

1 State of Arkansas  
2 94th General Assembly  
3 Regular Session, 2023  
4

# A Bill

HOUSE BILL 1700

5 By: Representative McGrew  
6 By: Senator Caldwell  
7

## For An Act To Be Entitled

9 AN ACT TO EXEMPT PROPERTY MANAGERS FROM LICENSURE BY  
10 THE ARKANSAS REAL ESTATE COMMISSION; TO AMEND THE  
11 REAL ESTATE LICENSE LAW; AND FOR OTHER PURPOSES.  
12  
13

## Subtitle

14 TO EXEMPT PROPERTY MANAGERS FROM  
15 LICENSURE BY THE ARKANSAS REAL ESTATE  
16 COMMISSION; AND TO AMEND THE REAL ESTATE  
17 LICENSE LAW.  
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19  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
22

23 SECTION 1. Arkansas Code § 17-42-103(13), concerning the definition of  
24 "unlicensed real estate activity" under the Real Estate License Law, is  
25 amended to read as follows:

26 (13)(A) "Unlicensed real estate activity" means offering or  
27 engaging in any practice, act, or operation set forth in subdivision (10) of  
28 this section without a valid active Arkansas license issued by the  
29 commission.

30 (B) "Unlicensed real estate activity" does not include  
31 acting as a property manager if a person has complied with § 17-42-104.  
32

33 SECTION 2. Arkansas Code § 17-42-103, concerning definitions under the  
34 Real Estate License Law, is amended to add an additional subdivision to read  
35 as follows:

36 (14) "Property manager" means an individual who for a salary,



1 commission, or compensation of any kind or with the intent or expectation of  
2 receiving valuable consideration engages in the business of leasing, renting,  
3 or subleasing real estate located in this state on behalf of an owner,  
4 lessor, or potential lessee and who:

5 (A) Accepts employment by or on behalf of the owner,  
6 lessor, or potential lessee of real estate to promote or conduct the leasing  
7 or subleasing of the real estate;

8 (B) Negotiates or attempts to negotiate the lease of any  
9 real estate located in this state or of the improvements on any real estate  
10 located in this state;

11 (C) Engages in the business of promoting the lease or  
12 rental of real estate located in this state;

13 (D) Assists in completing real estate lease contracts or  
14 property management agreements;

15 (E) Procures tenants for owners of real estate located in  
16 this state;

17 (F) Aids or offers to aid for a fee any person in locating  
18 or obtaining any real estate for lease in this state;

19 (G) Makes the advertising of real property for lease  
20 available by public display to potential tenants;

21 (H) Shows rental or leaseable properties to potential  
22 tenants;

23 (I) In conjunction with property management  
24 responsibilities, acts as a liaison between the owners of real estate and a  
25 tenant or potential tenant;

26 (J) In conjunction with property management  
27 responsibilities, generally oversees the inspection, maintenance, and upkeep  
28 of leased real estate belonging to others;

29 (K) In conjunction with property management  
30 responsibilities, collects rents or attempts to collect rents for any real  
31 estate located in this state;

32 (L) Pays a fee, commission, or other compensation to a  
33 licensed broker, salesperson, or property manager for referral of the name of  
34 a prospective lessor or lessee of real property;

35 (M) Receives a fee, commission, or other compensation from  
36 a licensed real estate broker, salesperson, or property management broker for

1 referring the name of a prospective lessor or lessee of real property; or  
2 (N) Advertises or represents to the public that the  
3 individual is engaged in any of the activities referred to in this  
4 subdivision;

5  
6 SECTION 3. Arkansas Code § 17-42-104(a), concerning exemptions to Real  
7 Estate License Law, is amended to add an additional subdivision to read as  
8 follows:

9 (11) A person not licensed under this chapter who performs any  
10 of the acts described in § 17-42-103(14) and:

11 (A)(i) Has two (2) or more years of property management  
12 experience managing fifty (50) or more rental units; or

13 (ii) Is certified as a property manager from a  
14 national certification institute;

15 (B) Has not been convicted of or plead guilty to a felony;  
16 and

17 (C) Has a one hundred thousand dollar (\$100,000) fidelity  
18 bond.