

STATE OF ARKANSAS

APPRAISER LICENSING AND CERTIFICATION BOARD
Revised
RULES AND REGULATIONS

(Adopted SEPTEMBER, 2002)

Appraiser Licensing and Certification Board Regulations

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Section I - General (A) Creation, Purpose

- (1) The Arkansas Appraiser Licensing and Certification Board, (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 Arkansas Appraiser Licensing and Certification Act 541" of 1991. (A.C.A. 17-14-201 as amended)
- (2) The Arkansas Appraiser Licensing and Certification Board's purpose in promulgating these regulations is to implement the provisions of Act 541 of 1991, 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. The Board is authorized to promulgate such rules as may be necessary to insure compliance with FIRREA and other applicable federal law.
- (3) The Board shall hire a 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.
- (4) 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.
- (5) Requests for general information, applications for examination and for certificates or licenses, complaint forms or copies of regulations 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 regulations, 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. 17-14-101 et seq..
- (2) "**BOARD**"- The Arkansas Appraiser Licensing and Certification Board created under Act 541 of 1991.
- (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 or 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 Provision 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 provision 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 Subcommittee of the Federal Financial Institutions Examination Council and the Federal Financial Institutions Regulatory Agencies.(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 Provision 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 this chapter 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.

(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 Act, and/or for the purpose of determining whether to revoke or suspend any license or certificate issued pursuant to 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 regulations this means:

- (a) For loans or other extensions of credit, the amount of the loan or extension of credit;
- (b) For sales, leases, purchases, and investments in or exchanges of real property, the market value of the real property interest involved;
- (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;
- (d) For condemnation appraisals the value will be the total market value of the property before any acquisition of property occurs;

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 fifty dollars (\$50) (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. Requests 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 Act 541 of 1991 or these regulations 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)(7).

The Executive Director, Administrative Assistant, and the Investigator are prohibited from engaging in any act for which a certificate or a license is required under the provisions of Act 541 or receive or become 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 licensee or certificate holder against whom a complaint has been registered to be investigated. For a complaint to be properly registered, the complainant shall file the complaint in writing at the permanent address of the Board, directed to the Executive Director of the Arkansas Appraiser Licensing and Certification Board. However, the Board may at its own discretion act upon anonymous complaints 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. Any and all complaints within the jurisdiction of the Board must be in writing, dated, and signed by the complainant, and filed with the Board office. The Executive Director, or authorized employees of the Board, upon receiving any such complaint, may proceed to investigate said complaint and take statements from any person thought to have any knowledge of any facts pertaining thereto. 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 Board, at its discretion may request the licensee or certificate holder 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. The Executive Director 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 licensee under investigation and a copy of any written answer of the licensee or certificate holder 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 the benefit of the appraiser's input. Every complaint in which the Board determines a reasonable violation of the Arkansas Appraiser Licensing and Certification Act or these Regulations has occurred 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 disciplinary proceedings and investigations shall not be open to the public for inspection at any time. 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 Act 541 of 1991 and under these regulations. 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.

Section I - General (F) Restrictions on Appraisal Practice/Services

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 or such other transaction value levels as shall be set by the Federal Financial Institutions Regulatory Agencies and of complex one (1) to four (4) residential units having a transaction value of less than \$250,000 or such other transaction value levels as shall be set by the Federal Financial Institutions Regulatory Agencies. In addition, a *State Licensed Appraiser* may perform appraisals of all other properties of a non-complex character with transaction values up to levels set by the Federal Financial Institutions Regulatory Agencies subject to the Competency Provisions of the Uniform Standards of Professional Appraisal Practice. *

A State Certified Residential Appraiser may perform appraisals of all properties that a State Licensed Appraiser may appraise and also all one (1) to four (4) residential units without regard to transaction value or complexity. All appraisals and/or appraisal services performed by a State Certified Residential Appraiser shall be subject to the Competency Provisions of the Uniform Standards of Professional Appraisal Practice. *

A State Certified General appraiser shall have no transaction value limits or complexity restrictions on his/her appraisal practice subject only to the Competency Provisions 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/certified residential appraiser shall be limited to appraising a "transaction value" (loan value) of no more than \$250,000.
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- Non-Federally Related Transactions: A state licensed/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 when the purpose of the appraisal is for use in federal related transactions, and must include in all appraisal 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 provision of the Uniform Standards of Professional Appraisal Practice.

These restrictions shall not preclude any person who is registered from participating in the performance of appraisals or providing of appraisal services in federally related transactions provided that the participation is under the supervision of a State Licensed Appraiser, a State Certified Residential Appraiser or a State Certified General Appraiser. The intent of this provision is to allow persons to participate in the performance of appraisals or providing of appraisal services under the supervision of properly licensed or certified appraisers as registered appraisers, employees, apprentices, trainees, sub-contractors, co-signers, research assistants, or other capacities related to the production of appraisal reports or the delivery of appraisal services without being licensed or certified. All appraisal services rendered in federally related transactions must be performed or rendered by a person or persons holding the appropriate license or certificate. 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.

Section I - General (G) Licensure and Certification

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

Section I - General (H) Denial of License or Certificate

An applicant denied a license or certificate shall be notified in writing by the Board of such denial and the reasons therefore. Such applicant may request an informal conference with the Board to reconsider such denial at its next scheduled meeting. Such requests must be sent to the board office within thirty (30) days of the date of the notice of denial.

Denial of a license or certificate is not an administrative adjudication as provided for under the Arkansas Administrative Procedures Act.

Section I - General (I) Appraiser Seal

Each registered, licensed and certified appraiser, at his/her own expense, shall secure, upon authorization by the Board, a seal, or rubber stamp, the form of which shall be approved by the Board.

In addition to the personal seal or rubber stamp, the licensee shall also affix his/her signature, at the minimum, to the signature page(s) of the original estimates, reports and other documents or instruments which 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 registered, licensee or certificate holder a license or certificate as applicable, in a form as shall be prescribed by the Board. The license and/or certificate shall show the name of the registered, licensee 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, License and certificate documents, pocket cards and seals shall remain the property of the state and upon any suspension, revocation or a 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 Licenses, Certificates, Business Names, Pocket Cards

A registered, licensee 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 register 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, 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 registered, licensee 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, license or certificate holder may, by filing a written request and paying an appropriate fee to the Board, 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) Federal 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 federal registry fee shall be collected by the Arkansas Appraiser Licensing and Certification Board and submitted to the Appraisal Subcommittee. The federal registry fee collected by the Arkansas Appraiser Licensing and Certification Board from non-resident appraisers shall be an additional federal 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" will not be assessed a federal registry fee.

Section I - General (N) Educational Offerings and Approval

1. General Requirements For All Educational Offerings

The Board may recommend all course offerings for pre-licensure and pre-certification as well as for continuing education. The approval process shall apply to course content, facilities, text 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. No educational offering, course or program for pre-licensure or certification credit or for continuing education credit will be announced or advertised unless it is recommended by the Board for credit. The Board may recognize any educational offering recommended or approved by the Appraiser Qualification Board of the Appraisal Foundation.

In addition to educational offerings approved by the Board, the Board may accept education obtained in offerings held in another jurisdiction in which a course has been approved to meet the educational requirements for qualifying or continuing education of such other jurisdiction if that jurisdiction has adopted and enforces Standards for the education of real estate appraisers which is equivalent to those of the Board.

Time requirements for the purpose of all educational offerings shall provide that a classroom hour means sixty (60) minutes, at least fifty (50) minutes of which shall be devoted to actual classroom instruction and no more than ten (10) minutes of which shall be devoted to a non-instructional activity.

Credit toward the classroom hour requirement for all classes of licensing or certification may only be granted where the length of the educational offering is at least fifteen (15) hours and the individual successfully completes an examination pertinent to that educational offering. The examination requirement may be waived for seminars approved for continuing education. Each credit hour obtained from an approved college and/or university shall count as fifteen (15) classroom hours of education.

Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.

- (a) Colleges or Universities
- (b) Community, Junior or Technical Colleges
- (c) Real Estate Appraisal or Real Estate Related Organizations
- (d) State or Federal Agencies or Commissions
- (e) Proprietary/Private Career Schools
- (f) Other providers approved by the State Appraiser Licensing and Certification Board

Various educational offerings may be credited toward the classroom hour education requirements for the various classifications of licensing or certification established in these regulations. Educational offerings should focus on the topics listed below with emphasis on specific property types depending on the classification of licensure or certification for which the offering is being presented.

- | | |
|---------------------------------------|-------------------------------------|
| (a) Influences on Real Estate Value | (k) Site Value |
| (b) Legal Considerations in Appraisal | (l) Cost Approach |
| (c) Types of Value | (m) Income Approach |
| (d) Economic Principles | - Gross Rent Multiplier analysis |
| (e) Real Estate Markets and Analysis | - Estimation of Income and Expenses |
| (f) Valuation Process | - Operating Expense Ratios |
| (g) Property Description | - Capitalization Methods |
| (h) Highest and Best Use Analysis | (n) Valuation of Partial Interests |
| (i) Appraisal Statistical Concepts | (o) Appraisal Standards and Ethics |
| (j) Sales Comparison Approach | |

The Board recognizes that there may be other appraisal related topics that may be offered for continuing education that are beyond the scope of the list of topics cited above. Such educational offerings shall be recognized for continuing education credits at the discretion of the Board. All educational offerings for pre-licensure or certification shall focus on the topics listed above only. The Board may, at its sole discretion, accept a course of instruction designed to fulfill the educational requirements for licensure or certification without the prior approval of the course.

2. Pre-license and Pre-certification Educational Offering Approval Process

All pre-license and pre-certification educational offerings approved by the Board will be those determined by the Board to be of a quality level in which applicants can become licensed or certified and through which their completion will illustrate a participant's competence and provide a high level of public service and protection. All Pre-license and Pre-certification educational offerings offered in Arkansas will be reviewed by the Board or its designated advisory panel. Approval by the Board shall occur only after compliance with the following requirements has been established:

- (a) The pre-license and pre-certification educational offerings shall address some or all of the subjects set forth in Sections III, IV and V of these regulations.
- (b) Each educational offering shall be conducted and supervised by an instructor who shall be present in the classroom during times of creditable classroom instruction, unless such approved offering is provided in a non-conventional method. (i.e. Internet, CD-ROM, or other electronic means.)
- (c) All persons or entities requesting approval from the Board for a pre-licensure or pre-certification educational offering shall submit a completed form provided by the Appraiser Licensing Board and accompanied by supporting documents specified in the application. In addition to the application and supporting documents, each prospective provider may be required to submit the following items:
 - (i) A complete curriculum showing all courses offered and the times allocated to each course.
 - (ii) A copy of the Final examination and the correct answers. No provider may provide a certificate of completion to a student who has not satisfactorily completed an appropriate in-class final

examination.

- (d) Pre-license and Pre-certification educational requirements may be satisfied through the completion of Board approved correspondence courses or other distance educational offerings. Persons or entities seeking Board approval of pre-licensure or pre-certification distance educational offerings shall submit the following:
- (i) An outline and description of the entire course;
 - (ii) A description of how the provider proposes to accomplish a display of the student's knowledge of the required subjects;
 - (iii) The forms for homework assignments;
 - (iv) Copies of all examinations to be given along with accompanying answer sheets reflecting the correct answers;
 - (v) A complete listing of the criteria for satisfactory completion of the course;
 - (vi) And such other information as the Board may require.
- (e) Approval by the Board is initially granted for a period of two years provided no substantive changes in course content is made and approval may be extended for another two years on written request by the provider. Failure to timely request an extension will result in automatic termination of the educational offerings approval status.
- (f) 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.

3. Educational Provider Approval for Co-Sponsorship

An educational provider whose appraisal specific courses or seminars as well as instructors which have been pre-approved the Arkansas Appraiser Licensing and Certification Board for credit toward meeting Qualifying Education or Continuing Education may petition the Board's co-sponsorship of such in-state offerings. This endorsement by the Board may permit the educational provider to conduct the co-sponsored program under the oversight of the Appraiser Licensing Board in lieu of the Board of Private Career Education.

In order for a course or seminar to be co-sponsored by the Board, the provider must:

- (1) Award completion certificates to all students meeting the course criteria;
- (2) Retain all course outlines and records of attendance for at least three years;
- (3) Adopt and provide to the Board a copy of an administrative policy regarding student attendance and attendance records;
- (4) Adopt and provide to the Board a copy of an administrative policy regarding refunds and cancellations of a scheduled offering by the provider.

The failure to comply with any of the foregoing provisions or stated policies may result in the Board's refusal to co-sponsor future courses or seminars offered by the educational provider.

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

The Arkansas Appraiser Licensing and Certification Board adopts by reference the "Uniform Standards of Professional Appraisal Practice" (USPAP) as published and amended by the Appraisal Foundation from time to time. This adoption by reference shall include all parts of the USPAP including the introductory sections for the purpose of judging those applicants, 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 and hearing as prescribed by the Administrative Procedures Act, suspend or revoke the license or certification of any 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 regulations;
2. Falsifying any application for licensure or certification or otherwise providing any false information to the Board;
3. Conviction in any jurisdiction of any misdemeanor involving moral turpitude or 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 un-trustworthiness, incompetence, dishonesty, gross negligence, material misrepresentation, fraud or unethical conduct in any dealings subject to the Act or these regulations;
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 regulations;
8. Habitual or excessive use of intoxicants or illegal drugs;
9. Failure to meet continuing education requirements within the proper time period.

Section I - General (Q) Publication of Disciplinary Action

In those instances where this 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 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 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, 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 interests of the public.
- B. The applicant shall meet the current educational and experience requirements for licensing or certification prior to the time he or she applies to sit for the licensing or certification exam.
- C. A non-resident applicant shall be in good standing as an appraiser in every jurisdiction where licensed; the applicant shall not have had a license which was suspended, revoked, or surrendered in connection with a disciplinary action or which has been the subject of discipline in any jurisdiction prior to applying for licensure or certification in Arkansas.
- D. The applicant shall not have been convicted, found guilty or pled guilty, regardless of adjudication, in any jurisdiction of a misdemeanor involving moral turpitude or 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. Applicants who do not meet all of the foregoing requirements and qualifications may nevertheless be approved for registration, licensure or certification by resolution of the Board.
- G. All applications for registration, licensing, certification, renewal, examination, or reinstatement shall be made on forms provided by the Board and completed and signed by the applicant, with 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.
- H. 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.
- I. 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.

Section III - Pre-Licensure Qualifications for State Licensed Appraiser

An applicant for a license as a State Licensed Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicants for State License shall be personally interviewed by representatives of the Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.

2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent.
3. The applicant, within twelve months prior to the awarding of a license for a licensed real estate appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.
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 date of last exam.

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed ninety (90) classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the Uniform Standards of Professional Appraisal Practice course of not less than fifteen (15) hours within the previous two years prior to initially sitting for the exam .
 - (a) A classroom hour is defined as fifty minutes out of each sixty minute segment.
 - (b) Credit toward the classroom hour requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.
 - (c) Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.
 - (1) Colleges or Universities
 - (2) Community, Junior or Technical Colleges
 - (3) Real Estate Appraisal or Real Estate Related Organizations
 - (4) State or Federal Agencies or Commissions
 - (5) Proprietary Schools
 - (6) Other providers approved by the State Appraiser Licensing and Certification Board
 - (d) Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.
 - (e) There is no time limit regarding when qualifying education credit must have been obtained except as noted in Section III B-1.
 - (f) The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.
 - (g) Various appraisal courses may be credited toward the ninety classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed below with particular emphasis on the appraisal of one (1) to four (4) unit residential properties.

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|--|--------------------------------------|
| (i) Influences on Real Estate Value | (x) Sales Comparison Approach |
| (ii) Legal Considerations in Appraisal | (xi) Site Value |
| (iii) Types of Value | (xii) Cost Approach |
| (iv) Economic Principles | (xiii) Income Approach |
| (v) Real Estate Markets and Analysis | -Gross Rent Multiplier Analysis |
| (vi) Valuation Process | -Estimation of Income and Expenses |
| (vii) Property Description | -Operating Expense Ratios |
| (viii) Highest and Best Use Analysis | (xiv) Valuation of Partial Interests |
| (ix) Appraisal Statistical Concepts | (xv) Appraisal Standards and Ethics |

C. **Experience** (Prerequisite to sit for the examination)

1. The applicant for State Licensing shall demonstrate the equivalent of at least (as a minimum) two thousand (2000) hours of appraisal experience of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board. 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 licensure. The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. 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.
2. Acceptable experience may include a limited number 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.
3. 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 files 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.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:

(a) Fee and staff appraisal	(e) Real estate counseling
(b) Ad valorem tax appraisal	(f) Highest and best use analysis
(c) Technical Review appraisal	(g) Feasibility analysis/study
(d) Appraisal analysis	(h) Condemnation Appraisal
5. Credit for experience will be granted for the execution of assignments in any of the various areas which required the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.
6. Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating in advance of taking the exam, that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.
7. Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the review appraiser. Appraisal review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

Credit toward the licensing prerequisite may be awarded for hours of residential appraisal experience for other types of real property. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section IV - Pre-Certification Qualifications for State Certified Residential Appraiser

An applicant for certification as a State Certified Residential Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicants for State Certified Residential shall be personally interviewed by representatives of the Arkansas Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.

2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Licensing Examination or its equivalent.
3. The applicant, within twelve months prior to the awarding of a certification for a State certified residential appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Licensing/Certification Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.
4. An applicant for State Certified Residential who fails to pass the exam after two (2) attempts will not be afforded an opportunity retake the exam for at least six (6) months from date of last exam.

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed one hundred twenty (120) classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the Uniform Standards of Professional Appraisal Practice course of not less than fifteen hours within the previous two years prior to one's initial sitting for the exam.

(a) A classroom hour is defined as fifty minutes out of each sixty minute segment.

(b) Credit toward the classroom requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.

(c) Credit for the classroom hour requirement may be obtained from the following, provided they are recognized by the Board.

- | | |
|--|---|
| (i) Colleges or Universities | (iv) State or Federal Agencies or Commissions |
| (ii) Community, Junior or Technical Colleges | (v) Proprietary Schools |
| (iii) Real Estate Appraisal or Real Estate Related Organizations | (vi) Other providers approved by the Board |

(d) Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.

- (e) There is no time limit regarding when qualifying education credit must have been obtained except as noted in Section IV (B)-(1).
- (f) The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.
- (g) Various appraisal courses may be credited toward the one hundred twenty (120) classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed below with particular emphasis on the appraisal of one (1) to four (4) unit residential properties;
 - (i) Influences on Real Estate Value
 - (ii) Legal Considerations in Appraisal
 - (iii) Types of Value
 - (iv) Economic Principles
 - (v) Real Estate Markets and Analysis
 - (vi) Valuation Process
 - (vii) Property Description
 - (viii) Highest and Best Use Analysis
 - (ix) Appraisal Statistical Concepts
 - (x) Sales Comparison Approach
 - (xi) Site Value
 - (xii) Cost Approach
 - (xiii) Income Approach
 - Gross Rent Multiplier Analysis
 - Estimation of Income and Expenses
 - Operating Expense Ratios
 - (xiv) Valuation of Partial Interests
 - (xv) Appraisal Standards and Ethics

C. Experience (Prerequisite to sit for the examination)

1. The applicant for certification as a State Certified Residential Appraiser shall demonstrate the equivalent of at least (as a minimum) two thousand five hundred (2500) hours of appraisal experience of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board and obtained during no fewer than 24 months. 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 licensure. The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed, the application of any applicant.
2. Acceptable experience may include a limited number 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.
3. 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 files 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.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:
 - (a) Fee and staff appraisal
 - (b) Ad valorem tax appraisal
 - (c) Technical Review appraisal
 - (e) Real estate counseling
 - (f) Highest and best use analysis
 - (g) Feasibility analysis/study

(d) Appraisal analysis

(h) Condemnation appraisal

5. Credit for experience will be granted for the execution of assignments in any of the various areas which require the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.
6. Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating, in advance of taking the exam that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.
7. Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the review appraiser. Appraisal Review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

Credit toward the certification prerequisite may be awarded for hours of residential appraisal experience for other types of real property not listed. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section V - Pre-Certification Qualifications for State Certified General Appraiser

An applicant for a certification as a State Certified General Appraiser shall meet the following requirements in addition to those set forth in Section II of these regulations:

A. Examination

1. Applicant for State Certified General Appraiser shall be personally interviewed by representatives members of the Arkansas Appraiser Licensing Board prior to sitting for the exam.

Applicants having been cleared to take the exam may, because of in-state offering dates and locations, elect to schedule the examination in another state, subject to approval of the Arkansas Board.

2. Successful completion of the Appraiser Qualifications Board endorsed Uniform State Certification Examination or its equivalent.
3. The applicant, within twelve months prior to the awarding of a certification for a State certified general real property appraiser, shall have passed a written examination provided by the Board or by a testing service acting on behalf of the Board. The examination shall at all times be an Appraisal Foundation - Appraiser Qualifications Board endorsed Uniform State Certification Examination or its equivalent. Applications reflecting satisfaction of all prerequisites must be received by the Board no less than 60 days prior to the date of the examination.
4. An applicant for State Certified General 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 date of last exam.

B. Appraisal Education (Prerequisite to sit for the examination)

1. The applicant shall have successfully completed one hundred eighty (180) classroom hours of courses in subjects related to real estate appraisal which shall include coverage of the Uniform Standards of Professional Appraisal Practice and which may include the ninety (90) classroom hour requirement for the State Licensed real property appraiser classification or the one hundred twenty (120) classroom hour requirement for the Certified Residential real property appraiser classification. Subsequent to December 31, 1993, the classroom hour requirement for the Certified Residential real property classification may be acceptable for meeting the requirement, provided there

was coverage of all topic areas identified under Section 1 (g) of this criteria.

- (a) A classroom hour is defined as fifty minutes out of each sixty minute segment.
- (b) Credit toward the classroom hour requirement may only be granted where the length of the educational offering is at least fifteen hours, and the individual successfully completes an examination pertinent to that educational offering.
- (c) Credit for the classroom hour requirement may be obtained from the following, provided they are both recognized by the Board and Licensed by the State Board of Private Career Education under Act 906 or exempt under the same:
 - (i) Colleges or Universities
 - (ii) Community, Junior or Technical Colleges
 - (iii) Real Estate Appraisal or Real Estate Related Organizations
 - (iv) State or Federal Agencies or Commissions
 - (v) Proprietary Schools
 - (vi) Other providers approved by the State Appraiser Licensing and Certification Board
- (d) Credit toward the classroom hour requirement may be awarded to teachers of appraisal courses.
- (e) There is no time limit regarding when qualifying education credit must have been obtained except as noted in Section V (B-1)
- (f) The Board may grant credit for courses where the applicant obtained credit from the course provider by challenge examination without attending the courses, provided that such credit was granted by the course provider prior to July 1, 1990, and provided further that the Board is satisfied with the quality of the challenge examination that was administered by the course provider.
- (g) Various appraisal courses may be credited toward the one hundred sixty five classroom hour education requirement. Applicants may be required to demonstrate that their education involved coverage of all topics listed below.
 - (i) Influences on Real Estate Value
 - (ii) Legal Considerations in Appraisal
 - (iii) Types of Value
 - (iv) Economic Principles
 - (v) Real Estate Markets and Analysis
 - (vi) Valuation Process
 - (vii) Property Description
 - (viii) Highest and Best Use Analysis
 - (ix) Appraisal Statistical Concepts
 - (x) Sales Comparison Approach
 - (xi) Site Approach
 - (xii) Cost Approach
 - (xiii) Income Approach
 - Gross Rent Multiplier Analysis
 - Estimation of Income and Expenses
 - Operating Expense Ratios
 - Capitalization
 - (xiv) Valuation of Partial Interests
 - (xv) Appraisal Standards and Ethics

C. Experience (Prerequisite to sit for the examination)

1. The applicant for certification as a State Certified General appraiser shall demonstrate the equivalent of 3,000 hours of appraisal experience obtained during no fewer than 30 months, (2 ½ years) of a nature that is satisfactory to the Arkansas Appraiser Licensing and Certification Board. The applicant, for experience credit, must have accumulated a total of three thousand hours of appraisal experience of which at least one thousand five hundred hours (1,500) must be in non-residential appraisal work. Non-Residential is defined as one to four residential units. 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 licensure.

The initial verification for experience credit claimed by an applicant shall be on forms prescribed by the Board. The Board reserves the right, at its discretion, to hold for a reasonable length of time for investigation of the amount of experience claimed, the application of any applicant who has not been previously licensed before accepting the amount of experience claimed by the applicant as satisfying the experience prerequisite for certification. On reviewing an applicant's work product, only appraisal reports reflecting all three approaches to value and reported in a self-contained or summary format will be acceptable.

2. 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.
3. 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 files 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.
4. An hour of experience is defined as verifiable time spent in performing tasks in accordance with acceptable appraisal experience which includes, but is not limited to, the following:
 - (a) Fee and staff appraisal
 - (b) Ad valorem tax appraisal
 - (c) Technical Review appraisal
 - (d) Appraisal analysis
 - (e) Real estate counseling
 - (f) Highest and best use analysis
 - (g) Feasibility analysis/study
 - (h) Condemnation appraisal
5. Credit for experience will be granted for the execution of assignments in any of the various areas which required the use of the appraisal process. This applies to appraisals as well as other areas of acceptable experience.
6. Ad valorem tax appraisers/appraisals may be awarded experience credit as evidenced by a timed log of specific appraisal tasks performed and by demonstrating, subsequent to passing the exam that he or she has effectively used similar appraisal process techniques as do other appraisers to value properties.
7. Appraisal Reviews may be awarded experience credit when the appraiser performs technical review(s) of appraisals prepared by either employees, associates or others, provided the appraisal report was not signed by the review appraiser. Appraisal review credit should only be awarded when reviews are in compliance with USPAP Standard 3.

Credit toward the certification prerequisite may be awarded for hours of certified general appraisal experience for other types of real property not listed. The Board will on an individual basis, determine the amount of credit to be awarded for such appraisals based on the information provided by the applicant.

Section VI - Pre-Qualifying Criteria for "State Registered Appraiser"

In order to qualify as a "State Registered Appraiser", an applicant must complete an application and provide in addition :

- (1) Evidence of one's work experience and scope of practice as an appraiser and/or as a trainee working under the supervision of another fee appraiser.
- (2) A signed affidavit, (as prescribed by the Board), 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 and Regulations governing appraisal practice in Arkansas.

Section VII - Non-Resident Registration and/or Licensing: Reciprocity

A non-resident appraiser planning to develop an appraisal assignment in Arkansas for a federally related transaction must first apply for a state license and/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 or a Temporary Practice Permit.

Non-Resident appraisers applying for state registered 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.

Section VIII - Nonresident Licensure & Certification via Temporary Permit or Reciprocity

A. Temporary Licensure or Certification may be obtained by nonresidents of this State through recognition of another state's program of licensing and certification in accordance with A.C.A. 17-14-306. Temporary Licensure or Certification may be accomplished by submitting an application on forms prescribed by the Board for temporary Licensing or Certification. These forms shall be signed before a notary public and shall include an irrevocable consent that service of process upon him or her may be made by delivery of the process to the Secretary of State if, in an action against the applicant in a court of this State arising out of the applicant's activities as a State Licensed appraiser or State Certified appraiser, the plaintiff cannot effect personal service upon the applicant. These forms shall be submitted to the Board along with the required fee.

In an effort to expedite the processing of a Temporary Practice permit, these forms may be obtained from the Board's web site or from the web site of the Association of Appraiser Regulatory Officials.

The Board may issue a temporary nonresident license or certificate to an individual who is licensed or certified in his/her state of domicile, upon receipt of the required forms and provided further that the Board is furnished a letter from the licensing and certification authority of the applicant's state of domicile, that his/her license or certificate is in good standing. In lieu of a home state Letter of Good Standing, the Board may accept the applicant's licensing history as found on the Appraisal Subcommittee's Federal Registry of licensed appraisers.

B. The term of a temporary nonresident license or certification shall extend for the duration of the particular appraisal assignment or service being performed but in any case shall not extend for more than six (6) months from the date of the initial date of issuance of the temporary nonresident license or certification. Court testimony following the completion of an assignment performed by a nonresident appraiser holding a temporary nonresident license or certificate shall not require an extension or issuance of a temporary nonresident license or certificate. Appraisers holding a valid Temporary Practice Permit may, upon making written request to the Board, be granted an extension of no more than six months from the permit's date of expiration.

C. These provisions shall not preclude a person who is a nonresident of this State from obtaining a permanent license or certificate by reciprocity or by satisfying all prerequisite requirements as if they were a resident of the State as required in these regulations, and provided further that the nonresident applicant executes an irrevocable consent that service of process upon him or her may be made by delivery of the process to the Secretary of State if, in an action against the applicant in a court of this State arising out of the applicant's activities as a State Licensed appraiser or State Certified appraiser, the plaintiff cannot effect personal service upon the applicant. The Board may request, for review, samples of work products prior to awarding a reciprocal license or certification.

D. The term of a non-resident license or certificate holder shall be for no more than twelve months and renewal may be accomplished by submitting evidence of the completion of 14 hours of continuing education plus a Letter of

Good Standing from resident's state appraisal agency and the appropriate fees as may be in effect.

- E. Non-Resident licensed and certified appraisers may seek resident status in Arkansas upon providing the Board with a completed application and a Letter of Good Standing from their resident State Agency. The Arkansas Appraiser Licensing & Certification Board may request, for review, samples of work products prior to the awarding of resident standing. Appraisers desiring to transfer to Arkansas from another jurisdiction will not be required to retake the examination.

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

- A. Each license or certificate issued and each license or certificate renewal shall expire on June 30th each year following the date of issuance. State registered appraisers' certificates of registration will expire on December 31 of each calendar year. The expiration date of a license or certificate shall appear on the pocket card accompanying each license or certificate. No other notice of this expiration need be given to its holder except as provided in the requirements for continuing education.
- B. Each application for renewal of a registration, license or certificate shall be accompanied by evidence on forms prescribed by the Board of the applicant having completed the continuing education requirement for renewal as prescribed in these regulations. Each application for renewal shall also be accompanied by an appropriate fee. The Board may mail to each licensee or certificate holder, at least sixty (60) days prior to the expiration date of each renewal year, a notice of the expiration and application for renewal of the registration, license or certificate to the licensee's or certificate holders address on file with the Board. The Board may issue a new registration, license or certificate for each renewal application only after including proof of completion of the continuing education requirements pursuant to these regulations and only after receipt of the appropriate fee. Delinquent renewal applications must be accompanied by a delinquent fee of fifty dollars (\$50) per month or partial month elapsed since the expiration date. Any registrant, licensee or certificate holder who fails to complete continuing education requirements will not be eligible for registration, license or certificate renewal.
- C. Failure of a registrant, licensee or certificate holder to receive the notice and application to renew from the Board shall not excuse the registrant, licensee or certificate holder from the requirements for renewal contained in these regulations. Any registrant, licensee or certificate holder who fails to renew within twelve (12) months of the expiration of their license or certificate must take and pass an examination equivalent that required for pre-licensing as designated by the Board in order to show current knowledge of real property appraisal practices, techniques and procedures before the license or certificate may be renewed.
- D. A licensed or certified Arkansas appraiser who wishes to temporarily retire from appraisal practice shall notify the Board in writing at least 30 days before expiration of a current license or certification. A state registered appraiser will not be permitted to place their registration on inactive or retired status.
- E. **INACTIVE STATUS** may be initiated by the payment of \$100 annually and may NOT be continued for more than six (6) years. The failure to remit the annual fee on or before June 30 will result in placing the licensee in a lapsed position. The appraiser who elects Inactive Status must, within six (6) years from the date the active license or certification expired, notify the Board of his/her desire to resume active practice. Otherwise, the license becomes null and void.

An appraiser who wishes re-instatement after an inactive period shall make application to the Arkansas Appraiser Licensing and Certification Board. The application will be reviewed by the Board and if the applicant for re-instatement has satisfied all requirements, the Board shall re-activate the applicants license or certificate.

The application for re-instatement shall be accompanied with sufficient documentation that the appraiser has taken, in the preceding year before re-instatement, a minimum of fourteen (14) clock hours in refresher courses PLUS any continuing education units which were delinquent before the Inactive Status. Also, any appraiser who

has been inactive for more than three (3) years must show evidence of having taken the USPAP course during the preceding year in addition to other continuing education requirements.

- F. An **Inactive/Retired Status** is established for individual appraisers who wish to retire, with no plans to resume appraising in the future. This status is available, only, to resident appraisers who are currently licensed/certified in Arkansas, are at least fifty-five (55) years old (or retired due to health reasons) and are retired from active appraisal practice.

The retired appraiser will retain their original license or certification number assigned by the Board. If the appraiser should decide to resume active practice, he/she must comply with all requirements involving re-instatement, continuing education, refresher courses, time limitations, etc. in effect for **INACTIVE STATUS**.

Appraisers in a Retired Status may not engage in real estate appraisal activities and under no circumstances shall he/she sign an appraisal report as the appraiser or review appraiser. Retirees under this provision may NOT be appointed to one of the positions on the Board reserved for practicing appraisers.

The Inactive/Retired appraiser shall pay on annual file maintenance fee of \$25 on or before June 30 or forfeit their retired status. (The annual fee includes a subscription to The APPRAISER.)

Section X - Continuing Education

- A. The purpose of continuing education is to insure that the appraiser participates in a program that maintains and increases his/her skill, knowledge and competency in real estate appraising.
- B. Each licensee or certificate holder shall have completed during the two year period, prior to renewal of their license or certification, in an even numbered year, (i.e. 2002, 2004, etc.) a minimum of twenty-eight (28) hours of real estate appraisal instruction approved for continuing education credit by the Board. Failure to provide the Board with evidence of hours completed shall constitute grounds for not renewing a license or certificate. Individuals who take advantage of out of state continuing education seminars may request consideration for credit on an individual basis. They shall submit a request on forms provided by the Board along with documents outlining the course content and evidence of having attended the course.
- C. Each state registered appraiser shall have completed a fifteen (15) hour USPAP course with exam prior to their first annual renewal. An appraiser who becomes initially registered after July 1 of any year will have until December 31 of the following year to complete the USPAP course.
- D. In subsequent years, the state registered appraiser shall as a condition for renewal, have completed fourteen (14) hours per year of Board approved continuing education.

For purposes of these regulations:

- (1) A classroom hour is defined as fifty minutes out of each sixty minute segment.
- (2) Credit toward the classroom hour requirement may be granted only where the length of the educational offering is at least two (2) hours.
- (3) Credit for the classroom hour requirement may be obtained from the following:
 - (a) Colleges or Universities
 - (b) Community, Junior or Technical Colleges
 - (c) Real Estate Appraisal or Real Estate Related Organizations
 - (d) State or Federal Agencies or Commissions
 - (e) Proprietary/Private Career Schools

- (f) Other providers approved by the State Appraiser Licensing and Certification Board
- (4) Credit may be granted for educational offerings which are consistent with the purpose of continuing education stated above and cover real estate related appraisal topics such as those listed below.
- (a) Ad Valorem Taxation
 - (b) Arbitration
 - (c) Business courses related to practice of real estate appraisal
 - (d) Development Cost Estimating
 - (e) Ethics and standards of professional practice
 - (f) Land use planning, zoning and taxation
 - (g) Management, leasing, brokerage, timesharing
 - (h) Property development
 - (i) Real estate appraisal
 - (j) Real estate law
 - (k) Real estate litigation
 - (l) Real estate financing and investment
 - (m) Real estate appraisal related computer applications
 - (n) Real estate securities and syndication
 - (o) Real property exchange
- E. Effective January 1, 2001, at least during a two (2) year period, an educational offering taught by an AQB of at least seven (7) hours covering the Uniform Standards of Professional Appraisal Practice must be attended by each licensed or certificate holder.
- F. Continuing education credit 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 which are determined to be equivalent to obtaining continuing education.
- G. No more than 7 hours of continuing education may be obtained by way of distance learning courses or seminars during a renewal period.

Section XI- 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 (<i>All Classifications</i>)	\$ 50.00 (Monthly)
6. Reissuance Fees (<i>Upgrade, Replacement of Lost, Stolen, or Destroyed Licenses or Certificates</i>)	\$ 25.00
7. Pre-License/Certification Course or Seminar Approval Fee	\$ 50.00 (Per Offering)
8. Continuing Education Course or Seminar Approval Fee	\$ 50.00 (Per Offering)

9. Photocopies of Records of the Board	\$.25 (Per Page)
10. Federal Registry Fee (<i>Set By Appraisal Subcommittee</i>)	\$ 25.00 (Annual)
11. Testing Service Fee (<i>Paid Directly To The Service</i>)	\$100.00 (Maximum)
12. Certified Copy of Records of the Board	\$ 1.00 (Per Page)
13. Newsletter Subscription	\$ 10.00
14. Application Fee (State Registered Appraiser)	\$ 50.00*
15. Renewal Fee (State Registered Appraiser)	\$ 50.00 *

*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 way exceed \$300 annually.

B. Payment of Fees

All fees shall be paid in cash or 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. This fee shall be payable by cashier's check or money order only and shall be payable directly to the testing service designated by the Board as its agent.

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 Application Fee is payable once for the first two attempts at passing the examination with successive attempts requiring a new application fee. Upon successful completion of the appropriate 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 or biennial renewal fees or meet the required continuing education on or before the renewal deadline, shall be notified immediately that their registration, license or certificate has lapsed and they have thirty (30) days to become reinstated by payment of the appropriate fees and penalties and/or evidence of having met the CE requirements.

The notice shall also advise where applicable that:

- (1) No FRT appraisal work may be performed during the interim;
- (2) Their names will be removed from the Federal Registry; and,
- (3) The appraisal community be apprised of their loss of registered or licensed status.

If an appraiser has not made application for reinstatement within sixty days of termination, a demand will then be made on the certificate holder to surrender their seal or stamp, pocket card, and wall certificate, to the Board office. Previously Licensed and certified appraisers who fail to apply for reinstatement within the grace period may apply within twelve months of expiration without retaking the examination provided they submit the appropriate fees and penalties and satisfy any additional requirements that may be assessed by the Board.