
SENATE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT A SUNRISE 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 clients; and
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6 WHEREAS, real estate appraisers are regulated by the
7 Professional and Vocational Licensing Division's Real Estate
8 Appraisers Program of the Department of Commerce and Consumer
9 Affairs, pursuant to chapter 466K, Hawaii Revised Statutes; and
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11 WHEREAS, real estate appraisers are further regulated by
12 the federal Financial Institutions, Reform, Recovery, and
13 Enforcement Act of 1989; and
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15 WHEREAS, unlike real estate appraisers, real estate
16 appraisal management companies are not currently required to
17 register with any state or federal agency and are not subject to
18 any state or federal regulation; and
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20 WHEREAS, section 26H-6, Hawaii Revised Statutes, requires
21 that "[n]ew regulatory measures being considered for enactment
22 that, if enacted, would subject unregulated professions and
23 vocations to licensing or other regulatory controls shall be
24 referred to the auditor for analysis"; and
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26 WHEREAS, S.B. No. 1606, introduced during the 2009 Regular
27 Session, proposes the registration and regulation of Hawaii real
28 estate appraisal management companies; now, therefore,
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30 BE IT RESOLVED by the Senate of the Twenty-fifth
31 Legislature of the State of Hawaii, Regular Session of 2009, the
32 House of Representatives concurring, that the Auditor is
33 requested to perform a sunrise review of real estate appraisal

1 management companies and assess whether the enactment of the
2 regulatory measure contained in S.B. No. 1606 is consistent with
3 the policies set forth in section 26H-2, Hawaii Revised
4 Statutes; and

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6 BE IT FURTHER RESOLVED that the Auditor is requested to
7 report any findings and recommendations, including an assessment
8 of alternate regulatory enforcement frameworks other than the
9 one contained in S.B. No. 1606, to the Legislature no later than
10 twenty days prior to the convening of the Regular Session of
11 2010; and

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13 BE IT FURTHER RESOLVED that certified copies of this
14 Concurrent Resolution be transmitted to the Auditor and the
15 Director of Commerce and Consumer Affairs.