

RECEIVED

NOV 8 2023

BUREAU OF
LEGISLATIVE RESEARCH

MARK UP

State of Arkansas

Department of Labor and Licensing Rules implementing the

Arkansas Appraiser Licensing and Certification ~~Board Rules~~ ACT

Effective Date: ~~July 1, 2022~~ [upon approval by the
Arkansas Legislative Council]

Department of Labor and Licensing

Arkansas Appraiser Licensing and Certification

Board Rules

Table of Contents

Section I - General

A. Creation, Purpose and Organization	5
B. Definitions	5-7
C. Board Compensation and Expense Reimbursement.....	7-8
D. Action of the Board	8-9
E. Records of the Board	9
F. Standards of Practice and Restrictions on Appraisal Practice.....	9
G. Licensure and Certification.....	11
H. Denial of License or Certificate	11
I. Appraiser Seal	11
J. Form and Content	12
K. Individual Licenses, Certificates, and Pocket Cards.....	12
L. Replacement License or Certificate	12
M. National Appraiser Registry	12
N. Education Approval and Requirements	13-19
O. Uniform Standards of Professional Appraisal Practice	19
P. Grounds for Disciplinary Action	19
Q. Complaint Adjudication and Publication of Action	20
R. Declaratory Orders.....	20-21
S. Uniformed Service Member.....	21-22

Section II - General Qualifications for Registration, Licensure or Certification

A. Reputation.....	22
B. Education.....	22
C. Non-Resident	22
D. Prior Convictions.....	22
E. Minimum Age.....	22
F. Forms, Signatures, Notarization.....	22-23
G. Identification.....	23

Section III – General Examination and Experience Criteria

A. Examination Criteria.....	23
B. Experience Criteria.....	23-24
C. Practical Applications of Real Estate Appraisal (PAREA).....	

Section IV - Criteria Applicable to a Registered Apprentice Appraiser Credential

A. General.....	27
B. Examination.....	27
C. Qualifying Education.....	27
D. Experience.....	28
E. Training.....	28-29

Section V – Criteria Applicable to a State Licensed Real Property Appraiser Credential

A. General	29
B. Examination.....	29-30
C. Qualifying Education.....	30-31
D. Experience.....	31

Section VI – Criteria Applicable to a Certified Residential Real Property Appraiser Credential

A. General.....	31
B. Examination.....	31
C. Qualifying Education.....	31-34
D. Experience.....	34

Section VII – Criteria Applicable to a Certified General Real Property Appraiser Credential

A. General.....	35
B. Examination.....	35
C. Qualifying Education.....	35-36
D. Experience.....	36

Section VIII – Criteria Applicable to a State Registered Real Property Appraiser Credential

A. General.....	37-38
B. Examination.....	38
C. Qualifying Education.....	38

Section IX – Non-Resident Registration and/or Licensing: Reciprocity

A. Reciprocity Appraiser Requirements.....	38-39
--	-------

Section X – Non-Resident Licensure & Certification – Temporary Practice Permit

A. Temporary Practice Permit Requirements.....	39
B. Term.....	40
C. Court Testimony.....	40

Section XI – Transfer of Licensed or Certified Credential

A. General.....	40
-----------------	----

Section XII - Licensure Expiration, Renewal, Upgrade, and Inactive Status

A. Inactive Date.....	40
B. Procedures for Renewal.....	41
C. Renewal Notice.....	41
D. Renewal Payment.....	41
E. Pocket Card/CE Requirements.....	41
F. Timely Renewal.....	41
G. Inactive the First 184 Days.....	41
H. Inactive 185 days up to 12 Months.....	41
I. Inactive after 12 Months.....	41-42
4Background check inactive more than 12 Months.....	42
J. Not Authorized to Practice if in Inactive Status.....	42
K. Revoked or Suspended.....	42

Section XIII – Supervisory Guidelines and Responsibilities

A. Supervisor Responsibilities.....	42-43
-------------------------------------	-------

Section XIV - Fees and Payment of Fees

A. Types of Fees.....	43
B. Payment of Fees.....	44
C. Delinquency Provision.....	44-45

Section XV – Criminal Background Checks

A. Definitions.....	45
B. Background Check Required.....	45
C. Application Procedure.....	46-47
D. Pre-Licensure Criminal Background Check.....	47

Section I – General (A) Creation, Purpose

~~The Act 628 of 2023 created the State Board of Appraisers, Abstracters, and Home Inspectors (the "Board") and abolished the separate~~ Arkansas Appraiser Licensing and Certification Board, ~~Arkansas Abstracters' Board, and Arkansas Home Inspector Registration Board. With respect to the Arkansas Appraiser Licensing and Certification Board, Act 628 provided that the statutory powers, duties, and functions of the former board would be transferred to the State Board of Appraisers, Abstracters, and Home Inspectors, including the administration of the (Board), was created by the action of the 78th General Assembly of the State of Arkansas during its regular session of 1991 with the passage of Act 541, "The the~~ Arkansas Appraiser Licensing and Certification Act, ~~541" of 1991, (A. C. A. 17-14-201 as amended) Arkansas Code § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301 et seq. and the Appraisal Management Company Registration Act, Arkansas Code § 17-14-401 et seq.~~

Formatted: Font: Italic

Formatted: Font: Italic

Formatted: Font: Italic

Formatted: Font: Italic

The ~~Arkansas Appraiser Licensing and Certification Board's~~ purpose in promulgating these rules is to implement the provisions of ~~Act 541 of 1991. The the~~ Arkansas Appraiser Licensing and Certification Act in a manner consistent with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA"), ~~Title 12, United States Code, Sections 93, et seq~~ ~~Public Law No. 101-73~~. The Board is authorized to promulgate such rules as may be necessary to ensure compliance with FIRREA and other applicable federal law.

The Board shall ~~perform all duties and functions necessary to carry out its duties and shall~~ hire a ~~Director and~~ permanent staff to conduct the daily business of the Board. ~~The specific duties of the permanent staff shall be determined by the Board. The staff shall consist in the first year of the biennium beginning July 1, 1991, of an Executive Director and one (1) Administrative Assistant. During the second year of the biennium one (1) additional permanent position of Investigator shall be created. Qualifications and salary levels for all permanent staff positions shall be determined by the Board and vacant staff positions will be filled following proper notice and advertising of the available positions with the State Employment Security Division and in accordance with all other State statutes regarding the hiring of public employees.~~

The Board shall hold regular meetings ~~in accordance with Section 5 of Act 541~~ to consider and act upon applications for certification and licensure, complaints regarding licensees, and to transact other business as may come properly before it.

Requests for general information, applications for examination for certificates or licenses, complaint forms, or copies of rules may be directed to the ~~Arkansas Appraiser Licensing and Certification Board~~.

Section I – General (B) Definitions

The following words and terms, when used in these rules, unless a different meaning is provided or is plainly required by the context, shall have the following meanings:

1. **"Act-541"** – The Arkansas Appraiser Licensing and Certification Act ~~of 1991~~, as amended, ~~and~~ codified as ~~A. C. A. Arkansas Code § 17-14-101, et seq., § 17-14-201, et seq., and Arkansas Code § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301 et seq.~~

Formatted: Font: Italic

Formatted: Font: Italic

2. **"Board"** – The ~~Arkansas Appraiser Licensing and Certification Board created under Act 541 of 1991~~ State Board of Appraisers, Abstracters, and Home Inspectors and does not include the Appraiser Qualification Board of the Appraisal Foundation or any other Appraisal Foundation Board.

3. **"Appraiser or Real Estate Fee Appraiser"** – Any person who, for a fee or valuable consideration, develops and communicates a real estate appraisal or otherwise gives an opinion of the value of real estate or any interest therein.

4. **"Independent Appraisal Assignment"** – Any engagement for which an appraiser is employed, or retained to act or to be perceived by third parties or the public as acting as a disinterested third party in rendering an unbiased analysis, opinion, or evaluation, or conclusions relating to the nature, quality, value, or utility or identified as real estate or real Property.

5. **"State Certified Appraiser"** – Any individual who has satisfied the requirements for State Certification in the State of Arkansas and who is qualified to perform appraisals of real property types of any monetary size and complexity. Within this category are included two (2) sub-classifications of certification;

a. "State Certified Residential Appraiser" which applies to the appraisal of one-to-four residential units without regard to transaction value or complexity. (Note: This classification applies to the appraisal of one-to-four residential units without regard to transaction value of complexity based on the consensus of the Appraiser Qualifications Board of The Appraisal Foundation. The Federal Financial Institutions Regulatory Agencies as well as other agencies and regulatory bodies permit the Certified Residential classification to appraise properties other than those specified by the Appraiser Qualifications Board. All Certified Residential appraisers are bound by the Competency Rule of the Uniform Standards of Professional Appraisal Practice.)

b. "State Certified General Appraiser" which applies to the appraisal of all types of real property. All Certified General real property appraisers are bound by the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

6. **"State Licensed Appraiser"** – Any individual who has satisfied the requirements for State Licensing in the State of Arkansas and who is qualified to perform appraisals of real property types up to a monetary size and complexity as prescribed by the Appraisal Qualifications Board of The Appraisal Foundation. (Note: This classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000 and complex one-to-four residential units having a transaction value less than \$250,000 based on the consensus of the Appraiser Qualifications Board of The Appraisal Foundation. The Federal Financial Institutions Regulatory Agencies as well as other agencies and regulatory bodies permit the licensed classification to appraise properties other than those specified by the Appraiser Qualifications Board. All Licensed appraisers are bound by the Competency Rule of the Uniform Standards of Professional Appraisal Practice.)

7. **"State Registered Appraiser"** – Any person who has satisfied the requirements for registering as set forth in Section 17-14-307 of the Arkansas Appraiser Licensing and Certification Act or requirements as may have been determined by the Board and who may perform appraisals on any type of property except when the purpose of the appraisal is for use in federally related transactions.

8. **"Complex 1-to-4 Family Residential Property Appraisal"** – One in which the property to be appraised, the form of ownership, or market conditions are atypical.

9. **"Open Public Meetings"** – All meetings, formal or informal, special, or regular of the Arkansas Appraiser Licensing and Certification Board except those classified as "Executive Sessions" ~~under Act 541, Section 12. (a), the Arkansas Appraiser Licensing and Certification Act, and [Ark. Stat. 25-19-106, Paragraphs (c)(1), (c)(2)(A) & (c)(2)(B), and (c)(4)], the Freedom of Information Act of 1967, Arkansas Code § 25-19-101, et seq., or other applicable law.~~

Formatted: Font: Italic

10. **"Executive Sessions"** – Those meetings of the ~~Arkansas Appraiser Licensing and Certification~~ Board conducted for the purpose of disciplinary hearings; to ~~—determine whether to levy civil penalties under this the Act, and/or for the purpose of determining whether to revoke or suspend any license or certificate issued pursuant to the Act 541 of 1991, and additionally, those permitted under the Freedom of Information Act for the purpose of considering employment, appointment, promotion, disciplining, or resignation of any public officer or employee.~~

11. **"Transaction Value"** – For the purposes of these rules this means:

~~(A)~~ For loans or other extensions of credit, the amount of the loan or extension of credit;

~~a.(B)~~ For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved;

~~b.(C)~~ For the pooling of loans or interests in real property for resale or purchase, the amount of the loan or market value of the real property calculated with respect to each such loan or interest in real property;

Formatted: Indent: First line: 1", Tab stops: Not at 1.47"

~~e.(D)~~ For condemnation appraisals the value ~~will be~~ the total market value of the property before any acquisition of property occurs;

Formatted: Right: 0", Tab stops: Not at 1.47"

12. **"Supervisory Appraiser"** – A State Certified Appraiser who ~~is~~ (1) formally agrees to supervise the work of a specific Registered Apprentice Appraiser; (2) is recorded by the Board as a Supervisory Appraiser; and (3) has successfully completed the ~~four (4) hour~~ four-hour Supervisor/Trainee course offered by the ~~Arkansas Appraiser Licensing and Certification~~ Board or other approved education provider. Refer to Section XIII of these Rules for additional qualifications.

13. **"Registered Apprentice Appraiser"** – An individual who has satisfied the requirements for apprentice appraiser by the Appraiser Qualifications Board and who is subject to direct control and supervision by a qualified state-certified appraiser supervisor as a part of upgrading his/her classification to state-licensed or state-certified. The scope of practice for a registered apprentice appraiser is the appraisal of properties that the state-certified appraiser supervisor is permitted by his or her current credential and competent to appraise.

Section I – General (C) Board Compensation and Expense Reimbursement

Each member of the ~~Arkansas Appraiser Licensing and Certification~~ Board shall receive a per diem allowance of sixty dollars (\$60) (or as amended by Legislative Act) as compensation for each meeting of the Board at which the member is present and for each day or substantial part thereof actually spent in the conduct of the business of the Board, plus all appropriate expenses as approved by the Board. Appropriate expenses are the reimbursable expenses a member of the Board necessarily incurs in the discharge of his/her official duties. Request for compensation or reimbursement of appropriate expenses shall not be processed for payment unless sufficient funds are available for that purpose within the appropriations for this Board.

Section I – General (D) Action of the Board

Any adjudicatory or rule-making action taken by the Board pursuant to ~~the Act 541 of 1991~~ or these rules shall first be in compliance with the Administrative Procedure Act, A. C. A. 25-15-201 et seq., and may be performed by a number of the Board's members or by those officers, employees, agents, or representatives of the Board as is permitted by law and authorized by a majority of the Board's membership. The Board may take action by a mail ballot or by a conference telephone call and any such action so taken shall be conducted in the presence of an administrative secretary and a record of such actions and meetings shall be recorded in the minutes of the Board. All meetings of the Board or subcommittees of the Board shall be open public meetings as defined herein except as provided herein for ~~"Executive Sessions"~~ in Section I General (B) (10).

The Executive Director, Deputy Director, Administrative Assistants, and ~~the~~ Investigators are prohibited from engaging in any act for which a certificate or a license is required under the

~~provisions of Act 541 or receive-receiving or become-becoming~~ entitled to receive any fee or compensation of any kind in any capacity whatsoever, either directly or indirectly, in connection with any real estate appraisal transaction. Practicing appraiser members of the Board are excluded from this prohibition as are contracted investigators or other contracted experts who may be employed by the Board from time-to-time.

The Board may conduct disciplinary proceedings from time-to-time and may cause the actions of a registered, licensed, or certified appraiser against whom a complaint has been filed to be investigated. For a complaint to be considered, the complainant shall file the complaint in writing at the permanent address of the Board, directed to the ~~Arkansas Appraiser Licensing and Certification~~ Board. The written complaint shall specifically state the issues of the complaint, and the date(s) on which the events causing or leading to the complaint occurred. The Executive Director, Chief Investigator, or authorized employee of the Board, upon receiving any such complaint shall present the complaint to a Board Committee or Panel to determine if the Board has jurisdiction to proceed.

The Board may initiate its own complaint when sufficient documents and information (i.e., appraisal reports, reviews and/or outlined deficiencies) are available on which to conclude that the Uniform Standards, ~~the~~ State law, ~~and~~/or these Rules may have been violated.

If jurisdiction is established or the Board initiates its own complaint, the Executive Director, or board staff, shall notify in writing every person complained against, and provide that person an opportunity to respond in writing. A copy of the written complaint shall be furnished to the appraiser under investigation and a copy of the appraiser's response shall be furnished to the complainant. Appraisers failing to respond in writing within thirty (30) days of receipt of the complaint will be deemed unresponsive and the complaint will be further considered without benefit of the appraiser's input.

The Executive Director, Chief Investigator, or authorized employee may proceed at any time after jurisdiction has been established, to investigate said complaint and take statements from any person thought to have any knowledge of any facts pertaining thereto. The Board may request the registered, licensed, or certified appraiser under investigation to answer the charges made against him/her in writing and to produce relevant documentary evidence and may request him/her to appear before it.

Every properly filed complaint shall be presented to and reasonably disposed of by the Board. The Board may subpoena and issue subpoena duces tecum and bring before it any person in this State or licensed by the Board, and take testimony by deposition, in the same manner as prescribed by law in judicial proceedings in the courts of this State, or require production of any records relevant to any inquiry or hearing by the Board.

Records of ongoing disciplinary proceedings and investigations shall not be disseminated by the Board or its staff to the public unless a request has been made pursuant to the Arkansas Freedom of Information Act or unless otherwise required by law. Disciplinary

hearings shall be conducted according to the Arkansas Administrative Procedures Act, A. C. A. Sec. 25-15- 201 et seq.

Section I – General (E) Records of the Board

All public records of the ~~Arkansas Appraiser Licensing and Certification~~ Board shall be open for inspection and copying at the office of the Board by any member of the general public during normal business hours (8:00 a.m. to 4:30 p.m. Monday through Friday, except holidays) except for those records exempt under ~~the Act 541- of 1991~~ and under these rules. All public meetings of the Arkansas Appraiser Licensing and Certification Board will be open to any member of the public.

The Executive Director of the Board shall be established as the custodian of the Records of the Board. The Executive Director shall be responsible for the maintenance of the Board's records and shall also be responsible for access to public records.

Individuals may inspect and copy public records pursuant to the procedures set forth in the Arkansas Freedom of Information Act, A. C. A. 25-19-101 et. seq. and shall pay an appropriate fee or fees as shall be set by the Board.

Pursuant to Act 1028 of 2019, the Board must record all officially scheduled, special, and called open public meetings in a manner that allows for the capture of sound. Therefore, with the exception of Executive Sessions, a sound-only recording will be made of the open public meetings of the Board. The recordings will be maintained by the Board for a period of one (1) year from the date of the open public meeting. The recordings will be maintained in a format that may be reproduced.

Section I – General (F) Standards of Practice and Restrictions on Appraisal Practice

Standards of Practice

Appraisers in all classifications shall perform and practice in compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Existing credential holders (with the exception of Registered Apprentice and State Registered appraisers) in good standing in any jurisdiction shall be considered in compliance with current Appraiser Qualifications Board *Real Property Appraiser Qualifications Criteria* if they have passed an Appraiser Qualifications Board approved qualifying examination for that credential. This applies to reciprocity, temporary practice, renewals, and applications for the same credential (with the exception of Registered Apprentice and State Registered appraisers) in another jurisdiction. All credential holders must comply with ongoing requirements for

continuing education and renewal procedures.

Restrictions on Appraisal Practice

All appraisal services rendered in federally related transactions must be performed or rendered by a person or persons holding the appropriate registration, license, or certification. All written appraisal reports shall make a specific reference to any person(s), bear the signature(s) and seal(s) of all properly registered, licensed, or certified person(s) who participated significantly in the performance of the appraisal or delivery of appraisal services. All Registered, Licensed or Certified appraisers signing an appraisal report or other document representing the delivery of appraisal services shall assume full joint and several responsibility and liability for the compliance of the appraisal performed or the appraisal service rendered with respect to compliance with the Uniform Standards of Professional Appraisal Practice.

A **State Licensed Appraiser** may perform appraisals of non-complex one (1) to four (4) residential units having a transaction value of less than \$1,000,000, and complex one (1) to four (4) residential units having a transaction value of less than \$250,000. Complex one-to-four units residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical. For non-federally related transaction appraisals, transaction value shall mean market value. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units, or for which the highest and best use is for one-to-four residential units. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary. All State Licensed Appraisers must comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

A **State Certified Residential Appraiser** may perform appraisals of one (1) to four (4) residential units without regard to value or complexity. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential unit purposes or for which the highest and best use is for one-to-four residential units. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary. All Certified Residential appraisers must comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

A **State Certified General Appraiser** perform appraisals of all types of real property. All **State Certified General** appraisers must comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

**State Licensed and Certified Residential appraisers performing appraisals on non- residential (i.e., commercial, farms, timberland, etc.) property types shall comply with the following limitations.*

- Federally Related Transactions: A state licensed ~~/or~~ certified residential appraiser shall be limited to appraising a "transaction value" (loan value)

of no more than \$250,000.

- Non-Federally Related Transactions: A state licensed ~~or~~ certified residential appraiser shall be limited to a "property value" of no more than \$250,000.

A **State Registered Appraiser** may perform appraisals on any type of property except ~~(1)~~ when:

~~(1)~~(A) the purpose of the appraisal is for use in federally related transactions, or
(2B) The client requires a State Licensed or Certified appraiser ~~or~~

and

(2) must include in all appraisals reports a statement that the appraisal may not be eligible for use in federally related transactions.

All appraisals and ~~or~~ appraisal services performed by a state registered appraiser shall be subject to the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

A **Registered Apprentice Appraiser** may assist in the performance of an appraisal of properties that his or her state-certified appraiser supervisor is permitted to appraise by his or her current credential. The Registered Apprentice Appraiser and his or her state-certified supervisor must comply with the Competency Rule of the Uniform Standards of Professional Appraisal Practice.

Section I – General (G) Licensure and Certification

If upon passing the required appropriate examination ~~or~~ an applicant is found by the Board to be otherwise qualified, the Board shall issue to the applicant ~~or~~ a real estate appraiser license or a real estate appraiser certificate indicating residential or general status.

Section I – General (H) Denial of a Registration, License or Certification

If the Board finds that there is substantial reason to deny the application for a registration, license, or certification, the Board shall notify the applicant that the application has been denied. The Board shall afford the applicant an opportunity for a hearing before the Board to show cause why the application should not be denied. Such requests ~~must~~ shall be sent to the Board within thirty (30) calendar days from the date notification is received from the Board to appeal the decision.

All proceedings concerning the denial of an appraiser credential shall be governed by the Arkansas Administrative Procedures Act, § 25-15-201 et seq.

Formatted: Indent: First line: 0.5", Right: 0"

Formatted: Font color: Red

Formatted: Indent: First line: 0.5", Right: 0", Tab stops: Not at 1.22" + 1.22"

Formatted: Right: 0", Tab stops: Not at 1.22" + 1.22"

Section I – General (I) Appraiser Signature and Seal

Each registered, licensed, and certified appraiser₇ at his/her own expense₇ shall secure₇ upon authorization by the Board₇ a seal₇ or rubber stamp, the form of which shall be approved by the Board.

In addition to the personal seal or rubber stamp, the credential holder shall also affix his/her signature, at a minimum, to the letter of transmittal (if applicable) and the certification page of each appraisal report or appraisal service, ₇which were prepared by him/her or were prepared under his/her direction.

Section I – General (J) Form and Content

The Board shall issue to each ~~registeredregistrant~~, licensee₇ or certificate holder a license or certificate as applicable₇ in a form as shall be prescribed by the Board. The license ~~and~~/or certificate shall show the name of the ~~registeredregistrant~~, licensee₇ or certificate holder and a license or certificate number assigned by the Board. Each license ~~and~~/or certificate shall have imprinted on it the state seal and in addition shall contain other matters as shall be prescribed by the Board.

Registrations, Licenses₇ and certificate documents, pocket cards₇ and seals shall remain the property of the state and upon any suspension, revocation₇ or denial of a license or certificate, the individual holding the related license or certificate document and pocket card shall return them to the Board within ten (10) days of notification by the Board and shall cease to use seals or stamps immediately upon receipt of notice.

Section I – General (K) Individual License, Certificates, and Pocket Cards

A ~~registeredregistrant~~, licensee₇ or certificate holder shall not conduct his/her business under any other name or at any other address than the one for which his/her individual license or certificate is issued unless he/she first registers the name(s) with the Board. If a registered, licensee or certificate holder changes his/her name or business address, he/she shall notify the Board in writing within thirty (30) days after the change becomes effective.

In addition to the individual license or certificate to be issued to each qualified individual, the Board shall furnish to each individual a pocket card, which shall certify that the person whose name appears on the pocket card is a state registered appraiser, registered apprentice appraiser, state licensed appraiser, a state certified residential appraiser, or a state certified general appraiser, and indicate any current restrictions of that licensee's practice. Each ~~registeredregistrant~~, licensee₇ or certificate holder shall carry his/her pocket card upon his/her person at all times when conducting any real estate appraisal related activity and shall exhibit

it upon demand.

Section I – General (L) Replacement License or Certificate

A ~~registered registrant~~, ~~licensed licensee~~, or certificate holder may, by filing a written request obtain a duplicate registration, license, or certificate which has been lost, damaged, or destroyed or if the name of the licensee or certificate holder has been lawfully changed.

Section I – General (M) National Appraiser Registry

The Board shall submit to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council all names of individuals who are qualified as licensees or certificate holders in the State of Arkansas, both resident and non-resident, provided the individuals have paid to the Board the appropriate registry fee established for that purpose by the Appraisal Subcommittee or any other appropriate federal agency or instrumentality. If a non-resident appraiser is licensed or certified on a non-temporary basis in another state, and chooses to be licensed or certified in Arkansas on a non-temporary basis, the national registry fee shall be collected by the ~~Arkansas Appraiser Licensing and Certification~~ Board and submitted to the Appraisal Subcommittee. The national registry fee collected by the ~~Arkansas Appraiser Licensing and Certification~~ Board from non-resident appraisers shall be an additional national registry fee to that which is collected from the other state(s) where the appraiser may be licensed or certified on a non-temporary basis. An appraiser holding the classification of "State Registered" or "Registered Apprentice Appraiser" will not be assessed a national registry fee.

Section I – General (N) Education Approval and Requirements

1. General Requirements for Education Offerings

A. The Board may approve or disapprove all course offerings for qualifying education —and continuing education. The approval process shall apply to course content, facilities, text, course delivery mechanism, and other materials utilized in the offering and instructors. The Board may, at its sole discretion employ the services of an advisory education panel for the purpose of reviewing educational offerings for quality, content, and qualifications of instructors. The Board may recognize any educational offering recommended or approved by the Appraiser Qualification Board (AQB) of the Appraisal Foundation.

- B. Time requirements for the purpose of all educational offerings include:
1. A class hour is defined as 60 minutes, of which at least 50 minutes are instruction attended by the student.
 2. The prescribed number of class hours includes time for examinations.

C. Credit for the class hour requirements may be obtained only from the following providers:

1. Colleges or universities;
2. Community or junior colleges;
3. Real estate appraisal or real estate-related organizations;
4. State or federal agencies or commissions;
5. Proprietary schools;
6. Providers approved by the Board; or
7. The Appraisal Foundation or its Boards.

D. Experience may not be substituted for education.

E. Distance education is defined as any education process based on the geographical separation of student and instructor. Components of distance education include synchronous, asynchronous, and hybrid. In synchronous educational offerings, the instructor and students interact simultaneously online, similar to a phone call, video chat or live webinar, or web-based meeting. In asynchronous educational offerings, the instructor and student interaction is non-simultaneous; the students progress at their own pace and follow a structured course content and quiz/exam schedule. Hybrid courses, also known as blended courses, are learning environments that allow both in-person and online (synchronous or asynchronous) interaction.

Synchronous courses provide for instruction and interaction substantially the same as on-site classroom courses. Synchronous courses meet class hour requirements if they comply with requirements (B) and (C) above.

An asynchronous distance education course is acceptable to meet class hour requirements if:

1. The course provides interaction. Interaction is a reciprocal environment where the student has verbal or written communication with the instructor; and
2. Content approval is obtained from the AQB, the Board, or an accredited college, community college, or university that offers distance education programs and is approved or accredited by the Commission on Colleges, a regional or national accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education. Non-academic credit college courses provided by a college shall be approved by the AQB or the Board; and
3. Course delivery mechanism approval is obtained from one of the following sources:
 - a. The AQB; or
 - b. AQB approved organizations providing approval of course design and delivery (such as The Appraisal Foundation or other independent approved entity); or
 - c. a college or university that qualifies for content approval in paragraph 2 above that awards academic credit for the distance education course; or
 - d. a qualifying college or university for content approval with a distance

education delivery program that approves the course design and delivery that ~~—~~incorporate interactivity.

4. If the certification of the course delivery mechanism expires prior to the Board's expiration date of the course, the course will not be accepted for credit until the provider can provide an updated certification.

F. Hybrid courses meet class hour requirements if each of its sessions meet the requirement for the delivery method employed:

1. in-person sessions must meet (B) and (C) above,
2. synchronous course sessions must meet (B) and (C) above,
3. asynchronous courses sessions must meet (B), (C), and (E 1-3) above.

G. A list of approved education providers and courses is available on the Board's website. If a course is taken that is not on that list, it may be submitted to the Board for individual consideration by submitting the following:

1. A Course Completion Certificate,
2. A timed outline provided by the education provider, and a
3. A course description from the education provider.

H. Education course approval by the Board is initially granted for a period of two (2) years provided no substantive changes in course content is made. Approval may be extended for an additional two (2) years on the written request by the provider. Failure to timely request an extension will result in automatic termination of the education offerings approval status.

I. *The fifteen (15) hour National USPAP Course* may not be substituted for the *7-hour National USPAP Update Course*.

J. All persons or providers requesting approval from the Board for an education course shall submit to the Board office a completed "Education Course Approval Application" that is found on the Board's website. The application must be accompanied by the following:

1. A timed outline allocating each heading and subtopic; and
2. A copy of the course materials; and
3. Instructor resume(s); and
4. All AQB and course delivery mechanism approval certificates, if applicable; and
5. Applicable fees.

K. The Board may at its discretion adopt and implement various procedures for the auditing of any offerings that have been accepted for qualifying and continuing education approval by this agency.

L. Examination Proctor Qualifications:

1. The person shall not be related to the student by blood or marriage and may not be engaged in any association (personal or business) with the student.

2. The proctor may be selected from the following professions:
 - a. A university, college, or community college professor or instructor.
 - b. A public and private school professional (superintendent, principal, guidance counselor, librarian, etc.)
 - c. An AQB certified instructor or an approved professional association's instructor.
3. Proctor(s) shall be approved, in advance, by the ~~Arkansas Appraiser Licensing and Certification~~ Board.

M. Examination Proctor Duties

1. Be satisfied that the person taking the examination is the person registered for the course. This should be verified with a picture ID and another identification document (driver's license, student ID card, etc.).
2. Be in the room while the student is taking the exam. Assure that the student does all the work him/herself without aids of any kind including books, notes, conversation with others, or any other external resource. If the exam calls for mathematical calculations, a non-programmable hand-held calculator may be used.
3. The proctor shall see that the student adheres to the time limit requirement specified for the examination. The examination must be completed in one sitting. If the examination is interrupted for any reason, the examination can be re-started only by notifying the ~~Arkansas Appraiser Licensing and Certification~~ Board that the examination was interrupted, and the reason for the interruption, and the ~~The~~ Board, or its designee, must approve the request to resume.
4. Upon completion of the examination, the proctor shall submit a certificate indicating the verification of the identity of the student, that the examination was completed on the date assigned during the time permitted and that the student has done all the work him/herself without aids of any kind including books, notes, conversation with others, or any other external resource while taking the examination, including access to internet search engines or web pages other than that displaying the examination.

2. Criteria Specific to Qualifying Education

- A. Class hours will be credited only for educational offerings with content that follows the AQB *Required Core Curriculum* for each respective credential classification. Course content requirements may be general or specific to property types. The AQB *Required Core Curriculum* is to be followed by major headings with the classroom hours for each.
- B. Credit toward qualifying education requirements may also be obtained via the completion of a degree in Real Estate from an accredited degree-granting college or university approved by the Association to Advance Collegiate Schools of Business, or a regional or national

accreditation agency recognized by the US Secretary of Education, provided that the college or university has had its curriculum reviewed and approved by the AQB.

The AQB may maintain a list of approved college or university degree programs, including the *Required Core Curriculum* and Appraisal Subject Matter Elective hours satisfied by the award of the degree. Candidates for a Registered Apprentice Appraiser, State Registered, State Licensed, Certified Residential, or Certified General credential who are awarded degrees from approved institutions are required to complete all additional education required for the credential in which the approved degree is judged to be deficient by the AQB.

C. Class hours may be obtained only where:

1. the minimum length of the educational offering is at least 15 hours; and
2. the individual successfully completes a proctored, closed-book final examination pertinent to that educational offering.

D. Where the qualifying education course includes multiple modules as listed in the *Required Core Curriculum*, there must be appropriate testing of each module included in the course.

E. Courses taken to satisfy the qualifying education requirements must not be repetitive. Courses shall foster problem-solving skills in the education process by utilizing case studies as a major teaching method when applicable.

F. Applicants must take the *15-hour National USPAP Course*, or its AQB-approved equivalent, and pass the associated 15-hour National USPAP Course examination. At least one of the course instructors must be an AQB Certified USPAP Instructor who is also a state certified appraiser in good standing. Course equivalency shall be determined through the AQB Course Approval Program or by an alternative method established by the AQB. USPAP education presented in a distance education format must be designed to foster appropriate student-to-student, student-to-instructor, and student-to-material interaction.

G. In addition to the generic requirements described in Section (I) (N) (1) (E), distance education courses intended for use as qualifying education must include a written, closed-book final examination. The examination must be proctored in person or remotely by a ~~Board-~~ ~~approved-Board-approved~~ proctor. Bio-metric proctoring is acceptable. The term "written" as used herein refers to an exam that might be written on paper, or administered electronically on a computer workstation or other device. Oral exams are not acceptable. The testing must comply with the examination requirements of this section.

3. Criteria Specific to Continuing Education

A. The purpose of continuing education is to ensure that appraisers participate in a program that maintains and increases their skill, knowledge, and competency in real property appraising.

Aside from complying with the requirements to complete the *7-hour National USPAP Update Course*, or its equivalent, appraisers may not receive credit for completion of the same continuing education course offering within the same continuing education cycle.

B. Credit towards the continuing education hour requirements for each appraiser classification may be granted only where the length of the educational offering is at least two (2) hours.

C. Credit may be granted for education offerings that are consistent with the purpose of continuing education and cover real property related appraisal topics, including, but not limited to:

1. Ad valorem taxation;
2. Arbitration, dispute resolution;
3. Courses related to the practice of real estate appraisal or consulting;
4. Development cost estimating;
5. Ethics and standards of professional practice, USPAP;
6. Valuation bias, fair housing, ~~and/or~~ equal opportunity, or any combination of these;
7. Land use planning, zoning;
8. Management, leasing, timesharing;
9. Property development, partial interest;
10. Real estate law, easements, and legal interest;
11. Real estate litigation, damages, condemnation;
 12. Real estate financing and investment;
 13. Real estate appraisal-related computer applications;
 14. Real estate securities and syndication;
 15. Developing opinions of real property value in appraisals that also include personal property and/or business value;
16. Seller concessions and impact on value; and ~~or~~
17. Energy-efficient items and "green building" appraisals.

D. Up to one half of an individual's continuing education requirement may also be granted for participation, other than as a student, in appraisal educational processes and programs. Examples of activities for which credit may be granted are teaching, program development, authorship of textbooks, or similar activities that are determined to be equivalent to obtaining continuing education. Credit for instructing any given course or seminar can only be awarded once during a continuing education cycle.

E. Educational offerings taken by an individual in order to fulfill the class hour requirement for a different classification than his/her current classification may be simultaneously counted towards the continuing education requirement of his/her current classification.

F. In addition to the general requirements described in Section (I) (N) (1) (E), asynchronous distance education courses intended for use as continuing education must include at least one of the following:

1. A written examination proctored by an official approved by the college or university, or by the sponsoring organization. Remote proctoring, including bio-metric procedures as noted in Section (I)(N)(2)(G) above is acceptable. The term "written" as used herein refers to an exam that might be written on paper or administered electronically on a computer workstation or other device. Oral exams are not acceptable; or

2. Successful completion of prescribed course mechanisms required to demonstrate knowledge of the subject matter.

G. Real estate appraisal-related field trips may be acceptable for credit toward the continuing education requirements. However, transit time to or from the field trip may not be included when awarding credit unless instruction occurs during said transit time.

H. Appraisers must successfully complete the *7-hour National USPAP Update Course*, or its AQB-approved equivalent, every two (2) calendar years. Equivalency shall be determined through the AQB Course Approval Program or by an alternate method established by the AQB. *The fifteen (15) hour National USPAP Course* may not be substituted for the *7-hour National USPAP Update Course*.

I. Individuals who are credentialed in more than one jurisdiction shall not have to take more than one *7-Hour National USPAP Course* within a two-calendar year period for the purposes of meeting AQB Criteria.

J. USPAP continuing education credit shall only be awarded when the course is instructed by at least one AQB Certified USPAP Instructor who is also a state certified appraiser in good standing.

K. AQB Certified USPAP Instructors successfully completing a *7-hour Instructor Recertification Course* and exam (if required) within their current continuing education cycle have satisfied the *7-hour National USPAP Update Course* continuing education requirement.

L. Each State Licensed, Certified Residential, and Certified General appraiser shall complete during the two (2) year period prior to renewal of his/her credential in an even-numbered year (i.e., 2018, 2020, etc.) a minimum of twenty-eight (28) hours of qualifying or continuing education. The class hour requirement may be fulfilled at any time during the cycle.

M. Each State Registered appraiser and Registered Apprentice appraiser shall complete fourteen (14) hours of qualifying or continuing education each calendar year prior to renewal of his/her credential. The class hour requirement can be fulfilled at any time during the cycle.

N. Waivers may not be granted to credential holders who have failed to meet the continuing education requirements.

O. Deferrals may not be granted to credential holders, except in the case of individuals

returning from active military duty, or individuals impacted by a state- or federally declared disaster. The Board may allow credential holders returning from active military duty to be placed in an active status for a period of up to ninety (90) days pending completion of all continuing education requirements. The Board may allow credential holders impacted by a state- or federally declared disaster ~~than that~~ occurs within ninety (90) days prior to the end of the continuing education cycle to remain (or be placed in) active status for a period of up to ninety (90) days after the end of the credential holder's continuing education cycle, pending completion of all continuing education requirements.

P. Credentialed appraisers are required to complete continuing education for a partial year in a continuing education cycle as follows: For continuing education cycle periods of 185 days or more, fourteen (14) hours of continuing education is required. For continuing education cycle periods of less than 185 days, no hours of continuing education are required.

Q. The Board may award continuing education credit to credentialed appraisers who attend a Board meeting, under the following conditions:

1. Credit may be awarded for a single Board meeting per continuing education cycle. The meeting must be open to the public and must be a minimum of two (2) hours in length. The total credit cannot exceed seven (7) hours; and
2. The Board must ensure that the credentialed appraiser attends the meeting for the required period of time.

Section I – General (O) Uniform Standards of Professional Appraisal Practice

The ~~Arkansas Appraiser Licensing and Certification~~ Board adopts the "Uniform Standards of Professional Appraisal Practice" (USPAP) as published and amended by the Appraisal Foundation for 2020-2021. This adoption shall include all parts of USPAP including the introductory sections for the purpose of judging those applicants, registrants, licensees, and certificate holders with respect to the appropriateness of their conduct and activities as appraisers in the State of Arkansas.

Section I – General (P) Grounds for Disciplinary Action

The Board may, upon its own motion or upon written complaint of any person, and after notice of hearing as prescribed by the Administrative Procedures Act, suspend, or revoke the registration, license, or certification of any registered, licensee or certificate holder and/or issue a fine up to the amount of \$1,000 per violation occurrence for:

1. Violation of any provision of the ~~Arkansas Appraiser Licensing and Certification~~ Act ~~541 of 1991 as amended~~ or any of these rules;
2. Falsifying any application for licensure or certification or otherwise providing any

false information to the Board;

3. Conviction in any jurisdiction of any felony. A plea of nolo contendere or no contest shall be considered a conviction for the purposes of this section.

4. Any actions demonstrating untrustworthiness, incompetence, dishonesty, gross negligence, material misrepresentation, fraud, or unethical conduct in any dealings subject to the Act or these rules;

5. Adjudication of insanity;

6. Use of advertising or solicitation which is false, misleading, or is otherwise deemed unprofessional by the Board;

7. Employing directly or indirectly any unregistered or unlicensed person to perform any actions subject to the Act or these rules;

8. Habitual or excessive use of intoxicants or illegal drugs;

9. Failure to meet continuing education requirements within the proper time period;

10. Continuing, after January 1, 2010, to perform appraisal services for an appraisal management company client who is not registered pursuant to ~~Subchapter IV of the A. C. A. the Appraisal Management Company Registration Act, Arkansas Code § 17-14-401~~ *et seq.*

Formatted: Font: Italic

Section I – General (Q) Complaint Adjudication and Publication of Action

A. Any appraiser who fails to timely renew their registration, license, certification or elects to surrender their license/certification while a complaint is pending, will be unable to have their license reinstated until the complaint has been resolved. If a disciplinary hearing or informal conference is pending at the time of surrender, the scheduled hearings will proceed with or without the appraiser's participation and any disciplinary action resulting from the hearing shall be placed in the appraiser's file and addressed prior to any reinstatement of their credentials. Appraisers who have their license suspended or revoked are prohibited from performing any and all duties and responsibilities (researching data, and/or assisting associates with the development and reporting of real property appraisals).

B. In those instances where the Board suspends, revokes, or a license or certification is surrendered during an investigation or while formal charges are pending, notice of such action shall be published in the Board's newsletter, the Arkansas Bankers Association and the Mortgage Bankers Association of Arkansas periodicals, and any other appropriate publications, which will communicate such actions taken against an appraiser's license.

Section I – General (R) Declaratory Orders

A. A declaratory order is a means of resolving a controversy or answering questions or doubts concerning the applicability of statutory provisions, rules, or orders over which the agency has authority. A petition for declaratory order may be used only to resolve questions or doubts as to how the statutes, rules, or orders may apply to the petitioner's particular circumstances. A declaratory order is not the appropriate means for determining the conduct of another person

or for obtaining a policy statement of general applicability from an agency. A petition or declaratory order must describe the potential impact of statutes, rules, or orders upon the petitioner's interest.

B. The process to obtain a declaratory order is begun by filing with the ~~Arkansas Appraiser Licensing and Certification~~ Board a petition that provides the following information:

1. The caption shall read: Petition for Declaratory Order Before the ~~Arkansas Appraiser Licensing and Certification State~~ Board of Appraisers, Abstracters, and Home Inspectors.
2. The name, address, telephone number, and facsimile number of the petitioner.
3. The name, address, telephone number, and facsimile number of the attorney of the petitioner.
4. The statutory provision(s), agency rule(s), or agency order(s) on which the declaratory order is sought.
5. A description of how the statutes, rules, or orders may substantially affect the petitioner and the petitioner's particular set of circumstances, and the questions or issue on which petitioner seeks a declaratory order.
6. The signature of the petitioner or petitioner's attorney.
7. The date.
8. Request for a hearing, if desired.

C. The ~~agency Board~~ may hold a hearing to consider a petition ~~from for a~~ declaratory ~~statement~~Order. If a hearing is held, it shall be conducted in accordance with ~~A. C. A. {25-15-208 and 25-15-213}~~the Arkansas Administrative Procedure Act, Arkansas Code § 25-15-201, *et seq.*, and the ~~agency's Board's~~ rules for adjudicatory hearings.

D. The ~~agency Board~~ may rely on the statements of fact set out in the petition without taking any position with regard to the validity of the facts. Within ninety (90) days of filing of the petition, the ~~agency Board~~ will render a final order denying the petition or issuing a declaratory order.

Section I – General (S) – Uniformed Service Members

Pursuant to Act 135 of 2021 the Board shall grant automatic credentialing to a uniformed service veteran. As used in this section, a uniformed service veteran means a former member of the United States Uniformed Services discharged under circumstances other than dishonorable.

- A. The Board shall grant automatic credentialing to an individual who is the holder in good standing of a credential with a similar scope of practice issued by another jurisdiction and is:
1. A uniformed service member stationed in the State of Arkansas;
 2. A uniformed service veteran who resides in or establishes residency in the State of

Arkansas; or

3. The spouse of:

- a. A person under A (1) or (2) above;
- b. A uniformed service member who is assigned a tour of duty that excludes the uniformed service member's spouse from accompanying the uniformed service member and the spouse relocates to this state; or
- c. A uniformed service member who is killed or succumbs to his or her injuries or illness in the line of duty if the spouse establishes residency in the state.

B. The Board shall grant such automatic credentialing upon receipt of all of the below:

1. A completed written "Uniformed Service Veterans Application" form. The form is available on the Board's website or from the Board office;
2. The payment of the initial credential fee;
3. Evidence that the individual is a holder in good standing of a credential with a similar scope of practice in another jurisdiction; and
4. Evidence that the applicant is a qualified applicant under Section A.

C. The expiration date of a credential for a deployed uniformed service member or spouse will be extended for one hundred and eighty (180) days following the date of the uniformed service member's return from deployment.

D. A (full/partial) exemption from continuing education requirements will be allowed for a deployed uniform service member or spouse until one hundred eighty (180) days following the date of the uniformed service member's return from deployment.

Section II – General Qualifications for Registration, Licensure or Certification

The Board shall approve and issue registrations, licenses and certificates to qualified applicants or disapprove applications for registration, licensing and certification for applicants who do not meet the minimum requirements for registering, licensing or certification as prescribed in the Act-541. The best interest of the public shall be given due regard when considering each applicant for registration, licensing, or certification.

Every applicant to the ~~Arkansas Appraiser Licensing and Certification~~ Board as a State Registered appraiser, Registered Apprentice appraiser, State Licensed appraiser, or State Certified appraiser shall have the following qualifications:

A. The applicant shall have a good reputation for honesty, truthfulness, and fair dealing, and be competent to transact the business of a registered, licensed, or certified appraiser in such a manner as to safeguard the interest of the public.

B. The applicant shall meet the current educational and experience requirements for

licensing and certification prior to the time he or she applies to sit for the licensing or certification exam.

1. Prior to applying to become a State Registered Appraiser, the applicant must meet the requirements of Section VIII.

2. Prior to applying to become a Registered Apprentice Appraiser, the applicant must meet the requirements of Section IV.

C. A non-resident applicant shall be in good standing as an appraiser in every jurisdiction where credentialed.

D. The applicant shall not have been convicted, found guilty or pled guilty, regardless of adjudication, in any jurisdiction of any felony. Any plea of nolo contendere shall be considered a conviction for the purposes of this paragraph. The record of a conviction authenticated in such form as to be admissible in evidence under the laws of the jurisdiction where convicted shall be admissible as prima facie evidence of such conviction.

E. The applicant shall be at least 18 years old and shall have received a high school diploma or its equivalent.

F. All applications for registration, licensing, certification, renewal, examination, transfer, or reinstatement shall be made on forms provided by the Board and completed and signed by the applicant. The application may require the signature acknowledged before a notary public. All applications shall include the appropriate fees. The Board will not consider an application which is incomplete or with which the correct fees have not been submitted.

G. The Board may require each applicant for a license to furnish, at his/her expense, a recent passport type photograph of him/herself, as well as any other information or form of identification deemed necessary by the Board to determine the applicant's qualifications for licensing or certification.

H. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation, the application of any applicant before issuing a license or certificate.

I. The Board shall grant a credential to an applicant who fulfills the Arkansas requirements for an appraiser credential and is a person who holds a Federal Form I-766 United States Citizenship and Immigration Services-issued Employment Authorization Document, known popularly as a "work permit."

Section III – General Examination and Experience Criteria

A. Examination Criteria

1. A new applicant, not currently licensed or certified and in good standing in another

jurisdiction, shall have up to 24 months, after approval by the Board, to take and pass an AQB-approved qualifying examination for the credential. Successful completion of the examination is valid for a period of 24 months.

B. Experience Criteria

1. Education may not be substituted for experience, except as shown below in ~~Section-Subdivision four~~ (4) of this Section III(B).

2. The quantitative experience requirements must be satisfied by time spent in the appraisal process. The appraisal process consists of: analyzing factors that affect value; defining the problem; gathering and analyzing data; applying the appropriate analysis and methodology; and arriving at an opinion and correctly reporting the opinion in compliance with USPAP.

3. Hours may be treated as cumulative in order to achieve the necessary number of hours of appraisal experience. Cumulative is defined as experience that may be acquired over multiple time periods.

4. There need not be a client in a traditional sense (e.g., a client hiring an appraiser for business purpose) in order for an appraisal to qualify for experience, but experience gained for work without a traditional client cannot exceed 50% of the total experience requirement.

a. Practicum courses that are approved by the Board can satisfy the non-traditional client experience requirement. A practicum course must include the generally applicable methods of appraisal practice for the credential category. Content includes, but is not limited to: requiring the student to produce credible appraisals that utilize an actual subject property; performing market research containing sales analysis; and applying and reporting the applicable appraisal approaches in conformity with USPAP. Assignments must require problem solving skills for a variety of property types for the credential category.

b. Experience credit shall be granted for the actual classroom hours of instruction and hours of documented research and analysis as awarded from the practicum course approval process.

5. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal practice. Acceptable real property appraisal practice for experience credit includes appraisal, appraisal review, appraisal consulting, and mass appraisal. All experience must be obtained after January 30, 1989, and must be USPAP-compliant. An applicant's experience must be in appraisal work conforming to Standards 1,2,3,4,5, and ~~or~~ 6, as applicable where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.

Formatted: Indent: Left: 0", Right: 0", Tab stops: Not at 0.97" + 0.97"

6. Documentation in the form of reports, certifications, or file memoranda, or, if such reports and memoranda are unavailable for good cause, other evidence at the Board's discretion that the work is compliant with USPAP must be provided as part of the Board's experience verification process to support the experience claimed.

7. Acceptable experience may include a limited number of hours related to necessary and fundamental tasks, such as records research, measurements, and certain aspects of property inspections. But to be satisfactory, the experience of the applicant must clearly demonstrate a progression in exposure, charge, responsibility, and successful performance of those comprehensive tasks related to real property appraisal practice, to include, but not limited to appraisal development and reporting, and should involve all aspects of the valuation process.

8. The burden of proving the amount and validity of experience claimed is entirely the responsibility of the applicant. As a minimum, the applicant must be prepared to substantiate, on request by the Board, the experience claimed with a true copy of appraisal assignment reports, work file to support the nature or the experience claims, and true copies of time records or calendars which support actual work time associated with the assignments.

9. The verification for experience credit claimed by an applicant shall be on the forms prescribed by the Board, which shall include:

- a. Type of property;
 - b. Date of report;
 - c. Address of appraised property, including city name;
 - d. Description of work performed by the applicant and scope of the review and supervision of the supervising appraiser;
 - e. Number of actual work hours by the applicant on the assignment; and
 - f. The signature and credential number of the supervising appraiser, if applicable.
- Separate appraisal logs shall be maintained for each supervising appraiser, if applicable.

10. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed on the application of any applicant.

11. There is no maximum time limit during which experience may be obtained.

C. Practical Applications of Real Estate Appraisal (PAREA)

Practical Applications of Real Estate Appraisal (PAREA) programs approved by the Appraiser Qualifications Board (AQB) utilize simulated experience training, and serve as an alternative to the traditional Supervisor/Trainee experience model, under Section B. To qualify as creditable experience, AQB-approved PAREA programs shall:

Formatted: Indent: Left: 0", Right: 0.06"

Formatted: Indent: Left: 0", Tab stops: Not at 0.97" + 0.97"

Formatted: Indent: Left: 0", Right: 0", Tab stops: Not at 0.97" + 0.97"

Formatted: Indent: Left: 0", Right: 0", Tab stops: Not at 0.97" + 0.97"

Formatted: Font color: Red

1. Contain, at a minimum, the content specified in the Practical Applications of Real Estate Appraisal section of *The Real Property Appraiser Qualification Criteria* (Criteria);
2. Require participants to possess the following prerequisites prior to commencement of training:
 - a. For the State Licensed Module: 150 hours of qualifying education as specified in the Required Core Curriculum for the State Licensed Residential Real Property Appraiser classification.
 - b. For the Certified Residential Module: 200 hours of qualifying education as specified in the Required Core Curriculum for the Certified Residential Real Property appraiser classification; and
 - i. Possession of a valid State Licensed Residential Real Property Appraiser credential; or
 - ii. Successful completion of an AQB-approved PAREA program for the State Licensed Real Property Appraiser classification;
3. Provide an adequate number of Mentors to ensure timely and competent mentoring for all program participants;
4. Ensure Mentors meet or exceed the following qualifications:
 - a. Mentors shall be state-certified appraisers and in good standing for a period of at least three (3) years prior to being eligible to become a Mentor; and
 - b. Mentors shall not have been subject to any disciplinary action, within any jurisdiction, within the last three (3) years that affected the Mentor's legal eligibility to engage in appraisal practice, or to act as a Supervisory Appraiser. A Mentor subject to a disciplinary action would be considered to be in good standing three (3) years after the successful completion or termination of the imposed sanction;
5. Ensure program participants produce demonstration appraisal reports that comply with USPAP, and meet or exceed the following requirements:
 - a. State Licensed:
 - i. No fewer than three (3) demonstration appraisal reports;
 - ii. Demonstration reports must represent a variety of assignment types and property types that are consistent with the State Licensed program content; and
 - iii. Demonstration reports must comply with the edition of USPAP that is in effect at the time.
 - b. Certified Residential

Formatted: Indent: Hanging: 0.6"

- i. No fewer than three (3) demonstration appraisal reports;
- ii. Demonstration reports must represent a variety of assignment types and property types that are consistent with the Certified Residential program content; and
- iii. Demonstration reports must comply with the edition of USPAP that is in effect at the time;

6. Provide each program participant that successfully completes PAREA training with a certificate of completion, subject to the following:

- a. Participants may not receive partial credit for PAREA training;
- b. Participants may not receive a certificate of completion until all required components of PAREA training have been successfully completed and approved by a program Mentor;
- c. Certificates of completion must be signed by an individual from the training entity qualified to verify a participant's successful completion; and
- d. Certificates of completion must not contain an expiration date or other constraints that either limit or restrict the participant's ability to receive appropriate credit; and

7. Allow participants successfully completing approved PAREA programs to receive the following experience credit:

- a. For participants completing an approved State Licensed program:
 - i. State Licensed classification: 100 percent of the required experience hours.
 - ii. Certified Residential classification: 67 percent of the required experience hours.
 - iii. Certified General classification: 33 percent of the total required experience, none of which is eligible towards the required non-residential hours.
- b. For participants completing an approved Certified Residential program:
 - i. State Licensed classification: 100 percent of the required experience hours.
 - ii. Certified Residential classification: 100 percent of the required experience hours.
 - iii. Certified General classification: 50 percent of the total required experience, none of which is eligible towards the required non-residential hours.

Section IV – Criteria Applicable to a Registered Apprentice Appraiser Credential

A. General

1. The Registered Apprentice Appraiser classification is intended to incorporate any documented non-certified/non-licensed real property appraisers who are subject to the Real Property Appraiser Qualification Criteria.
2. The scope of practice for the Registered Apprentice Appraiser classification is the appraisal of those properties which the state-certified Supervisory Appraiser is permitted by his/her current credential and that the Supervisory Appraiser is competent to appraise.
3. The Registered Apprentice Appraiser, as well as the Supervisory Appraiser, shall be entitled to obtain copies of appraisal reports and/or permitted appropriate access

and retrieval arrangements for all work files for appraisals in which he or she participated, in accordance with the Record Keeping Rule of USPAP.

4. Experience hours do not begin to accumulate until the appraiser is issued a Registered Apprentice Appraiser credential.

Formatted: Not Highlight

5. All Registered Apprentice Appraisers must comply with the Competency Rule of USPAP for all assignments.

B. Examination

Formatted: Right: 0", Tab stops: Not at 0.97" + 0.97"

1. There is no examination requirement for the Registered Apprentice Appraiser classification, but the Registered Apprentice Appraiser shall pass the appropriate end-of-course examinations in all of the prerequisite qualifying education courses in order to earn credit for those courses.

C. Qualifying Education

1. As the prerequisite for application, an applicant must have completed seventy-five (75) hours of qualifying education as listed below. Additionally, applicants must pass the course examinations and pass the 15-Hour National USPAP Course, or its AQB-approved equivalent and the examination as a part of the 75 hours. All qualifying education must be completed within the five (5) year period immediately preceding the date of application for a Registered Apprentice Appraiser credential. The required courses are:

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
15-Hour National USPAP Course (or its equivalent)	15 Hours

2. Appraisers holding a valid State Licensed Real Property Appraiser credential satisfy the educational requirements for the Registered Apprentice Appraiser.

3. Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirements for the Registered Apprentice Appraiser credential.

4. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Registered Apprentice Appraiser credential.

D. Experience

1. No experience is required as a prerequisite for the Registered Apprentice Appraiser classification.

E. Training

1. The Registered Apprentice Appraiser shall be subject to the direct control and supervision by a Supervisory Appraiser in good standing, who shall be state certified. A Registered Apprentice Appraiser is permitted to have more than one Supervisory Appraiser.

2. The Supervisory Appraiser shall be responsible for the training, guidance, and direct control and supervision of the Registered Apprentice Appraiser by:

a. Accepting Responsibility for the appraisal by signing and certifying the appraisal complies with USPAP;

b. Reviewing and signing the Registered Apprentice Appraiser appraisal report(s); and

c. Personally inspecting each appraised property with the Registered Apprentice Appraiser until the Supervisory Appraiser determines the Registered Apprentice Appraiser is competent to inspect the property, in accordance with the Competency Rule of USPAP for the property type.

3. The Registered Apprentice Appraiser is permitted to have more than one Supervisory Appraiser, but a Supervisory Appraiser may not supervise more than three (3) Registered Apprentice Appraisers at one time.

4. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Registered Apprentice Appraiser. It is the responsibility of both the Supervisory Appraiser and the Registered Apprentice Appraiser to ensure the appraisal experience log is accurate, current, and complies with the requirements of the Board. At a minimum, the appraisal log requirements shall include:

a. Type of property;

b. Date of report;

c. Address of appraised property;

d. Description of the work performed by the Registered Apprentice Appraiser and scope of the review and supervision of the Supervisory Appraiser;

e. Number of actual work hours by the Registered Apprentice Appraiser on the assignment; and

f. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for the Supervisory Appraiser, if applicable.

5. Supervisory Appraisers shall be state certified and in good standing for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state certified and in good standing in the jurisdiction in which the Registered Apprentice Appraiser practices for any specific minimum period of time. Supervisory Appraisers shall not have been subject to any disciplinary action—within any jurisdiction—within the last three (3) years that affected the Supervisory Appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in good standing three (3) years after the successful completion/termination of the sanction imposed against the appraiser.

Formatted: Indent: Left: 0", Tab stops: Not at 0.97" + 0.97"

Formatted: Indent: Left: 0", Tab stops: Not at 0.97" + 0.97"

Formatted: Indent: Left: 0"

6. Registered Apprentice Appraisers shall be required to complete a course that, at a minimum, complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Registered Apprentice Appraisers. The course must be completed by the Registered Apprentice Appraiser prior to obtaining a Registered Apprentice Appraiser credential from the Board. Further, the Registered Apprentice Appraiser course is not eligible towards the 75 hours of qualifying education required.

Section V – Criteria Applicable to a State Licensed Real Property Appraiser Credential

Please consult **Section III – General Examination and Experience Criteria** for additional requirements.

A. General

1. The State Licensed Real Property Appraiser classification applies to the appraisal of non-complex one-to-four residential units having a transaction value less than \$1,000,000, and complex one-to-four residential units having a transaction value less than \$250,000.

Formatted: Right: 0"

2. Complex one-to-four-unit residential property appraisal means one in which the property to be appraised, the form of ownership, or the market conditions are atypical.

Formatted: Right: 0"

3. For non-federally related transaction appraisals, transaction value shall mean market value.

Formatted: Right: 0"

a. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential units, or for which the highest and best use is for one-to-four residential units.

b. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.

4. All State Licensed Real Property Appraisers must comply with the Competency Rule of USPAP.

Formatted: Right: 0"

B. Examination

1. Upon completion of all applicable requirements, applicants for a State License credential shall be personally interviewed by members of the Appraiser Licensing and Certification Board prior to being granted an approval to sit for the exam.

Formatted: Right: 0"

2. The AQB-approved State Licensed Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the State Licensed

Formatted: Right: 0"

examination is the successful completion of the Certified Residential or Certified General examination.

3. The prerequisites for taking the AQB-approved examination are completion of:
 - a. One hundred fifty (150) creditable class hours as specified in Section (IV) (C) (1), and;
 - b. One thousand (1,000) hours of qualifying experience in no fewer than six (6) months.

4. An applicant for State License who fails to pass the exam after two (2) attempts will not be afforded an opportunity to retake the exam for at least six (6) months from the date of the last exam. Applicants seeking to sit for the fourth attempt are required to submit a new application, any required fees, and any additional education he or she may have acquired.

C. Qualifying Education

1. The State Licensed Real Property Appraiser classification requires completion of one hundred fifty (150) creditable class hours as listed below. As a part of the 150 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and successfully pass the examination. There is no alternative to successful completion of the USPAP Course and examination. The required courses are:

a. Basic Appraisal Principles	30 Hrs
b. Basic Appraisal Procedures	30 Hrs
c. <i>15-Hour National USPAP Course</i> (or its equivalent)	15 Hrs
d. Residential Appraiser Market Analysis & Highest and Best Use	15 Hrs
e. Residential Appraiser Site Valuation and Cost Approach	15 Hrs
f. Residential Sales Comparison and Income Approaches	30 Hrs
g. Residential Report Writing and Case Studies	15 Hrs

2. Appraisers holding a valid State Registered appraiser credential and who have completed the required 75 hours of qualifying education may satisfy the educational requirements for the State Licensed Real Property Appraiser credential by successfully completing the following additional education hours:

- a. Residential Market Analysis and Highest and Best Use 15 Hours
- b. Residential Appraiser Site Valuation and Cost Approach 15 Hours
- c. Residential Sales Comparison and Income Approaches 30 Hours
- d. Residential Report Writing and Case Studies 15 Hours

3. Appraisers holding a valid Certified Residential Real Property Appraiser credential satisfy the educational requirement for the State Licensed Real Property Appraiser credential.

Formatted: Right: 0"

Formatted: Right: 0", Tab stops: Not at 1.22"

Formatted: Indent: Left: 0"

Formatted: Indent: Left: 0.2", First line: 0"

Formatted: Indent: Left: 0"

Formatted: Indent: Left: 0.2"

Formatted: Indent: Left: 0.2"

Formatted: Indent: Left: 0"

4. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the State Licensed Real Property Appraiser credential.

D. Experience

The applicant for a State License credential shall demonstrate at least (as a minimum) one thousand (1,000) hours of appraisal experience, obtained in no less than six (6) months. While the hours may be cumulative, the required number of months must accrue before an individual can be licensed. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated and proven capability of the applicant to adequately perform assignments of a type permitted by a State License Real Property Appraisal credential.

Section VI – Criteria Applicable to a Certified Residential Real Property Appraiser Credential

Please consult **Section III – General Examination and Experience Criteria** for additional requirements.

A. General

1. The Certified Residential Real Property Appraiser classification qualifies the appraiser to appraise one-to-four residential units without regard to value or complexity.
 - a. The classification includes the appraisal of vacant or unimproved land that is utilized for one-to-four residential unit purposes or for which the highest and best use is for one-to-four residential units.
 - b. The classification does not include the appraisal of subdivisions for which a development analysis/appraisal is necessary.
2. All Certified Residential appraisers must comply with the Competency Rule of USPAP.

B. Examination

1. Upon completion of all applicable requirements, applicants for a State Certified Residential credential shall be personally interviewed by members of the ~~Arkansas Appraiser Licensing and Certification~~ Board prior to sitting for the exam unless previously interviewed on a residential appraisal.

2. The AQB-approved Certified Residential Real Property Appraiser examination must be successfully completed. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.

3. The prerequisites for taking the AQB-approved examination are completion of:
 - a. Two hundred (200) creditable class hours as specified in Section (V) (C) (4)
 - b. Completion of the requirements specified in Section (V) (C) (2) or Section (V) (C) (3), "Qualifying Education"; and

Formatted: Right: 0"

Formatted: Right: 0"

c. One thousand five hundred (1,500) hours of qualifying experience obtained in no fewer than twelve (12) months.

4. An applicant for a State Certified Residential credential who fails to pass the exam after two (2) attempts will not be afforded an opportunity to retake the exam for at least six (6) months from the date of last exam. Applicants seeking to sit for the fourth attempt are required to submit a new application, any required fees, and any additional education he or she may have acquired.

C. Qualifying Education

1. All college-level education must be obtained from a degree-granting institution by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education.

Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing Board that issues credentials in another discipline.

2. Applicants for the Certified Residential credential must satisfy at least one of the following five options: Section (V) (C) (2) (a), Section (V) (C) (2) (b), Section (V) (C) (2) (c), Section (V) (C) (2) (d), or Section (V) (C) (2) (e).

- a. Possession of a Bachelor's Degree in any field of study;
- b. Possession of an Associate's Degree in a field of study related to:
 - i. Business Administration;
 - ii. Accounting;
 - iii. Finance;
 - iv. Economics; or
 - v. Real Estate

c. Successful completion of 30 semester hours of college-level courses that cover each of the following specific topic areas and hours:

- i. English Composition (3 semester hours);
- ii. Microeconomics (3 semester hours);
- iii. Macroeconomics (3 semester hours);
- iv. Finance (3 semester hours);
- v. Algebra, Geometry, or higher mathematics (3 semester hours);

vi. Statistics (3 semester hours);
vii. Computer Science (3 semester hours);
viii. Business or Real Estate Law (3 semester hours); and
ix. Two elective courses in any of the topics listed above or in accounting, geography, agricultural economics, business management, or real estate (3 semester hours each).

d. Successful completion of at least 30 semester hours of College Level Examination Programs® (CLEP®) examinations from each of the following subject matter areas:

- i. College Algebra (3 semester hours);
- ii. College Composition (6 semester hours);
- iii. College Composition Modular (3 semester hours);
- iv. College Mathematics (6 semester hours);
- v. Principles of Macroeconomics (3 semester hours);
- vi. Principles of Microeconomics (3 semester hours);
- vii. Introductory Business Law (3 semester hours); and
- viii. Information Systems (3 semester hours).

e. Any combination of (c) and (d) above that ensures coverage of all topics and hours identified in (c).

3. As an alternative to the requirements in Section (V) (C) above, individuals who have held a State Licensed Residential credential for a minimum of five (5) years may qualify for a Certified Residential credential by satisfying all of the following:

a. No record of any adverse, final, and non-appealable disciplinary action affecting the State Licensed appraiser's legal eligibility to engage in appraisal practice within the five (5) years immediately preceding the date of application for a Certified Residential credential;

b. Successful completion of the additional required qualifying education as listed below:

- | | |
|--|----------|
| i. Statistics, Modeling and Finance | 15 Hours |
| ii. Advanced Residential Applications and Case Studies | 15 Hours |
| iii. Appraisal Subject Matter Electives | 20 Hours |

c. Successful completion of the required one thousand five hundred (1,500) hours of experience obtained in no fewer than twelve (12) months.

d. Successful completion of the AQB-approved Certified Residential Real Property Appraiser examination. The only alternative to successful completion of the Certified Residential examination is the successful completion of the Certified General examination.

4. The Certified Residential Real Property Appraiser classification requires completion of two hundred (200) creditable course hours as listed below. As part of the 200 required hours, the applicant shall successfully complete the *15-Hour National USPAP Course*, or its AQB-

Formatted: Indent: Left: 0"

approved equivalent and the examination. There is no alternative to successful completion of the USPAP Course and examination. The required courses are:

a. Basic Appraisal Principles	30 Hours
b. Basic Appraisal Procedures	30 Hours
c. <i>15-Hour National USPAP Course</i> (or its equivalent)	15 Hours
d. Residential Appraiser Market Analysis and Highest and Best Use	15 Hours
e. Residential Appraiser Site Valuation and Cost Approach	15 Hours
f. Residential Sales Comparison and Income Approaches	30 Hours
g. Residential Report Writing and Case Studies	15 Hours
h. Statistics, Modeling and Finance	15 Hours
i. Advanced Residential Applications and Case Studies	15 Hours
j. Appraisal Subject Matter Electives	20 Hours

5. Appraisers holding a valid State Registered Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by successfully completing the following additional education hours:

a. Residential Appraiser Market Analysis and Highest and Best Use	15 Hours
b. Residential Appraiser Site Valuation and Cost Approach	15 Hours
c. Residential Sales Comparison and Income Approaches	30 Hours
d. Residential Report Writing and Case Studies	15 Hours
e. Statistics, Modeling and Finance	15 Hours
f. Advanced Residential Applications and Case Studies	15 Hours
g. Appraisal Subject Matter Electives	20 Hours

6. Appraisers holding a valid State Licensed Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified Residential Real Property Appraiser credential by successfully completing the following educational hours:

a. Statistics, Modeling and Finance	15 Hours
b. Advanced Residential Applications and Case Studies	15 Hours
c. Appraisal Subject Matter Electives	20 Hours

7. Appraisers holding a valid State Registered appraiser credential wishing to change to the Certified Residential Real Property Appraiser classification must also satisfy the college-level education requirement as specified in Section (V) (C).

8. Appraisers holding a valid State Licensed Real Property Appraiser credential wishing to change to the Certified Residential Real Property Appraiser classification who do not meet the requirements outlined in Section (V) (C) (3) must also satisfy the college-level education requirements as specified in Section (V) (C) (2).

9. Appraisers holding a valid State Licensed Real Property Appraiser credential wishing to change to the Certified Residential Real Property Appraiser classification who meet the requirements outlined in Section (V) (C) (3) do not need to satisfy college-level education

requirements as specified in Section (V) (C) (2).

10. Appraisers holding a valid Certified General Real Property Appraiser credential satisfy the educational requirements for the Certified Residential Real Property Appraiser credential.

D. Experience

The applicant for a State Certified Residential Appraiser credential shall demonstrate at least (as a minimum) one thousand five hundred (1,500) hours of appraisal experience that is obtained during no fewer than twelve (12) months. While the hours may be cumulative, the required number of months must accrue before an individual can be certified. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated and proven capability of the applicant to adequately perform assignments of a type permitted by a State Certified Residential Real Property Appraisal credential.

Section VII – Criteria Applicable to a Certified General Real Property Appraiser Credential

Please consult **Section III – General Examination and Experience Criteria** for additional requirements.

A. General

1. The Certified General Real Property Appraiser classification qualifies the appraiser to appraise all types of real property.
2. All Certified General appraisers must comply with the Competency Rule of USPAP

B. Examination

1. Upon completion of all applicable requirements, applicants for a State Certified General Appraiser credential shall be personally interviewed by members of the ~~Arkansas Appraiser Licensing and Certification~~ Board prior to sitting for the exam.

2. The AQB-approved Certified General Real Property Appraiser examination must be successfully completed. There is no alternative to successful completion of the exam.

The prerequisites for taking the AQB-approved examination are completion of:

- a. Three hundred (300) creditable class hours as specified in Section (VI) (C) (2).
- b. Completion of the college-level education requirements specified in Section (VI) (C) (1).

c. Three thousand (3,000) hours of qualifying experience obtained in no fewer than eighteen (18) months, where a minimum of one thousand five hundred (1,500) hours must be obtained in non-residential appraisal work.

3. An applicant for State Certified General Appraiser credential who fails to pass the exam after two (2) attempts will not be afforded an opportunity to retake the exam for at least six (6) months from the date of last exam. Applicants seeking to sit for the fourth attempt are required to submit a new application, any required fees, and any additional education he or she may have acquired.

C. Qualifying Education

1. Applicants for the Certified General credential must hold a bachelor's degree or higher from an accredited college or university. The college or university must be a degree-granting institution accredited by the Commission on Colleges, a national or regional accreditation association, or by an accrediting agency that is recognized by the US Secretary of Education. Applicants with a college degree from a foreign country may have their education evaluated for "equivalency" by one of the following:

- An accredited, degree-granting domestic college or university;
- A foreign degree credential evaluation service company that is a member of the National Association of Credential Evaluation Services, (NACES); or
- A foreign degree credential evaluation service company that provides equivalency evaluation reports accepted by an accredited degree-granting domestic college or university or by a state licensing Board that issues credentials in another discipline.

2. The Certified General Real Property Appraiser classification requires completion of three hundred (300) creditable class hours as listed below. As part of the 300 required hours, the applicant shall complete the *15-Hour National USPAP Course*, or its AQB-approved equivalent, and the examination. There is no alternative to successful completion of the USPAP Course and examination. The required courses are:

a. Basic Appraisal Principles	30 Hours
b. Basic Appraisal Procedures	30 Hours
c. <i>15-Hour National USPAP Course</i> (or its equivalent)	15 Hours
d. General Appraiser Market Analysis and Highest and Best Use	30 Hours
e. Statistics, Modeling, and Finance	15 Hours
f. General Appraiser Site Valuation and Cost Approach	30 Hours
g. General Appraiser Sales Comparison Approach	30 Hours
h. General Appraiser Income Approach	60 Hours
i. General Appraiser Report Writing and Case Studies	30 Hours
j. Appraisal Subject Matter Electives	30 Hours

(May include hours over minimum shown above in other modules)

3. Applicants must demonstrate that their education includes the core courses listed in these rules, with particular emphasis on non-residential properties. Residential is defined as "composed of one-to-four residential units."

4. Appraisers holding a valid State Registered Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional education hours:

a. General Appraiser Market Analysis and Highest and Best Use	30 Hours
b. Statistics, Modeling, and Finance	15 Hours
c. General Appraiser Site Valuation and Cost Approach	30 Hours
d. General Appraiser Sales Comparison Approach	30 Hours
e. General Appraiser Income Approach	60 Hours
f. General Appraiser Report Writing and Case Studies	30 Hours
g. Appraisal Subject Matter Electives	30 Hours

5. Appraisers holding a valid State Licensed Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional education hours:

a. General Appraiser Market Analysis and Highest and Best Use	15
Hours	
b. Statistics, Modeling, and Finance	15
Hours	
c. General Appraiser Site Valuation and Cost Approach	15 Hours
d. General Appraiser Sales Comparison Approach	15 Hours
e. General Appraiser Income Approach	45 Hours
f. General Appraiser Report Writing and Case Studies	15 Hours
g. Appraisal Subject Matter Electives	30 Hours

6. Appraisers holding a valid Certified Residential Real Property Appraiser credential may satisfy the educational requirements for the Certified General Real Property Appraiser credential by successfully completing the following additional educational hours:

a. General Appraiser Market Analysis and Highest and Best Use	15 Hours
b. General Appraiser Site Valuation and Cost Approach	15 Hours
c. General Appraiser Sales Comparison Approach	15 Hours
d. General Appraiser Income Approach	45 Hours
e. General Appraiser Report Writing and Case Studies	10 Hours

7. State Registered Appraisers, State Licensed Real Property Appraisers, and Certified Residential Real Property Appraisers wishing to change to the Certified General Real Property Appraiser classification must also satisfy the requirements in Section (VI) (C) (1) and Section (VI) (C) (3).

D. Experience

Three thousand (3,000) hours of experience are required to be obtained during no fewer than eighteen (18) months. One thousand five hundred (1,500) hours must be in non-residential appraisal work. While the hours may be cumulative, the required number of months must accrue before an individual can be certified. The experience of the applicant must be of a type and nature sufficient to convince the Board of a demonstrated and proven capability of the applicant to adequately perform assignments of a type permitted by a Certified General Real Property Appraisal credential.

Section VIII – Criteria Applicable to a State Registered Real Property Appraiser Credential

A. General

Please consult **Section III – General Examination and Experience Criteria** for additional requirements.

1. The State Registered Appraiser classification qualifies the appraiser to perform appraisals on any type of property except when the purpose of the appraisal is for use in federally related transactions.
2. As a part of the application, the applicant must sign an affidavit, attesting to having read and an understanding of the current edition of the Uniform Standards of Professional Appraisal Practice, the applicable State Laws and the Rules governing appraisal practice in Arkansas.
3. As a part of the application, the State Registered Appraiser shall complete an approved four-hour course that, at minimum, complies with the specifications for a trainee/supervisor course content as established by the Appraiser Qualifications Board (AQB) and the ~~Arkansas Appraiser Licensing and Certification Board~~.
4. All State Registered Appraisers must comply with the Competency Rule of USPAP for all assignments.

B. Examination

1. There is no examination requirement for the State Registered Appraiser classification, but the State Registered Appraiser shall pass the appropriate end-of-course examinations in all of the prerequisite qualifying education courses in order to earn credit for those courses.

C. Qualifying Education

1. As the prerequisite for application, an applicant must have completed seventy-nine (79) hours of qualifying education as listed below. Additionally, applicants must pass the course examinations and pass the *15-Hour National USPAP Course*, or its AQB-approved equivalent and the examination as a part of the 79 hours. All qualifying education must be completed within the five (5) year period immediately preceding the date of application for a State Registered Appraiser credential. The required courses are:

Basic Appraisal Principles	30 Hours
Basic Appraisal Procedures	30 Hours
<i>15-Hour National USPAP Course</i> (or its equivalent)	15 Hours
Supervisory Appraiser/Trainee Appraiser Course	4 Hours

Section IX – Non-Resident Registration and/or Licensing: Reciprocity

“Reciprocity” is a type of appraiser credential which allows an appraiser from another jurisdiction to complete an appraisal assignment in this State. A reciprocal credential is issued to qualified applicants for a period not to exceed twelve (12) months from the date of issuance. Only nonresident licensed or certified appraisers may apply for reciprocity. A reciprocal credential may be renewed each year.

Reciprocity Appraiser Requirements

A. A non-resident appraiser planning to develop an appraisal assignment in Arkansas for a federally related transaction must first apply for a state license or certification. In the case of a non-federally related transaction, the appraiser shall apply to be registered, licensed, or certified in advance of initiating the appraisal assignment as a non-resident appraiser. Only non-resident licensed or certified appraisers may apply for Reciprocity.

Non-Resident appraisers applying for state registered appraiser or registered apprentice appraiser status shall, in addition to meeting the same requirements and utilizing the same forms as those required for Arkansas residents, include a notarized Consent for Service of Legal Process affidavit.

B. Reciprocity may be obtained by non-residents of this State through recognition of another jurisdiction’s program of licensing and certification in accordance with A. C. A. § 17-14-306.

1. A person licensed or certified as a real property appraiser by another jurisdiction may register with the Board to qualify to appraise real property in Arkansas if:

a. The Reciprocal applicant is currently in good standing as an appraiser in every jurisdiction where he/she is credentialed. The appraiser’s National Registry information found on the Appraisal Subcommittee’s website may be used in determining the appraiser’s licensing and disciplinary history.

b. The applicants background meets Board's qualifications. A new Reciprocal applicant or a Reciprocal applicant whose credential has been inactive for more than twelve (12) months must submit to a state criminal record check conducted by the Arkansas State Police and a nationwide criminal record check conducted by the Federal Bureau of Investigation, including the taking of fingerprints.

C. A person wishing to be credentialed under this section must:

1. Submit an application for a Reciprocal credential on a form approved by the Board, found on the Board's website;
2. Submit an irrevocable consent to service of process in this State on a form approved by the Board, found on the Board's website;
3. Pay the required fees; and
4. Provide all supporting documentation or information requested by the Board in connection with the application for reciprocity.

D. The term of a Reciprocal credential shall be for no more than twelve (12) months. Renewal may be accomplished by submitting evidence of the completion of fourteen (14) hours of continuing education, a renewal form, and the appropriate fees. The appraiser's National Registry information found on the Appraisal Subcommittee's website may be used in determining the appraiser's licensing and disciplinary history.

Section X – Non-Resident Licensure & Certification -- Temporary Practice Permit

A Temporary Practice Permit is a type of an appraiser credential which allows a licensed or certified appraiser from another jurisdiction to complete an appraisal assignment in this State. A Temporary Practice Permit is issued to qualified applicants on an assignment basis. The original term of the Permit will not exceed six (6) months from the date of issuance. Only nonresident licensed or certified appraisers may apply for a Temporary Practice Permit.

Temporary Practice Permit Requirements

A. Temporary Practice Permits may be obtained by nonresidents of this State through recognition of another jurisdiction's program of licensing and certification in accordance with A. C. A. § 17-14-306. Temporary Practice Permits are issued on an assignment basis, with a term not to exceed six (6) months from the date of issuance. Only licensed or certified appraisers qualify for a Temporary Practice Permit.

1. A person licensed or certified as a real property appraiser by another jurisdiction may register with the Board to qualify to appraise real property in Arkansas if:
 - a. The appraiser's business in Arkansas is of a temporary nature not to exceed six (6) months; and
 - b. The Temporary Practice Permit applicant is currently in good standing as an appraiser in every jurisdiction where he/she is credentialed. The appraiser's National Registry

information found on the Appraisal Subcommittee's website may be used in determining the appraiser's licensing and disciplinary history.

2. A person wishing to be credentialed under this section must:
 - a. Submit an application for a Temporary Practice Permit on a form approved by the Board, found on the Board's website;
 - b. Submit an irrevocable consent to service of process in this State on a form approved by the Board, found on the Board's website;
 - c. Pay the required fees; and
 - d. Provide all supporting documentation or information requested by the Board in connection with the application for a permit.
3. The appraiser who registers for a Temporary Practice Permit is not required to complete a Criminal Background Check.

B. The term of a Temporary Practice Permit shall extend for the duration of the particular assignment. However, if the assignment is not completed within six (6) months, the appraiser may apply for an extension to the original expiration date of the permit, provided the appraiser:

1. Is continuing the same appraisal assignment listed on the original application for a Temporary Practice Permit; and
2. Requests an extension on a form approved by the Board. The request must be received by the Board or postmarked (not metered) before the expiration of the current Temporary Practice Permit.

C. Court testimony following the completion of an assignment performed by a nonresident appraiser holding a Temporary Practice Permit shall not require an extension or issuance of an additional permit.

Section XI – Transfer of Licensed or Certified Credential

A. A person licensed or certified as a real property appraiser from another jurisdiction moving his or her residence to the State of Arkansas may apply with the Board to transfer his or her appraiser credential if:

1. The applicant is in good standing as an appraiser in every jurisdiction where he or she is credentialed. The appraiser's National Registry information found on the Appraisal Subcommittee's website may be used in determining the appraiser's credentialing and disciplinary history.
2. The applicant's background meets the Board's qualifications. A transfer applicant must submit to a state criminal record check conducted by the Arkansas State Police and a nationwide criminal record check conducted by the Federal Bureau of Investigation, including the taking of fingerprints.

3. A person wishing to be credentialed under this section must:
 - a. Submit a Transfer Application on a form approved by the Board, found on the

Board's website;

- b. Submit a completion certificate indicating the most recent USPAP class completed;
 - c. Pay the required fees; and
 - d. Provide all supporting documentation or information requested by the Board in connection with the application to transfer.
4. The renewal date for a licensed or certified credential is June 30 of each year.

Section XII – Licensure Expiration, Renewal, Upgrade, and Inactive Status

A. Appraiser credentials must be renewed each year, or they will be placed on an inactive status. Each State Licensed (SL), Certified Residential (CR) and Certified General (CG) credential renewal is June 30th of each year. Each State Registered (SR) credential renewal is December 31st of each year.

B. An application to renew a credential shall be submitted on a form obtained from the Board office or on the Board's website. Applicants may renew electronically through a Board established electronic process, as available.

C. It is the policy of the Board to mail or send electronically a renewal notice to credential holders at the last mailing address or email address on file with the Board at least sixty (60) days prior to the expiration date of the credential. Neither the failure of the Board to send such a notice nor the credential holder's failure to receive such a notice shall excuse the requirement to timely renew and pay the renewal fee. Credential holders must ensure that the address on file with the Board office is current and that the Board is notified within thirty (30) days of any mailing address or email address change.

D. Credential holders shall file a timely and sufficient renewal application with the Board by the renewal date each year. An application shall be deemed filed on the date received by the Board, the date of electronic submission or, if mailed, the date postmarked, but not the date metered.

E. The Board will issue a new pocket card indicating the new expiration date after receiving evidence of completion of the required continuing education and appropriate fee. Any credential holder who fails to complete continuing education requirements will not be eligible to renew their credential.

F. The credential of a SR, SL, CR and CG shall be placed on inactive status unless the appraiser submits a timely and sufficient renewal application by the expiration date.

G. During the first 184 days of inactive status a credential holder may renew their credential by submitting the appropriate renewal form. This includes the payment of renewal fees, a late fee of fifty dollars (\$50) per month or partial month elapsed since the renewal date and submitting the required continuing education completion certificates.

H. After 185 days up to twelve (12) months of inactive status a credential holder may renew their credential by submitting the appropriate renewal form. This includes the payment of renewal fees and submitting the required continuing education completion certificates. This includes evidence of completion of the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB approved equivalent).

I. A credential holder who fails to reinstate their appraiser credential within twelve (12) months of the expiration date of the credential may reinstate their credential by submitting the appropriate reinstatement form. This includes payment of the appropriate renewal fee and evidence of the completion of the required continuing education hours. Credential holders in an inactive status must complete all required continuing education that would have been required if the credential holder was in an active status. The required hours must also include the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB approved equivalent). Continuing education hours required are 14 hours per year for each year or partial year the credential was inactive plus any continuing education hours required at the time the credential was placed on inactive status. For example: Number of years inactive x 14 hours + number of hours due when credential was placed on inactive status = Total number of continuing education hours that must be submitted. Evidence of completion of the most recent edition of a *7-Hour National USPAP Update Course* (or its AQB approved equivalent) must be included in those hours.

J. ~~After January 1, 2017, a~~ credential holder whose appraiser credential has been in an inactive status for more than twelve (12) months shall be required to consent to a background check as described below. Prior to reinstatement the credential holder is required to obtain a state criminal background check and a national fingerprint-based criminal background check performed by the Federal Bureau of Investigation in compliance with federal law and rule to determine if the applicant possesses a background that does not call into question public trust or the applicant's fitness for registration, licensure, or certification.

K. Credential holders are not authorized to practice or to hold themselves out to the public as appraisers during the period of time that his or her appraiser credential is inactive. Any violation of this shall be grounds for discipline.

L. These renewal and reinstatement rules do not apply to a person who has had his or her appraiser credential revoked or suspended.

Section XIII – Supervisory Appraiser Requirements

Applicable to supervision of a Registered Apprentice Appraiser only.

A. General

1. Supervisory appraisers shall be responsible for the training, guidance, and direct supervision of the Registered Apprentice Appraiser by:

- a. Accepting responsibility for the appraisal by signing and certifying the appraisal complies with the Uniform Standards of Professional Appraisal Practice (USPAP);
- b. Reviewing and signing the Registered Apprentice Appraiser appraisal report(s); and
- c. Personally inspecting each appraised property with the Registered Apprentice Appraiser until the Supervisory Appraiser determines the Registered Apprentice Appraiser is competent to inspect the property, in accordance with the Competency Rule of USPAP for the property type.

2. Supervisory Appraisers shall be state-certified and in "good standing for a period of at least three (3) years prior to being eligible to become a Supervisory Appraiser. Supervisory Appraisers do not need to be state-certified and in good standing in the jurisdiction in which the Registered Apprentice Appraiser practices for any specific minimum period of time. Supervisory Appraisers shall not have been subject to any disciplinary action—within any jurisdiction—within the last three (3) years that affected the Supervisory Appraiser's legal eligibility to engage in appraisal practice. A Supervisory Appraiser subject to a disciplinary action would be considered to be in "good standing" three (3) years after the successful completion/termination of the sanction imposed against the appraiser.

3. Supervisory Appraisers must comply with the Competency Rule of USPAP for the property type and geographic location where the Registered Apprentice Appraiser is being supervised.

4. Whereas a Registered Apprentice Appraiser is permitted to have more than one Supervisory Appraiser, Supervisory Appraisers may not supervise more than three (3) Registered Apprentice Appraisers at one time.

5. An appraisal experience log shall be maintained jointly by the Supervisory Appraiser and the Registered Apprentice Appraiser. It is the responsibility of both the Supervisory Appraiser and Registered Apprentice Appraiser to ensure the experience log is accurate, current, and complies with the requirements of the Board. At a minimum, the appraisal log requirements shall include:

- a. Type of property;
- b. Date of report;
- c. Address of appraised property;
- d. Description of work performed by the Registered Apprentice Appraiser and the scope of the review and supervision of the Supervisory Appraiser;
- e. Number of actual work hours by the Registered Apprentice Appraiser on the assignment; and
- f. The signature and state certification number of the Supervisory Appraiser. Separate appraisal logs shall be maintained for each Supervisory Appraiser, if applicable.

6. Supervisory Appraisers shall be required to complete a course that, at a minimum,

complies with the specifications for course content established by the AQB, which is specifically oriented to the requirements and responsibilities of Supervisory Appraisers and Trainee Appraisers. The course is to be completed by the Supervisory Appraiser prior to supervising a Registered Apprentice Appraiser.

Section XIV – Fees and Payment of Fees

A. Types of Fees

The following fees shall be paid for pre-licensure and pre-certification applications and for the issuance of original and renewal licenses and certificates and for other purposes and activities of the Board:

1. Application Fee	\$125.00
2. State Licensed, Certified Residential, and Certified General Appraiser	\$300.00 (Annual)*
3. Temporary Non-Resident Licensed, Certified Residential, and Certified General Appraiser	\$150.00 (6 Months)
4. Non-Resident Licensed, Certified Residential and Certified General Appraiser	\$300.00 (Annual)
5. Delinquent Fees (All classifications)	\$ 50.00 (Monthly)
6. Reissuance Fees (Upgrade, Replacement of or Destroyed Licenses or Certificates)	\$ 25.00 Lost, Stolen,
7. Pre-License/Certification Course or Seminar Offering)	\$100.00 (Per
Approval Fee	
8. Continuing Education Course or Seminar Offering)	\$100.00 (Per
Approval Fee	
9. Photocopies of Records of the Board	\$ 00.05 (Per Page)
10. National Registry Fee (Set by ASC)	\$ 40.00 (Annual)
11. Testing Service Fee (Paid directly to the service)	\$100.00 (Maximum)
12. Application Fee (State Registered Appraiser)	\$200.00*
13. Renewal Fee (State Registered Appraiser)	\$200.00*
14. Renewal of Continuing and Pre-License Education	\$ 50.00 (Qualifying)
15. Criminal Background Check Fee	\$ 37.50

*Pursuant to A. C. A. 17-14-203 (10), registration and licensing fees may be reviewed and adjusted annually by the Board as deemed necessary for its effective operation but shall ~~in no~~

waynot exceed \$300 annually.

B. Payment of Application, Renewal and Upgrade Fees

All fees shall be paid by cashier's check, money order or personal check made payable to the ~~Arkansas Appraiser Licensing and Certification~~ Board except for the Testing Service Fee. The testing fee shall be payable directly to the testing service designated by the Board upon rescheduling the exam. (See instructions for testing.)

All fees are non-refundable except in special circumstances when a refund petition has been submitted to the Board and the Board consents to the request. No license or certification fee of any classification or any portion of a fee will be refunded should any certificate or license be surrendered, suspended, or revoked during the term for which the license or certificate is issued. The initial application fee is acceptable for the first three (3) attempts at passing the examination. Upon successful completion of the examination, the application fee will be applied toward the appropriate license or certification fee.

C. Delinquency Provision (Fees and Continuing Education)

Registered, Licensed or Certified appraisers who fail to pay their annual renewal fees or meet the required continuing education on or before the renewal deadline, shall be notified that their registration, license, or certificate is inactive.

D. Workforce Expansion Act of 2021

1. Pursuant to Act 725 of 2021, an applicant may receive a waiver of his or her initial credential fee, if eligible. Eligible applicants are applicants who:

- a. Are receiving assistance through the Arkansas, or current state of residence equivalent, Medicaid Program, the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Program for Women, Infants, and Children (SSNP), the Temporary Assistance for Needy Families Program (TEA), or the Lifeline Assistance Program (LAP);
- b. Were approved for unemployment within the last twelve (12) months; or
- c. Have an income that does not exceed two hundred percent (200%) of the federal poverty income guidelines.

2. Applicants shall provide documentation showing his or her receipt of benefits from the appropriate State Agency.

- a. For Medicaid, SNAP, SSNP, TEA, or LAP, documentation from the Arkansas Department of Human Services (DHS), or current state of residence equivalent agency;
- b. For unemployment benefits approval in the last twelve (12) months, the Arkansas Department of Workforce Services, or current state of residence equivalent agency; or
- c. For proof of income, copies of all United States Internal Revenue Service

Forms indicating applicant's total personal income for the most recent tax year e.g., "W2," "1099," etc.

3. An applicant seeking a waiver will be required to provide a signed affidavit confirming that he or she qualifies for the waiver based on the conditions listed in section (1) above and may be required by the Board to submit documentation for verification purposes. Applicants shall also attest that any documentation provided under Subdivision (D)(2) of this Section XIV is a true and correct copy and fraudulent or fraudulently obtained documentation shall be grounds for denial or revocation of his or her credential.

Section XV – Criminal Background Checks

A. Definitions:

As used in this Section XV:

1. **"~~All Applicants~~"** ~~applies to an applicant~~ means an individual who applies for a ~~State-Registered~~ an appraiser credential, ~~and includes~~ a Registered Apprentice Appraiser, an ~~application-applicant~~ to transfer an appraiser credential to Arkansas, an ~~applicant~~ application to upgrade an existing appraiser credential, an ~~applicant~~ application to reinstate an appraiser credential that has been inactive for more than 12 months, and an ~~applicant~~ application for a new reciprocal appraiser credential. ~~"All applicants"~~ does not ~~apply to include~~ an ~~application-applicant~~ for a Temporary Practice Permit.

2. **"Appraiser credential"** means authorization issued by the ~~Arkansas Appraiser Licensing and Certification~~ Board to individuals who have satisfied the requirements to become a registered, licensed, or certified appraiser.

3. **"Criminal background check"** means both a state criminal records check conducted by the Arkansas State Police ("state background check") and a nationwide criminal record check conducted by the Federal Bureau of Investigation ("federal background check"), including the taking of fingerprints.

4. **"Disqualifying conviction"** means the applicant's criminal background history report or application indicates a conviction of a criminal offense that calls into question public trust or the applicant's fitness for registration, licensure, or certification.

B. Background Check Required:

1. ~~Effective January 1, 2017, all~~ All applicants for an appraiser credential shall apply for state and national fingerprint-based criminal background checks, using forms furnished by and pursuant to instructions provided by the Board.

2. Each new applicant shall authorize the release of criminal background check reports to the Board and may pay any applicable fees associated with the state and federal criminal background checks pursuant to the written instructions provided by the Board.

3. A new state and federal criminal background check are required each time an appraiser applies to upgrade his/her credential type.

C. Application Procedure

1. All personnel for the ~~Arkansas Appraiser Licensing and Certification~~ Board will be trained and authorized to have access to each applicant and credential holder's criminal background history.

2. When an applicant applies for his/her appraiser credential or an existing credential holder applies to upgrade his/her credential type, and the Board receives the appropriate application form and check for his/her application or upgrade fee, the Board Staff will provide the applicant with instructions to obtain his or her background check.

3. If the applicant does not have a criminal history, agency personnel will issue his/her appraiser credential when all other requirements are fulfilled.

4. If the applicant's criminal history report contains a disqualifying conviction(s), the applicant's application will not be approved. A letter indicating there is a disqualifying conviction will be sent to the applicant by Restricted and Certified mail with the applicant as the only person who may sign for the receipt of the letter at the United States Postal Service.

5. It is the policy of the Board not to provide a copy of the FBI criminal history record to the applicant. The applicant may obtain a copy of the record by submitting fingerprints and a fee to the FBI. Information regarding this process may be obtained on the FBI's website.

6. If, after viewing his/her criminal identification record, he/she believes that it is incorrect or incomplete in any respect and wish changes, corrections, or updating of the alleged deficiency he/she should make application directly to the agency which contributed the questioned/deficient information. He/she may also direct his/her challenge as to the accuracy or completeness of any entry on his/her record to the FBI, Criminal Justice Information Service (CJIS) Division, and Attn: SCU, Mod. D2, 1000 Custer Hollow Road, Clarksburg, WV 26306. The FBI will then forward the challenge to the agency which submitted the data, requesting that agency to verify or correct the questioned/deficient entry. Upon the receipt of an official communication directly from the agency which contributed the original information, the FBI CJIS Division will make any changes necessary in accordance with the information supplied by that agency.

7. Should an applicant challenge his/her criminal identification record, he/she shall notify the Board in writing. After receipt of such notice, the Board shall not determine whether an

applicant is qualified for an appraiser credential until the applicant has had a reasonable opportunity to challenge said criminal identification record and shall not process the application until the challenge of said record is resolved by the State Identification Bureau and/or Arkansas Crime Information Center. The applicant shall notify the Identification Bureau to forward to the Board changes in the applicant's record as a result of such challenge.

8. If an applicant with a disqualifying conviction chooses to appeal the decision to deny his/her application, he/she may appeal to the Board for a waiver to be credentialed. The applicant has (30) thirty calendar days from the date notification is received from the Board in which to appeal the decision.

9. Each applicant with a disqualifying conviction who requests a waiver may appear before the Board or may choose to allow the Board to make a determination on the request for a waiver based on the file documentation obtained by the Board and that submitted by the applicant.

10. If an individual has been convicted of an offense listed in A.C.A § 17-3-102(a) or (e), the Board may waive disqualification of a potential applicant or revocation of a credential based on the conviction if a request for a waiver is made by:

- a. An affected applicant for a credential; or
- b. An individual holding a credential subject to revocation.

11. The Board may grant a waiver upon consideration of the following, without limitation:

- a. The age at which the offense was committed;
- b. The circumstances surrounding the offense;
- c. The length of time since the offense was committed;
- d. Subsequent work history since the offense was committed;
- e. Employment references since the offense was committed;
- f. Character references since the offense was committed;
- g. Relevance of the offense to the registration; and
- h. Other evidence demonstrating that registration of the applicant does not pose a threat to the health or safety of the public.

12. A request for a waiver, if made by an applicant, must be in writing.

13. The Board will respond with a decision in writing and will state the reasons for the decision.

14. An appeal of a determination under this section will be subject to the Administrative Procedures Act § 25-15-201 *et seq.*

15. The criminal history information, along with all supporting documentation, will be destroyed after (7) seven years by having authorized agency personnel cross-shred —all information including the file folder. This time limit will be confirmed with the State of

Arkansas Records Retention policy in effect at the time the documents are scheduled to be destroyed.

16. The exchange of the Criminal History Report Information is subject to cancellation if dissemination is made outside the receiving departments or related agencies and if Criminal History Record Information is used for any other reason that is not stated in Arkansas State law. Furthermore, depending upon the nature of the offense and the identity of the offender, federal or state crimes may be charged for the willful, unauthorized disclosure of Criminal History Report Information. Misuse of the Criminal History Report Information is a Class A Misdemeanor or a Class D Felony depending on the circumstances. ACA 12-12-212 and 12-12-1002(b) and Title 28, U.S.C., § 534, Pub. L. 92-544, Title 28, CFR, 20.33 (d). Misuse of the Criminal History Report Information may result in termination of agency personnel involved.

D. Pre-Licensure Criminal Background Check

1. Pursuant to Act 990 of 2019, an individual may petition for a pre-registration determination of whether the individual's criminal record will disqualify the individual from registration and whether a waiver may be obtained.

2. The individual must obtain the pre-registration criminal background check petition form from the Board.

3. The Board will respond with a decision in writing to a completed petition within a reasonable time or at the next available Board meeting.

4. The Board's response will state the reason(s) for the decision.

5. All decisions of the Board in response to the petition will be determined by the information provided by the individual.

6. Any decision made by the Board in response to a pre-registration criminal background check is not subject to appeal.

7. The Board will retain a copy of the petition and response and it will be reviewed during the formal application process.

State of Arkansas *As Engrossed: S3/7/23 H3/27/23*

94th General Assembly

Regular Session, 2023

A Bill

SENATE BILL 354

By: Senators K. Hammer, J. English

By: Representative Cavanaugh

For An Act To Be Entitled

AN ACT TO CREATE THE STATE BOARD OF APPRAISERS,
ABSTRACTERS, AND HOME INSPECTORS; TO TRANSFER THE
DUTIES OF THE ARKANSAS ABSTRACTERS' BOARD, THE
ARKANSAS HOME INSPECTOR REGISTRATION BOARD, AND THE
ARKANSAS APPRAISER LICENSING AND CERTIFICATION BOARD
TO THE STATE BOARD OF APPRAISERS, ABSTRACTERS, AND
HOME INSPECTORS; TO ABOLISH THE ARKANSAS ABSTRACTERS'
BOARD, THE ARKANSAS HOME INSPECTOR REGISTRATION
BOARD, AND THE ARKANSAS APPRAISER LICENSING AND
CERTIFICATION BOARD; TO DECLARE AN EMERGENCY; AND FOR
OTHER PURPOSES.

Subtitle

TO TRANSFER THE DUTIES OF CERTAIN BOARDS
TO THE STATE BOARD OF APPRAISERS,
ABSTRACTERS, AND HOME INSPECTORS; AND TO
DECLARE AN EMERGENCY.

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

SECTION 1. DO NOT CODIFY. Abolition of Arkansas Abstracters' Board.

(a) The Arkansas Abstracters' Board is abolished, and its authority,
duties, functions, records, contracts, personnel, property, and unexpended
balances of appropriations, allocations, and other funds, including the
functions of budgeting or purchasing are transferred to the State Board of
Appraisers, Abstracters, and Home Inspectors.



1 **(b) The Arkansas Abstracters' Board's statutory powers, duties, and**
2 **functions, including the functions of budgeting or purchasing, records,**
3 **contracts, personnel, property, and unexpended balances of appropriations,**
4 **allocations, and other funds are transferred to the State Board of**
5 **Appraisers, Abstracters, and Home Inspectors.**

6 **(c)(1) The abolishment of the Arkansas Abstracters' Board does not**
7 **affect the orders, rules, directives, registration, licensing, or standards**
8 **made or promulgated by the Arkansas Abstracters' Board before the effective**
9 **date of this act.**

10 **(2) The orders, rules, directives, registration, licensing, or**
11 **standards of the Arkansas Abstracters' Board shall continue to be in effect**
12 **until they are amended or repealed under authority given by law.**

13
14 **SECTION 2. DO NOT CODIFY. Abolition of Arkansas Home Inspector**
15 **Registration Board.**

16 **(a) The Arkansas Home Inspector Registration Board is abolished, and**
17 **its authority, duties, functions, records, contracts, personnel, property,**
18 **and unexpended balances of appropriations, allocations, and other funds,**
19 **including the functions of budgeting or purchasing are transferred to the**
20 **State Board of Appraisers, Abstracters, and Home Inspectors.**

21 **(b) The Arkansas Home Inspector Registration Board's statutory powers,**
22 **duties, and functions, including the functions of budgeting or purchasing,**
23 **records, contracts, personnel, property, and unexpended balances of**
24 **appropriations, allocations, and other funds are transferred to the State**
25 **Board of Appraisers, Abstracters, and Home Inspectors.**

26 **(c)(1) The abolishment of the Arkansas Home Inspector Registration**
27 **Board does not affect the orders, rules, directives, registration, licensing,**
28 **or standards made or promulgated by the Arkansas Home Inspector Registration**
29 **Board before the effective date of this act.**

30 **(2) The orders, rules, directives, registration, licensing, or**
31 **standards of the Arkansas Home Inspector Registration Board shall continue to**
32 **be in effect until they are amended or repealed under authority given by law.**

33
34 **SECTION 3. DO NOT CODIFY. Abolition of Arkansas Appraiser Licensing**
35 **and Certification Board.**

36 **(a) The Arkansas Appraiser Licensing and Certification Board is**

1 abolished, and its authority, duties, functions, records, contracts,
2 personnel, property, and unexpended balances of appropriations, allocations,
3 and other funds, including the functions of budgeting or purchasing are
4 transferred to the State Board of Appraisers, Abstracters, and Home
5 Inspectors.

6 (b) The Arkansas Appraiser Licensing and Certification Board's
7 statutory powers, duties, and functions, including the functions of budgeting
8 or purchasing, records, contracts, personnel, property, and unexpended
9 balances of appropriations, allocations, and other funds are transferred to
10 the State Board of Appraisers, Abstracters, and Home Inspectors.

11 (c)(1) The abolishment of the Arkansas Appraiser Licensing and
12 Certification Board does not affect the orders, rules, directives,
13 registration, licensing, or standards made or promulgated by the Arkansas
14 Appraiser Licensing and Certification Board before the effective date of this
15 act.

16 (2) The orders, rules, directives, registration, licensing, or
17 standards of the Arkansas Appraiser Licensing and Certification Board shall
18 continue to be in effect until they are amended or repealed under authority
19 given by law.

20
21 SECTION 4. Arkansas Code § 14-15-205(b)(3), concerning professional
22 development recognition payments for county assessors, is amended to read as
23 follows:

24 (3) To the extent moneys are available, county assessors, full-
25 time employees of county assessors' offices, and state employees who actively
26 work with ad valorem taxes designated as certified residential appraisers by
27 the ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
28 Appraisers, Abstracters, and Home Inspectors or as certified professional
29 designees by the International Association of Assessing Officers shall
30 annually receive a professional development recognition payment in an amount
31 not to exceed one thousand dollars (\$1,000).
32

33 SECTION 5. Arkansas Code § 17-11-302(a), concerning certificate of
34 registrations, and application to the Arkansas Abstracters' Board, is amended
35 to read as follows:

36 (a) Any person desiring to become a registered abstractor under this

chapter shall make application to the ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home Inspectors for registration.

SECTION 6. Arkansas Code § 17-11-303 is amended to read as follows:

17-11-303. Certificate of registration – Examination.

The examination required under this chapter shall be in the form of written interrogatories as may be prescribed by the ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home Inspectors to determine the proficiency of the applicant.

SECTION 7. Arkansas Code § 17-11-304(a), concerning certificate of registration, issuance, or reapplication under the Arkansas Abstracters' Board, is amended to read as follows:

(a) If the applicant satisfactorily passes the examinations, the applicant shall be certified as a registered abstracter, and the certificate provided for shall be issued to him or her. The privileges granted by the certificate shall continue unless revoked, as provided in this chapter, or unless the certificate is otherwise surrendered to the ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home Inspectors.

SECTION 8. Arkansas Code § 17-11-305(a), concerning temporary certificates of registration for abstracters, is amended to read as follows:

(a) The ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home Inspectors upon application to ~~it~~ the board by any person succeeding to the ownership of any abstract plant or business by any means other than by purchase, or any person who by reason of the incapacity of any registered abstracter owner of any abstract plant or business is required to assume the operation of the abstract plant or business, may grant to the person without examination a temporary certificate of registration.

SECTION 9. Arkansas Code § 17-11-320 is amended to read as follows:

17-11-320. Certificate of authority required.

No person, firm, or corporation shall engage in the business of abstracting in this state until a certificate of authority has been issued to the person, firm, or corporation by the ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home Inspectors.

1
2 SECTION 10. Arkansas Code § 17-11-321(a), concerning the application
3 and issuance of certificates of authority for abstracters, is amended to read
4 as follows:

5 (a) Any person, firm, or corporation desiring to engage in the
6 business of abstracting in this state shall make application to the ~~Arkansas~~
7 ~~Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home
8 Inspectors for a certificate of authority.

9
10 SECTION 11. Arkansas Code § 17-11-322(b), concerning the expiration
11 and renewal of certificates of authority for abstracters, is amended to read
12 as follows:

13 (b) Current and subsisting certificates of authority shall be
14 renewed as provided for in this section for a one-year period upon payment of
15 a renewal fee in the sum to be set by the ~~Arkansas Abstracters' Board~~ State
16 Board of Appraisers, Abstracters, and Home Inspectors.

17
18 SECTION 12. Arkansas Code § 17-11-324(a)(1)(A), concerning the bond,
19 insurance, or personal surety for abstracters, is amended to read as follows:

20 (a)(1)(A) Before the certificate of authority is issued, the applicant
21 shall file with the ~~Arkansas Abstracters' Board~~ State Board of Appraisers,
22 Abstracters, and Home Inspectors a bond approved by the board conditioned
23 upon the payment by the applicant of any and all damages that may be
24 sustained by or may accrue to any person, firm, or corporation for whom the
25 applicant may compile, make, or furnish abstracts of title by reason of or on
26 account of any error, deficiency, or mistake in any abstract or certificate,
27 or any continuation, made or issued by the abstracter over its authorized
28 signature and seal.

29
30 SECTION 13. Arkansas Code § 17-11-340(a), concerning the revocation of
31 certificates for abstracters, is amended to read as follows:

32 (a) The ~~Arkansas Abstracters' Board~~ State Board of Appraisers,
33 Abstracters, and Home Inspectors is authorized, after a hearing as provided
34 in § 17-11-341, to cancel and revoke any certificate of registration issued
35 to any person under the provisions of this chapter:

36 (1) For a violation of any of the provisions of this chapter;

1 (2) Upon a conviction of the holder of such a certificate of a
2 crime under § 17-3-102; or

3 (3) If the board finds the holder to be guilty of habitual
4 carelessness or of fraudulent practices in the conduct of the business of
5 abstracting.

6
7 SECTION 14. Arkansas Code § 17-11-341(a)(1), concerning the revocation
8 of certificates, procedures and appeals for abstracters, is amended to read
9 as follows:

10 (a)(1) Upon a verified complaint's being filed with the ~~Arkansas~~
11 ~~Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home
12 Inspectors or upon the board's own motion filing a complaint charging the
13 holder of a certificate of registration with a violation of any of the
14 provisions of this chapter, or conviction of a crime under § 17-3-102, or
15 habitual carelessness or fraudulent practices in the conduct of the business
16 of abstracting, or charging the holder of a certificate of authority with
17 failure to furnish the bond or bonds, or other securities, required by § 17-
18 11-324, or with failing to have employed a registered abstracter as provided
19 in § 17-11-301, or with a violation of any of the provisions of this chapter,
20 the board shall immediately notify in writing by registered mail, with return
21 receipt, the holder of the certificate of the filing of the complaint and
22 furnish the holder with a copy of the complaint.

23
24 SECTION 15. Arkansas Code § 17-11-342 is amended to read as follows:
25 17-11-342. Seal.

26 Any licensee under this chapter shall provide a seal, which shall have
27 stamped on the license the name of the licensee, and shall deposit with the
28 ~~Arkansas Abstracters' Board~~ State Board of Appraisers, Abstracters, and Home
29 Inspectors an impression of the seal and the names of all persons authorized
30 to sign certificates to abstracts on behalf of the licensee.

31
32 SECTION 16. Arkansas Code § 17-11-401 is repealed.

33 ~~17-11-401. Creation—Members.~~

34 ~~(a) The Arkansas Abstracters' Board is created.~~

35 ~~(b)(1) The board shall consist of five (5) members appointed by the~~
36 ~~Governor, subject to confirmation by the Senate, for a term of six (6) years.~~

1 ~~(2) Two (2) members shall:~~
2 ~~(A) Be actively involved in the making of abstracts of~~
3 ~~real estate titles in this state for a period of at least five (5) years~~
4 ~~before appointment; and~~
5 ~~(B) Serve an initial term of six (6) years.~~
6 ~~(3) Two (2) members shall:~~
7 ~~(A) Be citizens of this state; and~~
8 ~~(B) Serve an initial term of four (4) years.~~
9 ~~(4) One (1) member shall:~~
10 ~~(A) Be knowledgeable of the abstract business; and~~
11 ~~(B) Serve an initial term of two (2) years.~~
12 ~~(c) A vacancy on the board caused by death, resignation, or otherwise~~
13 ~~shall be filled by appointment of the Governor, subject to confirmation by~~
14 ~~the Senate.~~
15 ~~(d)(1) A member may be appointed to successive terms.~~
16 ~~(2) No two (2) members shall be appointed from the same county.~~
17 ~~(e)(1) Each member shall serve without compensation.~~
18 ~~(2) However, a member may be entitled to receive travel and~~
19 ~~expense reimbursement in accordance with § 25-16-901 et seq.~~

20
21 SECTION 17. Arkansas Code § 17-11-402 is repealed.

22 ~~17-11-402. Organization and proceedings.~~

23 ~~(a) The Arkansas Abstracters' Board shall elect a chair and a~~
24 ~~secretary-treasurer.~~

25 ~~(b) The chair and secretary-treasurer of the board shall have the~~
26 ~~power to administer oaths.~~

27 ~~(c) The board shall have a seal and shall have the power to compel the~~
28 ~~attendance of witnesses.~~

29
30 SECTION 18. Arkansas Code § 17-11-403 is amended to read as follows:

31 (a)(1) The ~~Arkansas Abstracters' Board~~ State Board of Appraisers,
32 Abstracters, and Home Inspectors shall keep a register and shall record the
33 following information in the register:

34 (A) The name and the place of business of each applicant
35 for registration and certification;

36 (B) A notation of the action taken by the board on each

1 application for registration and each application for certification;

2 (C) The date upon which each certificate of registration
3 and each certificate of authority are issued; and

4 (D) Such other information as the board deems appropriate.

5 (2) The board shall maintain such other records, registers, and
6 files as may be necessary for the proper administration of its duties under
7 this ~~subchapter~~ chapter.

8 (b) The board may adopt rules for the proper administration of its
9 powers and duties and the carrying out of the purposes of this ~~subchapter~~
10 chapter.

11
12 SECTION 19. Arkansas Code § 17-14-103(8), concerning the definitions
13 in the Arkansas Appraiser Licensing and Certification Act, is repealed.

14 ~~(8) "Board" means the Arkansas Appraiser Licensing and~~
15 ~~Certification Board established under the Arkansas Appraiser Licensing and~~
16 ~~Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301~~
17 ~~et seq.;~~

18
19 SECTION 20. Arkansas Code § 17-14-103(26), concerning the definitions
20 in the Arkansas Appraiser Licensing and Certification Act, is amended to read
21 as follows:

22 (26) "State-registered appraiser" means any person who has
23 satisfied the requirements for a state-registered appraiser credential as set
24 forth in § 17-14-307 or requirements as may have been determined by the
25 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
26 Appraisers, Abstracters, and Home Inspectors and who may perform appraisals
27 on any type of property except when the purpose of the appraisal is for use
28 in federally related transactions;

29
30 SECTION 21. Arkansas Code § 17-14-104(c)(1), concerning, exceptions to
31 registration, licensing, or certification under the Arkansas Appraiser
32 Licensing and Certification Act, is amended to read as follows:

33 (c)(1) Except as provided in subsection (b) of this section,
34 appraisers, when providing appraisal reports or appraisal services in
35 nonfederally related transactions, who become licensed or certified by the
36 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of

1 Appraisers, Abstracters, and Home Inspectors are subject to the Arkansas
2 Appraiser Licensing and Certification Act, § 17-14-101 et seq., § 17-14-201
3 et seq., and § 17-14-301 et seq., in all matters involving appraisal
4 services, including transactions below the federally established threshold.
5

6 SECTION 22. Arkansas Code § 17-14-105(c), concerning the rights and
7 privileges of appraisers, is amended to read as follows:

8 (c) An appraiser shall not perform or be employed to perform an
9 appraisal where the property that is subject to the assignment lies within
10 the borders of the State of Arkansas without first being state-registered,
11 state-licensed, registered apprentice, or state-certified by the ~~Arkansas~~
12 ~~Appraiser Licensing and Certification Board~~ State Board of Appraisers,
13 Abstracters, and Home Inspectors.
14

15 SECTION 23. Arkansas Code § 17-14-106(a), concerning the absence of
16 liability under the Arkansas Appraiser Licensing and Certification Act, is
17 amended to read as follows:

18 (a) Financial institutions or affiliates hiring the services of
19 appraisers registered, licensed, or certified by the ~~Arkansas Appraiser~~
20 ~~Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and
21 Home Inspectors in nonfederally related transactions, including transactions
22 below the federally established threshold, shall not be liable to any party
23 asserting damages due to the alleged actions of the appraiser, nor shall the
24 financial institution or affiliate be subject to any requirements to report
25 to the board regarding such transactions other than as may be required by the
26 Arkansas Appraiser Licensing and Certification Act, § 17-14-101 et seq., §
27 17-14-201 et seq., and § 17-14-301 et seq., and the rules promulgated by the
28 board.
29

30 SECTION 24. Arkansas Code § 17-14-201 is amended to read as follows:
31 17-14-201. Composition – Membership – Chair.

32 (a) There is created the ~~Arkansas Appraiser Licensing and~~
33 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
34 Inspectors, to be composed of ~~ten (10)~~ eleven (11) members as follows:

35 (1) ~~Seven (7)~~ Five (5) practicing certified or licensed
36 appraisers as follows:

1 (A) At least ~~five (5)~~ four (4) of the appraiser members of
2 the board shall be state-certified appraisers;

3 (B) No more than two (2) appraiser members shall reside in
4 the same congressional district of the four (4) Arkansas congressional
5 districts; and

6 (C) The ~~seven (7)~~ five (5) practicing appraiser members
7 shall be representative of the various disciplines found in the appraisal
8 profession, including without limitation residential appraisal, commercial
9 and industrial appraisal, forestry and timberland appraisal, rural appraisal,
10 and any other appraisal discipline that may be affected by the Arkansas
11 Appraiser Licensing and Certification Act, § 17-14-101 et seq., § 17-14-201
12 et seq., and § 17-14-301 et seq.;

13 (2) One (1) ~~board member shall be a~~ representative of financial
14 institutions familiar with the appraisal process;

15 (3) One (1) senior citizen and consumer representative; ~~and~~

16 (4) ~~One (1) consumer representative~~ Three (3) registered home
17 inspectors; and

18 (5) One (1) person who is actively involved in the making of
19 abstracts of real estate titles in the state or is knowledgeable about the
20 abstract business for a minimum of (5) years before appointment.

21 (b)(1) The Governor shall appoint the members of the board subject to
22 confirmation by the Senate and may remove a member for cause.

23 (2) At least ~~five (5)~~ four (4) real estate appraiser members
24 appointed to the board shall be members in good standing of:

25 (A) A state or regional chapter of a nationally recognized
26 real estate appraisal organization that requires an individual to have
27 qualified appraisal experience, education, and testing in order to become a
28 designated member and to adhere to standards of professional practice in
29 order to retain such a designation; or

30 (B) The Association of Consulting Foresters of America,
31 Inc., Arkansas Chapter.

32 (c)(1)~~(A)~~ The term of each ~~appraiser~~ board member shall be three (3)
33 years.

34 ~~(B) The financial member representative, the senior~~
35 ~~citizen representative, and the consumer representative shall have three year~~
36 ~~terms.~~

1 (2) Upon expiration of their terms, members of the board shall
2 continue to hold office until the appointment and qualification of their
3 successors.

4 (3) No person shall serve as a member of the board for more than
5 two (2) consecutive terms.

6 (d) The members of the board will select a ~~state-certified appraiser~~
7 chair.

8 (e) Each member of the board may receive expense reimbursement and
9 stipends in accordance with § 25-16-901 et seq.

10
11 SECTION 25. Arkansas Code § 17-14-202 is amended to read as follows:
12 17-14-202. Powers and duties – Reporting standards – Qualification
13 standards.

14 (a) The ~~Arkansas Appraiser Licensing and Certification Board~~ State
15 Board of Appraisers, Abstracters, and Home Inspectors may establish,
16 maintain, report, and periodically update meaningful qualification standards
17 for state-licensed, registered apprentice, and state-certified appraisers
18 practicing in the State of Arkansas, including testing, experience, and
19 educational requirements that:

20 (1) Are adequate to demonstrate knowledge and competency; and

21 (2) Will further demonstrate the continued compliance with:

22 (A) All applicable federal law and regulations, including
23 Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act
24 of 1989, and related requirements of the federal financial institutions
25 regulatory agencies; and

26 (B) The minimum standards and qualifications as
27 promulgated by the Appraisal Standards Board and the Appraiser Qualifications
28 Board of the Appraisal Foundation.

29 (b) The ~~Arkansas Appraiser Licensing and Certification Board~~ State
30 Board of Appraisers, Abstracters, and Home Inspectors may adopt, maintain,
31 report, and periodically update minimum reporting standards for state-
32 registered, state-licensed, registered apprentice, and state-certified
33 appraisers practicing in the State of Arkansas. The reporting standards
34 shall:

35 (1) Be equivalent to the Uniform Standards of Professional
36 Appraisal Practice as promulgated by the Appraisal Standards Board of the

1 Appraisal Foundation; and

2 (2) At all times seek compliance with:

3 (A) All applicable federal law and regulations, including
4 Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act
5 of 1989, and related requirements of the federal financial institutions
6 regulatory agencies; and

7 (B) The minimum standards as promulgated by the Appraisal
8 Standards Board of the Appraisal Foundation.

9
10 SECTION 26. Arkansas Code § 17-14-203 is amended to read as follows:

11 17-14-203. Powers and duties – In general.

12 In accordance with these general powers and duties, the ~~Arkansas~~
13 ~~Appraiser Licensing and Certification Board~~ State Board of Appraisers,
14 Abstracters, and Home Inspectors shall:

15 (1) Perform all duties and functions necessary to carry out this
16 chapter;

17 (2)(A) Receive applications for registering, licensing, and
18 certification.

19 (B) The application shall include the applicant's consent
20 to a state criminal background check and a national fingerprint-based
21 criminal background check performed by the Federal Bureau of Investigation in
22 compliance with federal law and regulations;

23 (3) Establish administrative procedures for processing
24 applications;

25 (4)(A)(i) Approve and issue registration, licenses, and
26 certificates to qualified applicants or disapprove applications for
27 registering, licensing, and certification for applicants who do not meet the
28 minimum requirements as prescribed in this chapter.

29 (ii) The minimum requirements shall include a
30 determination that the applicant possesses a background that does not call
31 into question public trust or the applicant's fitness for registration,
32 licensure, or certification.

33 (B) All application materials and records submitted to the
34 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
35 Appraisers, Abstracters, and Home Inspectors shall be retained by the
36 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of

1 Appraisers, Abstracters, and Home Inspectors;

2 (5)(A) Maintain a roster of the names, addresses, email
3 addresses, and telephone numbers of all persons licensed and certified under
4 the Arkansas Appraiser Licensing and Certification Act, § 17-14-101 et seq.,
5 § 17-14-201 et seq., and § 17-14-301 et seq., and, in accordance with
6 sections 1103(a)(3) and 1109(a)(1) of Title XI of the Financial Institutions
7 Reform, Recovery, and Enforcement Act of 1989, shall submit this roster
8 monthly to the Appraisal Subcommittee.

9 (B) This roster may be published and periodically updated
10 and provided to all interested parties at cost;

11 (6)(A) Establish by rule the minimum examination, education,
12 experience, and continuing education requirements for state-registered,
13 state-licensed, registered apprentice, and state-certified appraisers.

14 (B)(i) The criteria for a state-registered appraiser shall
15 be less rigorous than the criteria for a state-licensed appraiser.

16 (ii) The criteria for a state-licensed appraiser
17 shall be less rigorous than the criteria for a state-certified appraiser.
18 However, the criteria will ensure that licensed appraisers have sufficient
19 experience and training to perform appraisals for transactions within and in
20 compliance with Title XI of the Financial Institutions Reform, Recovery, and
21 Enforcement Act of 1989.

22 (C) These rules shall at all times be equivalent to the
23 minimum appraiser-qualification criteria as promulgated by the Appraiser
24 Qualifications Board of the Appraisal Foundation for state-licensed,
25 registered apprentice, and state-certified appraisers performing federally
26 related transactions.

27 (D) With respect to examinations, these rules shall at all
28 times require minimum examination contents that are equivalent to the
29 national uniform examination content as promulgated by the Appraiser
30 Qualifications Board of the Appraisal Foundation and shall provide for the
31 selection and utilization of a testing service acceptable to the Appraiser
32 Qualifications Board of the Appraisal Foundation.

33 (E)(i) Every application for registering, licensing, and
34 certifying shall be accompanied by an application fee and a criminal
35 background check fee that the ~~Arkansas Appraiser Licensing and Certification~~
36 ~~Board~~ State Board of Appraisers, Abstracters, and Home Inspectors may

1 establish by rule.

2 (ii) However, the ~~Arkansas Appraiser Licensing and~~
3 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
4 Inspectors, at its discretion, may direct each applicant to pay the actual
5 cost of the examination fee directly to a testing service engaged by the
6 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
7 Appraisers, Abstracters, and Home Inspectors to administer the examination.

8 (F)(i) The application fee to upgrade a credential from
9 registered apprentice to state-licensed or to state-certified shall not
10 exceed one hundred dollars (\$100).

11 (ii) The application fee to upgrade a credential
12 from state-licensed to state-certified shall not exceed fifty dollars
13 (\$50.00).

14 (G) The total annual resident registering, licensing,
15 certification, and application fees established by the ~~Arkansas Appraiser~~
16 ~~Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and
17 Home Inspectors shall not exceed three hundred dollars (\$300), excluding fees
18 for:

19 (i) Applicable examination and federal pass-through
20 fees; and

21 (ii) Criminal background check fees.

22 (H) Courses, schools, seminars, and any other educational
23 programs must be recognized by the ~~Arkansas Appraiser Licensing and~~
24 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
25 Inspectors as acceptable to satisfy registration, licensing, and
26 certification standards and continuing education requirements under the
27 Arkansas Appraiser Licensing and Certification Act, § 17-14-101 et seq., §
28 17-14-201 et seq., and § 17-14-301 et seq.;

29 (7)(A) Establish administrative procedures for disciplinary
30 proceedings conducted under the Arkansas Appraiser Licensing and
31 Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301
32 et seq.

33 (B) The administrative procedures shall include provisions
34 for the suspension and revocation of registration, licenses, and certificates
35 and the enforcement of civil penalties concurrent with existing statutes
36 regarding civil procedures;

1 (8) Subpoena and issue subpoena duces tecum and to bring before
2 ~~it the State Board of Appraisers, Abstracters, and Home Inspectors~~ any person
3 in this state, and to take testimony by deposition, in the same manner as
4 prescribed by law in judicial proceedings in the courts of this state or to
5 require production of any records relevant to any inquiry or hearing by the
6 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
7 Appraisers, Abstracters, and Home Inspectors;

8 (9) Recommend procedures necessary to assure the ready
9 availability to appraisers in the state of adequate and reliable information
10 regarding property prices and the terms and conditions of real estate and
11 real property transactions and related financing;

12 (10) Establish administrative procedures for the setting,
13 charging, and collecting of fees necessary for the operation of the ~~Arkansas~~
14 ~~Appraiser Licensing and Certification Board~~ State Board of Appraisers,
15 Abstracters, and Home Inspectors and to concurrently collect and submit to
16 the proper agency as prescribed under Section 1109(a)(4) of the Financial
17 Institutions Reform, Recovery, and Enforcement Act of 1989 and any other
18 related federal law, any additional fees that may from time to time be
19 required to be paid by appraisers whose practices include the appraisal of
20 properties included in federally related transactions;

21 (11) Be authorized to adopt and enforce such administrative
22 rules as may be necessary to comply with state law and federal law with
23 specific reference to Title XI of the Financial Institutions Reform,
24 Recovery, and Enforcement Act of 1989 as it exists today and as it may be
25 amended and adopted by the Appraisal Subcommittee; and

26 (12)(A)(i) Obtain a state criminal background check performed by
27 the Identification Bureau of the Division of Arkansas State Police and a
28 national fingerprint-based criminal background check performed by the Federal
29 Bureau of Investigation in compliance with federal law and regulations for
30 all applicants for a real property appraiser registration, license, or
31 certification to determine if the applicant possesses a background that does
32 not call into question public trust or the applicant's fitness for
33 registration, licensure, or certification.

34 (ii) Subdivision (12)(A)(i) of this section applies
35 to an application for a state-registered appraiser credential, an application
36 for a registered apprentice appraiser credential, an application to upgrade

1 an existing appraiser credential, an application to reinstate an appraiser
2 credential that has been inactive for more than twelve (12) months, and an
3 application for a new reciprocal appraiser credential.

4 (iii) Subdivision (12)(A)(i) of this section does
5 not apply to an application for a temporary practice permit.

6 (B) An applicant shall provide all information requested
7 by the ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
8 Appraisers, Abstracters, and Home Inspectors to assist making the
9 determination.

10 (C) Factors to consider in making the determination
11 include without limitation whether the applicant:

12 (i) During the five (5) years immediately preceding
13 the date of the application was convicted of, or pled guilty or nolo
14 contendere to, a crime that would call into question the applicant's fitness
15 for registration, licensure, or certification, including without limitation a
16 crime involving:

17 (a)(1) An act substantially related to the
18 qualifications, functions, or duties of an appraiser.

19 (2) A crime or act may be deemed
20 substantially related to the qualifications, functions, or duties of an
21 appraiser if, to a substantial degree, the crime or act evidences present or
22 potential unfitness of a person applying for or holding a real property
23 appraiser credential to perform the functions authorized by the credential;

24 (b) Taking, appropriating, or retaining the
25 funds or property of another;

26 (c) Forging, counterfeiting, or altering an
27 instrument affecting the rights or obligations of another;

28 (d) Evasion of a lawful debt or obligation,
29 including without limitation a tax obligation;

30 (e) Trafficking in narcotics or controlled
31 substances;

32 (f) Violation of a relation of trust or
33 confidence;

34 (g) Theft of personal property or funds;

35 (h) An act of violence or threatened violence
36 against persons or property; or

(i) A sexually related crime or act under § 5-14-101 et seq.;

(ii) Has had an appraiser registration, license, certification, or credential of any type revoked in any governmental jurisdiction;

(iii) Performed any act which if done by an appraiser would be grounds to revoke or suspend the appraiser's license or certification;

(iv) Knowingly made a false statement of material fact required to be disclosed in an application for any professional license or certification;

(v) Has been prohibited from participating in the affairs of an insured depository institution under Section 19(a) of the Federal Deposit Insurance Act, 12 U.S.C. § 1829;

(vi) Misrepresented facts or information on the appraiser registration, license, or certification application; or

(vii) Cheated on an examination for a real property appraiser registration, license, or certification.

SECTION 27. Arkansas Code § 17-14-204(a), concerning meetings, quorum, and voting by the Arkansas Appraiser Licensing and Certification Board, is amended to read as follows:

(a) ~~The Arkansas Appraiser Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and Home Inspectors shall meet not less frequently than twice each calendar year to conduct its business.

SECTION 28. Arkansas Code § 17-14-204(e), concerning quorum requirements, is amended to read as follows:

(e)(1) A quorum of the board shall be ~~six (6)~~ five (5) members, ~~provided that four (4) must be state licensed or state certified appraisers.~~

(2) No binding decisions or regulatory changes may be made by the board in the absence of a quorum.

SECTION 29. Arkansas Code § 17-14-205(a), concerning the hearings, review, and access to records under the Arkansas Appraiser Licensing and Certification Act, is amended to read as follows:

1 (a) In fulfilling its duties under the Arkansas Appraiser Licensing
2 and Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-
3 301 et seq., the ~~Arkansas Appraiser Licensing and Certification Board~~ State
4 Board of Appraisers, Abstracters, and Home Inspectors shall comply with the
5 Arkansas Administrative Procedure Act, § 25-15-201 et seq., and any person
6 aggrieved by any rule or other actions of the board for which an appeal is
7 not provided for in the Arkansas Administrative Procedure Act, § 25-15-201 et
8 seq., may appeal to the Pulaski County Circuit Court.

9
10 SECTION 30. Arkansas Code § 17-14-206(a), concerning complaints and
11 disciplinary procedures under the Arkansas Appraiser Licensing and
12 Certification Act, is amended to read as follows:

13 (a) Upon its own motion or upon written complaint of any person and
14 after notice and hearing as prescribed by the Arkansas Administrative
15 Procedure Act, § 25-15-201 et seq., the ~~Arkansas Appraiser Licensing and~~
16 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
17 Inspectors may suspend or revoke the registration, license, or certification
18 of any registrant, licensee, or certificate holder and issue a fine up to the
19 amount of one thousand dollars (\$1,000) per violation occurrence or take any
20 other appropriate disciplinary action for:

21 (1) Violation of any provision of the Arkansas Appraiser
22 Licensing and Certification Act, § 17-14-101 et seq., § 17-14-201 et seq.,
23 and § 17-14-301 et seq.;

24 (2) Falsifying any application for licensure or certification or
25 otherwise providing any false information to the board;

26 (3) [Repealed.]

27 (4) Any actions demonstrating untrustworthiness, incompetence,
28 dishonesty, gross negligence, material misrepresentation, fraud, or unethical
29 conduct in any dealings subject to the Arkansas Appraiser Licensing and
30 Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301
31 et seq.;

32 (5) Adjudication of insanity;

33 (6) Use of advertising or solicitation that is false,
34 misleading, or is otherwise deemed unprofessional by the board;

35 (7) Employing directly or indirectly any unlicensed person to
36 perform any actions subject to the Arkansas Appraiser Licensing and

1 Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301
2 et seq.;

3 (8) Habitual or excessive use of intoxicants or illegal drugs;
4 or

5 (9) Failure to meet continuing education requirements within the
6 proper time period.

7
8 SECTION 31. Arkansas Code § 17-14-305(a)(1), concerning compliance
9 with uniform standards and code of ethics, seals, and licensing and
10 certification documents under the Arkansas Appraiser Licensing and
11 Certification Act, is amended to read as follows:

12 (a)(1) Each state-registered appraiser, each state-licensed appraiser,
13 each registered apprentice appraiser, and each state-certified appraiser
14 shall comply with the Uniform Standards of Professional Appraisal Practice
15 and ~~Code of Ethics~~ code of ethics adopted by the ~~Arkansas Appraiser Licensing~~
16 ~~and Certification Board~~ State Board of Appraisers, Abstracters, and Home
17 Inspectors and shall authenticate all written appraisal reports with a seal
18 that shall indicate the registration, license, or certification number.

19
20 SECTION 32. Arkansas Code § 17-14-306(b)(1), concerning additional
21 licenses and nonresidents under the Arkansas Appraiser Licensing and
22 Certification Act, is amended to read as follows:

23 (b)(1) If, in the determination by the ~~Arkansas Appraiser Licensing~~
24 ~~and Certification Board~~ State Board of Appraisers, Abstracters, and Home
25 Inspectors, another state is deemed to have substantially equivalent
26 licensing and certification requirements, an applicant who is licensed or
27 certified under the laws of the other state may obtain a nonresident license
28 or certificate as a state-licensed appraiser or a state-certified appraiser
29 in this state upon such terms and conditions as may be determined by the
30 board.

31
32 SECTION 33. Arkansas Code § 17-14-307(1), concerning minimum
33 qualifying requirements for registered appraisers, is amended to read as
34 follows:

35 (1) Make application to the ~~Arkansas Appraiser Licensing and~~
36 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home

1 Inspectors on approved forms which shall include an affidavit that states
2 that the appraiser has read and understands:

3 (A) The current edition of the Uniform Standards of
4 Professional Appraisal Practice;

5 (B) The board's statutes; and

6 (C) The board's rules;
7

8 SECTION 34. Arkansas Code § 17-14-308(a)(2)(B)(ii)(b), concerning a
9 violation of law, civil penalties, injunctions, and venue under the Arkansas
10 Appraiser Licensing and Certification Act, is amended to read as follows:

11 (b) Withholding payment for an appraisal based
12 upon a bona fide dispute concerning the appraiser's compliance with the
13 appraisal standards adopted by the ~~Arkansas Appraiser Licensing and~~
14 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
15 Inspectors under this chapter.
16

17 SECTION 35. Arkansas Code § 17-14-402(9), concerning the definition of
18 "board" under the Arkansas Appraiser Licensing and Certification Act, is
19 repealed.

20 ~~(9) "Board" means the Arkansas Appraiser Licensing and~~
21 ~~Certification Board established under the Arkansas Appraiser Licensing and~~
22 ~~Certification Act, § 17-14-101 et seq., § 17-14-201 et seq., and § 17-14-301~~
23 ~~et seq.;~~
24

25 SECTION 36. Arkansas Code § 17-14-403 is amended to read as follows:

26 17-14-403. Registration of appraisal management companies required.

27 A person shall not act as an appraisal management company or perform
28 appraisal management services in this state unless registered by the ~~Arkansas~~
29 ~~Appraiser Licensing and Certification Board~~ State Board of Appraisers,
30 Abstracters, and Home Inspectors.
31

32 SECTION 37. Arkansas Code § 17-14-404 is amended to read as follows:

33 17-14-404. Rulemaking authority.

34 The ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
35 Appraisers, Abstracters, and Home Inspectors may adopt rules to implement,
36 administer, and enforce this subchapter, including without limitation to

1 prescribe:

2 (1) Forms and procedures for submitting information to the
3 board;

4 (2) Standards of practice for a person registered under this
5 subchapter; and

6 (3) Standards for the operation of appraisal management
7 companies.

8
9 SECTION 38. Arkansas Code § 17-14-405(a)(1), concerning the
10 requirements for registration for an appraisal management company, is amended
11 to read as follows:

12 (a)(1) Before acting or offering to act as an appraisal management
13 company in this state, a person shall make written application on the forms
14 provided on the official website of the ~~Arkansas Appraiser Licensing and~~
15 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
16 Inspectors to the board for registration accompanied by the fee and bond
17 established by the board.

18
19 SECTION 39. Arkansas Code § 17-14-406(a)(1), concerning the fees and
20 renewals for registration of appraisal management companies, is amended to
21 read as follows:

22 (a)(1) The ~~Arkansas Appraiser Licensing and Certification Board~~ State
23 Board of Appraisers, Abstracters, and Home Inspectors shall establish by rule
24 an application fee for an initial application or an application for renewal
25 not to exceed one thousand five hundred dollars (\$1,500) to be paid by each
26 appraisal management company seeking registration under this subchapter.

27
28 SECTION 40. Arkansas Code § 17-14-407(a)(2), concerning registrant
29 responsibilities and duties, is amended to read as follows:

30 (2) Provide to the ~~Arkansas Appraiser Licensing and~~
31 ~~Certification Board~~ State Board of Appraisers, Abstracters, and Home
32 Inspectors the information required by § 4-20-105(a) concerning the
33 organization's agent for service of process and within five (5) business days
34 any changes to the information.

35
36 SECTION 41. Arkansas Code § 17-14-408(b)(5), concerning prohibited

activities for appraisal management companies, is amended to read as follows:

(5) Enter into contracts or agreements with an independent appraiser for the performance of appraisal services unless the independent appraiser is licensed or certified in good standing with the ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and Home Inspectors;

SECTION 42. Arkansas Code § 17-14-409(a)(1), concerning the registry of applicants and roster for appraisal management companies, is amended to read as follows:

(a)(1) The Executive Director of the ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and Home Inspectors shall keep a register of all applicants for registration.

SECTION 43. Arkansas Code § 17-14-409(b)(1), concerning the registry of applicants and roster for appraisal management companies, is amended to read as follows:

(b)(1) The executive director shall keep a current roster showing the names and addresses of all appraisal management companies registered with the ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and Home Inspectors.

SECTION 44. Arkansas Code § 17-14-410(a), concerning disciplinary authority, enforcement, and hearings for appraisal management companies, is amended to read as follows:

(a) The ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of Appraisers, Abstracters, and Home Inspectors may deny, suspend, revoke, or refuse to issue or renew the registration of an appraisal management company under this subchapter or may restrict or limit the activities of an appraisal management company or a person who owns an interest in or participates in the business of an appraisal management company if the board finds that any of the following circumstances apply to the applicant, a registrant, or a partner, member, manager, officer, director, managing principal, controlling person, or a person occupying a similar status or performing similar functions, or a person directly or indirectly controlling the applicant or registrant:

1 (1) The person's application for registration when filed or
2 after filing contained a statement that in light of the circumstances under
3 which it was made is false or misleading with respect to a material fact;

4 (2) The person has violated or failed to comply with this
5 subchapter;

6 (3) The person has pleaded guilty or nolo contendere to or been
7 found guilty of:

8 (A) A felony listed under § 17-3-102; or

9 (B) Within the past ten (10) years:

10 (i) A misdemeanor involving mortgage lending or real
11 estate appraising; or

12 (ii) An offense involving breach of trust or
13 fraudulent or dishonest dealing;

14 (4) The person is permanently or temporarily enjoined by a court
15 of competent jurisdiction from engaging in or continuing any conduct or
16 practice involving appraisal management services or operating an appraisal
17 management company;

18 (5) The person is the subject of an order of the board or any
19 other state appraisal management company regulatory agency denying,
20 suspending, or revoking the person's privilege to operate as an appraisal
21 management company;

22 (6) The person acted as an appraisal management company while
23 not properly registered by the board; or

24 (7) The person failed to pay the proper filing or renewal fee
25 under this subchapter.
26

27 SECTION 45. Arkansas Code § 17-14-411(a), concerning injunctive relief
28 and criminal penalties, is amended to read as follows:

29 (a) ~~The Arkansas Appraiser Licensing and Certification Board~~ State
30 Board of Appraisers, Abstracters, and Home Inspectors may appear in its own
31 name in a circuit court of competent jurisdiction to obtain injunctive relief
32 to prevent a person from violating this subchapter.
33

34 SECTION 46. Arkansas Code § 17-14-413(b), concerning the compensation
35 of appraisers, is amended to read as follows:

36 (b) An appraiser who is aggrieved under this section may file a

1 complaint with the ~~Arkansas Appraiser Licensing and Certification Board~~ State
2 Board of Appraisers, Abstracters, and Home Inspectors against the appraisal
3 management company.

4
5 SECTION 47. Arkansas Code § 17-14-414 is amended to read as follows:
6 17-14-414. Appraisal review.

7 Any employee of an appraisal management company or an independent
8 contractor of the appraisal management company who performs a Uniform
9 Standards of Professional Appraisal Practice Standard 3 appraisal review of
10 an appraisal report on a property located in this state shall be an appraiser
11 with the proper level of appraiser credential issued by the ~~Arkansas~~
12 ~~Appraiser Licensing and Certification Board~~ State Board of Appraisers,
13 Abstracters, and Home Inspectors.

14
15 SECTION 48. Arkansas Code § 17-52-302(b), concerning the purpose and
16 intent of licensing home inspectors, is amended to read as follows:

17 (b) The purpose of the ~~Arkansas Home Inspector Registration Board~~
18 State Board of Appraisers, Abstracters, and Home Inspectors created under
19 this subchapter shall be to:

- 20 (1) Administer and enforce the provisions of this subchapter;
21 (2) Promote a business atmosphere that will protect consumers of
22 home inspection services;
23 (3) Oversee an ongoing program to develop high-level skills in
24 home inspectors; and
25 (4) Encourage the presence of a viable home inspection industry
26 in Arkansas.

27
28 SECTION 49. Arkansas Code § 17-52-304 is repealed.

29 ~~17-52-304. Arkansas Home Inspector Registration Board — Creation —~~
30 ~~Members.~~

31 ~~(a) There is created the Arkansas Home Inspector Registration Board.~~
32 ~~(b) The board shall consist of seven (7) members, to be appointed by~~
33 ~~the Governor as follows:~~

- 34 ~~(1) Four (4) members shall be registered home inspectors;~~
35 ~~(2) One (1) member shall be a licensed real estate professional;~~
36 ~~(3) One (1) member shall be a licensed real estate appraiser;~~

1 and

2 ~~(4) One (1) member shall be an at-large member who shall serve~~
3 ~~as a consumer advocate.~~

4 ~~(c)(1) The initial members appointed under subsection (b) of this~~
5 ~~section shall determine their terms of office by drawing lots to result in~~
6 ~~two (2) home inspector members and two (2) noninspector members serving two-~~
7 ~~year terms and two (2) home inspector members and one (1) noninspector member~~
8 ~~serving one-year terms.~~

9 ~~(2) Successor appointed members shall serve two-year terms.~~

10 ~~(d) Any vacancy that occurs on the board shall be filled by the~~
11 ~~Governor for the remainder of the unexpired term.~~

12 ~~(e) Board members shall serve not more than three (3) consecutive~~
13 ~~terms of office.~~

14 ~~(f) The consumer advocate member of the board shall call the first~~
15 ~~meeting and shall serve as chair of the first meeting.~~

16 ~~(g) If funds are available, members of the board may receive expense~~
17 ~~reimbursement according to § 25-16-902.~~

18
19 SECTION 50. Arkansas Code § 17-52-305 is repealed.

20 ~~17-52-305. Meetings.~~

21 ~~(a) The Arkansas Home Inspector Registration Board shall physically~~
22 ~~meet not fewer than two (2) times each calendar year to conduct the business~~
23 ~~of the board.~~

24 ~~(b) The board may conduct any additional meetings in person, by~~
25 ~~telephone conference call, or by other electronic means.~~

26 ~~(c) Dates, times, and places of meetings shall be decided by a~~
27 ~~majority vote of the board members.~~

28 ~~(d)(1) At the first meeting, a chair and all other officers needed to~~
29 ~~conduct the business of the board shall be elected.~~

30 ~~(2) Except for the election of the initial board officers, all~~
31 ~~officers shall be elected in May of each year and shall serve for twelve-~~
32 ~~month terms.~~

33 ~~(e) Written notice shall be given to each member of the board of the~~
34 ~~time and place of each meeting at least ten (10) calendar days before the~~
35 ~~scheduled date of the meeting.~~

36 ~~(f) The minutes of all meetings shall be recorded by an administrative~~

1 ~~secretary and made a permanent part of the records of the board no later than~~
2 ~~seven (7) calendar days after the respective meeting.~~

3 ~~(g) A majority of the members of the board shall constitute a quorum~~
4 ~~for transacting any business of the board.~~

5
6 SECTION 51. Arkansas Code § 17-52-306 is amended to read as follows:

7 17-52-306. Powers and duties of the board.

8 The ~~Arkansas Home Inspector Registration Board~~ State Board of
9 Appraisers, Abstracters, and Home Inspectors may:

10 (1) Perform the duties and functions appropriate and necessary
11 to carry out the provisions of this subchapter;

12 (2) Review, approve, or reject registration applications and
13 issue registration certificates to applicants;

14 (3) Establish a mandatory continuing education program designed
15 to upgrade the professional skills and knowledge of home inspectors
16 practicing in Arkansas;

17 (4)(A) Establish administrative procedures for disciplinary
18 proceedings conducted according to the provisions for this subchapter.

19 (B) The procedures shall include provisions for the
20 suspension and revocation of registration and enforcement of civil penalties;

21 (5) Establish procedures for processing and resolving complaints
22 against home inspectors conducting home inspections in Arkansas;

23 (6) Authorize disbursement of the funds collected into the
24 Arkansas Home Inspectors Registration Fund;

25 (7) Employ legal counsel to represent it in any proceedings when
26 legal counsel is required;

27 (8) Develop competency exams for home inspectors;

28 (9) Establish a standard of practice and code of ethics for home
29 inspectors;

30 (10) Enter into agreements with other states, territories,
31 districts, or possessions of the United States concerning registration or
32 licensing requirements acceptable between Arkansas and the other entities;

33 (11) Maintain working files as it deems necessary;

34 (12) Contract for administrative support services and meet
35 financial obligations of those contracts using moneys from the fund;

36 (13)(A) Develop and implement a means for conducting internet

1 board meetings, which may be observed by the public in real time.

2 (B) Public participation in the meetings may be permitted
3 in accordance with rules developed by the board;

4 (14) Establish and maintain an ~~internet site~~ website devoted to
5 home inspection registration and related subjects; and

6 (15) [Repealed.]

7 (16) Establish educational requirements for registration to
8 begin after July 1, 2004, including the standards and procedures for approval
9 of educational programs if the maximum number of hours required shall not
10 exceed ninety (90) classroom hours.

11
12 SECTION 52. Arkansas Code § 17-52-307(a), concerning hearings,
13 reviews, and access to records of the Arkansas Home Inspector Registration
14 Board, is amended to read as follows:

15 (a) As part of an investigation or as a condition of renewal, the
16 ~~Arkansas Home Inspector Registration Board~~ State Board of Appraisers,
17 Abstracters, and Home Inspectors may require a home inspector to submit in
18 writing home inspection reports and other documents to be reviewed by the
19 board.

20
21 SECTION 53. Arkansas Code § 17-52-308(a), concerning complaints and
22 disciplinary procedures of the Arkansas Home Inspector Registration Board, is
23 amended to read as follows:

24 (a) Disciplinary hearings conducted by the ~~Arkansas Home Inspector~~
25 ~~Registration Board~~ State Board of Appraisers, Abstracters, and Home
26 Inspectors for the purpose of determining whether to levy civil penalties
27 under this subchapter and for the purpose of determining whether to revoke or
28 suspend any registration, license, or certificate issued under this
29 subchapter shall be open public meetings conducted as provided for in the
30 Freedom of Information Act of 1967, § 25-19-101 et seq., unless otherwise
31 superseded by provisions of this subchapter.

32
33 SECTION 54. Arkansas Code § 17-52-309(b)(1), concerning Arkansas Home
34 Inspector Registration Board violations of law, civil penalties, injunctions,
35 and venue, is amended to read as follows:

36 (b)(1) Upon application by the ~~Arkansas Home Inspector Registration~~

1 ~~Board~~ State Board of Appraisers, Abstracters, and Home Inspectors, a court
2 may grant an injunction, restraining order, or other order as may be
3 appropriate to enjoin a person from:

4 (A) Offering to engage or engaging in the performance of
5 any acts or practices for which registration is required by this subchapter
6 after a showing that the acts or practices were performed or offered to be
7 performed without a certificate of registration; or

8 (B) Engaging in any practice or business authorized by a
9 certificate of registration issued under this subchapter upon a showing that
10 the holder presents a substantial probability of serious danger to the
11 health, safety, or welfare of any resident of this state or client of the
12 certificate holder.

13
14 SECTION 55. Arkansas Code § 17-52-310(a), concerning continuing
15 education for home inspectors, is amended to read as follows:

16 (a) The ~~Arkansas Home Inspector Registration Board~~ State Board of
17 Appraisers, Abstracters, and Home Inspectors shall implement requirements for
18 home inspectors to successfully complete continuing education annually as a
19 condition to registration renewal.

20
21 SECTION 56. Arkansas Code § 17-52-311 is amended to read as follows:

22 17-52-311. ~~Role of Secretary of the Department of Labor and Licensing~~
23 Custodian of records.

24 (a)(1) The ~~Secretary of the Department of Labor and Licensing~~
25 Executive Director of the State Board of Appraisers, Abstracters, and Home
26 Inspectors shall be the custodian of permanent, official, home inspector
27 registration files and shall maintain permanent records of all home inspector
28 registration applications received since the enactment of this subchapter.

29 (2) The ~~secretary~~ executive director shall maintain the
30 permanent records of the ~~Arkansas Home Inspector Registration Board~~ State
31 Board of Appraisers, Abstracters, and Home Inspectors.

32 (b) The ~~secretary~~ executive director shall receive and process
33 applications for initial registration and renewal of registration.

34
35 SECTION 57. Arkansas Code § 17-52-312(e), concerning the Arkansas Home
36 Inspectors Registration Fund, is amended to read as follows:

1 (e) ~~The Arkansas Home Inspector Registration Board~~ State Board of
2 Appraisers, Abstracters, and Home Inspectors will process disbursements of
3 those funds as necessary in the administration of this subchapter.
4

5 SECTION 58. Arkansas Code § 17-52-313(a)(1) and (2), concerning the
6 disposition of funds from the Arkansas Home Inspector Registration Board, are
7 amended to read as follows:

8 (a)(1) ~~The Secretary~~ Executive Director of the ~~Arkansas Home Inspector~~
9 ~~Registration Board~~ State Board of Appraisers, Abstracters, and Home
10 Inspectors shall receive, disburse, and account for all income paid to or
11 received by the ~~Arkansas Home Inspector Registration Board~~ State Board of
12 Appraisers, Abstracters, and Home Inspectors.

13 (2) ~~The Secretary~~ Executive Director of the ~~Arkansas Home~~
14 ~~Inspector Registration Board~~ State Board of Appraisers, Abstracters, and Home
15 Inspectors shall institute a system of books and financial records
16 satisfactory to the Secretary of the Department of Finance and
17 Administration.
18

19 SECTION 59. Arkansas Code § 17-52-313(a)(4), concerning the
20 disposition of funds from the Arkansas Home Inspector Registration Board, is
21 amended to read as follows:

22 (4) ~~The Secretary~~ Executive Director of the ~~Arkansas Home~~
23 ~~Inspector Registration Board~~ State Board of Appraisers, Abstracters, and Home
24 Inspectors shall deposit all funds of the board that he or she receives with
25 the State Treasury within forty-eight (48) hours, excluding holidays and
26 Sundays, after he or she receives the funds.
27

28 SECTION 60. Arkansas Code § 17-52-315(a), concerning an application
29 for registration as a home inspector, is amended to read as follows:

30 (a) Any person applying for registration or renewal of registration as
31 a home inspector shall submit to the ~~Arkansas Home Inspector Registration~~
32 ~~Board~~ State Board of Appraisers, Abstracters, and Home Inspectors:

33 (1) An application under oath upon a form to be prescribed by
34 the board;

35 (2) A current certificate of insurance issued by an insurance
36 company licensed or surplus lines approved to do business in this state that

1 states that the applicant has procured general liability insurance in the
2 minimum amount of one hundred thousand dollars (\$100,000) and, if applicable,
3 workers' compensation insurance; and

4 (3) The required registration or registration renewal fee with
5 the application.

6
7 SECTION 61. Arkansas Code § 17-52-316(a)(1), concerning fees and
8 reimbursements for the Arkansas Home Inspector Registration Board, is amended
9 to read as follows:

10 (a)(1) The ~~Arkansas Home Inspector Registration Board~~ State Board of
11 Appraisers, Abstracters, and Home Inspectors may set registration and renewal
12 fees not to exceed three hundred dollars (\$300) per year.

13
14 SECTION 62. Arkansas Code § 17-52-317(a)(1), concerning certificates
15 of registration issued by the Arkansas Home Inspector Registration Board, is
16 amended to read as follows:

17 (a)(1) Certificates of registration shall be issued by the ~~Arkansas~~
18 ~~Home Inspector Registration Board~~ State Board of Appraisers, Abstracters, and
19 Home Inspectors to an applicant after compliance with the registration or
20 renewal requirements of this subchapter ~~and approval by the board.~~

21
22 SECTION 63. Arkansas Code § 17-52-318(b), concerning insurance
23 required of home inspectors, is amended to read as follows:

24 (b) All policies and certificates shall provide that cancellation or
25 renewal of the policy shall not be effective unless and until at least ten
26 (10) days' notice of cancellation or nonrenewal has been received in writing
27 by the ~~Arkansas Home Inspector Registration Board~~ State Board of Appraisers,
28 Abstracters, and Home Inspectors.

29
30 SECTION 64. Arkansas Code § 17-52-319(b), concerning standards of care
31 for home inspectors, is amended to read as follows:

32 (b) All home inspections conducted for compensation in this state
33 shall be conducted according to the standards of practice and code of ethics
34 set forth by the ~~Arkansas Home Inspector Registration Board~~ State Board of
35 Appraisers, Abstracters, and Home Inspectors.

1 SECTION 65. Arkansas Code § 17-52-320(b), concerning limitations of
2 damages against home inspectors, is amended to read as follows:

3 (b) Disciplinary action taken against a home inspector by the ~~Arkansas~~
4 ~~Home Inspector Registration Board~~ State Board of Appraisers, Abstracters, and
5 Home Inspectors shall not in and of itself be the basis for civil or criminal
6 action.

7
8 SECTION 66. Arkansas Code § 19-6-415 is amended to read as follows:

9 19-6-415. Arkansas Abstracters' Board Fund.

10 The Arkansas Abstracters' Board Fund shall consist of those special
11 revenues as specified in § 19-6-301(93), there to be used for the
12 maintenance, operation, and improvement of the ~~Arkansas Abstracters' Board~~
13 State Board of Appraisers, Abstracters, and Home Inspectors.

14
15 SECTION 67. Arkansas Code § 22-6-601(c)(2)(C), concerning the sale
16 procedure for state agencies, is amended to read as follows:

17 (C) The appraiser shall be licensed and certified by the
18 ~~Arkansas Appraiser Licensing and Certification Board~~ State Board of
19 Appraisers, Abstracters, and Home Inspectors.

20
21 SECTION 68. Arkansas Code § 25-16-903(5), concerning stipends for
22 state boards, is amended to read as follows:

23 (5) ~~Arkansas Appraiser Licensing and Certification Board~~ State
24 Board of Appraisers, Abstracters, and Home Inspectors;

25
26 SECTION 69. Arkansas Code § 25-43-1102(1), concerning state entities
27 transferred to the Department of Labor and Licensing, is repealed.

28 ~~(1) The Arkansas Abstracters' Board, created under § 17-11-401,~~

29
30 SECTION 70. Arkansas Code § 25-43-1102(2), concerning state entities
31 transferred to the Department of Labor and Licensing, is amended to read as
32 follows:

33 (2) The ~~Arkansas Appraiser Licensing and Certification Board~~
34 State Board of Appraisers, Abstracters, and Home Inspectors, created under §
35 17-14-201;

1 SECTION 71. Arkansas Code § 25-43-1102(4), concerning state entities
2 transferred to the Department of Labor and Licensing, is repealed.

3 ~~(4) The Arkansas Home Inspector Registration Board, created~~
4 ~~under § 17-52-304,~~

5
6 SECTION 72. TEMPORARY LANGUAGE. DO NOT CODIFY. Transition provisions –
7 Appointment of members of the State Board of Appraisers, Abstracters, and
8 Home Inspectors – Terms.

9 (a) As soon as practical after the effective date of this act, the
10 Governor shall appoint all board member positions to the State Board of
11 Appraisers, Abstracters, and Home Inspectors, subject to confirmation by the
12 Senate.

13 (b)(1) The initial terms of the board members shall be staggered as
14 follows:

15 (A) The following six (6) positions shall serve terms
16 expiring April 15, 2024:

17 (i) Two (2) appraiser members;

18 (ii) Two (2) home inspector members;

19 (iii) The financial institution representative; and

20 (iv) The abstracter representative; and

21 (B) The following five (5) positions shall serve terms
22 expiring April 15, 2025:

23 (i) Three (3) appraiser members;

24 (ii) One (1) home inspector member; and

25 (iii) One (1) representative of senior citizens and
26 consumers.

27 (2) The initial terms described in subdivision (b)(1) of this
28 section shall not count against the prohibition under § 17-14-201(c)(3) of
29 serving no more than two (2) consecutive terms.

30
31 SECTION 73. TEMPORARY LANGUAGE. DO NOT CODIFY. Transition provisions –
32 Board members – Duties.

33 Upon the effective date of this section:

34 (1) The members of the Arkansas Abstracters' Board and the
35 Arkansas Home Inspector Registration Board are removed;

36 (2) The members of the Arkansas Appraiser Licensing and

1 Certification Board shall continue to serve and shall exercise the powers and
2 duties assigned to the Arkansas Appraiser Licensing and Certification Board,
3 the Arkansas Abstracters' Board, and the Arkansas Home Inspector Registration
4 Board until the State Board of Appraisers, Abstracters, and Home Inspectors
5 is duly appointed; and

6 (3) The staff of the Arkansas Abstracters' Board and the
7 Arkansas Home Inspector Registration Board shall report to the Director of
8 the Arkansas Appraiser Licensing and Certification Board.

9
10 SECTION 74. EMERGENCY CLAUSE.

11 (a) It is found and determined by the General Assembly of the State of
12 Arkansas that it is important to the citizens of Arkansas that state
13 government services be provided in an efficient and cost-effective manner;
14 that the consolidation of state boards that perform similar functions and
15 serve similar constituencies is an effective way to achieve both operational
16 efficiencies and economies of scale; that this act abolishing and
17 transferring the duties of the Arkansas Abstracter's Board, the Arkansas Home
18 Inspector Registration Board, and the Arkansas Appraiser's Board to the State
19 Board of Appraisers, Abstracters, and Home Inspectors will increase the
20 effectiveness of the industries regulated by the board and protect the
21 citizens' safety and property; that Section 73 of this act is immediately
22 necessary to obtain cost efficiencies and streamline the provision of
23 government services without delay for the benefit of Arkansas taxpayers to
24 allow services that preserve the health, safety, and property of Arkansas
25 citizens. Therefore, an emergency is declared to exist, and Section 73 of
26 this act being immediately necessary for the preservation of the public
27 peace, health, and safety shall become effective on:

28 (1) The date of its approval by the Governor;

29 (2) If the bill is neither approved nor vetoed by the Governor,
30 the expiration of the period of time during which the Governor may veto the
31 bill; or

32 (3) If the bill is vetoed by the Governor and the veto is
33 overridden, the date the last house overrides the veto.

34 (b) It is found and determined by the General Assembly of the State of
35 Arkansas that all sections of this bill except for Section 73 are important
36 to the citizens of Arkansas as they will allow state government services to

1 be provided in an efficient and cost-effective manner; that this act
2 abolishing and transferring the duties of the Arkansas Abstracter's Board,
3 the Arkansas Home Inspector Registration Board, and the Arkansas Appraiser's
4 Board to the State Board of Appraisers, Abstracters, and Home Inspectors
5 should become effective on July 1, 2023, to coincide with the appropriation
6 bills of the Department of Labor and Licensing and ensure that the State
7 Board of Appraisers, Abstracters, and Home Inspectors provides its expanded
8 vital services as the transfer of duties is implemented and does not
9 experience any issues with funding under the transfer of duties. Therefore,
10 an emergency is declared to exist, and this act being necessary for the
11 preservation of the public peace, health, and safety shall become effective
12 on July 1, 2023, except as provided in subsection (a) of this section.

13
14 */s/K. Hammer*

15
16
17 **APPROVED: 4/11/23**
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36