

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**

**A Bill ACT 416 OF 1991**  
**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***

10 **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*  
36 *Institutions Examination Council established under Title XI-Real Estate*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6  
7           SECTION 3. *Composition, Membership, Chairman.*

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

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

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

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

20           (4) *one (1) senior citizen representative; and*

21           (5) *one (1) consumer representative.*

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

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

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

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

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

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

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

31 (h) The Governor shall appoint one (1) financial institution member to  
32 the board. The Arkansas Bankers Association, Arkansas League of Savings  
33 Institutions, the Arkansas Association of Bank Holding Companies, the Arkansas  
34 Independent Bankers Association, the Arkansas Mortgage Bankers Association,  
35 and the Arkansas Credit Union League should each submit a list of two (2)

1 names, annually, on or before January 15 of each calendar year, to the  
2 Governor and the financial member shall be appointed and vacancy filled from  
3 the lists of names provided.

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

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

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

25

26 SECTION 4. Powers and Duties of the Board.

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

1 qualifications as promulgated by the Appraisal Standards Board and the  
2 Appraiser Qualifications Board of the Appraisal Foundation and as approved by  
3 the Appraisal Subcommittee of the Federal Financial Institutions Examination  
4 Council.

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

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

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

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

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

34 (4) Establish by regulation: minimum examination, education,  
35 experience, and continuing education requirements for state licensed and state

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

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

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



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

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

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

18

19           SECTION 5. Meetings, Quorum and Voting.

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

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

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

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

1 expenses as approved by the board.

2

3 SECTION 6. Exceptions to Licensing.

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

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

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

21 (d) This act shall not apply to appraisers when providing appraisal  
22 reports or appraisal services in non-federally related transactions. If an  
23 appraiser does not make appraisals for any federal agency, any federally  
24 insured lending institution, the Federal Housing Administration, the Federal  
25 National Mortgage Association, the Federal Deposit Insurance Corporation, The  
26 United States Federal Bankruptcy Courts, the Federal Highway Administration,  
27 the Federal Aviation Administration, the Department of Veterans Affairs, the  
28 Internal Revenue Service, or any other federal or quasi-federal authority,  
29 including appraisal work that is distributed via interstate commerce, or  
30 appraisals involving transactions above the threshold established by a federal  
31 financial institutions regulatory agency, the appraiser is exempt from the  
32 provisions of this Act.

33 (e) This act shall not preclude any person from testifying as an expert  
34 witness in any judicial proceeding where the value of real estate is in issue  
35 and the court otherwise qualifies such person as meeting the qualifications of

1 an expert witness.

2

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

17

18       SECTION 8. Additional Licenses - Non-Residents.

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

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

1 the payment of a fee.

2

3 SECTION 9. Use of Terms.

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

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

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

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

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

32 (f) Each "state licensed appraiser" and each "state certified  
33 appraiser" shall comply with the Uniform Standards of Professional Appraisal  
34 Practice and Code of Ethics adopted by the board and shall authenticate all  
35 written appraisal reports with a seal which shall indicate the license or

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

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

11

12 SECTION 10. Effective Dates.

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

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

24

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

31

32 SECTION 12. (a) Disciplinary hearings conducted by the Board for the  
33 purpose of determining whether to levy civil penalties under this Act and/or  
34 for the purpose of determining whether to revoke or suspend any license or  
35 certificate issued pursuant to this Act shall not be deemed open public

1 meetings but shall be executive sessions conducted as provided for in the  
2 Arkansas Freedom of Information Act.

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

7

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

11

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

15

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

21

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

24

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

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*/s/J. Hinshaw, et al*

APPROVED: 3-8-91