

Legislative History for Connecticut Act

PA 14-52

SB205

House	5355-5385	31
Senate	494-495, 625-627	5
<u>General Law</u>	<u>290-291, 306-307, 420-421</u>	<u>6</u>

42

H – 1196

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2014**

**VOL.57
PART 16
5188– 5566**

jt/gbr
HOUSE OF REPRESENTATIVES

7
May 5, 2014

Thank you, sir. And I would echo your request that members please try to attend that ceremony tomorrow over in the LOB.

Are there any other announcements or introductions?

If not, we have three days left. I hope you all got a lot of rest. We got a busy few days ahead of us. So with that, Mr. Clerk, let's return to the call of the calendar.

Would you please call calendar 323?

THE CLERK:

On Page 11, House Calendar 323, Favorable Report of the Joint Standing Committee on General Law.

Substitute Senate Bill 205, AN ACT MAKING MINOR AND TECHNICAL CHANGES TO REAL ESTATE APPRAISER AND APPRAISAL MANAGEMENT COMPANY DEFINITIONS AND STATUTES.

SPEAKER SHARKEY:

The distinguished Chairman of the General Law Committee, Representative Baram, you have the floor, sir.

REP. BARAM (15th):

Thank you, Mr. Speaker.

jt/gbr
HOUSE OF REPRESENTATIVES

8
May 5, 2014

I move for acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the Senate.

SPEAKER SHARKEY:

Questions on acceptance of the Joint Committee's Favorable Report and passage of the bill in concurrence with the Senate.

Will you remark, sir?

REP. BARAM (15th):

Thank you, Mr. Speaker.

Mr. Speaker, this is a technical bill that really addresses the state statutes governing appraisers. It makes several changes to that bill. First, at schools giving appraisal courses must be registered with the Connecticut Real Estate Appraisal Commission and the courses must be approved by the DCP.

All dues must be paid before an exam is taken, and a number of exams is unlimited within a one-year period of time. The exam is performed by the Appraisal Qualification Board, and that is a standard exam that will be used in the future.

It also creates a definition for provisional appraisers and eliminates an obsolete term limited appraiser.

jt/gbr
HOUSE OF REPRESENTATIVES

9
May 5, 2014

I would urge passage of this bill.

SPEAKER SHARKEY: Thank you, sir.

Question before the Chamber is passage of Senate
Bill 205. Would you care to remark?

Representative Carter.

REP. CARTER (2nd):

Thank you and good morning, Mr. Speaker.

SPEAKER SHARKEY:

Good morning, sir.

REP. CARTER (2nd):

Mr. Speaker, a few questions for you through --
to the proposed bill, please.

SPEAKER SHARKEY:

Please proceed, sir.

REP. CARTER (2nd):

Thank you, Mr. Speaker.

As I look at this bill, you know, it says it
makes minor technical changes, but there's a lot to
look at I think. And through you, Mr. Speaker,
looking at the real estate appraisers schools as they
stand now, were they approved by the Department of
Consumer Protection prior, or had they been
registered.

Through you, Mr. Speaker.

jt/gbr
HOUSE OF REPRESENTATIVES

10
May 5, 2014

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. The schools have to register with the Connecticut Real Estate Appraisal Commission, but the courses are actually approved the Department of Consumer Protection.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. Now, is there going to be an application fee associated with this?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. Yes. There is a registry fee and an exam fee, and those are all set by statute.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

jt/gbr
HOUSE OF REPRESENTATIVES

11
May 5, 2014

And through you, Mr. Speaker. Those being set by statute, are these new fees, or were these fees already in statute?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. These fees preexisted, except for the annual registry fee, which is now geared to the Federal Financial Institution Examination Council, which sets the fee for the real estate registry.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, and through you, Mr. Speaker. I notice there's a fee in here, the application fee of \$100. Is that the fee that the good Chairman is referring to?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

jt/gbr
HOUSE OF REPRESENTATIVES

12
May 5, 2014

Through you, Mr. Speaker. That is the established fee.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. And, Mr. Speaker, through you.

I also notice that there's going to be a renewing fee of \$200 for registration. I want to make sure I understand this. Is that registration fee for the school?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It's my understanding that the registration fee is the fee to register for the exam, and there, I believe, is a separate examination fee.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

So through you, Mr. Speaker. These fees that we're talking about, those fees are the applicant

jt/gbr
HOUSE OF REPRESENTATIVES

13
May 5, 2014

who's going to take the exam paying those fees, not
the school paying the fee.

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. That's correct.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. And, Mr. Speaker, I notice these
schools are now being approved by DCP.

Through you, Mr. Speaker, prior to this, were
those classes being approved by anybody?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. I did not hear the end
of that question. If my good colleague could --

SPEAKER SHARKEY:

Representative Carter, could you repeat?

REP. CARTER (2nd):

jt/gbr
HOUSE OF REPRESENTATIVES

14
May 5, 2014

Yes, sir. To the good Chairman of General Law, through you, the courses now are going to be approved through the Department of Consumer Protection or by the Department of Consumer Protection. Were there courses offered before, and who were they approved by?

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It's correct that the DCP will approve the courses. I am not quite sure who was approving those courses prior to this proposed legislation.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. And through you, Mr. Speaker. I noticed it was kind of confusing with the application fee. One of the application fees in here was for \$100 for -- it sounds like to apply, and then there's another \$100 for each course. I wanted to make sure I understood that. So each course that somebody applies for, they got to pay \$100?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

jt/gbr
HOUSE OF REPRESENTATIVES

15
May 5, 2014

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It's my understanding this is like going to any college where you're paying for courses and registration. It's a similar schematic.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. Mr. Speaker, then, through you. Who designs the course? Is this designed by real estate appraisers, or does the Department of Consumer Protection also do that?

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. While I'm not 100 percent sure who exactly is involved in the design of these courses, they are approved by DCP, and obviously the Real Estate Commission has some input and the National Association as well.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

jt/gbr
HOUSE OF REPRESENTATIVES

16
May 5, 2014

Well, thank you, Mr. Speaker. And I thank the Chair of the General Law for the answer. It sounds like folks are getting a very inexpensive education, if comparing to college. If I could take a course for \$100 a pop, I think I'd be all right with that.

A few more questions through you, Mr. Speaker. I noticed that there are also some fees for reinstatement. I'm trying to understand the reinstatement fee. Is that something that's going to be paid by an applicant who's applying for a license?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. That applies to somebody whose license may have expired, and to renew it all past fees must be paid under this legislation.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. And through you, Mr. Speaker. The -- I understand the bill does something different now with respect to relicensing. If you've been out of the state for a period of time, I believe the bill

jt/gbr
HOUSE OF REPRESENTATIVES

17
May 5, 2014

will allow somebody to pay those past years. I'm curious. Is that going to be \$225 a year or how that works?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It is my understanding that the exact fee will have to be collected for the total number of years that the license remained expired.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

So then that fee would be the regular renewal fee, not a reinstatement fee, or how -- does the bill change it now from a reinstatement fee because right now, under current law, the reinstatement fee is \$225 and 50 for a provisional license? With the new law coming in, I think they're going to be paying for years that they were not doing the appraisal.

So I guess my question is, is that being reinstated, and is that going to stand, or are we now

jt/gbr
HOUSE OF REPRESENTATIVES

18
May 5, 2014

having just each yearly fee added together; and that's what they're going to pay, if that makes sense?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It's my understanding that you would pay not only the reinstatement fee but the fees for each year that you should have paid for your renewal. So that way the state collects the full amount that was not paid during the expiration period.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you. And so I think I understood that he said they're going to pay a reinstatement fee and a fee per year?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. That's correct.

SPEAKER SHARKEY:

Representative Carter.

jt/gbr
HOUSE OF REPRESENTATIVES

19
May 5, 2014

REP. CARTER (2nd):

Well, you know, that -- that money I just thought I was getting a good deal on for \$100 a pop just went up. So if somebody is out of state for any period of time, it looks like you take quite a hit coming back, but I guess that's okay in the long term. They better stick with us here in Connecticut.

Through you, Mr. Speaker. A couple more questions. I noticed now they're talking about the provisional license, and there's some differences in licensing. It's my understanding that we got rid of the limited license, and now we're doing a provisional. Is that correct?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. That's correct. A provisional license is somebody who is working under the tutelage and supervision of a licensed appraiser so that they can get experience in the field.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

jt/gbr
HOUSE OF REPRESENTATIVES

20
May 5, 2014

So is there any change in the scope of what a limited license person would do and now what a provisional license, or is it just a change in name?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. The limited license was an obsolete term, and the provisional license refers to, again, somebody who is working under the tutelage of supervision of a fully appraised -- fully licensed appraiser so that they can acquire that experience. And that's the term that has been used by DCP, and is now being incorporated into the statute.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker. And I thank the good Chair of General Law for his answer. I know in the past, you know, this bill is going to affect applicant testing, and in the past I believe it was something where an applicant was limited to a certain number of tests.

jt/gbr
HOUSE OF REPRESENTATIVES

21
May 5, 2014

Through you, Mr. Speaker. How many test is an applicant going to be limited to when they're trying to get into the system with this?

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. There is no maximum number of times an applicant can take a test in any given year.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Through you, Mr. Speaker. Will that affect all applicants, whether they're applying for a provisional permit or -- excuse me -- a provisional license or a certificate?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. That is my understanding.

SPEAKER SHARKEY:

Representative Carter.

jt/gbr
HOUSE OF REPRESENTATIVES

22
May 5, 2014

REP. CARTER (2nd):

And now, through you, Mr. Speaker. Then who actually designs this test?

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. The test will be designed by the -- the Connecticut Real Estate Appraisal Commission, and, again, the individual courses approved by the DCP.

SPEAKER SHARKEY:

Representative Carter.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker. Through you, Mr. Speaker. Does this change the role of the Connecticut Real Estate Appraisal Commission in any way with the new legislation?

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. Not to my understanding. I believe that the Commission had already been involved in the design of the test.

SPEAKER SHARKEY:

jt/gbr
HOUSE OF REPRESENTATIVES

23
May 5, 2014

Representative Carter

REP. CARTER (2nd):

Thank you, Mr. Speaker. Interesting question. I know with the Department of Labor we have a lot of positions listed on our websites as apprenticeships. This sounds very similar to apprenticeship. Is this in any way connected with the Department of Labor, and will this be posted on the website looking for these positions?

Through you, Mr. Speaker.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. It is somewhat similar to an apprenticeship, except that those individuals who are applying as a provisional appraiser are actually taking courses and are eligible to do appraisals, but they must do an appraisal under the supervision of a fully licensed appraiser.

SPEAKER SHARKEY:

Representative Carter.

REP. CARPINO:

jt/gbr
HOUSE OF REPRESENTATIVES

24
May 5, 2014

Thank you. Through you, Mr. Speaker. A few more questions about the schools. I noticed in the legislation around Line 324.

SPEAKER SHARKEY:

Representative Baram.

REP. BARAM (15th):

Through you, Mr. Speaker. Is the question being asked on Line 324?

SPEAKER SHARKEY:

If you could rephrase that question,
Representative Carter.

REP. CARTER (2nd):

Yes, sir. I hadn't asked the question. I was trying to give the gentleman a chance to prepare. But through you, Mr. Speaker. Looking at Lines 324 to 333, it talks about those registrations for the schools. My curiosity is right now we're going to go to a biannual registration. Prior to this, were they registering every year?

Through you, Madam Speaker.

(Deputy Speaker Miller in the Chair.)

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

jt/gbr
HOUSE OF REPRESENTATIVES

25
May 5, 2014

Through you, Madam Speaker. That is correct.
The application fee for the registration would be \$100, and then there is an initial registration and renewal fee for \$200.

DEPUTY SPEAKER MILLER:

Representative Carter.

REP. CARTER (2nd):

Thank you. And, Madam Speaker, I still have some confusion, I guess. It sounds like the school is paying some application fees to the state, and we also have applicants paying application fees. So the way I see this now is that the school pays \$100 and then does a renewal fee of 200. And then applicants pay per course at 100. Is that the way it's going to work?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. It's my understanding that the student or applicant pays these fees, not the school.

DEPUTY SPEAKER MILLER:

Representative Carter.

jt/gbr
HOUSE OF REPRESENTATIVES

26
May 5, 2014

REP. CARTER (2nd):

I'm sorry, Madam Speaker. I did not hear his answer. May he rephrase and say again?

DEPUTY SPEAKER MILLER:

Can you please take conversations outside? It's difficult for the Representative to hear the answers of the proponent of the bill.

Representative Baram, can you rephrase or repeat your answer, please, sir?

REP. BARAM (15th):

Sure. Through you, Madam Speaker. It's my understanding that the applicant pays both the registration renewal and the exam fee, not the school.

DEPUTY SPEAKER MILLER:

Representative Carter.

REP. CARTER (2nd):

Thank you. So the way I understand this then. It's speaking to the effect that a real estate appraisal school registration shall expire biannually and be renewed. So this is not an application fee that's being paid to the state on behalf of the school; that this is then a fee that the applicants are paying to the school? Am I assuming that correctly?

jt/gbr
HOUSE OF REPRESENTATIVES

27
May 5, 2014

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. In regard to your specific question, I believe that the schools are also responsible for registering, and they have a registration fee. I thought the good colleague was talking about the applicant.

DEPUTY SPEAKER MILLER:

Representative Carter.

REP. CARTER (2nd):

And I thank the good Chair for his answer. It seems like everybody is paying some money in this bill that people weren't paying before.

I'm curious, Madam Speaker, through you. How many schools do we have like this in Connecticut at this time?

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. I don't know the answer to that, but we could acquire that information.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

28
May 5, 2014

Representative Carter.

REP. CARTER (2nd):

Thank you, Madam Speaker. Then maybe the last -- with this type of legislation, could we expect more schools to open in the state right now?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. It would be hard to speculate whether more schools would be interested in offering these kinds of courses, but I do think it is an up and coming field that would help our Connecticut residents find employment; and there's obviously a good market for real estate. So I would suspect that colleges would be interested in offering these kinds of courses in the future.

DEPUTY SPEAKER MILLER:

Representative Carter.

REP. CARTER (2nd):

You know, I really appreciate the good Chairman's comments because I do think courses like this can be very valuable, you know. It seems to me that these are the kinds of courses we should be looking for in

jt/gbr
HOUSE OF REPRESENTATIVES

29
May 5, 2014

Connecticut, or if we can sponsor these because not everybody is going to make a decision to go to college right away; and, you know, having the opportunity to participate in things like this, these kinds of certification programs can be very valuable and give somebody some real world work experience maybe even before they go to college.

So I certainly hope that as this moves forward, we do have more schools opening and maybe more licensed real estate appraisers.

In fact, I did have a chance to take a look at the fiscal note just now, and this will be a revenue gain, actually, for the state, obviously because of the fee. It's somewhere in the neighborhood of \$25,000 in '15 and 10,000 FY '16. So I think it makes a lot of sense because Department of Consumer Protection is going to be putting a lot of effort in, along with the Real Estate Commission, to design these courses. And I think once these courses are designed, these students are really going to benefit.

Madam Speaker, through you. Let's see, one last question. Actually, I'll disregard that. I believe he answered the question whether or not the real

jt/gbr
HOUSE OF REPRESENTATIVES

30
May 5, 2014

estate board changes in any kind of scope with this legislation.

So I will -- I will listen to the rest of the questions, but it sounds like a very good bill. I know this came through committee unanimously, so I look forward to its passage.

Thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Remark further on this bill?

Representative Aman of the 14th.

REP. AMAN (14th):

Good morning or good afternoon, Madam Speaker.

DEPUTY SPEAKER MILLER:

Good afternoon, sir.

REP. AMAN (14th):

I will have some questions for the proponent of the bill, and just so he can get ready, it involves the lines regarding the schools starting at 319. Some of the previous discussions have led to a couple of questions in my mind regarding that.

To begin with, as far as appraisal goes, anybody that's involved in the real estate industry realizes how very important accurate appraisals are. There

jt/gbr
HOUSE OF REPRESENTATIVES

31
May 5, 2014

isn't a loan that is made that the appraisal isn't one of the most important parts of the lending decision. A poorly done appraisal not only hurts the purchaser; it hurts the seller, and it also hurts the financial institution. So increasing requirements, doing things for the schools, et cetera, I think is a very good idea to make this particular occupation more and more professional.

When it comes to colleges, I'm reading that each school shall obtain a registration et cetera. And through you, Madam Speaker. I guess one of my questions is are the community colleges currently offering these courses? And the reason I ask that is I know they are very active in the real estate agents courses in offering courses towards eventually getting a license as a real estate agent.

So through you, Madam Speaker. Do the community colleges currently offer this type of course?

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. I'm not sure if community colleges actually offer courses in the field of appraisals. I do know that many offer courses for

jt/gbr
HOUSE OF REPRESENTATIVES

32
May 5, 2014

paralegals in real estate in general, but if they don't offer courses for appraisals, it's something I think we should all explore.

DEPUTY SPEAKER MILLER:

Representative Aman.

REP. AMAN (14th):

Yes. I couldn't agree more, and I hope that they do. But I'm just looking at the way the bill is written; and we're going to ask in our own area if Manchester Community College, which is active in this field, starts a program, if they're also going to have to pay the registration fee to the state.

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. According to the language of the bill, it does appear that the college would have to pay a registration fee for their courses.

DEPUTY SPEAKER MILLER:

Representative Aman.

REP. AMAN (14th):

Yes. And, therefore, if I read on farther, the renewal fees, et cetera, again, the community college would have to pay a fee to the state to be able to offer these courses?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th): Through you, Madam Speaker. It appears so. Once again, these courses are reviewed by the state, and they're registered; and there's some state involvement in making sure that the curriculum meets the standards that we're trying to promote. So I guess that is why we're charging these kinds of fees for the course registrations.

DEPUTY SPEAKER MILLER:

Representative Aman.

REP. AMAN (14th):

Yes. That actually almost answers the next question I was going to ask. Whether the -- if the colleges, and, again, I'm saying the community colleges, but there's no reason why the state university system couldn't offer the same sorts of courses in their programs. But would their course

jt/gbr
HOUSE OF REPRESENTATIVES

34
May 5, 2014

material also have to be approved, especially if it was part of a larger degree type program?

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. I think the courses that specifically are required to gain licensure and pass the exam, the materials that are covered within the standardized exam do have to be approved. And, again, the concept is to try and make these uniform so that the students who are taking these courses are prepared for the exam that's going to be offered.

SPEAKER SHARKEY:

Representative Aman.

REP. AMAN (14th):

Yes. Through you, Madam Speaker. Does the proponent of the bill know -- and I know he's also active in the real estate industry -- if the real estate agency type courses, the continuing ed. courses et cetera that the community colleges offer, are these also regulated by consumer protection or another state agency?

Through you, Madam Speaker.

jt/gbr
HOUSE OF REPRESENTATIVES

35
May 5, 2014

DEPUTY SPEAKER MILLER:

Representative Baram.

REP. BARAM (15th):

Through you, Madam Speaker. I'm not aware that they're regulated by consumer protection, but there may be some vetting or oversight by the Department of Education. That's information we could acquire.

DEPUTY SPEAKER MILLER:

Representative Aman.

REP. AMAN (14th):

I hope very much that the community colleges, the educational system looks into this and decides to add courses, especially in the continuing education. I think it would add to the professionalism of the appraisers. The questions I asked regarding fees, and courses, and that I think could be worked on in future legislation when they proposed doing some sort of program.

So I thank you very much, the proponent of the bill for bringing this forward. Anything we can to increase the professionalism of this very important field, I think we should do.

Through you, Madam Speaker.

DEPUTY SPEAKER MILLER:

jt/gbr
HOUSE OF REPRESENTATIVES

36
May 5, 2014

Thank you, sir.

Will you remark further on this bill? Will you
remark further on this bill?

If not, will staff and guest please come to the
well of the house. Will the members please take your
seats. The machine will be open.

THE CLERK:

The House of Representatives voting by roll. The
House of Representatives is voting by roll. Will
members please return to the Chamber immediately.

Have all members voted? Have all members voted?

Will the members please check the board to
determine if your vote is properly cast. If all
members have voted, the machine will be locked and the
Clerk will take a tally.

Will the Clerk please announce the tally.

THE CLERK:

On S.B. 205 in concurrence with the Senate.

House Bill Number 205.

Total Number Voting	137
Necessary for Passage	69
Those voting Yea	137
Those voting Nay	0
Those absent and not voting	14

jt/gbr
HOUSE OF REPRESENTATIVES

37
May 5, 2014

DEPUTY SPEAKER MILLER:

The bill passes in concurrence with the Senate.

Are there any announcements or introductions,
announcements or introductions?

Representative Ackert.

REP. ACKERT (8th):

Good morning, Madam Speaker, and thank you.

DEPUTY SPEAKER MILLER:

Good morning, sir.

REP. ACKERT (8th):

For an introduction.

DEPUTY SPEAKER MILLER:

May proceed, sir.

REP. ACKERT (8th):

Thank you. In the Chamber with me today is Kevin Young. Him and I are in the same business group, and he is a constituent of Representative Davis; and his office is in Representative Janowki's office in Vernon. So I'd like to give our warm welcome to Kevin Young. He's a business owner, financial planner, and he's helping us with our retirement.

So thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

S - 670

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2014**

**VOL. 57
PART 2
341 - 702**

Seeing no objection, so ordered, sir. Mr. Clerk.

THE CLERK:

On Page 19, Calendar 200, Substitute for Senate Bill Number 205 AN ACT MAKING MINOR AND TECHNICAL CHANGES TO REAL ESTATE APPRAISER AND APPRAISAL MANAGEMENT COMPANY DEFINITIONS AND STATUTES. Favorable Report of the Committee on General Law. There are amendments.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Good afternoon, Madam President. Can you --

THE CHAIR:

The Senate will stand at ease.

SENATOR DOYLE:

Just for one second, please. Thank you.

THE CHAIR:

No problem.

(Chamber at ease.)

Senator Doyle. The Senate will come to order.

SENATOR DOYLE:

Yes, thank you, Madam President. I move acceptance of the Joint Committee's Favorable Report and passage of bill.

THE CHAIR:

Motion is on acceptance and passage. Will you remark, sir?

SENATOR DOYLE:

Yes, thank you, Madam President. What this bill does is, the Connecticut Real Estate Appraisal Commission did a study and looked over the general statutes of real estate appraisers. This bill incorporates a recommended kind of minor and technical changes to our real estate appraiser and management statutes and I ask the Chamber to support the bill. Thank you, Madam President.

THE CHAIR:

Thank you. Will you remark? Senator Witkos.

SENATOR WITKOS:

Thank you, Madam President. I just wanted to rise to let my side of the aisle know that the bill is exactly as Senator Doyle described and purely almost technical and minor changes. I urge adoption.

THE CHAIR:

Thank you. Will you remark further? Will you remark further? If not, Senator Doyle.

SENATOR DOYLE:

Yes, thank you, Madam President. I move this bill to the Consent Calendar with no objection.

THE CHAIR:

Seeing no objection, so ordered, sir. Mr. Clerk.

THE CLERK:

On Page 20, Calendar 201, Substitute for Senate Bill Number 82 AN ACT CONCERNING PACKAGE STORES AND THE SALE OF GIFT BASKETS. Favorable Report of the Committee on General Law.

THE CHAIR:

Senator Doyle.

SENATOR DOYLE:

Consent Calendar Number 2. On Page 6, Calendar 63,
Senate Bill Number 19.

On Page 7, Calendar 64, Senate Bill Number 20.

Also on Page 7, Calendar 71, Senate Bill 241.

On Page 12, Calendar 156, Senate Bill Number 207.

And on Page 14, Calendar 165, Senate Bill 115.

Page 15, Calendar 171, Senate Bill Number 313.

And on Page 16, Calendar 179, Senate Bill Number 376.

Also on Page 16, Calendar 182, Senate Bill Number 101.

And on Page 17, Calendar 184, Senate Bill Number 247.

Page 19, Calendar 200, Senate Bill 205.

On Page 20, Calendar 201, Senate Bill Number 82.

On Page 35, Calendar 69, Senate Bill 63.

Calendar 75, Senate Bill 112.

And Calendar 77, Senate Bill Number 364.

On Page 36, Calendar 88, Senate Bill 100.

THE CHAIR:

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. When the Clerk was reading those items, wanted to inquire on the status of Calendar Page 7, Calendar 72, Senate Bill 92.

THE CLERK:

And I should have read, Page 7, Calendar 72, Senate Bill 92.

THE CHAIR:

That's also on the Consent Calendar. Is that correct?

THE CHAIR:

Mr. Clerk, could I ask you about Page 8. I don't know if there has been marked, which bill, Page 8, Calendar 76, 113? Did you say that?

THE CLERK:

Yes, Madam President. It is on the Second Consent Calendar for today.

THE CHAIR:

And Page 9, Calendar 84, Bill 201. Was that read, sir?

THE CLERK:

Yes, ma'am.

THE CHAIR:

Thank you very much. At this time, Mr. Clerk, will you please call for a Roll Call Vote on the Consent Calendar. The machine will be opened.

THE CLERK:

Immediate Roll Call is ordered in the Senate.

Immediate Roll Call on the Second Consent Calendar for today is ordered in the Senate.

THE CHAIR:

If all members have voted, all members voted, the machine will be closed. I ask the Clerk to please call the tally.

THE CLERK:

On the Second Consent Calendar for today.

Total number voting

36

Necessary for adoption	19
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

The Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Yes, Madam President. Thank you. Madam President, would move that all of the bills referred to various Committees earlier in the Session, that those bills be immediately transmitted to the Committees to which they were referred.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you. Thank you, Madam President. Madam President, if the Clerk would now call an item that was marked passed temporarily earlier, and that was Calendar Page 9, Calendar 108, Senate Bill 36.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On Page 9, Calendar 108, Substitute for Senate Bill Number 36 AN ACT CONCERNING THE GOVERNOR'S RECOMMENDATIONS TO IMPROVE ACCESS TO HEALTHCARE. Favorable Report of the Committee on Public Health, and there are amendments.

THE CHAIR:

Good evening, Senator Gerratana.

SENATOR GERRATANA:

**JOINT
STANDING
COMMITTEE
HEARINGS**

**GENERAL
LAW
PART 1
1 – 505**

**2014
INDEX**

HB 5258
HB 5261
SB 206
HB 5263
HB 5262
HB 5260

COMMISSIONER WILLIAM RUBENSTEIN: Good afternoon, Senator Doyle, Representative Baram -- Baram, Senator Witkos, and members of the General Law Committee. It's really a pleasure to be here today and especially to be outside the legislative office building among -- among our constituents. It's -- it's particularly good to be here today.

Your agenda today includes seven bills that were proposed by the Department of Consumer Protection so I want to start by thanking you for raising those bills for a public hearing. I'm providing you with the opportunity to testify today.

So, let me begin. I'll run through these bills in -- in order and just (inaudible) and, hopefully, we'll be able to go from there. Let me begin with Senate Bill 205, which is AN ACT THAT REALLY IS MAKING MINOR AND TECHNICAL CORRECTIONS AND CHANGES RATHER TO THE REAL ESTATE APPRAISAL AND APPRAISAL MANAGEMENT COMPANY STATUTES.

The Department of Consumer Protection has the responsibility for licensing and -- and oversight of real estate appraisals and appraisal management companies. That -- those statutory provisions are in chapter 400g of the General Statutes. And the purpose of this bill before you is to make minor and technical changes to these statutes really solely as a result of a compliance review that was conducted by the appraisal subcommittee of the Federal Financial Institutions Examination Council.

This body is established and charged with auditing every state statutory and regulatory structure, be a federal law referred to as Title XI of the Financial Institutions Reform

Recovery and Enforcement Act of 1989. Following an audit of Connecticut statutes in these areas, the appraisal subcommittee provided a detailed compliance review -- report to the department.

While the audit stated that Connecticut is quote, substantially in compliance with the federal requirements, it noted some discrepancies and recommended that our statutes be amended to make numerous minor and technical changes to be consistent with federal guidelines.

Senate Bill 205 is before you for the sole purpose of making these amendments to the act as recommended. Examples include removing references to limited residential appraisers and limited general appraisers which are -- are -- appraisal types that we have not licensed in -- in a number of years and there are currently no existing licensees, but we're adding references to provisional licensing as -- as requested, and you'll see as you go through the bill various other small technical changes.

Failure to make these changes outlined in the audit may jeopardize future DCP licensed appraisers from having their work approved in federally-related transactions. So it's important that we be in compliance with federal law so that our appraisers are not at a disadvantage in those programs.

Second, is House Bill 5258, which is AN ACT CONCERNING BAKERIES AND FOOD MANUFACTURING ESTABLISHMENTS, but really what we're -- what we're focusing here today are food warehouses.

So the bill makes several changes to the bakeries and food manufacturing establishment

opportunity to provide this testimony in support of these bills, and -- and I would certainly be happy to respond to any questions.

SENATOR DOYLE: Thank you, Commissioner. It certainly is DCP day here. Quite a few bills from the Commissioner.

Now it's the opportunity for the Legislators and the committee to ask questions.

And, Senator Witkos.

SENATOR WITKOS: Thank you, Mr. Chairman.

Good afternoon, Commissioner. A couple questions on a few of the bills.

SB205

The first bill, I had a question. Moving forward, I may be putting forward some language that's not in there today, and I don't expect you to necessarily comment on it today, but I'd like some input later on, is throughout the summer I was approached by some realtors regarding appraisals. And I don't think it's on our agenda, but they had some concerns where it's -- it's a non-sale appraisal and I don't remember what the acronym is for that, that they like the ability to do that.

Currently the statutes don't allow for that, and I'll give you example that was given to me. Family members own a summer cottage. One wants to get out of it, so they have a friend who's a realtor. Said come in, give us a fair market value, what do you -- what do you think it's worth and then we'll just, between ourselves, I'll buy you out for that amount, the other half. They're telling me they're not allowed to do that under our state

statutes, that that's required under -- if they have a real estate appraisal. So I'd like some feedback on that in the future --

COMMISSIONER WILLIAM RUBENSTEIN: Well, that's an issue that's been percolating for -- for many years and -- and a large disagreement between certain parts of the real estate community and others. Historically the concern has been that -- that any -- any opinion of valuation should be based upon appropriate training and ability to -- to evaluate. We -- we haven't looked at -- at a bill designed to do that. So, you know, I don't have a particular comment on the bill, I just know it's -- it's an area of controversy between various segments of the real estate industry.

SENATOR WITKOS: Okay. Thank you.

5258, bakeries in the food manufacturing. Would they be exempt nonprofits from paying the registration fee of \$20?

COMMISSIONER WILLIAM RUBENSTEIN: The nonprofit warehouses? Not -- not as drafted, but, you know, the, you know --

SENATOR WITKOS: Would food kitchens fall under a food warehouse or a local pantry -- excuse me, a food bank or anything like that? Would that -- does that fall under the definition of a warehousing of food?

COMMISSIONER WILLIAM RUBENSTEIN: You know, I -- I don't believe so. You know, any more differently than a -- than a restaurant stock would.

SENATOR WITKOS: Then where --

Department of Consumer Protection



Testimony of William M. Rubenstein
Commissioner of Consumer Protection

HB 5258 HB 5261
SB 206 HB 5263
HB 5262 HB 5260

General Law Committee Public Hearing
February 25, 2014

Senator Doyle, Representative Baram, Senator Witkos, Representative Carter and distinguished members of the General Law Committee, I am William Rubenstein, Commissioner of Consumer Protection. Your agenda today includes seven bills that were introduced by my Department, so let me begin by thanking you for agreeing to raise these bills for the consideration of the committee and for providing me with the opportunity to testify in support of these important proposals.

S B No. 205 (RAISED) AN ACT MAKING MINOR AND TECHNICAL CHANGES TO REAL ESTATE APPRAISER AND APPRAISAL MANAGEMENT COMPANY STATUTORY DEFINITIONS.

The Department of Consumer Protection has responsibility for licensing and oversight of Real Estate Appraisers and Appraisal Management Companies with statutory authority provided in chapter 400g. The purpose of this bill before you is to make minor and technical changes to these statutes solely as a result of a compliance review conducted by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. This body is established and charged with auditing every state's statutory and regulatory structure, via a federal law referred to as Title XI of the "Financial Institutions Reform, Recovery and Enforcement Act of 1989." Following an audit of Connecticut's statutes in these areas, the Appraisal Subcommittee provided a detailed compliance review report to the Department. While the audit stated that Connecticut is "substantially" in compliance with federal requirements, it recommended that our statutes be

amended to make numerous minor and technical changes to be consistent with federal guidelines. Senate Bill 205 is before you for the sole purpose of amending the act to make these minor and technical changes. Examples include removing references to "limited residential appraiser," and "limited general appraiser," and adding references to a "provisional license" which is the type of license now recognized by federal guidelines. Failure to make the changes outlined in the audit may jeopardize future DCP licensed appraisers from having their work approved pursuant to a federally related transaction.

H. B. No. 5258 (RAISED) AN ACT CONCERNING BAKERIES AND FOOD MANUFACTURING ESTABLISHMENTS.

This bill makes several changes to the Bakeries and Food Manufacturing Establishments chapter under the jurisdiction of the Department of Consumer Protection. The most important of these changes is our proposal to include food warehouses within the definition of "food manufacturing establishments." At present time, neither DCP, nor any state agency has knowledge of how many, and where food warehouses are located throughout the state. This proposal is offered so that a centralized list of food warehouses can be obtained and maintained by the Department's Food & Standards Division

The primary benefit of including food warehouses in the definition is to ensure food safety to the public. Food warehouses may not seem to be at the top of the list of establishments where food safety may be compromised, but in fact, the Department believes that there is danger to the public if safe and sanitary conditions in warehouses are not maintained. By including food warehouses in the statute, the Department will have the opportunity to inspect these premises and ensure they are kept in a sanitary condition and free from vermin.

Under current practices, when the FDA finds, or is made aware of food contamination issues, DCP is notified and our work to locate, inspect and pull product off the shelves begins. However, without a centralized list of all food warehouses throughout the state, we are unable to promptly and efficiently identify where potentially dangerous products are being warehoused. This gap should be filled to allow us to carry out our mission of protecting the public from unsafe food.

Finally, and importantly, this proposal is not intended as a vehicle to raise significant state funds. By including food warehouses within the "Bakeries and Food Manufacturing Establishments chapter," the annual registration fee would be \$20.00. We estimate that there may be 400-500 such food warehouses in the state, but freely admit that we don't know how solid that estimate is

The bill also makes several minor & technical language changes in the statute, including adding the terms "repacking" and "cutting" within the definition. These changes are consistent with language suggested by the FDA