SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4097

(SENATE AUTHORS: KLEIN)

DATE	D-PG	OFFICIAL STATUS
02/22/2024		Introduction and first reading Referred to Commerce and Consumer Protection

A bill for an act

relating to commerce; making technical and housekeeping changes to various provisions governing or administered by the Department of Commerce; amending Minnesota Statutes 2022, sections 82B.021, subdivision 26; 82B.094; 82B.095, subdivision 3; 82B.13, subdivision 1; 82B.19, subdivision 1; 115C.08, subdivision 2; Minnesota Statutes 2023 Supplement, section 53B.28, subdivision 18; repealing Minnesota Statutes 2022, sections 45.014; 82B.25.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2023 Supplement, section 53B.28, subdivision 18, is amended to read:

Subd. 18. **Money transmission.** (a) "Money transmission" means:

(1) selling or issuing payment instruments to a person located in this state;

(2) selling or issuing stored value to a person located in this state; or

(3) receiving money for transmission from a person located in this state.

(b) Money transmission includes payroll processing services. Money transmission does not include the provision solely of online or telecommunications services or network access.

Sec. 2. Minnesota Statutes 2022, section 82B.021, subdivision 26, is amended to read:

Subd. 26. **Standards of professional practice.** "Standards of professional practice" means the version of the uniform standards of professional appraisal practice of the ~~Appraisers~~ Appraisal Standards Board of the Appraisal Foundation in effect ~~as of January 1, 1991, or other version of these standards the commissioner may by order designate~~ on the date the appraiser signs the appraisal report.

Sec. 3. Minnesota Statutes 2022, section 82B.094, is amended to read:

82B.094 SUPERVISION OF TRAINEE REAL PROPERTY APPRAISERS.

(a) A certified residential real property appraiser or a certified general real property appraiser, in good standing, may engage a trainee real property appraiser to assist in the performance of real estate appraisals, provided that the certified residential real property appraiser or a certified general real property appraiser:

(1) has been licensed in good standing as either a certified residential real property appraiser or a certified general real property appraiser for the three-year period immediately preceding the individual's application to become a supervisor;

(2) has completed a ~~six-hour~~ course, approved in advance by the commissioner and provided by an education provider approved by the commissioner, that is specifically oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers~~. A course approved by the commissioner for the purposes of this section must be given the course title "Minnesota Supervisor/Trainee Appraiser Course"~~;

(3) has not been the subject of any license or certificate suspension or revocation or has not been prohibited from supervising activities in this state or any other state within the three years immediately preceding the individual's application to become a supervisor;

(4) has no more than three trainee real property appraisers working under supervision at any one time;

(5) actively and personally supervises the trainee real property appraiser, which includes ensuring that research of general and specific data has been adequately conducted and properly reported, application of appraisal principles and methodologies has been properly applied, that the analysis is sound and adequately reported, and that any analyses, opinions, or conclusions are adequately developed and reported so that the appraisal report is not misleading;

(6) discusses with the trainee real property appraiser any necessary and appropriate changes that are made to a report, involving any trainee appraiser, before it is transmitted to the client. Changes not discussed with the trainee real property appraiser that are made by the supervising appraiser must be provided in writing to the trainee real property appraiser upon completion of the appraisal report;

(7) accompanies the trainee real property appraiser on the inspections of the subject properties and drive-by inspections of the comparable sales on all appraisal assignments

for which the trainee will perform work until the trainee appraiser is determined to be competent, in accordance with the competency rule of USPAP for the property type;

(8) accepts full responsibility for the appraisal report by signing and certifying that the report complies with USPAP; and

(9) reviews and signs the trainee real property appraiser's appraisal report or reports or if the trainee appraiser is not signing the report, states in the appraisal the name of the trainee and scope of the trainee's significant contribution to the report.

(b) The supervising appraiser must review and sign the applicable experience log required to be kept by the trainee real property appraiser.

(c) The supervising appraiser must notify the commissioner within ten days when the supervision of a trainee real property appraiser has terminated or when the trainee appraiser is no longer under the supervision of the supervising appraiser.

(d) The supervising appraiser must maintain a separate work file for each appraisal assignment.

(e) The supervising appraiser must verify that any trainee real property appraiser that is subject to supervision is properly licensed and in good standing with the commissioner.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 4. Minnesota Statutes 2022, section 82B.095, subdivision 3, is amended to read:

Subd. 3. **Conformance to Appraisal Qualifications Board criteria.** (a) The requirements to obtain and maintain a trainee real property appraiser, licensed real property appraiser, certified residential real property appraiser, or certified general real property appraiser license are the education, examination, and experience requirements established by the Appraiser Qualifications Board of the Appraisal Foundation and published in the most recent version of the Real Property Appraiser Qualification Criteria.

(b) An applicant must complete the applicable education and experience requirements before taking the required examination.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 5. Minnesota Statutes 2022, section 82B.13, subdivision 1, is amended to read:

Subdivision 1. **Trainee real property appraiser.** As a prerequisite for licensing as a trainee real property appraiser, an applicant must present evidence satisfactory to the commissioner that the person has successfully completed a ~~six-hour~~ course that is specifically

oriented to the requirements and responsibilities of supervisory appraisers and trainee appraisers. ~~A course approved by the commissioner for the purposes of this subdivision must be given the course title "Minnesota Supervisor/Trainee Appraiser Course." This~~ The course under this subdivision must not be counted toward qualifying education to upgrade to a higher level appraiser license.

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 6. Minnesota Statutes 2022, section 82B.19, subdivision 1, is amended to read:

Subdivision 1. **License renewals.** ~~(a)~~ The commissioner must determine that a licensed real estate appraiser has met the continuing education requirements of this chapter before the commissioner renews a license. This determination must be based on, for a resident appraiser, course completion records uploaded electronically in a manner prescribed by the commissioner and, for a nonresident appraiser, course completion records presented by electronic transmission or uploaded electronically in a manner prescribed by the commissioner.

~~The basic continuing education requirement for renewal of a license is the completion by the applicant either as a student or as an instructor, during the immediately preceding term of licensing, of at least 30 classroom hours of instruction in courses or seminars that have received the approval of the commissioner. Classroom hour credit must not be accepted for courses of less than two hours. As part of the continuing education requirements of this section, the commissioner must require that all real estate appraisers successfully complete the seven-hour national USPAP update course every two years. If the applicant's immediately preceding term of licensing consisted of six or more months, but fewer than 24 months, the applicant must provide evidence of completion of 15 hours of instruction during the license period. The credit hours required under this section may be credited to a person for distance education courses that meet Appraiser Qualifications Board criteria. An approved prelicense education course may be taken for continuing education credit.~~

~~(b) The 15-hour USPAP course cannot be used to satisfy the requirement to complete the seven-hour national USPAP update course every two years.~~

EFFECTIVE DATE. This section is effective January 1, 2026.

Sec. 7. Minnesota Statutes 2022, section 115C.08, subdivision 2, is amended to read:

Subd. 2. **Imposing fee.** The board shall notify the commissioner of revenue if the unencumbered balance of the fund falls below $4,000,000, and within ~~60~~ 90 days after

receiving notice from the board, the commissioner of revenue shall impose the fee established in subdivision 3 on the use of a tank for four calendar months, with payment to be submitted with each monthly distributor tax return.

Sec. 8. **REPEALER.**

(a) Minnesota Statutes 2022, section 45.014, is repealed.

(b) Minnesota Statutes 2022, section 82B.25, is repealed.

EFFECTIVE DATE. Paragraph (b) is effective January 1, 2026.

45.014 SEAL OF DEPARTMENT OF COMMERCE.

The commissioner of commerce shall devise a seal for official use as the seal of the Department of Commerce. The seal must be capable of being legibly reproduced under photographic methods. A description of the seal, and a copy of it, must be filed in the Office of the Secretary of State.

82B.25 VALUATION BIAS.

Subdivision 1. **Definition.** For the purposes of this section, "valuation bias" means to explicitly, implicitly, or structurally select and apply data to an appraisal methodology or technique in a biased manner that harms a protected class, as defined by the Fair Housing Act of 1968, as amended.

Subd. 2. **Education.** A real property appraiser shall provide to the commissioner evidence of satisfactory completion of a continuing education course on the valuation bias of real property. An appraiser licensed after September 1, 2021, must complete the course required by this section prior to the appraiser's first license renewal.