

Conference Engrossed

**FILED**

**KEN BENNETT  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
Second Regular Session  
2012

CHAPTER 342

## **HOUSE BILL 2778**

AN ACT

AMENDING TITLE 32, CHAPTER 36, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-3610; AMENDING SECTION 32-3628, ARIZONA REVISED STATUTES; AMENDING TITLE 32, CHAPTER 36, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 32-3634.01; AMENDING SECTION 32-3673, 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. Title 32, chapter 36, article 1, Arizona Revised Statutes,  
3 is amended by adding section 32-3610, to read:  
4 32-3610. Uniform standards of professional appraisal practice;  
5 state standards; exception  
6 THE UNIFORM STANDARDS OF PROFESSIONAL APPRAISAL PRACTICE ARE THE  
7 STANDARDS FOR THE APPRAISAL PRACTICE IN THIS STATE UNLESS THE BOARD OBJECTS.  
8 Sec. 2. Section 32-3628, Arizona Revised Statutes, is amended to read:  
9 32-3628. Inactive license or certificate status during military  
10 duty; reactivation application; renewal application  
11 and fee; continuing education  
12 A. A license or certificate holder who is ordered to active military  
13 duty with the United States armed forces may request that the license or  
14 certificate be placed on inactive status by filing with the board an  
15 application that includes all of the following:  
16 1. The license or certificate holder's name.  
17 2. The license or certificate number.  
18 3. The date that the active military duty begins.  
19 4. A request for inactive status.  
20 B. The license or certificate is deemed to be on inactive status while  
21 the license or certificate holder is on active military duty, but the period  
22 of inactive status may not exceed three years.  
23 C. A license or certificate holder who is on inactive status pursuant  
24 to this section shall not do either of the following:  
25 1. Represent that the holder is an active appraiser licensed or  
26 certified in this state.  
27 2. Perform real estate appraisals or appraisal reviews on real estate  
28 in this state.  
29 D. A license or certificate holder on inactive status must file with  
30 the board an application for reactivation of the license or certificate  
31 within ~~thirty~~ ONE HUNDRED EIGHTY days after returning home from active  
32 military duty.  
33 E. If the holder of an inactive license or certificate timely files an  
34 application for reactivation of the license or certificate, the license or  
35 certificate is returned to active status on the board's approval of the  
36 application for reactivation. The time period for completion of the  
37 continuing education requirements that the license or certificate holder  
38 would otherwise have been required to meet during the period when the license  
39 or certificate was on inactive status is extended for a period not to exceed  
40 ninety days after return from active military duty. The license or  
41 certificate holder must submit proof of completion of any continuing  
42 education requirements to the board no later than ~~thirty~~ ONE HUNDRED TWENTY  
43 days after completion.

1 F. If the holder of an inactive license or certificate under this  
2 section does not make a timely application for reactivation as required by  
3 subsection D of this section, the holder must reapply for licensure or  
4 certification meeting all of the requirements of this chapter.

5 G. A license or certificate holder who is on inactive status pursuant  
6 to this section remains on inactive status until the board approves the  
7 application for reactivation of the license or certificate.

8 H. The holder of an inactive license or certificate applying for  
9 reactivation of the license or certificate under this section shall include  
10 with the application for reactivation a copy of the documentation from the  
11 armed forces showing the period of time that the holder of the inactive  
12 license or certificate was on active military duty.

13 I. Any license or certificate holder who places the holder's license  
14 or certificate on inactive status under this section must pay the renewal fee  
15 prescribed in section 32-3607 and complete an application for renewal  
16 pursuant to section 32-3619. A license or certificate holder on inactive  
17 status pursuant to this section who files an application for reactivation is  
18 required to provide evidence of completion of the continuing education  
19 requirements pursuant to subsection E of this section.

20 J. For the purposes of this section, active military duty does not  
21 include service persons performing weekend drill and annual training.

22 Sec. 3. Title 32, chapter 36, article 3, Arizona Revised Statutes, is  
23 amended by adding section 32-3634.01, to read:

24 32-3634.01. Prohibition; indemnification agreement

25 A. ANY PERSON, PARTY OR ENTITY WHO HIRES, ENGAGES OR COMMUNICATES WITH  
26 AN APPRAISER DIRECTLY OR THROUGH AN AGENT SHALL NOT REQUIRE OR ATTEMPT TO  
27 REQUIRE THE APPRAISER TO SIGN ANY INDEMNIFICATION AGREEMENT THAT WOULD HOLD  
28 HARMLESS THE HIRING PERSON, PARTY OR ENTITY, ITS OWNERS, AGENT'S EMPLOYEES OR  
29 INDEPENDENT CONTRACTORS FROM ANY LIABILITY, DAMAGE, LOSS OR CLAIM ARISING  
30 FROM THE SERVICES PERFORMED BY THE PERSON, PARTY OR ENTITY, ITS OWNERS,  
31 AGENT'S EMPLOYEES OR INDEPENDENT CONTRACTORS.

32 B. THIS SECTION DOES NOT LIMIT LIABILITY FOR SERVICES PERFORMED BY THE  
33 APPRAISER.

34 Sec. 4. Section 32-3673, Arizona Revised Statutes, is amended to read:

35 32-3673. Disclosure of fees

36 A. The appraisal management company shall not prohibit the appraiser  
37 from reporting in the appraisal report the fee paid to the appraiser.

38 B. THE APPRAISER SHALL DISCLOSE THE FEE PAID FOR AN APPRAISAL REPORT  
39 ORDERED BY AN APPRAISAL MANAGEMENT COMPANY IN THE SCOPE OF WORK SECTION IN  
40 THE APPRAISAL REPORT.

APPROVED BY THE GOVERNOR MAY 11, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 14, 2012.

Passed the House February 23, 2012

Passed the Senate March 27, 2012

by the following vote: 53 Ayes,

by the following vote: 22 Ayes,

3 Nays, 3 Not Voting  
1 vacant

7 Nays, 1 Not Voting

[Signature]  
Speaker of the House

[Signature]  
President of the Senate

[Signature]  
Chief Clerk of the House

[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

           day of           , 20           

at            o'clock            M.

            
Secretary to the Governor

Approved this            day of

at            o'clock            M.

            
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this            day of           , 20           

at            o'clock            M.

            
Secretary of State

H.B. 2778

HOUSE FINAL PASSAGE  
as per Joint Conference

Passed the House April 16, 20 12

by the following vote: 48 Ayes,

8 Nays, 3 Not Voting  
1 vacant



Speaker of the House

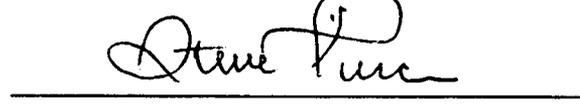
Cheryl Laube  
Chief Clerk of the House

SENATE FINAL PASSAGE  
as per Joint Conference

Passed the Senate April 30, 20 12

by the following vote: 24 Ayes,

6 Nays, 0 Not Voting



President of the Senate

Charmine Bellington  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

1 day of May, 20 12

at 11:50 o'clock A M.

Michael R. ...  
Secretary to the Governor

Approved this 11th day of

May

at 4:01 o'clock P-M.

Janice K. Brewer  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 14th day of May, 20 12

at 8:30 o'clock a M.

Kate Blumett  
Secretary of State