

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 482
HOUSE BILL 443

AN ACT TO REQUIRE ALL REAL ESTATE APPRAISERS TO BE LICENSED
AND TO PROVIDE FOR THE REGISTRATION OF TRAINEE REAL ESTATE
APPRAISERS.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 93E of the General Statutes is amended by adding a new section to read:

"§ 93E-1-2.1. License or certificate required of real estate appraisers.

Beginning October 1, 1995, it shall be unlawful for any person in this State to act as a real estate appraiser, to directly or indirectly engage or assume to engage in the business of real estate appraisal, or to advertise or hold himself or herself out as engaging in or conducting the business of real estate appraisal without first obtaining a license or certificate issued by the Appraisal Board under the provisions of this Chapter."

Sec. 2. G.S. 93E-1-3 reads as rewritten:

"§ 93E-1-3. License-When license or certificate not required.

(a) No license or certificate shall be issued under the provisions of this Chapter to a partnership, association, corporation, firm, or group. However, nothing herein shall preclude a State-licensed or State-certified real estate appraiser from rendering appraisals for or on behalf of a partnership, association, corporation, firm, or group, provided the appraisal report is prepared by ~~or a State-licensed or State-certified real estate appraiser~~ or by a registered trainee under the immediate personal direction of, the State-licensed or State-certified real estate appraiser and is reviewed and signed by ~~such~~ that State-licensed or State-certified appraiser.

(b) Any person who is not State-licensed or State-certified under this Chapter may assist a State-licensed or State-certified real estate appraiser in the performance of an appraisal provided that ~~he~~ the person is registered trainee and is actively and personally supervised by a State-certified appraiser and provided further that any appraisal report rendered in connection with the appraisal is reviewed and signed by the State-certified real estate appraiser.

(c) Nothing in this Chapter shall preclude a real estate broker or salesman licensed under Chapter 93A of the General Statutes ~~or any other person who is not a State-licensed or State-certified real estate appraiser~~ from appraising real estate for compensation, performing comparative market analysis, provided ~~such persons do the person does not represent themselves~~ himself or herself as being State-licensed or State-certified as ~~a real estate appraisers.~~ appraiser.

(d) Nothing in this Chapter shall abridge, infringe upon, or otherwise restrict the right to use the term 'certified ad valorem tax appraiser' or any similar term by persons certified by the Department of Revenue to perform ad valorem tax appraisals, provided that ~~such the~~ term is not used in a manner that creates the impression of certification by the State of North Carolina to perform real estate appraisals other than ad valorem tax appraisals.

(e) Nothing in this Chapter shall entitle a State-licensed or State-certified real estate appraiser to appraise real estate for ad valorem tax purposes unless ~~he the~~ person has first been certified by the Department of Revenue pursuant to G.S. 105-294.

(f) A license or certificate is not required under this Chapter for:

- (1) Any person, partnership, association, or corporation that performs appraisals of property owned by that person, partnership, association, or corporation;
- (2) Any court-appointed commissioner who conducts an appraisal pursuant to a judicially ordered evaluation of property;
- (3) Any person to qualify as an expert witness for court or administrative agency testimony, if otherwise qualified;
- (4) A person who appraises standing timber so long as the appraisal does not include a determination of value of any land;
- (5) Any person employed by a lender in the performance of appraisals with respect to which federal regulations do not require a licensed or certified appraiser; and
- (6) A person who performs ad valorem tax appraisals and is certified by the Department of Revenue under G.S. 105-294 or G.S. 105-296;

however, any person who is registered, licensed, or certified under this Chapter and who performs any of the activities set forth in subdivisions (1) through (5) of this subsection must comply with all of the provisions of this Chapter."

Sec. 3. Article 1 of Chapter 93E of the General Statutes is amended by adding a new section to read:

"§ 93E-1-3.1. Prohibited use of title; permissible use of title.

(a) It shall be unlawful for any person to assume or use the title 'State-licensed real estate appraiser', 'State-certified real estate appraiser', or any title designation or abbreviation likely to create the impression of licensure or certification as a real estate appraiser, unless the person is licensed or certified by the Appraisal Board in accordance with the provisions of this Chapter. The Board may adopt for the exclusive use of persons certified under the provisions of this Chapter, a seal, symbol, or other mark identifying the user as a State-licensed or State-certified real estate appraiser.

(b) Any person certified as a real estate appraiser by an appraisal trade organization shall retain the right to use the term 'certified' or any similar term in identifying the person to the public, provided that:

- (1) In each instance wherein the term is used, the name of the certifying organization or body is prominently and conspicuously displayed immediately adjacent to the term; and

- (2) The use of the term does not create the impression of certification by the State.

This subsection does not entitle any person certified only by a trade organization to conduct an appraisal that requires a State license or certification.

(c) The term 'State-licensed real estate appraiser', 'State-certified real estate appraiser', or any similar term shall not be used following or immediately in connection with the name of a partnership, association, corporation, or other firm or group, or in a manner that might create the impression of licensure or certification as a real estate appraiser under this Chapter.'

Sec. 4. G.S. 93E-1-4 reads as rewritten:

"§ 93E-1-4. Definitions.

When used in this Chapter, unless the context otherwise requires, the term:

- (1) 'Appraisal' or 'real estate appraisal' means an analysis, opinion, or conclusion as to the value of identified real estate or specified interests therein performed for compensation or other valuable consideration.
- (2) 'Appraisal assignment' means an engagement for which an appraiser is employed or retained to act, or would be perceived by third parties or the public as acting, as a disinterested third party in rendering an unbiased appraisal.
- (3) 'Appraisal Board' or 'Board' means the North Carolina Appraisal Board established under G.S. 93E-1-5.
- (4) 'Appraisal Foundation' or 'Foundation' means The Appraisal Foundation established on November 20, 1987, as a not-for-profit corporation under the laws of Illinois.
- (5) 'Appraisal report' means any communication, written or oral, of an appraisal.
- (6) 'Certificate' means that document issued by the North Carolina Appraisal Board evidencing that the person named therein has satisfied the requirements for certification as a State-certified real estate appraiser and bearing a certificate number assigned by the Board.
- (7) 'Certificate holder' means a person certified by the Board under the provisions of this Chapter.
- (7a) 'Comparative market analysis' means the analysis of sales of similar recently sold properties in order to derive an indication of the probable sales price of a particular property by a licensed real estate broker or salesperson for the broker's or salesperson's principal.
- (8) 'License' means that document issued by the North Carolina Appraisal Board evidencing that the person named therein has satisfied the requirements for licensure as a State-licensed real estate appraiser and bearing a license number assigned by the Board.
- (9) 'Licensee' means a person licensed by the Board under the provisions of this Chapter.

- (10) 'Real estate' or 'real property' means land, including the air above and ground below and all appurtenances and improvements thereto, as well as any interest or right inherent in the ownership of land.
- (11) 'Real estate appraiser' or 'appraiser' means a person who for a fee or valuable consideration develops and communicates real estate appraisals or otherwise gives an opinion of the value of real estate or any interest therein.
- (12) 'Real estate appraising' means the practice of developing and communicating real estate appraisals.
- (13) 'Residential real estate' means any parcel of real estate, improved or unimproved, that is exclusively residential in nature and that includes or is intended to include a residential structure containing not more than four dwelling units and no other improvements except those which are typical residential improvements that support the residential use for the location and property type. A residential unit in a condominium, town house, or cooperative complex, or planned unit development is considered to be residential real estate.
- (14) 'State-certified general real estate appraiser' means a person who holds a current, valid certificate as a State-certified general real estate appraiser issued under the provisions of this Chapter.
- (15) 'State-certified residential real estate appraiser' means a person who holds a current, valid certificate as a State-certified residential real estate appraiser issued under the provisions of this Chapter.
- (16) 'State-licensed residential real estate appraiser' means a person who holds a current, valid license as a State-licensed residential real estate appraiser issued under the provisions of this Chapter.
- (17) 'Temporary appraiser licensure or certification' means the issuance of a temporary license or certificate by the Board to a person licensed or certified in another state who enters this State for the purpose of completing a particular appraisal assignment.
- (18) 'Trainee', 'registered trainee', or 'trainee real estate appraiser' means a person who has satisfied the requirements to be registered as a trainee pursuant to G.S. 93E-1-6, but who has not satisfied the experience and other requirements set forth in G.S. 93E-1-6 to be licensed as a real estate appraiser.
- (19) 'Trainee registration' or 'registration as a trainee' means the document issued by the North Carolina Appraisal Board evidencing that the person named therein has satisfied the requirements of registration as a trainee real estate appraiser and bearing a registration number assigned by the Board."

Sec. 5. G.S. 93E-1-5(a) reads as rewritten:

"(a) There is created the North Carolina Appraisal Board for the purposes set forth in this Chapter. The Board shall consist of seven members. The Governor shall appoint five members of the Board, and the General Assembly shall appoint two members in

accordance with G.S. 120-121, one upon the recommendation of the President Pro Tempore of the Senate and one upon the recommendation of the Speaker of the House of Representatives. Each member appointed by the Governor shall be appointed from a different congressional district. The appointee recommended by the Speaker of the House of Representatives and the appointees of the Governor shall be persons who have been engaged in the business of real estate appraising in this State for at least five years immediately preceding their appointment and are also State-licensed or State-certified real estate appraisers. No more than three of the appointees may be members of the same appraiser trade organization, group, or committee at any one time. The appointee recommended by the President Pro Tempore of the Senate shall be a person not involved directly or indirectly in the real estate, real estate appraisal, or the real estate lending industry. Members of the Board shall serve three-year terms, so staggered that the terms of three members expire in one year, the terms of two members expire in the next year, and the terms of two members expire in the third year of each three-year period. The members of the Board shall elect one of their members to serve as chairman of the Board for a term of one year. The Governor may remove any member of the Board appointed by the Governor for misconduct, incompetency, or neglect of duty. The General Assembly may remove any member appointed by it for the same reasons. Successors shall be appointed by the appointing authority making the original appointment. All vacancies occurring on the Board shall be filled, for the unexpired term, by the appointing authority making the original appointment. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122. Initial terms of office commence July 1, 1994."

Sec. 6. G.S. 93E-1-6 reads as rewritten:

"§ 93E-1-6. Qualifications for State licensure and certification; applications; application fees; examinations.

(a) Any person desiring to be registered as a trainee or to obtain licensure as a State-licensed real estate appraiser or certification as a State-certified real estate appraiser shall make written application to the Board on ~~such~~the forms as are prescribed by the Board setting forth the applicant's qualifications for licensure or certification. Each applicant shall satisfy the following qualification requirements:

- (1) Each applicant for licensure as a State-licensed residential real estate appraiser shall have demonstrated that ~~he~~the applicant possesses the knowledge and competence necessary to perform appraisals of residential and other real estate as the Board may prescribe by having satisfactorily completed within the five-year period immediately preceding the date application is made, a Board-approved course of instruction in real estate appraisal principles and practices consisting of at least 90 hours of classroom instruction in subjects determined by the Board; shall present evidence satisfactory to the Board of at least 2,000 hours of experience in real estate appraising; and shall satisfy ~~such~~the additional qualifications as may be imposed by the Board by rule, not inconsistent with any requirements imposed by the federal government; or shall possess education or experience which is found

by the Board in its discretion to be equivalent to the above requirements.

- (2) Each applicant for certification as a State-certified residential real estate appraiser shall have demonstrated that ~~he~~ the applicant possesses the knowledge and competence necessary to perform appraisals of residential and other real estate as the Board may prescribe by having satisfactorily completed, within the five-year period immediately preceding the date the application is made, a Board-approved course of instruction in real estate appraisal principles and practices consisting of at least 120 hours of classroom instruction in subjects determined by the Board; shall present evidence satisfactory to the Board of at least 2,000 hours of experience in real estate appraising within the five-year period immediately preceding the date application is made, and over a period of at least two calendar years; and shall satisfy ~~such~~ the additional qualifications criteria as may be imposed by the Board by rule, not inconsistent with any requirements imposed by the federal government; or shall possess education and experience which is found by the Board in its discretion to be equivalent to the above requirements.
- (3) Each applicant for certification as a State-certified general real estate appraiser shall have demonstrated that ~~he~~ the applicant possesses the knowledge and competence necessary to perform appraisals of all types of real estate by having satisfactorily completed, within the five-year period immediately preceding the date application is made, a Board-approved course of instruction in general real estate appraisal practices consisting of at least 180 hours of classroom instruction in subjects determined by the Board; shall present evidence satisfactory to the Board of at least 2,000 hours of experience in real estate appraising within the five-year period immediately preceding the date application is made, and over a period of at least two calendar years, fifty percent (50%) of which must be in appraising nonresidential real estate; and shall satisfy ~~such~~ the additional qualifications criteria as may be imposed by the Board by rule, not inconsistent with any requirements imposed by the federal government; or the applicant shall possess education or experience which is found by the Board to be equivalent to the above requirements.
- (4) Each applicant for registration as a trainee must demonstrate to the Board that the applicant possesses the knowledge and competence necessary to perform an appraisal of residential and other real estate, as prescribed by the Board, by:
 - a. Having satisfactorily completed within the five-year period immediately preceding the date application is made, a course, approved by the Board, of instruction in real estate appraisal

- principles and practices consisting of at least 90 hours of classroom instruction in subjects determined by the Board; and
- b. Satisfying any additional qualifications the Board imposes by rule, not inconsistent with any requirements imposed by the federal government;
or shall possess education or experience that the Board, in its discretion, determines to be equivalent to the requirements set forth in sub-subdivisions a. and b. of this subdivision.

Provided, however, that any persons who, on the effective date of this Chapter, have a State license or certificate to engage in business as a real estate appraiser issued by the predecessor of the Board, shall be entitled to and shall receive the same ~~such~~ license or certificate from the Board as they are then holding without further education, experience, examination, or application fee.

(b) Each application for registration as a trainee or for State licensure or certification as a real estate appraiser shall be accompanied by a fee of one hundred fifty dollars (\$150.00), plus ~~such any~~ additional fee as may be necessary to defray the cost of any competency examination administered by a private testing service.

(c) Any person who files with the Board an application for State licensure or certification as a real estate appraiser shall be required to pass an examination to demonstrate ~~his the person's~~ competence. The Board shall also make ~~such an~~ investigation as it deems necessary into the background of the applicant to determine ~~his the applicant's~~ qualifications with due regard to the paramount interest of the public as to ~~his the applicant's~~ honesty, truthfulness, and integrity. If the results of the investigation shall be satisfactory to the Board and the applicant is otherwise qualified, then the Board shall issue to the applicant a license or certificate authorizing the applicant to act as a State-licensed real estate appraiser or a State-certified real estate appraiser in this State. If, based upon the results of the investigation, the moral character of the applicant is in question, action on the application will be deferred pending a hearing before the Board.

(d) Any person who files with the Board an application for registration as a trainee real estate appraiser shall be required to pass an examination to demonstrate the person's competence. The Board shall also make an investigation as it deems necessary into the background of the applicant to determine the applicant's qualifications with due regard to the paramount interest of the public as to the applicant's honesty, truthfulness, and integrity. If the results of the investigation shall be satisfactory to the Board and the applicant is otherwise qualified, then the Board shall issue to the applicant a registration authorizing the applicant to act as a registered trainee real estate appraiser in this State. If, based upon the results of the investigation, the moral character of the applicant is in question, action on the application will be deferred pending a hearing before the Board."

Sec. 7. G.S. 93E-1-7 reads as rewritten:

"§ 93E-1-7. ~~License~~ Registration, license and certificate renewal; renewal fees; continuing education; reinstatement; replacement licenses and certificates; licensure and certification history.

(a) ~~Licenses~~ Trainee registrations, licenses, and certificates issued under this Chapter shall expire on the 30th day of June of every year and shall become invalid after that date unless renewed prior to the expiration date by filing an application with and paying to the Executive Director of the Board the fee of two hundred dollars (\$200.00). As a prerequisite to the renewal of a trainee registration or a real estate appraiser license or certificate, the ~~licensee~~ trainee registration holder, the licensee, or the certificate holder must satisfy any continuing education requirements ~~which that~~ may be prescribed by the Board under ~~G.S. 93E-1-7(b); subsection (b) of this section;~~ provided, however, that members of the General Assembly are exempt from this requirement during their term of office. The Board may adopt rules establishing a system of ~~license~~ trainee registration, license, and certificate renewal in which ~~licenses~~ trainee registrations, licenses, and certificates expire annually with varying expiration dates.

(b) The Board may by rule require, as a prerequisite to ~~license~~ trainee registration, license, or certificate renewal, the completion of Board-approved education courses in subject matters determined by the Board, or courses determined by the Board to be equivalent to ~~such~~ the instruction, not inconsistent with any requirements of federal authorities.

(c) All ~~licenses~~ trainee registrations, licenses, and certificates reinstated after the expiration dates shall be subject to a late filing fee of five dollars (\$5.00) per month for each month or part thereof that ~~such license~~ the trainee registration, license, or certificate is lapsed, not to exceed sixty dollars (\$60.00). ~~Such~~ The late filing fee shall be in addition to the required renewal fee. In the event a ~~licensee~~ trainee, licensee, or certificate holder fails to reinstate ~~his license~~ the trainee registration, license, or certificate within 12 months after the expiration date thereof, the Board may, in its discretion, consider ~~such~~ the person as not having been previously ~~licensed~~ registered, licensed, or certified, and thereby subject to the provisions of this Chapter relating to the issuance of an original ~~license~~ trainee registration, license, or certificate, including the examination requirements set forth herein. Applications to reinstate ~~licenses~~ trainee registrations, licenses, or certificates expired for 12 or more months shall be accompanied by the fee required for an original ~~license~~ trainee registration, license, or certificate.

(d) Replacement ~~licenses~~ trainee registrations, licenses, and certificates may be issued by the Board upon payment of five dollars (\$5.00) by the ~~licensee~~ trainee, licensee, or certificate holder. Certification by the Board of the trainee registration history or the licensure or certification history of a person ~~licensed~~ registered, licensed, or certified under this Chapter shall be made only after the payment of a fee of ten dollars (\$10.00) to the Board."

Sec. 8. G.S. 93E-1-11 reads as rewritten:

"§ 93E-1-11. Register of applicants; roster of State-licensed and State-certified appraisers; financial report to Secretary of State; administrative expenses.

(a) The Executive Director of the Board shall keep a register of all applicants for State trainee registration or for State licensure or certification as real estate appraisers,

showing for each the date of application, name, business or residence address, and whether the license or certificate was granted or refused. ~~Said~~The register shall be prima facie evidence of all matters received therein.

(b) The Executive Director of the Board shall also keep a current roster showing the names and places of business of all registered trainees and State-licensed and State-certified real estate appraisers, which roster shall be kept on file in the office of the Board and be open to public inspection.

(c) On or before the first day of November of each year, the Board shall file with the Secretary of State a copy of the roster of registered trainees and real estate appraisers licensed or certified by the Board and a report containing a complete statement of income received by the Board in connection with the trainee registration and the licensure and certification of real estate appraisers for the preceding fiscal year ending June 30th, attested by the affidavit of the Executive Director of the Board.

(d) In addition to those fees prescribed in this Chapter for making application for and renewing appraiser licenses and certificates, the Board may collect from applicants and holders of ~~such~~the licenses and certificates and remit to the appropriate agency or instrumentality of the federal government any additional fees as may be required to render North Carolina State-licensed or State-certified appraisers eligible to perform appraisals in connection with federally related transactions as well as an additional fee of twenty dollars (\$20.00) to cover the administrative costs associated therewith."

Sec. 9. G.S. 93E-1-12 read as rewritten:

"§ 93E-1-12. Disciplinary action by Board.

(a) The Board may take disciplinary action against registered trainees and State-licensed or State-certified real estate appraisers. Upon its own motion or the complaint of any person, the Board may investigate the actions of any person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter, any person who performs appraisals without an appropriate ~~license~~registration, license, or certificate, or any person who holds himself or herself out to be registered as a trainee or licensed or certified as a real estate appraiser when ~~he~~the person holds no ~~such~~license registration, license, or certificate. If the Board finds probable cause to believe that a person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter has violated any of the provisions of this Chapter, the Board may hold a hearing on the allegations of misconduct.

The Board may suspend or revoke the ~~license~~registration, license, or certificate granted to any person under the provisions of this Chapter or reprimand any ~~licensee~~registered trainee, licensee, or certificate holder if, following a hearing, the Board finds the ~~licensee~~registered trainee, licensee, or certificate holder to have:

- (1) Procured ~~licensure~~registration, licensure, or certification pursuant to this Chapter by making a false or fraudulent representation;
- (2) Made any willful or negligent misrepresentation or any willful or negligent omission of material fact;
- (3) Accepted an appraisal assignment when the employment is contingent upon the appraiser reporting a predetermined result, analysis, or opinion, or when the fee to be paid for the performance of the

appraisal assignment is contingent upon the opinion, conclusion, or valuation reached or upon consequences resulting from the appraisal assignment;

- (4) Acted or held himself or herself out as a registered trainee or a State-licensed or State-certified real estate appraiser when not so ~~licensed~~ registered, licensed, or certified;
- (5) Failed as a State-licensed or State-certified real estate appraiser to actively and personally supervise any person not licensed or certified under this Chapter who assists the State-licensed or State-certified real estate appraiser in performing real estate appraisals;
- (6) Failed to make available to the Board for its inspection without prior notice, originals or true copies of all written contracts engaging ~~his~~ the person's services to appraise real property, and all reports and supporting data assembled and formulated by the appraiser in preparing the reports;
- (7) Paid a fee or valuable consideration to any person for acts or services performed in violation of this Chapter;
- (8) Acted as a real estate appraiser in ~~such~~ an unworthy or incompetent manner as to endanger the interest of the public;
- (9) Violated any of the standards of practice for real estate appraisers or any other rule promulgated by the Board;
- (10) Performed any other act which constitutes improper, fraudulent, or other dishonest conduct; or
- (11) Violated any of the provisions of this Chapter.

The Executive Director of the Board shall transmit a certified copy of all final orders of the Board suspending or revoking licenses or certificates issued under this Chapter to the clerk of superior court of the county in which the licensee or certificate holder maintains ~~his~~ the person's principal place of business. The clerk shall enter these orders upon the judgment docket of the county.

(b) Following a hearing, the Appraisal Board may also suspend or revoke any ~~license registration, license, or certificate~~ issued under the provisions of this Chapter or reprimand any ~~licensee registered trainee, licensee, or certificate holder~~ when:

- (1) The ~~licensee registered trainee, licensee, or certificate holder~~ has been convicted of or has entered a plea of guilty or no contest upon which final judgment is entered by a court of competent jurisdiction in this State, or any other state, to an offense which, in the discretion of the Board, would reasonably affect the performance of the ~~licensee registered trainee, licensee, or certificate holder~~ in the real estate appraisal business;
- (2) A final civil judgment has been entered against the ~~licensee registered trainee, licensee, or certificate holder~~ on grounds of fraud, misrepresentation, or deceit in the making of any appraisal of real estate; or

(3) The ~~licensee-registered trainee, licensee, or certificate holder~~ has violated any of the provisions of G.S. 93E-1-13(a) when appraising his own property.

(c) When a person registered as a trainee or licensed or certified as a real estate appraiser under this Chapter is accused of any act, omission, or misconduct which would subject ~~him-the person~~ to disciplinary action, the ~~licensee-registered trainee, licensee, or certificate holder~~, with the consent and approval of the Board, may surrender his ~~license-or her registration, license, or certificate~~ and all the rights and privileges pertaining to it for a period of time established by the Board. A person who surrenders his ~~license-or her registration, license, or certificate~~ shall not thereafter be eligible for or submit any application for ~~license-registration, licensure, or certification~~ as a real estate appraiser during the period that the ~~license-registration, license, or certificate~~ is surrendered.

(d) The Board shall have the power to issue subpoenas requiring the attendance of persons and the production of papers and records before the Board in any hearing, investigation, inquiry, or other proceeding conducted by it. Upon the production of any papers, records, or documents, the Board shall have the power to authorize true copies thereof to be substituted in the permanent record of the matter in which ~~such-the~~ books, records, or documents shall have been introduced in evidence."

Sec. 10. G.S. 93E-1-13(a) reads as rewritten:

"(a) Any person who acts as, or holds himself or herself out to be, a registered trainee or a State-licensed or State-certified real estate appraiser without first obtaining a ~~license-registration, license, or certificate~~ as provided in this Chapter, or who willfully performs the acts specified in G.S. 93E-1-12(a)(1) through (10), shall be guilty of a Class 1 misdemeanor."

Sec. 11. G.S. 93E-1-14 reads as rewritten:

"§ 93E-1-14. Referral of cases by courts.

Whenever any ~~licensee-registered trainee, licensee, or certificate holder~~ is adjudged by a civil or criminal court to have injured or damaged any person, partnership, association, or corporation through gross negligence, incompetency, fraud, dishonesty, or other civil or criminal misconduct, ~~such-the~~ court may, as part of its judgment or decree, order a written copy of the transcript of the record in said case to be forwarded by the clerk of court to the Board with a recommendation that the ~~license-registration, license, or certificate~~ of the ~~licensee-registered trainee, licensee, or certificate holder~~ be revoked or otherwise subject to disciplinary action."

Sec. 12. G.S. 93E-1-2 is repealed.

Sec. 13. This act becomes effective October 1, 1995.

In the General Assembly read three times and ratified this the 26th day of July, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives