

SB87 INTRODUCED



1 SB87
2 TBSC495-1
3 By Senator Albritton
4 RFD: Judiciary
5 First Read: 13-Jan-26



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4 SYNOPSIS:

5 Existing law does not expressly provide a
6 statute of limitations for civil actions based upon a
7 real estate appraisal completed by a licensed real
8 estate appraiser.

9 Under existing law, the Alabama Real Estate
10 Appraisers Board is authorized to investigate
11 complaints against licensed real estate appraisers.

12 Existing law does not expressly provide a statute of
13 limitations for filing a disciplinary complaint with
14 the board.

15 This bill would require a civil action based on
16 a real estate appraisal must be brought within three
17 years of discovery of the act or omission or five years
18 from the date of the appraisal.

19 This bill would prohibit the Alabama Real Estate
20 Appraisers Board from considering disciplinary
21 complaints against a real estate appraiser based upon
22 appraisals more than five years old.

23 This bill will also make nonsubstantive,
24 technical revisions to update the existing code
25 language to the current style.

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28 A BILL



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29 TO BE ENTITLED
30 AN ACT

32 Relating to commencement of actions; to add Section
33 6-2-42 to the Code of Alabama 1975; to establish a statute of
34 limitations for actions based upon a real estate appraisal; to
35 amend Section 34-27A-20, Code of Alabama 1975, to establish a
36 statute of limitations for filing a complaint with the Alabama
37 Real Estate Appraisers Board against an appraiser; and to make
38 nonsubstantive, technical revisions to update the existing
39 code language to the current style.

40 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

41 Section 1. Section 6-2-42 is added to the Code of
42 Alabama 1975, to read as follows:

43 § 6-2-42

44 (a) A civil action based on a real estate appraisal
45 completed by a person who is or was licensed, certified, or
46 registered under Chapter 27A of Title 34, on the date of the
47 appraisal must be commenced against the appraiser no more than
48 three years from a person's discovery of the act or omission
49 giving rise to the action but no more than five years after
50 the date the appraisal was completed.

51 (b) This section is inapplicable to any action arising
52 from a real estate appraisal where the real estate appraiser
53 fraudulently inflated the value of the property or colluded
54 with others to fraudulently inflate the value of the property.

55 Section 2. Section 34-27A-20, Code of Alabama 1975, is
56 amended to read as follows:



57 "§34-27A-20

58 (a) The board may investigate the actions of a licensed
59 real property appraiser ~~on complaint or on its own motion,~~
60 ~~and, either when a complaint is filed against the appraiser or~~
61 ~~by initiating an investigation on its own. Based upon their~~
62 ~~findings, the board may: (i) revoke or suspend the appraiser's~~
63 ~~license;~~ (ii) levy fines as provided in subsection (c) ~~;~~
64 (iii) require completion of education courses ~~;~~ or ~~discipline~~
65 ~~by public and no more than~~ iv) ~~issue public and private~~
66 reprimands, with a limit of two private reprimands per
67 licensed real property appraiser for any of the following acts
68 or omissions:

69 (1) ~~Procuring~~ Obtaining or attempting to ~~procure~~ obtain
70 a license or certificate pursuant to this article by knowingly
71 making a false statement, submitting false information,
72 refusing to provide complete information in response to a
73 question in an application for a license, or through any form
74 of fraud or misrepresentation.

75 (2) Failing to meet the minimum qualifications
76 established by this article.

77 (3) Paying money other than authorized by this article
78 to any member or employee of the board to ~~procure~~ obtain a
79 license under this article.

80 (4) A conviction, including a conviction based upon a
81 plea of guilty or nolo contendere, of a crime which is
82 substantially related to the qualifications, functions, and
83 duties of a person developing real estate appraisals and
84 communicating real estate appraisals to others, or a



85 conviction involving moral turpitude.

86 (5) An act or omission involving dishonesty, fraud, or
87 misrepresentation with the intent to ~~substantially~~ benefit the
88 certificate holder or another person substantially, or with
89 the intent to substantially injure another person.

90 (6) Violation of any of the standards for the
91 development or communication of real estate appraisals as
92 provided in this section.

93 (7) Failure or refusal without good cause to exercise
94 reasonable diligence in developing an appraisal, preparing an
95 appraisal, ~~in~~ preparing an appraisal report, or ~~in~~
96 communicating an appraisal.

97 (8) Negligence or incompetence in developing an
98 appraisal, ~~in~~ preparing an appraisal report, or ~~in~~
99 communicating an appraisal.

100 (9) Willfully disregarding or violating this article or
101 the regulations of the board for the administration and
102 enforcement of this article.

103 (10) Accepting an appraisal assignment, as defined in
104 Section 34-27A-24, when the employment itself is contingent
105 upon (i) the appraiser reporting a predetermined estimate,
106 analysis, or opinion, ~~or~~ (ii) where the fee to be paid is
107 contingent upon the opinion, conclusions, or valuation
108 reached, or ~~upon~~ (iii) the consequences resulting from the
109 appraisal assignment.

110 (11) Violating the confidential nature of governmental
111 records to which he or she gained access through employment or
112 engagement as an appraiser by a governmental agency.



113 (12) Entry of a final civil judgment against the person
114 on grounds of fraud, misrepresentation, or deceit in the
115 making of any appraisal of real property.

116 (13) Presenting to the board, as payment for a fee or
117 fine, a check that is returned unpaid.

118 (14) Failing to keep for at least five years, a
119 complete record or file of appraisal or specialized
120 assignments regulated under this article, in accordance with
121 Uniform Standards of Professional Appraisal Practice and
122 Section 34-27A-26.

123 (15) Failing ~~within a reasonable time~~ to provide
124 information within a reasonable time or providing false
125 information in response to a request by the board during an
126 investigation or after a formal complaint has been filed.

127 (16) Failing to pay ~~by required deadlines~~, fees or
128 fines levied by the board by required deadlines.

129 (17) Failing to notify the board within a reasonable
130 time of the filing of any civil action related to the
131 appraisal practice or of any criminal prosecution filed
132 against the appraiser.

133 (b) The board shall not consider a complaint for
134 disciplinary action against a real estate appraiser if the
135 complaint relates to an appraisal that was completed more than
136 three years before the complaint was submitted.

137 (c) In a disciplinary proceeding based upon a civil
138 judgment, the real property appraiser shall be ~~afforded~~ an
139 opportunity allowed to present matters in mitigation and
140 extenuation, but may not collaterally attack the civil



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141 judgment.

142 ~~(c)~~ (d) In addition to the disciplinary powers granted
143 in subsection (a), the board may levy administrative fines of
144 not more than five hundred dollars (\$500) for each serious
145 ~~violations~~ violation of this article or the rules and
146 regulations of the board ~~of not more than \$500 for each~~
147 ~~violation.~~"

148 Section 3. This act shall become effective on June 1,
149 2026.