

REQUIREMENTS AND INSTRUCTIONS - APPRAISAL MANAGEMENT COMPANY

Access this form via website at: cca.hawaii.gov/pvl

Read through this entire document before completing the application.

DEFINITIONS

"Appraisal management company" means a person that:

- (1) Provides appraisal management services to creditors or secondary mortgage market participants, including affiliates;
- (2) Provides appraisal management services in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating these transactions into securitizations; and
- (3) Within a twelve-month calendar year, beginning January 1 of each year and ending on December 31 of each year, oversees an appraiser panel of more than fifteen state-certified or state-licensed appraisers in a state or twenty-five or more state-certified or state-licensed appraisers in two or more states, as described in Act 118 SLH 2017 section-5.

"Controlling person" means:

- (1) An officer, director, or owner of greater than a ten per cent interest of a corporation, partnership, or other business entity seeking to act as an appraisal management company in the State;
- (2) An individual employed, appointed, or authorized by an appraisal management company who has the authority to:
 - (A) Enter a contractual relationship with other persons for performance of services requiring registration as an appraisal management company; and
 - (B) Enter agreements with appraisers for the performance of appraisals; or
- (3) 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.

"Covered transaction" means any consumer credit transaction secured by the consumer's principal dwelling.

APPLICATION Complete the online fillable application form or print legibly in **black** ink and sign the application.

SOCIAL SECURITY NUMBER Your Social Security Number is used to verify your identity for licensing purposes and for compliance with the below laws. **For a license to be issued, you must provide your Social Security Number or your application will be deemed deficient and will not be processed further.**

The following laws require that you furnish your Social Security Number to our agency:

FEDERAL LAWS:

42 U.S.C.A. §666(a)(13) requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and

If you are a licensed health care practitioner, **45 C.F.R., Part 61, Subpart B, §61.7** requires the Social Security Number as part of the mandatory reporting we must do to the Healthcare Integrity and Protection Data Bank (HIPDB), of any final adverse licensing action against a licensed health care practitioner.

HAWAII REVISED STATUTES ("HRS"):

§576D-13(j), HRS requires the Social Security Number of any applicant for a professional license or occupational license be recorded on the application for license; and

§436B-10(4), HRS which states that an applicant for license shall provide the applicant's Social Security Number if the licensing authority is authorized by federal law to require the disclosure (and by the federal cites shown above, we are authorized to require the Social Security Number).

(CONTINUED ON PAGE 2)

**ENTITY
REGISTRATION**

If the application is for a corporation, partnership, LLC or LLP, we will require the following proof to show that the entity is properly registered with the Business Registration Division ("BREG") of the Hawaii Department of Commerce and Consumer Affairs ("DCCA"). Call (808) 586-2727 or visit their website at: cca.hawaii.gov/breg to order Certificates of Good Standing, forms, etc.

If the entity has been registered in this State for LESS THAN ONE (1) YEAR, **attach** a "filed-stamped" copy of the document filed with BREG; or, the same certificate mentioned below.

If the entity has been registered in this State for MORE THAN ONE (1) YEAR, **attach** a current "Certificate of Good Standing" or "Certificate of Qualification" issued not more than 1 year ago.

TRADE NAME

If applicant will be using a trade name, **attach** a **current** "filed-stamped" copy of the "**Application for Registration of Trade Name**" approved by the Business Registration Division. You may contact them at (808) 586-2727.

**AMCs NOT
DOMICILED IN
HAWAII**

Appraisal management companies not domiciled in Hawaii shall complete an irrevocable consent to service of process form. **Attach** completed consent to service of process form (form AMC-03).

Further, the appraisal management company shall also submit a letter of good standing from the state in which it is domiciled. **Attach** letter of good standing.

SURETY BOND

The appraisal management company shall file and maintain with the Director a bond in the penal sum of \$25,000. **Attach** completed bond form (form AMC-02).

**PROCESSES AND
CONTROLS -
APPRAISERS**

Every appraisal management company shall establish and comply with processes and controls reasonably designed to ensure that the appraisal management company, in engaging an appraiser, selects an appraiser who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the appraisal assignment for the particular market and property type. **Attach** a copy of such processes and controls.

**PROCESSES AND
CONTROLS -
AMC SERVICES**

Every appraisal management company shall establish and comply with processes and controls reasonably designed to ensure that the appraisal management company conducts its appraisal management services in accordance with the requirements of title 15 United States Code section 1639e(a) through (i), and regulations adopted thereunder. **Attach** a copy of such processes and controls.

**ANNUAL
REGISTRY FEE**

Pursuant to Federal Rule promulgated by the Appraisal Subcommittee ("ASC"), the annual appraisal management company registry fee is established as follows:

- (a) In the case of an appraisal management company that has been in existence for more than a year, **\$25 multiplied by the number of appraisers who have performed an appraisal** for the appraisal management company in connection with a covered transaction in Hawaii during the previous calendar year; and

(CONTINUED ON PAGE 3)

**ANNUAL
REGISTRY FEE
cont'd**

(b) In the case of an appraisal management company that has not been in existence for more than a year, **\$25 multiplied by the number of appraisers who have performed an appraisal** for the appraisal management company in connection with a covered transaction in Hawaii since the appraisal management company commenced doing business.

**ANNUAL
REQUIREMENT**

With regard to paragraph (a) on page 2, we will begin collecting the annual registry fee (for the previous calendar year) with each appraisal management company application.

Thereafter, we will send annual notices at the beginning of each calendar year advising this group of the annual registry fee due for the previous calendar year.

With regard to paragraph (b) above, we will begin collecting the annual registry fee (for the duration that the appraisal management company has been doing business) with each appraisal management company application.

The following year, we will send annual notices advising this group of the annual registry fee due for the remainder of the previous calendar year (i.e., from the time of State registration to the end of the calendar year).

Thereafter, we will send annual notices at the beginning of each calendar year advising this group of the annual registry fee due for the previous calendar year.

FEES

ATTACH the appropriate fees. Make check or money order payable to: COMMERCE AND CONSUMER AFFAIRS. (check must be in U.S. dollars and be from a U.S. financial institution.)

If applying for registration between January 1, EVEN-NUMBERED year and December 31, EVEN-NUMBERED year:

PAY Application fee-\$60*; Registration fee-\$4200; Special Assessment fee-\$300; and CRF-\$500 \$5060

and

PAY National Registry fee of \$25 x number of Hawaii-licensed appraisers (from question 8 or 9 of the application) who performed appraisals on covered transactions in Hawaii \$

If applying for registration between January 1, ODD-NUMBERED year and December 31, ODD-NUMBERED year:

PAY Application fee-\$60*; Registration fee-\$4200; Special Assessment fee-\$300; and CRF-\$250 \$4810

and

PAY National Registry fee of \$25 x number of Hawaii-licensed appraisers (from question 8 or 9 of the application) who performed appraisals on covered transactions in Hawaii \$

NOTE: *One of the numerous legal requirements that you must meet in order for your new registration to be issued is the payment of fees as set forth in this application. You may be sent a registration certificate before the payment you sent us for your required fees is honored by your bank. If your payment is dishonored, you will have failed to pay the required registration fee and your registration will not be valid, and you **may not** do business under that registration. Also, a \$25.00 service charge shall be assessed for payments that are dishonored for any reason.*

**FEES
cont'd**

If for any reason you are denied the registration you are applying for, you may be entitled to a hearing as provided by Title 16, Chapter 201, Hawaii Administrative Rules, and/or Chapter 91, Hawaii Revised Statutes. Your written request for a hearing must be directed to the agency that denied your application, and must be made within 60 days of notification that your application for a registration has been denied.

**SPECIAL
ASSESSMENT**

Upon the issuance of a new registration and at each registration renewal period, each registrant shall pay a fee of \$300 (special assessment) that shall be deposited into the compliance resolution fund.

**CONTROLLING
PERSON**

If the controlling person is or has ever been licensed or registered as an appraiser in any state, **arrange** to have verifications of licensure sent directly to us.

Further, the controlling person shall also complete and submit a Statement (form AMC-04). **Attach** controlling person's statement.

Lastly, the controlling person shall submit to a criminal history record check. **Arrange** to have a criminal history record check done (see "Criminal History Record Check Federal Bureau of Investigation ("FBI") below for instructions).

**CHANGE IN
CONTROLLING
PERSON**

To make a change of controlling person, the Appraisal Management Company must complete the Change of Controlling Person form (form AMC-09) and submit it with a Statement (form AMC-04) completed by the controlling person. The controlling person shall also submit to a criminal history record check.

**PERSONS
OWNING MORE
THAN 10% OF
AMC**

Any person that **owns more than ten per cent of the appraisal management company** shall complete and submit a Statement (form AMC-04). **Attach** owner's statement.

Further, that person shall submit to a criminal history record check. **Arrange** to have a criminal history record check done (see "Criminal History Record Check Federal Bureau of Investigation ("FBI") below for instructions).

**CRIMINAL
HISTORY RECORD
CHECK FEDERAL
BUREAU OF
INVESTIGATION
("FBI") REPORT**

All controlling persons and persons owning more than 10 per cent of the appraisal management company are required to submit to a FBI fingerprint check through the Hawaii Criminal Justice Data Center ("HCJDC").

To obtain a FBI national Criminal History Record Check and the State of Hawaii Criminal History Record Check, persons shall be fingerprinted electronically at **Fieldprint Inc.** locations nationwide or any other fingerprinting agency approved to send electronic fingerprints to the HCJDC.

Please visit Fieldprint Inc. at: <http://fieldprinthawaii.com> to make an appointment or inquire about other available site locations on the continental United States. You may also call (877) 614-4364 or email CustomerService@fieldprint.com. To ensure that you are properly routed, please provide the following Fieldprint Code: **FPAppraiserMngmtCo**

Fees for the FBI and the State of Hawaii Criminal History Record Check shall be paid directly to Fieldprint and will be electronically sent to the HCJDC.

NOTE: An application to register as an appraisal management company must be filled within thirty (30) days of the fingerprinting to ensure that the results are obtainable from the HCJDC. If the results are not obtainable, you will be required to obtain new fingerprints.

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**CRIMINAL
HISTORY RECORD
CHECK FEDERAL
BUREAU OF
INVESTIGATION
("FBI") REPORT
(cont'd)**

Applicant Notification and Record Challenge: Your fingerprints will be used to check the criminal history records of the FBI. You have the opportunity to complete or challenge the accuracy of the information contained in the FBI identification record. The procedure for obtaining a change, correction, or updating an FBI identification record are set forth in Title 28, CFR, 16.34.

Instructions for "YES" Answers to Questions (3), (4) and (5) of the Application for Appraisal Management Company

The following documentation must be submitted with the license application. Applications for license will not be considered without this material.

1. Questions 3 and 4 refer to disciplinary actions for any profession, occupation, or license. If your answer is "YES" to either of these questions, you must **submit** the following:
 - i. A statement signed by you explaining the circumstances; and
 - ii. Copies of any documents from the agency, including final orders, petitions, complaints, findings of fact and conclusions of law, and any other relevant documents; proof of payment of any fines.
2. Question 5 refers to criminal convictions that have not been annulled or expunged. If your answer is "YES" to this question, you must **submit** the following:
 - i. A detailed statement **signed by you** explaining the underlying circumstances leading to the conviction, and detailing all activities since the conviction, including employment and business involvements. Include job title, period of employment, employer's name, description of duties, training attended, and educational courses attended;
 - ii. A copy of all related court documents (i.e. indictments, judgments, guilty pleas, verdict, and terms of sentence); if applicable, proof of payment of any fines and/or proof of fulfillment of conditions of each sentence;
 - iii. If applicable, a copy of the terms of probation and/or parole **and** a statement from your probation or parole officer as to your compliance with the court orders (terms and conditions imposed including any court documentation evidencing completion or discharge;
 - iv. A **current** Criminal History Record Check in your name from the Hawaii Criminal Justice Data Center (HCJDC) dated within six months. Contact them at Ph: (808) 587-3100 or visit their website at: www.ecrim.ehawaii.gov to request a "Criminal History Record Check"; and
 - v. If your criminal conviction occurred in a state or states other than Hawaii, a **current** Criminal History Record Check will be required from each state **AND** Hawaii. Contact the local authority or Board in each state for their forms, instructions and fees on obtaining a Criminal History Record Check.

**BIENNIAL
RENEWAL**

All registrations will expire on **December 31 of each odd-numbered year**. To renew, you are required to submit a completed renewal application and fees.

**RELEASE OF
INFORMATION**

If any agency or individual is assisting you with the registration process, we will not be able to release any information to them unless you provide us with authorization. If you wish to do so, please complete the portion on **Release of Information to Third Party**, sign, and date it. Criminal history records are confidential and shall not be discussed with anyone other than the applicant.

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**ABANDONMENT
OF APPLICATION**

Pursuant to HRS §436B-9 your application shall be considered abandoned and shall be destroyed if you fail to provide evidence of continued efforts to complete the licensing process for two consecutive years. The failure to provide evidence of continued efforts includes but is not limited to: (1) failure to submit any required information and documents requested by the licensing authority within two consecutive years from the last date the documents and information were requested, or (2) failure to complete any additional requirements for licensure that remain after approval of your application, such as attempting to complete an exam requirement, within two consecutive years from the date your application was approved, or (3) failure to provide the licensing authority with any written communication during two consecutive years indicating that you are attempting to complete the licensing process. If an application is deemed abandoned the applicant shall be required to reapply for licensure and comply with the licensing requirements in effect at the time of the reapplication.

ADDRESS

Mailing address:

Appraisal Management Company
DCCA-PVL Licensing Branch
P.O. Box 3469
Honolulu, HI 96801

Walk-in address:

Appraisal Management Company
DCCA-PVL Licensing Branch
335 Merchant Street, Room 301
Honolulu, HI 96813

APPLICATION FOR REGISTRATION - APPRAISAL MANAGEMENT COMPANY

Access this form via website at: cca.hawaii.gov/pvl

Check type of business entity: <input type="checkbox"/> INDIVIDUAL (Sole Owner) <input type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> LIMITED LIABILITY CO. (LLC) <input type="checkbox"/> LIMITED LIABILITY PARTNERSHIP (LLP)		FOR OFFICE USE ONLY	<input type="checkbox"/> Approved Initials/date: _____	
Applicant (Name of corporation, partnership, LLC or LLP, if individual - First, Middle, Last): _____			Effective Date: _____ License No. AMC -	
Trade Name (if any): _____				
Location/Business (include suite no., city, state & zip code): _____				
Mailing Address, if different from location: _____				
E-Mail Address: _____		Phone No. (business): () _____	Social Security No. (for Individuals only): _____	Employer Identification Number (EIN): _____

1. Are you a U.S. citizen, a U.S. national, or an alien authorized to work in the United States? YES NO
2. Within a twelve-month calendar year, beginning January 1 of each year and ending on December 31 of each year, does this AMC oversee an appraiser panel of more than fifteen state-certified or state-licensed appraisers in a state or twenty five or more state-certified or state-licensed appraisers in two or more states? YES NO
3. Has this AMC, any officers of the corporation, partners, managers or members ever been the subject of any disciplinary action in this or any other jurisdiction? YES NO
4. Is this AMC owned, in whole or in part, directly or indirectly, by any person who has had, in any state, an appraiser license, registration or certificate or any like license refused, denied, canceled, surrendered in lieu of revocation, or revoked? YES NO
5. Has this AMC, any officers of the corporation, partners, managers or members ever been convicted of a crime in any jurisdiction that has not been annulled or expunged? YES NO
6. How long has this AMC been in existence? _____
7. Number of appraisers on this AMC's Real Estate Appraisers Panel: _____
8. If in existence less than a year, the number of Hawaii licensed appraisers who completed appraisal assignments on a covered transaction in Hawaii since this AMC commenced business: _____
9. If in existence more than a year, the number of Hawaii licensed appraisers who completed appraisal assignments on a covered transaction in Hawaii in the calendar year preceding the date of this application: _____

NOTE: For "YES" answers to questions 3-5, refer to the instruction sheet for documents that are to be submitted with this application.

(CONTINUED ON PAGE 2)

Appl..... 283..... \$60	Annual Reg Fee ... 930..... \$_____
Reg..... 284..... \$4200	(\$25 multiplied by the number of
CRF..... 285..... \$250/\$500	appraisers who performed appraisals)
	Special Fee 282..... \$300
	Service Charge ... BCF..... \$25

Print Applicant's Name: _____

Date: _____

OWNERSHIP			
Name	Address	Phone No.	% owned
Name	Address	Phone No.	% owned
Name	Address	Phone No.	% owned
Name	Address	Phone No.	% owned
(Attach a separate sheet if necessary)			

CONTROLLING PERSON		
Name (First, Middle, Last)		
Residence Address (Include Apt. No., City, State and Zip Code)		
Mailing Address (ONLY if different from above)		
Phone No. (days)	E-Mail Address	Social Security No.
States in which you hold or held an appraiser license:		

CERTIFICATION OF APPLICANT

I certify that this AMC:

- Has established and complies with processes and controls reasonably designed to ensure that this AMC, in engaging an appraiser, selects an appraiser who is independent of the transaction and who has the requisite education, expertise, and experience necessary to competently complete the appraisal assignment for the particular market and property type;
- Has established and complies with processes and controls reasonably designed to ensure that this AMC conducts its appraisal management services in accordance with the requirements of title 15 United States Code section 1639E(a) through (i), and regulations adopted thereunder;
- Requires appraisals to be conducted independently, as required by the appraisal independence requirements under section 129E of the Truth in Lending Act, title 15 United States Code section 1639e, including the requirement that a customary and reasonable fee be paid to an independent appraiser who completes an appraisal in connection with a consumer credit transaction secured by the principal dwelling.

(CONTINUED ON PAGE 3)

Print Applicant's Name: _____

Date: _____

CERTIFICATION OF APPLICANT (cont'd)

- Requires appraisers who are completing appraisals at the AMC's request to comply with the Uniform Standards of Professional Appraisal Practice;
- Verifies that the appraiser receiving the assignment meets the competency rule of the Uniform Standards of Professional Appraisal Practice;
- Has a system and process in place to verify that an individual added to the appraiser panel of the company for appraisal services holds an appraiser license or certification in good standing;
- Maintains a detailed record of each service request this AMC receives for appraisals of real property located in the State; and
- Before or at the time of placing an appraisal assignment, verifies that the appraiser receiving the assignment holds an appraiser license or certification in good standing in this State and verifies that the appraiser meets the competency rule of the Uniform Standards of Professional Appraisal Practice.

I further certify that the statements, answers, and representations made in this application and in the documents attached are true and correct. I understand that this certification and any misrepresentation are grounds for the denial, refusal or subsequent revocation of license and is a misdemeanor (Section 710-1017, and Section 436B-19). I further certify that I have read and will abide by the provisions of Act 118, SLH 2017.

Signature of Applicant

Date

Release of Information to Third Party:

To assist me in the licensing process, I hereby authorize DCCA's staff to release any and all information regarding my Application (including, but not limited to Application status) to the following third party:

Print Name of Individual: _____

Name of Organization: _____

Signature of Applicant

Date