

1 **State of Arkansas**

2 **78th General Assembly**

3 **Regular Session, 1991**

A Bill

HOUSE BILL 1390

4 **By: Representatives Hinshaw, Shaver, McCuiston, Hendrix, Bryan,**

5 **Cunningham, Mahony, George, D. Roberts, M. Wilson, Willems,**

6 **Arnold, D. Wood, McCoy, Rice, Barclay, Dawson, Hogue, Givens,**

7 **Blair, Teague, Parkerson, McJunkin, Jones, Hutchinson, Fairchild,**

8 **Jordan, Allen, McKissack, Dietz, K. Wood, and Wyrick, *Argue***

9 ***Representative Mitchum***

For An Act To Be Entitled

11 "ARKANSAS APPRAISER LICENSING AND CERTIFICATION ACT."

12

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

14

15 *SECTION 1. Title. This act will be known and may be cited as "The*
16 *Arkansas Appraiser Licensing and Certification Act".*

17

18 *SECTION 2. Definitions. As used in this act, the following terms shall*
19 *have the following meanings:*

20 (a) "Appraisal"-(noun) *The act or process of estimating value; an*
21 *estimate of value. (adjective) Of or pertaining to appraising and related*
22 *functions, e.g. appraisal practice, appraisal services.*

23 (b) "Appraisal Foundation"-*The terms "Appraisal Foundation" and*
24 *"Foundation" means the Appraisal Foundation established on November 30, 1987,*
25 *as a not for profit corporation under the laws of Illinois.*

26 (c) "Appraisal practice/services"-*The work or services performed by*
27 *appraisers for clients.*

28 (d) "Appraiser Qualifications Board"-*The Appraiser Qualifications Board*
29 *is the board created under Article XII, Sections 12.01 through 12.08*
30 *inclusive, of the bylaws of the Appraisal Foundation, as amended April 22,*
31 *1990.*

32 (e) "Appraisal Standards Board"-*The Appraisal Standards Board is the*
33 *board created under Article XI, Sections 11.01 through 11.13 inclusive, of the*
34 *bylaws of the Appraisal Foundation, as amended April 22, 1990.*

35 (f) "Appraisal Subcommittee"-*The subcommittee of the Federal Financial*

1 Institutions Examination Council established under Title XI-Real Estate
2 Appraisal Reform Amendments of the Financial Institutions Enforcement, Reform,
3 and Recovery Act of 1989, Section 1102, by amendment to the Federal Financial
4 Institutions Examination Council Act of 1978 (12 U.S.C. 3301 et seq.) through
5 the addition of new Section 1011, "Establishment of Appraisal Subcommittee".

6 (g) "Board"-The Arkansas Appraiser Licensing and Certification Board
7 established pursuant to this act.

8 (h) "Client"-Any person for whom an appraiser performs a service.

9 (i) "Federal Financial Institutions Regulatory Agencies"-The Board of
10 Governors of the Federal Reserve System, the Federal Deposit Insurance
11 Corporation, the Office of the Comptroller of the Currency, the Office of
12 Thrift Supervision, and the National Credit Union Administration.

13 (j) "Federally related transaction"-Any real estate-related financial
14 transaction which a financial institution, a federal financial institutions
15 regulatory agency or the Resolution Trust Corporation engages in, contracts
16 for, or regulates, and requires the services of an appraiser.

17 (k) "Financial institution"-An insured depository institution as
18 defined in the Federal Deposit Insurance Act, 12 U.S.C. 1813(c)(2), or an
19 insured credit union as defined in section 101 of the Federal Credit Union
20 Act, 12 U.S.C.1751 et seq.

21 (l) "Market analysis" or "broker's price opinion (BPO)"-A proposed
22 sale price opinion or recommended listing price given by a licensed real
23 estate broker, sales person or other, to a potential seller, purchaser, or
24 third party.

25 (m) "Personal property"-Identifiable portable and tangible objects
26 which are considered by the general public as being "personal", e.g.
27 furnishings, artwork, antiques, gems and jewelry, collectibles, machinery and
28 equipment: all property that is not classified as real estate.

29 (n) "Real estate"-An identified parcel or tract of land, including
30 improvements, if any.

31 (o) "Real property"-The interests, benefits, and rights inherent in
32 the ownership of real estate.

33 (p) "Real estate appraisal"-An unbiased estimate of the nature,
34 quality, value, or utility of an interest in, or aspect of, identified real
35 estate and related personalty. A real estate appraisal may be classified by
36 subject matter into either a valuation or an evaluation. A "valuation" is the

1 process of estimating the market value, investment value, insurable value or
 2 other properly defined value of an identified interest or interests in a
 3 specific parcel or parcels of real estate as of a given date. An "evaluation
 4 (analysis)" is the study of the nature, quality, or utility of a parcel of
 5 real estate or interests in, or aspects of real property, in which a value
 6 estimate is not necessarily required, e.g. a study of real estate or real
 7 property other than estimating value.

8 (q) "Real estate related financial transaction"-Any transaction
 9 involving:

10 (1) the sale, lease, purchase, investment in or exchange of real
 11 property, including interests in property, or the financing thereof;

12 (2) the refinancing of real property or interests in real property; and

13 (3) the use of real property or interests in property as security for a
 14 loan or investment, including mortgage-backed securities.

15 (r) "Report"-Any communication, written or oral, of an appraisal,
 16 review, or analysis; the document that is transmitted to the client upon
 17 completion of an assignment; the tangible expression of an appraiser's
 18 service.

19 (s) "Review"-The act or process of critically studying a report
 20 prepared by another.

21 (t) "State certified appraiser"-Any individual who has satisfied the
 22 requirements for state certification in the state of Arkansas and who is
 23 qualified to perform appraisals of all real property types of any monetary
 24 size and complexity.

25 (u) "State licensed appraiser"-Any individual who has satisfied the
 26 requirements for state licensing in the state of Arkansas and who is qualified
 27 to perform appraisals of all property types up to a monetary size and
 28 complexity as prescribed by the Appraisal Subcommittee of the Federal
 29 Financial Institutions Examination Council and the Federal Financial
 30 Institutions Regulatory Agencies.

31 (v) "Uniform Standards of Professional Appraisal Practice"-The entire
 32 body of rules, definitions, binding requirements, guidelines, explanatory
 33 comments, and ethical conduct provisions as promulgated by the Appraisal
 34 Standards Board of the Appraisal Foundation, which provide the basis for an
 35 individual to conduct the practice of professional appraising with integrity,

1 objectivity, independent judgement, and in an ethical manner.

2 (w) "Written appraisal"-A written statement used in connection with a
3 federally related transaction that is independently and impartially prepared
4 by a licensed or certified appraiser setting forth an opinion of defined value
5 of an adequately described property as of a specific date, supported by the
6 presentation and analysis of relevant market information.

7

8 SECTION 3. Composition, Membership, Chairman.

9 (a) There is hereby created the Arkansas Appraiser Licensing and
10 Certification Board to be composed of eleven (11) members as follows:

11 (1) seven (7) practicing appraisers, provided that at all times at
12 least five (5) of the appraiser members of the board shall be and/or shall
13 become state certified appraisers and two (2) shall be and/or shall become
14 state licensed appraisers by the effective date of Title XI of the Financial
15 Institutions Reform, Recovery, and Enforcement Act of 1989. Failure to meet
16 or maintain this qualification shall result in automatic disqualification from
17 this board;

18 (2) one (1) board member shall be the State Bank Commissioner;

19 (3) one (1) board member shall be a representative of financial
20 institutions familiar with the appraisal process;

21 (4) one (1) senior citizen representative; and

22 (5) one (1) consumer representative.

23 (b) Of the seven (7) practicing appraiser members, no more than two (2)
24 shall reside in the same congressional district of the four Arkansas
25 congressional districts as they now exist. Additionally, the seven (7)
26 practicing appraiser members shall be represented by the various disciplines
27 found in the appraisal profession, which include, but are not limited to,
28 residential appraisal, commercial and industrial appraisal, forestry and
29 timberland appraisal, rural appraisal and any other appraisal discipline that
30 may be affected by this act.

31 (c) The Governor shall appoint the members of the board and may remove
32 a member for cause.

33 (d) The term of each appraiser board member shall be three (3) years;
34 except that, of the first appointed, four (4) shall be appointed for three (3)
35 years, and three (3) shall be appointed for two (2) years. The financial

1 member representative, the senior citizen and the consumer representative
2 shall have three-year (3) terms; the Governor may reappoint these positions
3 biennially. The State Bank Commissioner shall be a permanent member of the
4 board.

5 (e) Upon expiration of their terms, members of the board shall continue
6 to hold office until the appointment and qualification of their successors.
7 No person shall serve as a member of the board for more than two (2)
8 consecutive terms.

9 (f) State chapters of national appraisal organizations which are
10 members of the Appraisal Foundation or its successor, plus the Arkansas
11 Chapter of the Association of Consulting Foresters of America, Inc., should
12 each submit to the Governor at least annually, on or before January 15th of
13 each calendar year, a list of two (2) names of members of their respective
14 organizations. Initially, the Governor shall appoint five (5) appraiser
15 members to the board from these lists, provided not more than two (2) members
16 represent any one of the national organizations which are members of the
17 Appraisal Foundation or the Association of Consulting Foresters of America,
18 Inc. Two (2) appraiser board members may be appointed by the Governor "at-
19 large". Subsequently, any appraiser vacancies shall be filled from these
20 lists with the exception of the Governor's two (2) at-large appointments.

21 (g) At least five (5) real estate appraiser members appointed to the
22 board shall be members in good standing of one of the Appraisal Foundation
23 member organizations or the Association of Consulting Foresters of America,
24 Inc., requiring qualified appraisal experience, education, and testing in
25 order to become a designated member in addition to adherence to standards of
26 professional practice in order to retain such designation. The nominees must
27 be from the Appraisal Foundation members having operating chapters
28 headquartered within the state of Arkansas. No practicing appraisers shall be
29 denied the opportunity to submit their names for consideration to fill either
30 of the two (2) at-large appointments to this board based solely upon
31 membership or lack of membership in any particular appraisal organization.

32 (h) The Governor shall appoint one (1) financial institution member to
33 the board. The Arkansas Bankers Association, Arkansas League of Savings
34 Institutions, the Arkansas Association of Bank Holding Companies, the Arkansas
35 Independent Bankers Association, the Arkansas Mortgage Bankers Association,

1 and the Arkansas Credit Union League should each submit a list of two (2)
2 names, annually, on or before January 15 of each calendar year, to the
3 Governor and the financial member shall be appointed and vacancy filled from
4 the lists of names provided.

5 (i) The members of the board will select a state certified appraiser
6 chairperson. The original chairperson shall become, by the effective date of
7 Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act
8 of 1989, a state certified appraiser.

9 (j) The Governor may appoint from the lists submitted to him by the
10 organizations which are members of the Appraisal Foundation, the Arkansas
11 Bankers Association, Arkansas League of Savings Institutions, the Arkansas
12 Association of Bank Holding Companies, the Arkansas Independent Bankers
13 Association, the Arkansas Mortgage Bankers Association, the Arkansas Credit
14 Union League, the Association of Consulting Foresters of America, Inc., and
15 the Ouachita Society of American Foresters, Arkansas Division, an
16 organizational sub-committee to be composed of two (2) members of each of
17 their state chapters plus two (2) members from lists submitted from appraisal
18 organizations not currently members of the Appraisal Foundation. The
19 subcommittee will assist the board in the duties required in the
20 implementation of this act. These subcommittee members are to serve for a
21 period of one (1) year without reimbursement and this subcommittee will not be
22 reappointed after the initial organizational period.

23 (k) The Governor may, at his discretion, request additional names to be
24 submitted from organizations mentioned in this act eligible to fill
25 appointments to this board.

26

27 SECTION 4. Powers and Duties of the Board.

28 (a) The Arkansas Appraiser Licensing and Certification Board may
29 establish, maintain, report, and periodically update meaningful qualification
30 standards for state licensed and state certified appraisers practicing in the
31 state of Arkansas, including testing, experience and educational requirements
32 that are adequate to demonstrate knowledge and competency, and that will
33 further demonstrate the continued compliance with all applicable federal law
34 and regulations including Title XI of the Financial Institutions Reform,
35 Recovery and Enforcement Act of 1989, related requirements of the Federal

1 *Financial Institutions Regulatory Agencies, and the minimum standards and*
2 *qualifications as promulgated by the Appraisal Standards Board and the*
3 *Appraiser Qualifications Board of the Appraisal Foundation and as approved by*
4 *the Appraisal Subcommittee of the Federal Financial Institutions Examination*
5 *Council.*

6 (b) *The Arkansas Appraiser Licensing and Certification Board may adopt,*
7 *maintain, report, and periodically update minimum reporting standards for*
8 *state licensed and state certified appraisers practicing in the state of*
9 *Arkansas. The reporting standards shall be equivalent to the "Uniform*
10 *Standards of Professional Appraisal Practice" as promulgated by the Appraisal*
11 *Standards Board of the Appraisal Foundation and shall at all times seek*
12 *compliance with all applicable federal law and regulations including Title XI*
13 *of the Financial Institutions Reform, Recovery and Enforcement Act of 1989,*
14 *related requirements of the Federal Financial Institutions Regulatory*
15 *Agencies, and the minimum standards as promulgated by the Appraisal Standards*
16 *Board of the Appraisal Foundation and as approved by the Appraisal*
17 *Subcommittee of the Federal Financial Institutions Examination Council.*

18 (c) *In accordance with these general powers and duties, the board*
19 *shall:*

20 (1) *Perform all duties and functions necessary to carry out the*
21 *provisions of this act.*

22 (2) *Receive applications for licensing and certification, establish*
23 *administrative procedures for processing applications, approve and issue*
24 *licenses and certificates to qualified applicants or disapprove applications*
25 *for licensing and certification for applicants who do not meet the minimum*
26 *requirements for licensing or certification as prescribed in this act. All*
27 *application materials and records submitted to the board shall be retained by*
28 *the board.*

29 (3) *Maintain a roster of the names, addresses, and telephone numbers*
30 *of all persons licensed and certified under this act and, in accordance with*
31 *Section 1103(a)(3) and Section 1109(a)(1) of Title XI of the Financial*
32 *Institutions Reform, Recovery, and Enforcement Act of 1989, shall submit this*
33 *roster annually to the Appraisal Subcommittee. This roster may be published*
34 *and periodically updated and provided to all interested parties at cost.*

35 (4) *Establish by regulation: minimum examination, education,*

1 experience, and continuing education requirements for state licensed and state
2 certified appraisers. The criteria for a state licensed appraiser shall be
3 less rigorous than the criteria for a state certified appraiser; however, they
4 will ensure that licensed appraisers have sufficient experience and training
5 to perform appraisals for transactions within and in compliance with Title XI
6 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.
7 These regulations shall at all times be equivalent to the minimum appraiser
8 qualification criteria as promulgated by the Appraiser Qualifications Board of
9 the Appraisal Foundation. With respect to examinations, these regulations
10 shall at all times require minimum examination contents that are equivalent to
11 the National Uniform Examination Content as promulgated by the Appraiser
12 Qualifications Board of the Appraisal Foundation and shall provide for the
13 selection and utilization of a testing service acceptable to the Appraiser
14 Qualifications Board of the Appraisal Foundation. Every application for
15 licensing and certification shall be accompanied by an examination fee that
16 the board may establish by regulation. However, the board, at its discretion,
17 may direct each applicant to pay the actual cost of the examination fee
18 directly to a testing service engaged by the board to administer the
19 examination. No examination fee for licensing or certification shall exceed
20 one hundred dollars (\$100.00). Courses, schools, seminars, and any other
21 educational programs must be recognized by the Arkansas Appraisal Licensing
22 and Certification Board as acceptable to satisfy licensing and certification
23 standards and continuing education requirements under this act.

24 (5) Establish administrative procedures for disciplinary proceedings
25 conducted pursuant to the provisions of this act. These procedures shall
26 include provisions for the suspension and revocation of licenses and
27 certificates and the enforcement of civil penalties concurrent with existing
28 statutes regarding civil procedures. The board may subpoena and issue
29 subpoena duces tecum and bring before it any person in this state, and to take
30 testimony by deposition, in the same manner as prescribed by law in judicial
31 proceedings in the courts of this state, or require production of any records
32 relevant to any inquiry or hearing by this board.

33 (6) Recommend procedures necessary to assure the ready availability to
34 appraisers in the state of adequate and reliable information regarding
35 property prices and the terms and conditions of real estate and real property

1 transactions and related financing.

2 (7) Establish administrative procedures for the setting, charging, and
3 collection of fees necessary for the operation of this board and to
4 concurrently collect and submit to the proper agency as prescribed under
5 Section 1109(a) (2) of the Financial Institutions Reform, Recovery and
6 Enforcement Act of 1989 and any other related federal law, any additional fees
7 that may from time to time be required to be paid by appraisers whose
8 practices include the appraisal of properties included in federally related
9 transactions.

10 (8) The total annual resident licensing, certification and application
11 fees established by the Board shall not exceed three hundred dollars (\$300.00)
12 excluding fees for examination and federal pass-through fees.

13 (9) The Board is authorized to adopt and enforce such administrative
14 rules and regulations as may be necessary to comply with state law and federal
15 law with specific reference to Title XI of the Financial Institutions Reform,
16 Recovery, and Enforcement Act of 1989 as it exists today and as it may be
17 amended and adopted by the Appraisal Subcommittee of the Federal Financial
18 Institutions Examination Council.

19

20 SECTION 5. Meetings, Quorum and Voting.

21 (a) The board shall meet not less frequently than twice each calendar
22 year to conduct its business. Places of future meetings shall be decided by
23 the vote of members at meetings. Written notice shall be given to each member
24 of the time and place of each meeting of the board at least ten (10) days
25 before the scheduled date of the meetings.

26 (b) An administrative secretary shall be present at all meetings of the
27 board and shall record the minutes of all meetings, the record of which shall
28 be made a permanent part of the records of the board.

29 (c) A quorum of the board shall be seven (7) members, providing that
30 four (4) must be state licensed or state certified appraisers. No binding
31 decisions or regulatory changes may be made by the board in the absence of a
32 quorum.

33 (d) Each member of the board shall be entitled to a per diem allowance
34 of not more than fifty dollars (\$50) for each meeting of the board at which
35 the member is present and for each day or substantial part thereof actually

1 spent in the conduct of the business of the board, plus all appropriate
2 expenses as approved by the board.

3

4 SECTION 6. Exceptions to Licensing.

5 (a) This act shall not apply to a real estate broker or sales person
6 licensed by this state who, in the ordinary course of his or her business,
7 gives to a potential seller or third party, a "market analysis" or "broker's
8 price opinion (BPO)", as to the recommended listing price of real estate or
9 an opinion to a potential purchaser or third party as to the recommended price
10 of real estate. The listing price or the purchase price shall not be referred
11 to as an "appraisal", but as a "market analysis" or "broker's price opinion".

12 (b) The provisions of this act shall not apply to any state, county, or
13 municipal public officer nor shall such provisions apply to any full-time
14 employee of any agency, department, or commission of this state while such
15 officer or employee is performing appraisal or appraisal-related duties as
16 such officer or employee. Any appraisals performed by state, county or
17 municipal officers or employees outside the scope of their employment are
18 subject to the provisions of this act.

19 (c) This act shall not apply to employees performing appraisals for
20 internal (non-public), non-federally related purposes, or company foresters in
21 the ordinary course of their duties.

22 (d) This act shall not apply to appraisers when providing appraisal
23 reports or appraisal services in non-federally related transactions. 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 institutions regulatory agency, the appraiser is exempt from the
33 provisions of this Act.

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

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

3

4 SECTION 7. Necessity for License. This act is created in response to
5 Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of
6 1989 (FIRREA) and specifies two classes of appraisers, e.g. state licensed
7 appraisers and state certified appraisers. A state licensed appraiser as
8 defined herein, may appraise real property for compensation if the use of a
9 state certified appraiser is not required under this act or by federal or
10 state law, rule or policy. It is unlawful for any individual to perform an
11 appraisal or provide appraisal services as defined herein, without holding a
12 license except as provided in Section 6. Nothing in this act shall be
13 construed to prohibit any person who is licensed to practice in this state
14 under any other law, from engaging in the practice for which he or she is
15 licensed. No person shall be excluded from obtaining a license or
16 certification based solely upon membership or lack of membership in any
17 particular appraisal organization.

18

19 SECTION 8. Additional Licenses - Non-Residents.

20 (a) If, in the determination by the board, another state is deemed to
21 have substantially equivalent licensing and certification requirements, an
22 applicant who is licensed or certified under the laws of such other state may
23 obtain a temporary license or certificate as a state licensed appraiser or a
24 state certified appraiser in this state upon such terms and conditions as may
25 be determined by the board. An appropriate fee is to be charged.

26 (b) Every applicant for licensing or certification under this act who
27 is not a resident of this state shall submit, with the application for
28 licensing or certification, an irrevocable consent that service of process
29 upon him or her may be made by delivery of the process to the Secretary of
30 State if, in an action against the applicant in a court of this state arising
31 out of the applicant's activities as a state licensed appraiser or state
32 certified appraiser, the plaintiff cannot effect personal service upon the
33 applicant. A non-resident of this state who has complied with this provision
34 may obtain a license or certification as a state licensed appraiser or a state
35 certified appraiser by conforming to all of the provisions of this act

1 relating to state licensed appraisers or state certified appraisers including
2 the payment of a fee.

3

4 SECTION 9. Use of Terms.

5 (a) The terms "Certified Real Property Appraiser", "Certified Real
6 Estate Appraiser" and "Certified Appraiser" shall only be used to refer to
7 individuals who hold a current certificate and shall not be used in connection
8 with or as part of the name or signature of an individual, a firm, a
9 partnership, a corporation, a group, or other business entity, or anyone other
10 than an individual holder of the certificate.

11 (b) No appraiser practicing or providing appraisal services in this
12 state as defined herein, may use the terms "Certified" or "Licensed" in
13 conjunction with his or her appraisal practice, unless they hold a valid
14 license or certification issued under the provisions of this act.

15 (c) The term "Licensed Real Estate Appraiser", "Licensed Real Property
16 Appraiser" or "Licensed Appraiser" shall only be used to refer to individuals
17 who hold a current license and shall not be used in connection with or as part
18 of the name or signature of an individual, a firm, a corporation, or group, or
19 in a manner that may be interpreted as referring to a firm, partnership,
20 corporation, group, or other business entity, or anyone other than an
21 individual holder of the license.

22 (d) A license or certificate shall not be issued under this act to a
23 firm, corporation, partnership, group, or other business entity.

24 (e) No person other than a "state licensed appraiser", or "state
25 certified appraiser", shall assume or use that title or any title,
26 designation, or abbreviation likely to create the impression of licensing or
27 certification as an appraiser by this state. A person who is not "licensed"
28 or "certified" pursuant to this act shall not describe or refer to any
29 appraisal report, written or oral, or other evaluation of real estate covered
30 under the activities of appraisers, by the terms "licensed", "certified" or
31 any other similar term that may be construed to imply qualification or
32 competency recognized by the state.

33 (f) Each "state licensed appraiser" and each "state certified
34 appraiser" shall comply with the Uniform Standards of Professional Appraisal
35 Practice and Code of Ethics adopted by the board and shall authenticate all

1 written appraisal reports with a seal which shall indicate the license or
2 certification number. Said seal and number shall also be used in all types of
3 media advertising, statements of qualifications, contracts or other
4 instruments used by the license or certificate holder when reference is made
5 to his or her status as a state licensed appraiser or a state certified
6 appraiser.

7 (g) License and certificate documents, licenses, certificates, seals
8 and pocket cards shall remain the property of the state and upon any
9 suspension, revocation, or other termination of a license or certification
10 pursuant to this act, the individual holding the related document(s) shall
11 immediately return such document(s) to the board.

12

13 SECTION 10. Effective Dates.

14 (a) After July 1, 1991, or such later date as established by the
15 Appraisal Subcommittee, it shall be unlawful for any person who is not
16 licensed or certified pursuant to this act to perform appraisal services as
17 defined herein in connection with a federally related transaction.

18 (b) The adoption of reporting standards in conformance with the Uniform
19 Standards of Professional Appraisal Practice and the related ethics
20 provisions, shall be effective immediately following the signing of this act
21 into law by the Governor. Additionally, all real estate appraisals and
22 reports as defined herein, conducted as part of a federally related
23 transaction as defined herein, shall be written reports, effective immediately
24 following the signing of this act into law by the Governor.

25

26 SECTION 11. In fulfilling its duties under this act, the Arkansas
27 Appraisal Licensing and Certification Board shall comply with the
28 Administrative Procedure Act, Arkansas Code 25-15-201 et seq., and any person
29 aggrieved by any rule or other actions of the Board for which an appeal is not
30 provided for in the Administrative Procedure Act may appeal to the Circuit
31 Court of Pulaski County.

32

33 SECTION 12. (a) Disciplinary hearings conducted by the Board for the
34 purpose of determining whether to levy civil penalties under this Act and/or
35 for the purpose of determining whether to revoke or suspend any license or

1 certificate issued pursuant to this Act shall not be deemed open public
2 meetings but shall be executive sessions conducted as provided for in the
3 Arkansas Freedom of Information Act.

4 (b) Sample appraisals and other work papers submitted to the Board as
5 partial fulfillment of the requirements for licensure and/or certification
6 under this Act shall not be deemed public records under the Arkansas Freedom
7 of Information Act.

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9 SECTION 13. It is the intent of the General Assembly that this law be
10 no more restrictive than required under the Federal Financial Institutions
11 Reform, Recovery and Enforcement Act.

12
13 SECTION 14. All provisions of this act of a general and permanent
14 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
15 Code Revision Commission shall incorporate the same in the Code.

16
17 SECTION 15. If any provision of this act or the application thereof to
18 any person or circumstance is held invalid, such invalidity shall not affect
19 other provisions or applications of the act which can be given effect without
20 the invalid provision or application, and to this end the provisions of this
21 act are declared to be severable.

22
23 SECTION 16. All laws and parts of laws in conflict with this act are
24 hereby repealed.

25
26 SECTION 17. Emergency. It is hereby found and determined by the
27 Seventy-Eighth General Assembly that minimum standards must be provided for
28 the licensing and certification of appraisers in accordance with the
29 requirements of the Financial Institutions Reform, Recovery and Enforcement
30 Act of 1989 and that there will continue to be a need to provide adequate
31 protection and safeguards for the public; that such provision should be
32 enacted immediately; and that this act would so provide. Therefore, an
33 emergency is hereby declared to exist and this act being immediately necessary
34 for the preservation of the public peace, health, and safety shall be in full
35 force and effect from its passage and approval.

3. The bill shall be effective on the date of its passage.

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/s/J. Hinshaw, et al