

State of Arkansas

Department of Labor and Licensing

Appraiser Licensing and Certification Board

Rules and Regulations

Effective 12/30/2019

Arkansas Appraiser Licensing and Certification Board

Rules and 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. Request for general information, applications for examination 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 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 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 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 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 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.

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;
12. **"Supervisory Appraiser"** – A State Certified Appraiser who, after January 1, 2015, (1) formally agrees to supervise the work of a specific State Registered Appraiser, (2) is recorded by the Board as a Supervisory Appraiser, and (3) has successfully completed the four hour Supervisor/Trainee course offered by the Arkansas Appraiser Licensing and Certification Board. Refer to Section XI of the Rules and Regulations for additional qualifications.
13. **"Trainee Appraiser"** – Any State Registered Appraiser under the supervision of a State Certified Appraiser and who has successfully completed the four hour Supervisor/Trainee course offered by the Arkansas Appraiser Licensing and Certification Board or other approved education provider.

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 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, Deputy 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 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 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.
- 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 (1) when the purpose of the appraisal is for use in federally related transactions, or (2) The client requires a State Licensed or Certified appraiser, and must include in all appraisal reports a statement that the appraisal may not be eligible for use in federally related transactions.

All appraisal 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 appraisal services in federally related transactions provided that the participation is under the supervision of 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 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 a 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 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, 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 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 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, licensed 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) 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" will not be assessed a national registry fee.

Section I – General (N) Educational Crediting and Approval

1. General Requirements for Crediting 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 approved by the Board for credit. The Board may recognize any educational offering recommended or approved by the Appraiser Qualification Board of the Appraisal Foundation.

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 qualifying education 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.

Credit for the education requirement must be obtained from the approved provider's course list that can be found 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:

- a. Completion Certificate
- b. A timed outline provided by the course provider,
- c. A course description from the course provider.

All Educational offerings for pre-licensing or certification shall focus on those topics and subject matter outlined in the AQB's core curriculum.

If a provider is requesting course approval for a fifteen (15) or seven (7) hour USPAP course, at least one of the instructors must be a state certified appraiser.

The educational offerings taken to satisfy the qualifying education requirements must not be repetitive. USPAP courses taken in different years are not considered repetitive.

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

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 will be approved for credit only if the course content is consistent with AQB's core curriculum.
- 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 to the Board office a completed "Education Course Approval Application" that can be found on the Board's website and which should be accompanied by supporting documents. The documents include, but are not limited to:
 - i. A timed outline allocating each heading and subtopic
 - ii. Instructor resume(s)

- iii. All AQB and IDECC approval certificates, if applicable.
- d. Pre-License, Pre-certification, and continuing educational requirements may be satisfied through the completion of Board approved correspondence courses or other distance educational offerings.

*Distance education is defined as an educational process in which instruction does not take place in a traditional classroom setting but rather through other media (Non-conventional methods) in which teacher and student are separated by distance and sometimes by time and the course provides interaction.

Persons or entities seeking Board approval for a distance educational offering shall submit a timed outline and description of the entire course and provide documentation which demonstrates the course complies with the following criteria:

- i. That the educational offering is presented by an approved or accredited college, community or junior college or university that offers distance educational programs and credit in other disciplines; or
- ii. That the course has received approval for college credit by an accrediting agency recognized by the US Secretary of Education; or
- iii. That approval of the course design and delivery mechanism has been obtained from an AQB Approval organization or an accredited college or university; and
- iv. That the course teaches to mastery of the subject and at a minimum covers the following criteria.
 - A. Divides the material into major units as approved by the Board;
 - B. Divides each of the major units of content into modules of instruction for delivery on a computer or other approved interactive audio or audio visual programs;
 - C. Divides the learning objectives for each module of instructions. The learning objectives must be comprehensive enough to insure that if all the objectives are met, the entire content of the course will be mastered;
 - D. Specify an objective, quantitative criterion for mastery used for each learning objective;
 - E. Provide a means of diagnostic assessment of each student's performance on an ongoing basis during each module of instruction;
 - F. Require the student to demonstrate mastery of all material covered by the learning objectives for the module before the module is completed;
 - G. That the course offering is designed in such a way that the

material is presented under an approved instructor who shall be available to answer student questions or provide assistance on a timely basis as necessary;

- H. The instructor will provide reasonable oversight of a student's work to ensure that the student who completes the work is the student who enrolled in the course;
- v. The course provider must provide documentation of an acceptable method that ensures that the student achieves the classroom hourly equivalent as approved by the Board;
- vi. The provider must submit certificates from the International Distance Education Certification Center (IDECC) and the Appraiser Qualifications Board (AQB), if applicable. If the IDECC certification expires prior to the Board's approval, the course will no longer be accepted for credit until the provider can provide an updated certification;
- vii. For distance education courses where an official cannot proctor classroom attendance, and an exam is required, such an examination shall be proctored by an individual approved pursuant to (e) and (f) below;
- viii. And such other information as the Board may require.
- ix. Students are to certify that they have personally completed each assigned module of instruction.

e. Examination Proctors Qualifications

- i. 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.
- ii. 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.
- iii. Proctor(s) shall be approved, in advance, by the Arkansas Appraiser Licensing and Certification Board.

f. Examination Proctor Duties

- i. 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.).
- ii. Be in the room while the student is taking the exam or within line of sight

of the student. 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.

- iii. 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, the reason for the interruption and the ALCB, or its designee, must approve the request to resume.
- iv. 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.
- g. Approval by the Board is initially granted for a period of two (2) years provided no substantive changes in course content is made and approval may be extended for another two (2) years on written request by the provider. Failure to timely request an extension will result in automatic termination of the educational offerings approval status.
- h. 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-sponsorship program under the oversight of the Appraiser Licensing and Certification 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:

- a. Award completion certificates to all students meeting the course criteria;
- b. Retain all course outlines and records of attendance for at least three (3) years;

- c. Adopt and provide to the Board a copy of an administrative policy regarding student attendance and attendance records;
- d. 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 the "Uniform Standards of Professional Appraisal Practice" (USPAP) as published and amended by the Appraisal Foundation for 2016-2017. This adoption shall include all parts of USPAP including the introductory sections for the purpose of judging those applicants, registrant, 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 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 untrustworthiness, 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;
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. 17-14-401 et seq.

Section I – General (O) 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 Board.

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 may hold a hearing to consider a petition from declaratory statement. If a hearing is held, it shall be conducted in accordance with A. C. A. {25-15-208 and 25-15-213}, and the agency's rules for adjudicatory hearings.
- D. The agency 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 will render a final order denying the petition or issuing a declaratory order.

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 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 VI(A)(2).
- 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 – 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 AALCB, 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 4.

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 AALCB 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, where the appraiser demonstrates proficiency in appraisal principles, methodology, procedures (development), and reporting conclusions.
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 AALCB's discretion that the work is compliant with USPAP must be provided as part of the Boards 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.

Section IV –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.

2. 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.
3. For non-federally related transaction appraisals, transaction value shall mean market value.
 - 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.

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

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.

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

1. 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. 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 V -- Criteria Applicable to a State 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
 - 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 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;
- 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. 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 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®)
 - 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-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. *15-Hour National USPAP Course* (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
(May include hours over minimum shown above in other modules)

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

- 1. 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 VI – 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.
3. 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.
4. 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 VII—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 and Regulations governing appraisal practice in Arkansas.
3. Both the State Registered Appraiser and the Supervisory Appraiser, if applicable, 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 (Board).
 - a. The Supervisory Appraiser/Trainee Appraiser course must be completed by the State Registered Appraiser prior to obtaining a State Registered Appraiser credential and completed by the Supervisory Appraiser prior to supervising a State Registered Appraiser.
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-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 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

D. Experience

1. No experience is required as a prerequisite for the State Registered Appraiser classification.
2. Experience hours will not begin to accumulate until the State Registered Appraiser credential is issued.
3. All experience hours must be subject to direct control and supervision by a qualified Supervisory Appraiser.

Section VIII – 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 IX – Non-Resident 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 website or from the website of the Association of Appraiser Regulatory Officials.

The Board may issue a temporary nonresident license or certification 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 and providing additional assignment details 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 (12) months and renewal may be accomplished by submitting evidence of the completion of fourteen (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 and 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 X – 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 regulation 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 XI – Continuing Education

- A. The purpose of continuing education is to ensure 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 (2) year period, prior to renewal of their license or certification, in an even numbered year, (i.e. 2006, 2008, etc.) a minimum of twenty-eight (28) hours of real estate appraisal instruction approved for continuing education credit by the Board. 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. 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 (50) minutes out of each sixty-minute segment.
- 2. Credit toward the education requirement may be granted only where the length of the educational offering is at least two (2) hours.
- 3. Credit for education requirements 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 Schools
 - f. Other providers as approved by the State Appraiser Licensing and Certification Board

g. The Appraisal Foundation or its 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, dispute resolution
- c. Courses related to practice of real estate appraisal or consulting
- d. Development Cost Estimating
- e. Ethics and Standards of Professional Practice (USPAP)
- f. Land use planning, zoning and taxation
- g. Management, leasing, timesharing
- h. Property development, partial interest
- i. Real estate law, easements and legal interest
- j. Real estate litigation, damages and condemnation
- k. Real estate financing and investment
- l. Real estate appraisal related computer applications
- m. Real estate securities and syndication
- n. Practical interpretation

- D. An educational offering taught by an AQB certified instructor, of at least seven (7) hours covering the National Uniform Standards of Professional Appraisal Practice or its equivalent must be attended by each State Registered, Licensed or Certified appraiser during a two-year continuing education renewal cycle. Licensed or Certified appraisers may no longer take the fifteen (15) hour USPAP course in lieu of the seven (7) hour USPAP Update.
- E. Continuing educational 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. No more than fifty (50) percent of an individual's continuing education may be credited to these activities and credit for instructing any given course/seminar can only be awarded once during a continuing education cycle.
- F. In the event a credential is issued for a period of less than 185 days, there will not be continuing education required for that partial year. However, a registered, licensed or certification issued for more than 185 days will be required to accumulate the equivalent of fourteen (14) hours per year prior to renewal.

Section XII – Supervisory Guidelines and Responsibilities

These guidelines set forth the Arkansas Appraiser Licensing Board's Regulations regarding the supervisory/trainee relationship at the State Registered appraiser level.

The State Registered appraiser is required by Arkansas law and/or Administrative Rule to be supervised by a Certified appraiser when the appraisal assignment is for federally related transactions. If the assignment is a non-federally related transaction, a supervisor is not required.

- A. The supervising appraiser shall at all times be in good standing with the Arkansas Appraiser Licensing and Certification Board and be responsible for the training and direct supervision of the trainee by:
 1. The supervising appraiser shall personally inspect, with the trainee/State Registered appraiser, each subject property and comparable sale until the Supervisor determines that the appraiser is competent to perform such appraisals;
 2. The supervisor shall accept responsibility for the appraisal report by signing and certifying that the report is in compliance with the Uniform Standards of Professional Appraisal Practice;
 3. The supervisor shall review the trainee's appraisal reports and periodically sign and date the appraisal log maintained by the trainee. A trainee shall maintain a log for each supervising appraiser;
 4. A supervising appraiser shall be State Certified by the Board prior to assuming supervision of a trainee and must be competent to perform the property type of appraisals being supervised;
 5. Supervisory Appraiser shall be state certified and in good standing for a period of at least three (3) years in the jurisdiction in which the Trainee Appraiser practices. Supervisory Appraisers shall not have been subject to any disciplinary actions in any jurisdiction within the last three (3) years that affects the Supervisory Appraiser's 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 successful completion/termination of the sanction imposed against the appraiser. Supervisory Appraisers shall have been state certified for a minimum of three (3) years prior to being eligible to become a Supervisory Appraiser;
 6. The Supervisory Appraiser shall be limited to supervising no more than three (3)

registered-Trainee Appraisers at any one time;

7. A supervisor of Trainee Appraisers shall have a complaint filed against him/her if the Trainee Appraiser fails to timely comply with a pre-application filing of their experience logs and work product.

Section XIII – 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 Lost, Stolen, or Destroyed Licenses or Certificates)	\$ 25.00
7. Pre-License/Certification Course or Seminar Approval Fee	\$100.00 (Per Offering)
8. Continuing Education Course or Seminar Approval Fee	\$100.00 (Per Offering)
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 (Qualifying) Education	\$ 50.00
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 way exceed \$300 annually.

B. Payment of Application, Renewal and Upgrade 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. 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.

A State Registered appraiser who successfully upgrades to State License or certification may credit part of their previously paid annual registration fees toward the applicable classifications' annual fees.

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 is inactive.

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 registration or licensed status.
4. Any and all appraisal experience claimed by a trainee during a period(s) without being State Registered will not be considered toward meeting the minimum hourly requirements or in which a State Registered appraiser has a lapsed registration. 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.

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.