

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Department of Consumer Protection

Date: 10-16-2012

Subject Matter of Regulation: Appraisal Management Companies

Regulation Section No.: 20-529-1 through 20-529-16

Statutory Authority: 4-168 and 20-529e

Other Agencies Affected: n/a

Effective Date Used In Cost Estimate: Upon Passage (Filing with the Secretary of the State).

Estimate Prepared By: Jerry P. Padula, Esq. - DCP Legal

Telephone No.: 860-713-6087

SUMMARY OF COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: Department of Consumer Protection

Fund Affected: General Fund

	First Year	Second Year	Full Operation
Number of Positions	n/a	n/a	n/a
Personal Services	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0
Equipment	\$0	\$0	\$0
Grants	\$0	\$0	\$0
Total State Cost or (Savings)	\$0	\$0	\$0
Estimated Revenue Gain or (Loss)	\$140,000	\$10,000	\$0
Total Net State Cost or (Savings)	(\$140,000)	(\$10,000)	\$0

Explanation of State Impact of Regulation:

A revenue increase is anticipated because certification fees are paid into the general fund. The Department of Consumer Protection currently implements the existing regulations for real estate appraisers, but this proposed regulation adds new certifications for appraisal management companies. Approximately 150 new certifications are expected to be issued biennially at a cost of \$1,000.00 each. Revenue will fluctuate from year to year due to the biennial collection of the fees, with the great majority of the fee income arriving every other year at the time of renewal. Some additional late fees and other minor fees will be collected. No additional costs for enforcement or compliance are anticipated.

Explanation of Municipal Impact of Regulation:

No impact on municipalities is anticipated. The Department has jurisdiction over these regulations.

Explanation of Small Business Impact of Regulation:

This proposed regulations set forth the requirements that will allow companies to manage real estate appraisal businesses within Connecticut. The new regulations incorporate uniform standards being advanced by the Appraisal Subcommittee, an instrumentality of the federal government. By advancing the goal of uniformity, Connecticut appraisal management companies will less likely have to strive to meet multiple state standards, thereby reducing costs. Please see the attached Small Business Impact Statement ("SBIS") for more details.

Is a regulatory flexibility analysis required pursuant to C.G.S. 4-168a? Yes. The SBIS is attached.

EXHIBIT

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