

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

HOUSE BILL 1163

5 By: Representative Rushing
6 By: Senator L. Eads
7

For An Act To Be Entitled

9 AN ACT TO CLARIFY PROVISIONS CONCERNING REAL ESTATE
10 LICENSE EXEMPTIONS; AND FOR OTHER PURPOSES.
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Subtitle

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13 TO CLARIFY PROVISIONS CONCERNING REAL
14 ESTATE LICENSE EXEMPTIONS.
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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)(1), concerning exemptions, is
21 amended to read as follows:

22 (a) This chapter does not apply to:

23 (1) A person not licensed under this chapter who performs any of
24 the acts described in § 17-42-103(10) ~~with regard to the property owned,~~
25 ~~leased, or purchased by him or her; as:~~

26 (A) An owner of an individual freehold or leasehold
27 interest in real estate;

28 (B) In the case of a corporation, limited liability
29 company, limited partnership or other entity recognized by law holding a
30 freehold or leasehold interest in the real estate under subdivision (a)(1)(A)
31 of this section, a member, manager, partner or officer, who has authority to
32 and does make management decisions affecting the overall policy of the entity
33 regarding real estate activities involving only the interest of the owner;

34 (C) An individual attempting to acquire for his or her
35 personal use a freehold or leasehold interest in real estate; or

36 (D) In the case of a corporation, limited liability



1 company, limited partnership or other entity recognized by law, intending to
2 acquire a freehold or leasehold interest in real estate under subdivision
3 (a)(1)(C) of this section, a member, manager, partner or officer, who has
4 authority to and does make management decisions affecting the overall policy
5 of the entity;

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7 SECTION 2. Arkansas Code § 17-42-104, concerning exemptions, is
8 amended to add an additional subsection to read as follows:

9 (c) A person or entity shall not under any circumstance qualify for an
10 exemption under this section if the person or entity:

11 (1) Obtains an equitable interest in real estate with knowledge
12 that the interest was obtained on behalf of a person or entity that intends
13 to gain an interest in the real estate; or

14 (2) Strategically circumvents the requirement for licensure
15 thereby eliminating remedies available to consumers through the commission.