts or omissions:

10 1. Procuring or attempting to procure a certificate pursuant to  
11 the provisions of the Oklahoma Certified Real Estate Appraisers Act  
12 by knowingly making a false statement, knowingly submitting false  
13 information, refusing to provide complete information in response to  
14 a question in an application for certification or through any form  
15 of fraud or misrepresentation;

16 2. Failing to meet the minimum qualifications established  
17 pursuant to the provisions of the Oklahoma Certified Real Estate  
18 Appraisers Act;

19 3. Paying money other than provided for by the Oklahoma  
20 Certified Real Estate Appraisers Act to any member or employee of  
21 the Board to procure a certificate pursuant to the Oklahoma  
22 Certified Real Estate Appraisers Act;

23 4. A conviction, including a conviction based upon a plea of  
24 guilty or nolo contendere, of a felony crime that substantially

1 relates to the practice of real estate appraisals or poses a  
2 reasonable threat to public safety;

3 5. An act or omission involving dishonesty, fraud, or  
4 misrepresentation with the intent to substantially benefit the  
5 certificate holder or another person or with the intent to  
6 substantially injure another person;

7 6. Violation of any of the standards for the development or  
8 communication of real estate appraisals as provided in the Oklahoma  
9 Certified Real Estate Appraisers Act;

10 7. Failure or refusal without good cause to exercise reasonable  
11 diligence in developing an appraisal, preparing an appraisal report  
12 or communicating an appraisal;

13 8. Negligence or incompetence in developing an appraisal, in  
14 preparing an appraisal report, or in communicating an appraisal;

15 9. Willfully disregarding or violating any of the provisions of  
16 the Oklahoma Certified Real Estate Appraisers Act or the regulations  
17 of the Board for the administration and enforcement of the  
18 provisions of the Oklahoma Certified Real Estate Appraisers Act;

19 10. Accepting an appraisal assignment when the employment  
20 itself is contingent upon the appraiser reporting a predetermined  
21 estimate, analysis or opinion, or where the fee to be paid is  
22 contingent upon the opinion, conclusion, or valuation reached, or  
23 upon the consequences resulting from the appraisal assignment;

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1 11. Violating the confidential nature of governmental records  
2 to which the appraiser gained access through employment or  
3 engagement as an appraiser by a governmental agency;

4 12. Entry of a final civil judgment against the person on  
5 grounds of deceit, fraud, or willful or knowing misrepresentation in  
6 the making of any appraisal of real property;

7 13. Violating any of the provisions in the code of ethics set  
8 forth in this act; or

9 14. Failing to at any time properly identify themselves  
10 according to the specific type of certification held.

11 D. In a disciplinary proceeding based upon a civil judgment,  
12 the trainee, state licensed, state certified residential or state  
13 certified general real estate appraiser shall be afforded an  
14 opportunity to present matters in mitigation and extenuation, but  
15 may not collaterally attack the civil judgment.

16 E. 1. A complaint may be filed with the Board against a  
17 trainee or state licensed or state certified appraiser for any  
18 violations relating to a specific transaction of the Oklahoma  
19 Certified Real Estate Appraisers Act by any person who is the  
20 recipient of, relies upon or uses an appraisal prepared for a  
21 federally related transaction or real-estate-related financial  
22 transaction as described in Section 858-701 of this title.

23 2. Any person with knowledge of any circumstances surrounding  
24 an act or omission by a trainee or state licensed or state certified

1 appraiser involving fraud, dishonesty or misrepresentation in any  
2 real property valuation-related activity, not limited to federally  
3 related transactions, may file a complaint with the Board setting  
4 forth all facts surrounding the act or omission.

5 3. A complaint may be filed against a trainee or state licensed  
6 or state certified appraiser directly by the Board, if reasonable  
7 cause exists for violations of the code of ethics set forth in this  
8 act.

9 4. Any complaint filed pursuant to this subsection shall be in  
10 writing and signed by the person filing same and shall be on a form  
11 approved by the Board. The trainee or state licensed or state  
12 certified appraiser shall be entitled to any hearings or subject to  
13 any disciplinary proceedings provided for in the Oklahoma Certified  
14 Real Estate Appraisers Act based upon any complaint filed pursuant  
15 to this subsection.

16 5. Any person filing a complaint with the Board against a  
17 trainee or state licensed or state certified appraiser pursuant to  
18 this subsection shall post a bond with the Board in the amount of  
19 One Thousand Dollars (\$1,000.00). If, after hearing evidence, the  
20 Board finds the complaint to be frivolous, the bond shall be  
21 forfeited. Any forfeited bonds shall be transferred to the Oklahoma  
22 Real Estate Commission and used for training purposes.

23 F. As used in this section:  
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1        1. "Substantially relates" means the nature of criminal conduct  
2 for which the person was convicted has a direct bearing on the  
3 fitness or ability to perform one or more of the duties or  
4 responsibilities necessarily related to the occupation; and

5        2. "Poses a reasonable threat" means the nature of criminal  
6 conduct for which the person was convicted involved an act or threat  
7 of harm against another and has a bearing on the fitness or ability  
8 to serve the public or work with others in the occupation.

9        SECTION 2. This act shall become effective November 1, 2024.

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11        59-2-9853        SW        01/17/24

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