H. R. 6791

To waive certain requirements with respect to in-person appraisals, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2020

Mr. SHERMAN (for himself and Ms. WATERS) introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Veterans’ Affairs, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To waive certain requirements with respect to in-person appraisals, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “COVID-19 Safe Home Appraisal Act of 2020”.

SECTION 2. CONGRESSIONAL FINDINGS.

The Congress finds that as the United States continues to grapple with the impact of the spread of Coronavirus Disease 2019 (COVID–19), several adjust-
ments are needed to ensure that mortgage processing can continue to function without significant delays, despite requirements that would otherwise require in-person interactions.

SEC. 3. WAIVER OF IN-PERSON APPRAISAL REQUIREMENTS.

(a) WAIVER.—During the period that begins upon the date of the enactment of this Act and ends on the date of the termination by the Federal Emergency Management Agency of the emergency declared on March 13, 2020, by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 4121 et seq.) relating to the Coronavirus Disease 2019 (COVID–19) pandemic, any appraisal that is conducted for a loan for a single-family residential property with respect to which applicable law or policy would otherwise require the performance of an interior inspection may be performed without an interior inspection, if—

(1) an exterior-only inspection appraisal is performed in conjunction with other methods, including borrower (or prospective borrower) observations or verifiable contemporaneous video or photographic documentation by the borrower (or prospective borrower), to the extent they are available;
(2) the applicable lender, guarantor, regulating agency, or insurer may order additional services to include an interior inspection at a later date; and

(3) the lender certifies that an appraiser rejected the assignment over health and safety concerns related to Coronavirus Disease 2019 (COVID-19).

(b) EXCEPTION TO EXTERIOR ONLY APPRAISALS.—If an exterior-only inspection appraisal pursuant to subsection (a)(1) is prevented by State or local laws or orders, a desktop appraisal shall be utilized in conjunction with other methods, including borrower (or prospective borrower) observations or verifiable contemporaneous video or photographic documentation by the borrower (or prospective borrower), to the extent they are available.

(c) STIPULATION.—An appraiser conducting an appraisal without an interior inspection pursuant to this section shall stipulate an extraordinary assumption that the property’s interior quality, condition, and physical characteristics are as described and consistent with the exterior view, and shall employ all available methods to maximize accuracy while maintaining safety.

(d) RULEMAKING.—Not later than the end of the 7-day period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development,
the Secretary of Agriculture, the Secretary of Veterans Affairs, and the Director of the Federal Housing Finance Agency shall issue such rules or guidance as may be necessary to ensure that such agencies, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the Federal home loan banks make any adjustments to single-family mortgage processing requirements that may be necessary to provide flexibility to avoid in-person interactions while preserving the goals of the programs and consumer protection.