

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

A Bill

HOUSE BILL 1700

By: Representative McGrew

By: Senator Caldwell

For An Act To Be Entitled

AN ACT TO EXEMPT PROPERTY MANAGERS FROM LICENSURE BY
THE ARKANSAS REAL ESTATE COMMISSION; TO AMEND THE
REAL ESTATE LICENSE LAW; AND FOR OTHER PURPOSES.

Subtitle

TO EXEMPT PROPERTY MANAGERS FROM
LICENSURE BY THE ARKANSAS REAL ESTATE
COMMISSION; AND TO AMEND THE REAL ESTATE
LICENSE LAW.

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

SECTION 1. Arkansas Code § 17-42-103(13), concerning the definition of "unlicensed real estate activity" under the Real Estate License Law, is amended to read as follows:

(13)(A) "Unlicensed real estate activity" means offering or engaging in any practice, act, or operation set forth in subdivision (10) of this section without a valid active Arkansas license issued by the commission.

(B) "Unlicensed real estate activity" does not include acting as a property manager if a person has complied with § 17-42-104.

SECTION 2. Arkansas Code § 17-42-103, concerning definitions under the Real Estate License Law, is amended to add an additional subdivision to read as follows:

(14) "Property manager" means an individual who for a salary,



commission, or compensation of any kind or with the intent or expectation of receiving valuable consideration engages in the business of leasing, renting, or subleasing real estate located in this state on behalf of an owner, lessor, or potential lessee and who:

(A) Accepts employment by or on behalf of the owner, lessor, or potential lessee of real estate to promote or conduct the leasing or subleasing of the real estate;

(B) Negotiates or attempts to negotiate the lease of any real estate located in this state or of the improvements on any real estate located in this state;

(C) Engages in the business of promoting the lease or rental of real estate located in this state;

(D) Assists in completing real estate lease contracts or property management agreements;

(E) Procures tenants for owners of real estate located in this state;

(F) Aids or offers to aid for a fee any person in locating or obtaining any real estate for lease in this state;

(G) Makes the advertising of real property for lease available by public display to potential tenants;

(H) Shows rental or leaseable properties to potential tenants;

(I) In conjunction with property management responsibilities, acts as a liaison between the owners of real estate and a tenant or potential tenant;

(J) In conjunction with property management responsibilities, generally oversees the inspection, maintenance, and upkeep of leased real estate belonging to others;

(K) In conjunction with property management responsibilities, collects rents or attempts to collect rents for any real estate located in this state;

(L) Pays a fee, commission, or other compensation to a licensed broker, salesperson, or property manager for referral of the name of a prospective lessor or lessee of real property;

(M) Receives a fee, commission, or other compensation from a licensed real estate broker, salesperson, or property management broker for

referring the name of a prospective lessor or lessee of real property; or
(N) Advertises or represents to the public that the
individual is engaged in any of the activities referred to in this
subdivision;

SECTION 3. Arkansas Code § 17-42-104(a), concerning exemptions to Real Estate License Law, is amended to add an additional subdivision to read as follows:

(11) A person not licensed under this chapter who performs any
of the acts described in § 17-42-103(14) and:

(A)(i) Has two (2) or more years of property management
experience managing fifty (50) or more rental units; or

(ii) Is certified as a property manager from a
national certification institute;

(B) Has not been convicted of or plead guilty to a felony;
and

(C) Has a one hundred thousand dollar (\$100,000) fidelity
bond.