

543E.3 Definitions.

Unless the context otherwise requires, the definitions contained in [section 543D.2](#) shall apply to [this chapter](#). In addition, the following definitions shall apply for purposes of [this chapter](#):

1. “*Administrator*” means the superintendent of the division of banking of the department of commerce or the superintendent’s designee.

2. “*Appraisal management company*” means a person that oversees an appraiser panel of more than fifteen certified appraisers in this state or twenty-five or more certified or licensed appraisers nationally within a year, and that directly or indirectly performs appraisal management services for creditors or secondary mortgage market participants in connection with consumer credit transactions secured by the principal dwellings of Iowa consumers or securitizations of those transactions.

3. “*Appraisal management company national registry*” means the registry of state-registered appraisal management companies and federally regulated appraisal management companies maintained by the appraisal subcommittee.

4. “*Appraisal management services*” means any of the following:

a. Recruiting, selecting, and retaining appraisers.

b. Contracting with state certified or licensed appraisers to perform appraisal assignments.

c. Managing the process of having an appraisal performed, including providing administrative services such as receiving appraisal orders and appraisal reports, submitting completed appraisal reports to creditors and secondary mortgage market participants, collecting fees from creditors and secondary mortgage market participants for services provided, and paying appraisers for services performed.

d. Reviewing and verifying the work of appraisers.

5. “*Appraisal review*” means developing and communicating an opinion under the uniform standards of professional appraisal practice review standards regarding the quality of another appraiser’s work product prepared as part of an appraisal assignment. An “*appraisal review*” does not include quality control solely to assure an appraisal report is complete, or to correct grammatical, typographical, or other similar errors.

6. “*Appraisal subcommittee*” means the appraisal subcommittee of the federal financial institutions examination council.

7. “*Appraiser*” means a person who holds a certificate as a certified real estate appraiser issued under [chapter 543D](#).

8. “*Appraiser panel*” means a network, list, or roster of certified appraisers who are independent contractors with an appraisal management company and who have been selected and approved by the appraisal management company to perform appraisals directly for the appraisal management company or for persons that have ordered appraisals through the appraisal management company. Appraisers on an appraisal management company’s appraiser panel may include both appraisers engaged to perform one or more appraisals for covered transactions or for secondary mortgage market participants in connection with covered transactions, and appraisers accepted by the appraisal management company for consideration for future appraisal assignments for such purposes, as the administrator may further provide by rule.

9. “*Associate real estate appraiser*” means a person who is registered with the Iowa real estate appraiser examining board under [section 543D.20](#).

10. “*Consumer credit*” means credit offered or extended to a consumer primarily for personal, family, or household purposes.

11. “*Controlling person*” means any of the following:

a. An owner, officer, or director of an appraisal management company.

b. An individual employed, appointed, or authorized by an appraisal management company who has the authority to enter into a contractual relationship with other persons for the performance of appraisal management services and has the authority to enter into agreements with appraisers for the performance of appraisals.

c. An individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.

12. “Covered transaction” means any consumer credit transaction secured by the consumer’s principal dwelling.

13. “Creditor” means a person who regularly extends consumer credit that is subject to a finance charge or is payable by written agreement in more than four installments, not including a down payment, and to whom the obligation is initially payable, either on the face of the note or contract, or by agreement when there is no note or contract. For purposes of this subsection, a person “regularly extends consumer credit” if the person extended credit, other than credit subject to the requirements of 12 C.F.R. §1026.32, more than five times in the preceding calendar year for transactions secured by a dwelling. If a person did not meet those numerical standards in the preceding calendar year, the numerical standards shall be applied to the current calendar year. A person also “regularly extends consumer credit” if, in any twelve-month period, the person originates more than one credit extension that is subject to the requirements of 12 C.F.R. §1026.32 or one or more such credit extensions through a mortgage broker.

14. “Dwelling” means a residential structure that contains one to four units, whether or not that structure is attached to real property. “Dwelling” includes an individual condominium unit, cooperative unit, mobile home, and trailer, if it is used as a residence.

15. “Federally regulated appraisal management company” means an appraisal management company that is owned and controlled by an insured depository institution, as defined in 12 U.S.C. §1813, and regulated by the office of the comptroller of the currency, the board of governors of the federal reserve system, or the federal deposit insurance corporation.

16. “Federally related transaction regulations” means regulations established by the comptroller of the currency, the board of governors of the federal reserve system, the federal deposit insurance corporation, or the national credit union administration pursuant to sections 1112, 1113, and 1114 of Tit. XI of the federal Financial Institutions Reform, Recovery, and Enforcement Act, 12 U.S.C. §3341 – 3343.

17. “Nonsubstantive reason” means a reason for imposing discipline against a certified appraiser that is not described in section 543D.17 or a substantially similar provision in the jurisdiction that imposed the discipline, including but not limited to the failure to pay appropriate fees.

18. “Person” means as defined in section 4.1.

19. “Principal dwelling” means the primary residence of a consumer. For purposes of this chapter, a consumer may have only one “principal dwelling”. A vacation or other second home shall not be considered a “principal dwelling”. However, if a consumer buys or builds a new dwelling that will become the consumer’s primary residence within a year or upon completion of the construction, the new residence is considered the “principal dwelling” for purposes of this chapter.

20. “Secondary mortgage market participant” means a guarantor or insurer of mortgage-backed securities, or an underwriter or issuer of mortgage-backed securities. “Secondary mortgage market participant” only includes an individual investor in a mortgage-backed security if that investor also serves in the capacity of a guarantor, insurer, underwriter, or issuer for the mortgage-backed security.

21. “States” means the fifty states of the United States, the District of Columbia, and the territories of American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, and the United States Virgin Islands.

22. “Substantive reason” means a reason for imposing discipline against a certified appraiser that is described in section 543D.17 or a substantially similar provision in the jurisdiction that imposed the discipline.

23. “Uniform standards of professional appraisal practice” means the uniform standards promulgated by the appraisal standards board of the appraisal foundation.

2016 Acts, ch 1124, §3, 32

Referred to in §543D.6

Section takes effect January 1, 2017; 2016 Acts, ch 1124, §32

NEW section