

House Engrossed Senate Bill

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Fiftieth Legislature
First Regular Session
2011

CHAPTER 67

SENATE BILL 1180

AN ACT

AMENDING SECTIONS 32-3625, 32-3631 AND 32-3637, ARIZONA REVISED STATUTES;
RELATING TO THE STATE BOARD OF APPRAISAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Section 32-3625, Arizona Revised Statutes, is amended to
3 read:
4 32-3625. Continuing education
5 A. As a prerequisite to renewal of a license or certificate, a state
6 licensed or state certified appraiser shall present evidence satisfactory to
7 the board of having met the continuing education requirements of either
8 subsection B or C.
9 B. The basic continuing education requirement for renewal of a license
10 or certificate is the completion by the applicant, during the immediately
11 preceding term of the license or certificate, of courses or seminars which
12 THAT are approved by the board.
13 C. An applicant for relicensing or recertification may satisfy all or
14 part of the continuing education requirements by presenting evidence of the
15 following, which shall be approved by the board:
16 1. Completion of an education program of study determined by the board
17 to be equivalent, for continuing education purposes, to courses approved by
18 the board pursuant to subsection B.
19 2. Participation other than as a student in educational processes and
20 programs which THAT are approved by the board and which THAT relate to
21 appropriate appraisal theory, practices or techniques, including teaching,
22 program development and preparation of textbooks, monographs, articles and
23 other instructional materials, not to exceed fifty per cent of an applicant's
24 continuing education requirements and not for the same course in consecutive
25 renewal periods.
26 D. The board shall adopt rules to assure that persons renewing their
27 licenses or certificates as state licensed or state certified appraisers
28 follow practices and techniques which THAT provide a high degree of service
29 and protection to those members of the public with whom they deal in the
30 professional relationship under the authority of the license or certificate.
31 The rules shall include the following:
32 1. Policies and procedures for obtaining board approval of courses and
33 instruction pursuant to subsection B.
34 2. Standards, policies and procedures to be applied by the board in
35 evaluating an applicant's claims of equivalency in accordance with
36 subsection C.
37 3. Standards, monitoring methods and systems for recording attendance
38 to be employed by course sponsors as a prerequisite to board approval of
39 courses for credit.
40 E. In adopting rules pursuant to subsection D, paragraph 1, the board
41 shall give consideration to courses of instruction, seminars and other
42 appropriate appraisal educational courses or programs previously or hereafter
43 developed by or under the auspices of professional appraisal organizations
44 and utilized by those associations for purposes of designation, or indicating
45 compliance with the continuing education requirements of such organizations.

1 No person who offers these courses may discriminate in the opportunity to
2 participate in these courses on the basis of membership or nonmembership in
3 an appraisal organization.

4 F. No amendment or repeal of a rule adopted by the board pursuant to
5 this section may operate to deprive a state licensed or state certified
6 appraiser of credit toward renewal of a license or certificate for any course
7 of instruction either completed by the applicant or enrolled in by the
8 applicant before the amendment or repeal of the rule ~~which~~ THAT would have
9 qualified for continuing education credit under the rule as it existed before
10 the repeal or amendment.

11 G. A license or certificate as a state licensed or state certified
12 appraiser that has been ~~revoked~~ SUSPENDED as a result of disciplinary action
13 by the board shall not be reinstated unless the applicant presents evidence
14 of completion of the continuing education required by this chapter. ~~This~~
15 ~~requirement of evidence of continuing education shall not be imposed on an~~
16 ~~applicant for reinstatement who has been required to successfully complete~~
17 ~~the examination for state licensed or state certified appraiser as a~~
18 ~~condition of reinstatement of a license or certificate.~~

19 Sec. 2. Section 32-3631, Arizona Revised Statutes, is amended to read:
20 32-3631. Disciplinary proceedings

21 A. The rights of an applicant or holder under a license or certificate
22 as a state licensed or state certified appraiser may be revoked or suspended
23 or the holder of the license or certificate may otherwise be disciplined in
24 accordance with this chapter on any of the grounds set forth in this section.
25 The board may investigate the actions of a state licensed or state certified
26 appraiser and may revoke or suspend the rights of a license or certificate
27 holder or otherwise discipline a state licensed or state certified appraiser
28 for any of the following acts or omissions:

29 1. Procuring or attempting to procure a license or certificate
30 pursuant to this chapter by knowingly making a false statement, submitting
31 false information, refusing to provide complete information in response to a
32 question in an application for a license or certificate or committing any
33 form of fraud or misrepresentation.

34 2. Failing to meet the minimum qualifications established by this
35 chapter.

36 3. Paying or offering to pay money or other considerations other than
37 as provided by this chapter to any member or employee of the board to procure
38 a license or certificate under this chapter.

39 4. A conviction, including a conviction based on a plea of guilty, of
40 a crime ~~which~~ THAT is substantially related to the qualifications, functions
41 and duties of a person developing appraisals and communicating appraisals to
42 others, or a conviction for any felony or any crime involving moral
43 turpitude.

1 5. An act or omission involving dishonesty, fraud or misrepresentation
2 with the intent to substantially benefit the license or certificate holder or
3 another person or with the intent to substantially injure another person.

4 6. Violation of any of the standards of the development or
5 communication of appraisals as provided in this chapter.

6 7. Negligence or incompetence in developing an appraisal, in preparing
7 an appraisal report or in communicating an appraisal.

8 8. Wilfully disregarding or violating any of the provisions of this
9 chapter or the rules of the board for the administration and enforcement of
10 this chapter.

11 9. Accepting an appraisal assignment if the employment itself is
12 contingent on the appraiser reporting a predetermined estimate, analysis or
13 opinion or if the fee to be paid is contingent on the opinion, conclusion or
14 value reached or on the consequences resulting from the appraisal assignment.

15 10. Violating the confidential nature of any records to which the
16 appraiser gains access through employment or engagement as an appraiser.

17 11. Entry of a final civil judgment against the person on grounds of
18 fraud, misrepresentation or deceit in the making of any appraisal.

19 B. In a disciplinary proceeding based on a civil judgment, the state
20 licensed or state certified appraiser shall be afforded an opportunity to
21 present matters in mitigation and extenuation.

22 C. The board may issue subpoenas for the attendance of witnesses and
23 the production of books, records, documents and other evidence necessary and
24 relevant to an investigation or hearing.

25 D. THE LAPSING OR SUSPENSION OF A LICENSE OR CERTIFICATE BY OPERATION
26 OF LAW OR BY ORDER OR DECISION OF THE BOARD OR A COURT OF LAW, OR THE
27 VOLUNTARY SURRENDER OF A LICENSE BY A LICENSE OR CERTIFICATE HOLDER, SHALL
28 NOT DEPRIVE THE BOARD OF JURISDICTION TO DO ANY OF THE FOLLOWING WITHIN
29 TWENTY-FOUR MONTHS AFTER THE EXPIRATION OF THE LICENSE OR CERTIFICATE
30 PURSUANT TO SECTION 32-3616:

31 1. PROCEED WITH ANY INVESTIGATION OF OR ACTION OR DISCIPLINARY
32 PROCEEDING AGAINST THE LICENSE OR CERTIFICATE HOLDER.

33 2. RENDER A DECISION SUSPENDING OR REVOKING THE LICENSE OR CERTIFICATE
34 OR DENYING THE RENEWAL OR RIGHT OF RENEWAL OF THE LICENSE OR CERTIFICATE.

35 Sec. 3. Section 32-3637, Arizona Revised Statutes, is amended to read:
36 32-3637. Retention of records; definition

37 A. A state licensed or state certified appraiser shall retain a work
38 file for at least five years after preparation of the work file or at least
39 two years after final disposition of any judicial proceeding in which the
40 appraiser provided testimony related to the work file, whichever period of
41 time is greater.

42 B. A state licensed or state certified appraiser shall do either of
43 the following:

44 1. Have custody of the appraiser's work file.

1 2. Make appropriate work file retention, access and retrieval
2 arrangements with the party having custody of the work file.

3 C. The board may inspect all records required to be maintained under
4 this chapter by the state licensed or state certified appraiser on reasonable
5 notice to the appraiser.

6 D. For the purposes of this section, "work file" includes
7 documentation THAT IS necessary to support an appraiser's analyses, opinions
8 and conclusions AND THAT DEMONSTRATES COMPLIANCE WITH THE UNIFORM STANDARDS
9 OF PROFESSIONAL APPRAISAL PRACTICE.

APPROVED BY THE GOVERNOR APRIL 12, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 12, 2011.

Passed the House April 4, 2011,

by the following vote: 58 Ayes,

1 Nays, 1 Not Voting

[Signature]
Speaker of the House

Cheryl Laube
Chief Clerk of the House

Passed the Senate February 10, 2011,

by the following vote: 240 Ayes,

5 Nays, 1 Not Voting

[Signature]
President of the Senate

Charmine Bellington
Secretary of the Senate

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR**

This Bill was received by the Governor this

 day of , 20 ,

at o'clock M.

Secretary to the Governor

Approved this day of

 , 20 ,

at o'clock M.

Governor of Arizona

S.B. 1180

**EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE**

This Bill was received by the Secretary of State

this day of , 20 ,

at o'clock M.

Secretary of State

SENATE CONCURS IN HOUSE
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 7, 20 11

by the following vote: 26 Ayes,

2 Nays, 2 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

7 day of April, 20 11

at 4:45 o'clock 2 M.

[Signature]
Secretary to the Governor

Approved this 12th day of

April

at 10:25 o'clock A-M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 12th day of April, 20 11

at 4:01 o'clock P M.

[Signature]
Secretary of State

S.B. 1180