

1 State of Arkansas  
2 88th General Assembly  
3 Regular Session, 2011  
4

As Engrossed: H3/15/11

# A Bill

HOUSE BILL 1795

5 By: Representative Patterson  
6 By: Senator Files  
7

## For An Act To Be Entitled

9 AN ACT TO REGULATE EXEMPTIONS OF THE REAL ESTATE  
10 LICENSING LAW; AND FOR OTHER PURPOSES.  
11

## Subtitle

14 TO REGULATE EXEMPTIONS OF THE REAL ESTATE  
15 LICENSING LAW.  
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18 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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20 SECTION 1. Arkansas Code § 17-42-104(a), concerning real estate  
21 licensing exemptions, is amended to read as follows:

22 (a) ~~The provisions of this chapter shall~~ This chapter does not apply  
23 to:

24 (1) ~~Any~~ A person not licensed under this chapter who performs  
25 any of the acts described in § 17-42-103(12) with regard to the property  
26 owned, leased, or purchased by him or her;

27 (2) An attorney in fact under a duly executed and recorded power  
28 of attorney from the owner or lessor authorizing the final consummation by  
29 performance of any contract for the sale, lease, or exchange of real estate,  
30 provided that the attorney in fact ~~receives no~~ does not receive or have an  
31 expectation of receiving a fee, commission, or other consideration ~~and has no~~  
32 ~~expectation thereof~~, directly or indirectly, for performing ~~any such~~ the act;

33 (3) An attorney at law in the performance of his or her duties  
34 as an attorney at law;

35 (4) ~~Any~~ A person acting as a receiver, trustee in bankruptcy,  
36 administrator, executor, or guardian, or while acting under a court order or



1 under the authority of a will or of a trust instrument;

2 (5) ~~Any~~ A person acting as a resident manager when the resident  
3 manager resides on the premises and is engaged in the leasing of real  
4 property in connection with his or her employment;

5 (6) ~~Any~~ A person employed only at a salaried or hourly rate to  
6 engage in the leasing of real property for or on behalf of a licensed  
7 principal broker, the real estate firm of a licensed principal broker, or an  
8 owner of real estate, if the person performs one (1) or more of the following  
9 activities:

10 (A) ~~Delivery of~~ Delivering a lease application, lease, or  
11 an amendment to a lease application or lease to any person;

12 (B) Receiving a lease application, lease, or an amendment  
13 to a lease application for delivery to the principal broker, real estate  
14 firm, or owner;

15 (C) Receiving a security deposit, rental payment, or any  
16 related payment for delivery to and made payable to the principal broker,  
17 real estate firm, or owner;

18 (D) Acting under the direct written instructions of the  
19 principal broker, real estate firm, or owner:

20 (i) Showing a rental unit to any person; or

21 (ii) Assisting in the execution of a preprinted  
22 lease or rental agreement containing terms established by the principal  
23 broker, real estate firm, or owner; or

24 (E) Conveying information prepared by the principal  
25 broker, real estate firm, or owner about a lease application, lease, the  
26 status of a security deposit, or the payment of rent to or from any person;

27 (7) ~~Any~~ An officer or employee of a federal agency or state  
28 government, or any political subdivision ~~thereof~~, in the performance or  
29 conduct of his or her official duties;

30 (8) ~~Any~~ A multiple listing service wholly owned by a nonprofit  
31 organization or association of real estate licensees; or

32 (9) *An officer of a corporation, a member or manager of a*  
33 *limited liability company, or a general partner of a partnership, or the*  
34 *equivalent of an officer of another form of business entity acting with*  
35 *respect to real property owned or leased by the ~~corporation or partnership,~~*  
36 *entity or an affiliated entity under common ownership or in connection with*

1 the proposed purchase, sale, rental, or leasing of real property by the  
2 corporation or partnership entity or affiliate, provided that such if the  
3 acts are not performed by the officer, member, or partner for or in  
4 expectation of a commission or other special compensation resulting solely  
5 from a successful transaction, not including profits and distributions of the  
6 entity;

7 (10) A person employed primarily at a salaried or hourly rate by  
8 a corporation, limited liability company, partnership, or other business  
9 entity acting with respect to real property owned or leased by the entity or  
10 an affiliated entity under common ownership or in connection with the  
11 proposed purchase, sale, rental, or leasing of real property by the entity or  
12 affiliate if the:

13 (A) Acts are not performed by the employee for or in  
14 expectation of a commission or other compensation resulting solely from a  
15 successful transaction;

16 (B) Primary business activity of both the entity and  
17 affiliated entity is not ownership or acquisition of real estate; and

18 (C) Employee is not providing real estate services to or  
19 on behalf of more than one (1) entity not affiliated by common ownership.

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22 /s/Patterson

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25 **APPROVED: 03/31/2011**