

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Scott**

A Bill

ACT 413 OF 1993
SENATE BILL 310

For An Act To Be Entitled

8 "AN ACT TO AMEND VARIOUS SECTIONS OF ARKANSAS CODE TITLE
9 17, CHAPTER 51 RELATING TO LICENSING AND CERTIFICATION OF
10 APPRAISERS; AND FOR OTHER PURPOSES."

Subtitle

13 "RELATING TO LICENSING AND CERTIFICATION OF APPRAISERS."

15 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

17 SECTION 1. Arkansas Code 17-51-102 is amended to read as follows:

18 "17-51-102. Necessity for license.

19 (a) This chapter is created in response to Title XI of the Financial
20 Institutions Reform, Recovery, and Enforcement Act of 1989 and specifies three
21 classes of appraisers, i.e., state licensed, state certified residential, and
22 state certified general appraisers.

23 (b) It is the intent of the General Assembly that this law be no more
24 restrictive than required under the federal Financial Institutions Reform,
25 Recovery, and Enforcement Act of 1989."

27 SECTION 2. Arkansas Code 17-51-103 is amended by adding a new
28 subdivision to read as follows:

29 "() _State certified residential appraiser_ means any individual who
30 has satisfied the requirements for state certification in the state of
31 Arkansas and who is qualified to perform appraisals of all property types up
32 to a monetary size and complexity as prescribed by the Appraisal Subcommittee
33 of the Federal Financial Institutions Examination Council, and the federal
34 financial institutions regulatory agencies;"

36 SECTION 3. Arkansas 17-51-104 is amended to read as follows:

1 "17-51-104. Exceptions to licensing.

2 (a) (1) This chapter shall not apply to a real estate broker or sales
3 person licensed by this state who, in the ordinary course of his or her
4 *business, gives to a potential seller or third party, a market analysis or*
5 *broker's price opinion as to the recommended listing price of real estate, or*
6 an opinion to a potential purchaser or third party as to the recommended price
7 of real estate.

8 (2) The listing price or the purchase price shall not be referred to as
9 an appraisal, but as a market analysis or broker's price opinion.

10 (b) (1) The provisions of this chapter shall not apply to any state,
11 county, or municipal public officer or employee while such officer or employee
12 is performing appraisal or appraisal-related duties as such officer or
13 employee. Any appraisals performed by state, county, or municipal officers or
14 employees outside the scope of their employment are subject to the provisions
15 of this chapter;

16 (2) This chapter shall not apply to employees performing appraisals for
17 internal (nonpublic), nonfederally related purposes, or company foresters in
18 the ordinary course of their duties.

19 (c) Except as provided in subsection (b) in this section, appraisers
20 when providing appraisal reports or appraisal services in nonfederally related
21 transactions, who become licensed or certified by the Board are subject to the
22 provisions of this chapter in all matters involving appraisal services,
23 including transactions below the federally established threshold. *If an*
24 *appraiser does not make appraisals for any federal agency, any federally*
25 *insured lending institution, the Federal Housing Administration, the Federal*
26 *National Mortgage Association, the Federal Deposit Insurance Corporation, the*
27 *United States Federal Bankruptcy Courts, the Federal Highway Administration,*
28 *the Federal Aviation Administration, the Department of Veterans Affairs, the*
29 *Internal Revenue Service, or any other federal or quasi-federal authority,*
30 *including appraisal work that is distributed via interstate commerce, or*
31 *appraisals involving transactions above the threshold established by a federal*
32 *financial institution's regulatory agency, the appraiser is exempt from the*
33 *provisions of this chapter.*

34 (d) This chapter shall not preclude any person from testifying as an
35 expert witness in any judicial proceeding where the value of real estate is in

1 issue and the court otherwise qualifies such person as meeting the
2 qualifications of an expert witness.

3 (e) Nothing in this chapter shall be construed to prohibit any person
4 who is licensed to practice in this state under any law from engaging in the
5 practice for which he or she is licensed."
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7 SECTION 4. Arkansas Code Title 17 Chapter 51, Subchapter 2 is amended
8 by adding at the end thereof a new section to read as follows:

9 "17-51-206. Complaints and Disciplinary Procedures.

10 (a) The board may upon its own motion or upon written complaint of any
11 person, and after notice and hearing as prescribed by the Administrative
12 Procedures Act, suspend or revoke the transitional license, license or
13 certification of any licensee or certificate holder and/or issue a fine up to
14 *the amount of one thousand dollars (\$1,000) per violation occurrence, or take*
15 *any other appropriate disciplinary action for:*

16 (1) Violation of any provision of the Arkansas Appraiser Licensing and
17 Certification Act of 1991;

18 (2) Falsifying any application for licensure or certification or
19 otherwise providing any false information to the board;

20 (3) Conviction in any jurisdiction of any misdemeanor involving moral
21 turpitude or of any felony. A plea of nolo contendere or no contest shall be
22 considered a conviction for the purposes of this section;

23 (4) Any actions demonstrating untrustworthiness, incompetence,
24 dishonesty, gross negligence, material misrepresentation, fraud or unethical
25 conduct in any dealings subject to the act or these regulations;

26 (5) Adjudication of insanity;

27 (6) Use of advertising or solicitation which is false, misleading, or
28 is otherwise deemed unprofessional by the board;

29 (7) Employing directly or indirectly any unlicensed person to perform
30 any actions subject to this chapter;

31 (8) Habitual or excessive use of intoxicants or illegal drugs;

32 (9) Failure to meet continuing education requirements within the proper
33 time period."
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35 SECTION 5. Arkansas Code 17-51-305(a) is amended to read as follows:

1 "(a) Each state-licensed appraiser and each state-certified appraiser
2 shall comply with the Uniform Standards of Professional Appraisal Practice and
3 Code of Ethics adopted by the board and shall authenticate all written
4 appraisal reports with a seal which shall indicate the license or
5 certification number. Said seal and number shall also be used in all
6 statements of qualifications, contracts or other instruments used by the
7 license or certificate holder when reference is made to his or her status as a
8 state-licensed appraiser or a state-certified appraiser."

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10 SECTION 6. Arkansas Code 17-51-306(b) is amended to read as follows:

11 "(b) If, in the determination by the board, another state is deemed to
12 have substantially equivalent licensing and certification requirements, an
13 applicant who is licensed or certified under the laws of such other state may
14 obtain a temporary or non-resident license or certificate as a state-licensed
15 appraiser or a state-certified appraiser in this state upon such terms and
16 conditions as may be determined by the board. An appropriate fee is to be
17 charged."

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19 SECTION 7. All provisions of this act of a general and permanent nature
20 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
21 Revision Commission shall incorporate the same in the Code.

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23 SECTION 8. If any provision of this act or the application thereof to
24 any person or circumstance is held invalid, such invalidity shall not affect
25 other provisions or applications of the act which can be given effect without
26 the invalid provision or application, and to this end the provisions of this
27 act are declared to be severable.

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29 SECTION 9. All laws and parts of laws in conflict with this act are
30 hereby repealed.

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/s/ Senator Scott

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APPROVED: 03-09-93

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