

State of Arkansas
89th General Assembly
Regular Session, 2013

A Bill

HOUSE BILL 2056

By: Representative Williams

By: Senator J. Dismang

For An Act To Be Entitled

AN ACT TO REGULATE THE PRACTICES OF APPRAISAL
MANAGEMENT COMPANIES; AND FOR OTHER PURPOSES.

Subtitle

TO REGULATE THE PRACTICES OF APPRAISAL
MANAGEMENT COMPANIES.

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

SECTION 1. Arkansas Code § 17-14-408(b), concerning the activities of appraisal management companies, is amended to read as follows:

(b) ~~The~~ A registrant shall not:

(1) Require an appraiser to collect the appraisal fee from a borrower, homeowner, or other third party;

~~(2) Hire, employ, or in any way contract with or pay a real estate broker to perform a broker's price opinion or comparative market analysis unless the broker's price opinion or comparative market analysis will be performed only for listing or selling property that the registrant owns;~~

~~(3)~~(2) Require an appraiser to provide the registrant with the appraiser's digital signature or seal;

~~(4)~~(3) Alter, amend, or change an appraisal report submitted by a licensed or certified appraiser, including without limitation by:

(A) Removing the appraiser's signature or seal; or

(B) Adding or removing information to or from the appraisal report;



~~(5)(A)~~(4)(A) Allow the removal of an independent appraiser from an appraiser panel without prior written notice to the appraiser.

(B) Written notice shall include written evidence of:

- (i) The appraiser's illegal conduct;
- (ii) A violation of the minimum reporting standards under § 17-14-202(b) or other applicable statutes or rules;
- (iii) Substandard performance; or
- (iv) Otherwise improper or unprofessional behavior;

~~(6)(5)~~ Enter into contracts or agreements with an independent appraiser for the performance of appraisal services unless the independent appraiser is licensed or certified in good standing with the Arkansas Appraiser Licensing and Certification Board;

~~(7)(6)~~ Request that an appraiser provide an estimated, predetermined, or desired valuation in an appraisal report or provide estimated values or comparable sales at any time before the appraiser completes an appraisal report;

~~(8)(A)~~(7)(A) Except as provided in subdivision ~~(b)(8)(B)~~(b)(7)(B) of this section, provide to an appraiser an anticipated, estimated, encouraged, or desired value for a property or a proposed or target amount to be loaned to the borrower.

(B) A copy of the sales contract for purchase transactions may be provided; or

~~(9)(8)~~ Commit an act or practice that impairs or attempts to impair an appraiser's independence, objectivity, or impartiality.

APPROVED: 03/26/2013