

State of Arizona
House of Representatives
Fifty-second Legislature
Second Regular Session
2016

HOUSE BILL 2560

AN ACT

AMENDING SECTIONS 6-101, 32-3601 AND 32-3605, ARIZONA REVISED STATUTES; REPEALING SECTION 32-3606, ARIZONA REVISED STATUTES; AMENDING SECTION 32-3607, ARIZONA REVISED STATUTES; REPEALING SECTION 32-3608, ARIZONA REVISED STATUTES; AMENDING SECTIONS 32-3609, 32-3610, 32-3611, 32-3613, 32-3614, 32-3614.01, 32-3614.02, 32-3615, 32-3617, 32-3618, 32-3619, 32-3620, 32-3621, 32-3622, 32-3625, 32-3626, 32-3627, 32-3628, 32-3631, 32-3632, 32-3635, 32-3637, 32-3638, 32-3639, 32-3651, 32-3652, 32-3653, 32-3654, 32-3655, 32-3662, 32-3664, 32-3666, 32-3667, 32-3668, 32-3669, 32-3671, 32-3672, 32-3677, 32-3678, 32-3679, 32-3680, 32-4301, 41-619.51, 41-1092, 41-1758 AND 41-3024.03, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO REAL ESTATE APPRAISAL.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 6-101, Arizona Revised Statutes, is amended to
3 read:

4 6-101. Definitions

5 In this title, unless the context otherwise requires:

6 1. "Automated teller machine" means an automated device that is
7 established by a bank, savings and loan association or credit union and that
8 facilitates customer-bank communications activities, including taking
9 deposits and disbursing cash drawn against a customer's deposit account or a
10 customer's preapproved loan account, at a location separate from the home
11 office or a branch.

12 2. "Bank" means a corporation that holds a banking permit issued
13 pursuant to chapter 2 of this title.

14 3. "Banking office" means any place of business of the bank at which
15 deposits are received, checks are paid or money is loaned but does not
16 include the premises used for computer operations, proofing, record keeping,
17 accounting, storage, maintenance or other administrative or service
18 functions.

19 4. "Branch" means any banking office other than the principal banking
20 office.

21 5. "Department" means the department of financial institutions.

22 6. "Enterprise" means any person under the jurisdiction of the
23 department other than a financial institution.

24 7. "Federal deposit insurance corporation" includes any successor to
25 the corporation or other agency or instrumentality of the United States ~~which~~
26 ~~THAT~~ undertakes to discharge the purposes of the corporation.

27 8. "Financial institution" means banks, trust companies, savings and
28 loan associations, credit unions, consumer lenders, international banking
29 facilities and financial institution holding companies under the jurisdiction
30 of the department.

31 9. "Home state" means the state that has granted the bank its charter,
32 permit or license to operate.

33 10. "Host state" means the state in which a financial institution is
34 doing business and not the state that has granted the bank its charter,
35 permit or license to operate.

36 11. "In-state financial institution" means a state or federal bank,
37 savings bank, savings and loan association or holding company with its home
38 office located in this state.

39 12. "International banking facility" means a facility ~~THAT IS~~
40 represented by a set of asset and liability accounts segregated on the books
41 and records of a commercial bank, the principal office of which is located in
42 this state, and ~~which~~ ~~THAT~~ is incorporated and doing business under the laws
43 of the United States or of this state, a United States branch or agency of a
44 foreign bank, an edge corporation organized under section 25(a) of the
45 federal reserve act (12 United States Code sections 611 through 631) or an

1 agreement corporation having an agreement or undertaking with the board of
2 governors of the federal reserve system under section 25 of the federal
3 reserve act (12 United States Code sections 601 through 604(a)) that includes
4 only international banking facility time deposits and international banking
5 facility extensions of credit as defined in 12 Code of Federal Regulations
6 part 204.

7 13. "National credit union administration" includes any successor to
8 the organization or other agency or instrumentality of the United States
9 ~~which~~ THAT undertakes to discharge the purposes of the organization.

10 14. "Out-of-state bank" means a bank, savings bank or savings and loan
11 association that is approved by the superintendent pursuant to section 6-322
12 and that has a charter, a permit or any other license to operate that is
13 issued by a state other than this state.

14 15. "Out-of-state financial institution" means a state or federal bank,
15 savings bank, savings and loan association or holding company with its home
16 office in a state other than this state.

17 16. "Superintendent" means the superintendent of financial
18 institutions.

19 17. "Title" includes this title, title 32, ~~chapter~~ CHAPTERS 9 AND 36
20 and title 44, chapter 2.1.

21 Sec. 2. Section 32-3601, Arizona Revised Statutes, is amended to read:
22 32-3601. Definitions

23 In this chapter, unless the context otherwise requires:

24 1. "Appraisal" or "real estate appraisal" means a statement that is
25 independently and impartially prepared by an individual setting forth an
26 opinion as to the market value of real property as of a specific date and
27 supported by the presentation and analysis of relevant market information.

28 2. "Appraisal assignment" means an engagement for which a real estate
29 appraiser is employed or retained to act, or would be perceived by third
30 parties or the public in acting, as a disinterested third party in rendering
31 an unbiased analysis, opinion or conclusion relating to the nature, quality,
32 value or utility of specified interests in or aspects of identified real
33 estate.

34 3. "Appraisal foundation" means the appraisal foundation incorporated
35 as an Illinois not-for-profit corporation on November 30, 1987.

36 4. "Appraisal report" means any communication, written or oral, of an
37 appraisal.

38 5. "Appraisal review" means the act of reviewing or the report that
39 follows a review of an appraisal assignment or appraisal report in which a
40 real estate appraiser forms an opinion as to the adequacy and appropriateness
41 of the report being reviewed.

42 6. "Appraisal standards board" means the appraisal standards board
43 appointed by the board of trustees of the appraisal foundation to develop,
44 interpret and amend the uniform standards of professional appraisal practice.

1 7. "Appraisal subcommittee" means the subcommittee of the federal
2 financial institutions examination council created pursuant to 12 United
3 States Code section 3310 and chapter 34A, as amended.

4 8. "Appraiser qualifications board" means the appraiser qualifications
5 board that is appointed by the board of trustees of the appraisal foundation
6 to establish the minimum education, experience and examination requirements
7 for real estate appraisers.

8 9. "Complex one to four residential units" means property that is
9 atypical for the marketplace. Atypical factors may include architectural
10 style, age of improvements, size of improvements, size of lot, neighborhood
11 land use, potential environmental hazard liability, leasehold interests,
12 limited readily available comparable sales data or other unusual factors.

13 10. "Course approval" means the act of the superintendent reviewing
14 course materials to form an opinion as to the adequacy and appropriateness of
15 the course for licensing pursuant to section 32-3613, certification pursuant
16 to section 32-3614 and continuing education as prescribed in section 32-3625
17 in accordance with the appraiser qualifications board and this chapter.

18 11. "DEPARTMENT" MEANS THE DEPARTMENT OF FINANCIAL INSTITUTIONS.

19 ~~11.~~ 12. "Federal financial institutions examination council" means
20 that agency of the federal government created pursuant to 12 United States
21 Code chapters 34 and 34A, as amended.

22 ~~12.~~ 13. "Federally related transaction" means any real estate related
23 financial transaction that a federal financial institution's regulatory
24 agency or the resolution trust corporation engages in, contracts for or
25 regulates and that requires an appraisal.

26 ~~13.~~ 14. "Property tax agent" means an individual who is designated by
27 a person or is an employee of an entity designated as an agent pursuant to
28 section 42-16001, who acts on behalf of a person who owns, controls or
29 possesses property valued by a county assessor and who receives a fee for the
30 analysis of any matter relating to the review of the valuation of the
31 person's property before the assessor. Property tax agent does not include a
32 person who is admitted to practice law in this state, an employee of the
33 person owning, controlling or possessing the property or an employee of an
34 entity designated pursuant to section 42-16001, if the employee is performing
35 a secretarial, clerical or administrative support function.

36 ~~14.~~ 15. "Real estate" means an identified parcel or tract of land,
37 including improvements, if any.

38 ~~15.~~ 16. "Real estate related financial transaction" means any
39 transaction involving the sale of, lease of, purchase of, investment in or
40 exchange of real property, including interests in property or the financing
41 of property, the refinancing of real property or interests in real property
42 and the use of real property or interests in property as security for a loan
43 or investment, including mortgage-backed securities.

1 ~~16-~~ 17. "Real property" means one or more defined interests, benefits
2 and rights inherent in the ownership of real estate.
3 ~~17-~~ 18. "Registered trainee appraiser" means a person who meets both
4 of the following requirements:
5 (a) Is registered with the superintendent and meets the appraiser
6 qualifications board's qualifications for trainee appraisers to perform
7 appraisal services only under the direct supervision of a certified appraiser
8 who has met the minimum criteria to be a supervisory appraiser.
9 (b) Accepts assignments only from the registered trainee appraiser's
10 supervisory appraiser.
11 ~~18-~~ 19. "Review appraiser" means a person who engages in the activity
12 of reviewing and evaluating the appraisal work of others from the perspective
13 of an appraiser, generally for compensation as a separate skill. This
14 includes the function of reviewing an appraisal report or a file memorandum
15 setting forth the results of the review process.
16 ~~19-~~ 20. "Standards of professional appraisal practice" means the
17 uniform standards of professional appraisal practice adopted by the
18 superintendent.
19 ~~20-~~ 21. "State licensed or state certified appraiser" means a person
20 who develops and communicates appraisals and who holds a current, valid
21 license or certificate issued under this chapter.
22 ~~21-~~ 22. "Superintendent" means the superintendent of financial
23 institutions.
24 ~~22-~~ 23. "Supervisory appraiser" means a state certified appraiser who
25 has a supervisory appraiser designation and who:
26 (a) Has been in good standing for the last three years in the
27 jurisdiction in which the registered trainee appraiser practices.
28 (b) Has not been disciplined in a manner that affects the supervisory
29 appraiser's eligibility to engage in appraisal practice in any jurisdiction
30 in the last three years.
31 (c) Directly supervises registered trainee appraisers by doing the
32 following:
33 (i) Accepting responsibility for an appraisal by signing and
34 certifying that the appraisal complies with the uniform standards of
35 professional appraisal practice.
36 (ii) Reviewing and signing all registered trainee appraiser reports.
37 ~~(iii) Personally inspecting each appraised property with the~~
38 ~~registered trainee appraiser.~~
39 ~~23-~~ 24. "Value" means the monetary relationship between properties
40 and those who buy, sell or use those properties.
41 Sec. 3. Section 32-3605, Arizona Revised Statutes, is amended to read:
42 32-3605. Superintendent; duties; powers; immunity
43 A. The superintendent shall adopt rules in aid or in furtherance of
44 this chapter.

- 1 B. The superintendent shall:
- 2 1. In prescribing standards of professional appraisal practice, adopt
- 3 standards that at a minimum are equal to the standards prescribed by the
- 4 appraisal standards board.
- 5 2. In prescribing criteria for certification, adopt criteria that at a
- 6 minimum are equal to the minimum criteria for certification adopted by the
- 7 appraiser qualifications board.
- 8 3. In prescribing criteria for licensing and registration, adopt
- 9 criteria that at a minimum are equal to the minimum criteria for licensing
- 10 and registration adopted by the appraiser qualifications board.
- 11 4. Further define by rule with respect to state licensed or state
- 12 certified appraisers appropriate and reasonable educational experience,
- 13 appraisal experience and equivalent experience that meets the statutory
- 14 requirement of this chapter.
- 15 5. Adopt the national examination as approved by the appraiser
- 16 qualifications board for state certified appraisers.
- 17 6. Adopt the national examination as approved by the appraiser
- 18 qualifications board for state licensed appraisers.
- 19 7. Establish administrative procedures for:
- 20 (a) PROCESSING APPLICATIONS FOR LICENSES AND CERTIFICATES.
- 21 (b) Approving or disapproving applications for registration, licensure
- 22 and certification. ~~and~~
- 23 (c) Issuing licenses and certificates, including registration
- 24 certificates.
- 25 8. Define by rule, with respect to state licensed and certified
- 26 appraisers, the continuing education requirements for the renewal of licenses
- 27 or certificates that satisfy the statutory requirements provided in this
- 28 chapter.
- 29 9. Periodically review the requirements for the development and
- 30 communication of appraisals provided in this chapter and adopt rules
- 31 explaining and interpreting the requirements.
- 32 10. Define and explain by rule each stage and step associated with the
- 33 administrative procedures for the disciplinary process pursuant to this
- 34 chapter, including:
- 35 (a) Prescribing minimum criteria for accepting a complaint against a
- 36 registered trainee appraiser or a licensed or certified appraiser. The
- 37 superintendent may not consider a complaint for administrative action if the
- 38 complaint either:
- 39 (i) Relates to an appraisal that was completed more than five years
- 40 before the complaint was submitted to the superintendent or more than two
- 41 years after final disposition of any judicial proceeding in which the
- 42 appraisal was an issue, whichever period of time is greater.
- 43 (ii) Is filed against a person who is a staff person of the department
- 44 of financial institutions and the person is a licensed or certified appraiser
- 45 and the complaint is against the person's license or certificate and relates

1 to the person's performance of duties. This item does not apply to a
2 contract investigator who is under contract with the department for the
3 performance of an appraisal review as defined by the uniform standards of
4 professional appraisal practice. This item does not remove the requirement
5 that the staff person ~~is~~ BE subject to the ethics rules section of the
6 uniform standards of professional appraisal practice.

7 (b) Defining the process and procedures used in investigating the
8 allegations of the complaint. The superintendent shall consolidate
9 complaints that are filed within a six-month period of time if the complaints
10 are against the same appraiser, relate to the same appraisal and property and
11 are filed by an entity that is subject to the mandatory reporting provisions
12 of the Dodd-Frank Wall Street reform and consumer protection act
13 (P.L. 111-203; 124 Stat. 1376). Complaints that are consolidated pursuant to
14 this subdivision must be considered and adjudicated as one complaint.

15 (c) Defining the process and procedures used in hearings on the
16 complaint, including a description of the rights of the superintendent and
17 any person who is alleged to have committed the violation.

18 (d) Establishing criteria to be used in determining the appropriate
19 actions for violations.

20 11. Communicate information that is useful to the public and
21 appraisers relating to actions for violations.

22 12. Issue decrees of censure, fix periods and terms of probation and
23 suspend and revoke licenses and certificates pursuant to the disciplinary
24 proceedings provided for in section 32-3631.

25 13. At least monthly transmit to the appraisal subcommittee a roster
26 listing individuals who have received a state certificate or license in
27 accordance with this chapter.

28 14. Report on the disposition of any matter referred by the appraisal
29 subcommittee or any other federal agency or instrumentality or federally
30 recognized entity reporting any action of a state licensed or state certified
31 appraiser that is contrary to this chapter.

32 15. Make a determination and finding if there exists a scarcity of
33 state certified or state licensed appraisers to perform appraisals in
34 connection with federally related transactions in this state and issue
35 resident temporary licenses and certificates pursuant to section 32-3626.

36 16. Transmit the national registry fee collected pursuant to section
37 32-3607 to the appraisal subcommittee.

38 17. Establish the fees in accordance with section 32-3607.

39 18. RECEIVE APPLICATIONS FOR STATE LICENSES AND CERTIFICATES.

40 19. MAINTAIN A REGISTRY OF THE NAMES AND ADDRESSES OF PEOPLE WHO ARE
41 REGISTERED, LICENSED OR CERTIFIED UNDER THIS CHAPTER.

42 20. RETAIN RECORDS AND ALL APPLICATION MATERIALS SUBMITTED TO THE
43 SUPERINTENDENT.

44 21. PUBLISH ON THE DEPARTMENT'S WEBSITE A CURRENT LIST OF SUPERVISORY
45 APPRAISERS AND REGISTERED TRAINEE APPRAISERS.

1 ~~18-~~ 22. Perform such other functions and duties as may be necessary
2 to carry out this chapter.

3 C. The superintendent may accept and spend federal monies and grants,
4 gifts, contributions and devises from any public or private source to assist
5 in carrying out the purposes of this chapter. These monies do not revert to
6 the state general fund at the end of the fiscal year.

7 D. The ~~board~~ SUPERINTENDENT may impose a civil penalty pursuant to
8 section 32-3632.

9 Sec. 4. Repeal

10 Section ~~32-3606~~, Arizona Revised Statutes, is repealed.

11 Sec. 5. Section 32-3607, Arizona Revised Statutes, is amended to read:
12 ~~32-3607~~. Fees; use of credit cards; appraisal subcommittee fund

13 A. The ~~board~~ SUPERINTENDENT shall charge and collect fees that are
14 sufficient to fund the activities necessary to carry out this chapter. These
15 include:

16 1. An application fee for licensure or certification of not more than
17 four hundred dollars.

18 2. An application fee for a resident temporary license or certificate
19 of not more than four hundred dollars.

20 3. An examination fee in an amount to be determined by the ~~board~~
21 SUPERINTENDENT.

22 4. A fee for renewal of a license, certificate or resident temporary
23 license or certificate of not more than four hundred twenty-five dollars.

24 5. A delinquent renewal fee in addition to the renewal fee of not more
25 than twenty-five dollars.

26 6. A two-year national registry fee of not to exceed the actual cost
27 of twice the current annual national registry fee.

28 7. A nonresident temporary licensure or certification fee of not more
29 than one hundred fifty dollars.

30 8. A course approval fee of not more than five hundred dollars.

31 9. An application fee to be a registered trainee appraiser in an
32 amount to be determined by the ~~board~~ SUPERINTENDENT.

33 B. If the appraisal subcommittee raises the national registry fee
34 during the second year of a biennial license or certificate, state licensed
35 and state certified appraisers shall pay the additional national registry fee
36 on demand by the ~~board~~ SUPERINTENDENT. Failure to pay the additional fee
37 within thirty days of notice by the ~~board~~ SUPERINTENDENT subjects the license
38 or certificate holder to a penalty of twice the amount owed but not to exceed
39 twenty dollars. The ~~board~~ SUPERINTENDENT shall not renew a license or
40 certificate until all outstanding obligations of the license or certificate
41 holder are paid.

42 C. Pursuant to section 35-142, subsection ~~I-~~ J, the ~~board~~
43 SUPERINTENDENT may accept a credit card or debit card for the payment of fees
44 established by this section. The ~~board~~ SUPERINTENDENT may impose a

1 convenience fee for payment made pursuant to this subsection in an amount to
2 be determined by the ~~board~~ SUPERINTENDENT.

3 D. THE APPRAISAL SUBCOMMITTEE FUND IS ESTABLISHED CONSISTING OF
4 NATIONAL REGISTRY FEE MONIES COLLECTED PURSUANT TO THIS SECTION. THE
5 DEPARTMENT SHALL ADMINISTER THE FUND. THE DEPARTMENT SHALL USE THE MONIES TO
6 PAY THE NATIONAL REGISTRY FEES TO THE APPRAISAL SUBCOMMITTEE.

7 Sec. 6. Repeal; transfer of monies

8 A. Section 32-3608, Arizona Revised Statutes, is repealed.

9 B. All unexpended and unencumbered monies remaining in the board of
10 appraisal fund established by section 32-3608, Arizona Revised Statutes, as
11 repealed by subsection A of this section, are transferred to the state
12 general fund on the effective date of this section.

13 Sec. 7. Section 32-3609, Arizona Revised Statutes, is amended to read:

14 32-3609. Confidential records

15 Except as otherwise provided by law, the following records are
16 confidential:

17 1. Questions contained in any examination administered by or for the
18 ~~board~~ SUPERINTENDENT or in any examination submitted to the ~~board~~
19 SUPERINTENDENT for course approval.

20 2. Questions asked and the answers of individual examinees, except
21 that the ~~board~~ SUPERINTENDENT shall provide the grades of each examinee for
22 public inspection and copying.

23 3. Appraisal reports or appraisal reviews and supporting documentation
24 deemed confidential under the uniform standards of professional appraisal
25 practice edition adopted by the ~~board~~ SUPERINTENDENT.

26 4. All documents associated with a complaint ~~until the complaint is~~
27 ~~resolved~~ AS PRESCRIBED BY SECTION 6-129.

28 Sec. 8. Section 32-3610, Arizona Revised Statutes, is amended to read:

29 32-3610. Uniform standards of professional appraisal practice;
30 state standards; exception

31 The uniform standards of professional appraisal practice as published
32 by the appraisal standards board are the standards for the appraisal practice
33 in this state unless the ~~board~~ SUPERINTENDENT objects.

34 Sec. 9. Section 32-3611, Arizona Revised Statutes, is amended to read:

35 32-3611. Registration, licensure and certification process

36 A. Applications for original registration, licensure or certification,
37 renewals and examinations shall be made in writing to the ~~executive director~~
38 SUPERINTENDENT on forms approved by the ~~board~~ SUPERINTENDENT.

39 B. Appropriate fees, as fixed by the ~~board~~ SUPERINTENDENT pursuant to
40 section 32-3607, shall accompany all applications for original registration,
41 licensure or certification, renewal and examination.

42 C. At the time of filing an application for registration, licensure or
43 certification, each applicant shall sign a pledge to comply with the
44 standards set forth in this chapter and shall state that the applicant
45 understands the types of misconduct for which disciplinary proceedings may be

1 initiated against a registered trainee appraiser or a state licensed or state
2 certified appraiser, as set forth in this chapter.

3 D. Except as otherwise provided in this chapter, the ~~executive~~
4 ~~director~~ SUPERINTENDENT shall require such other proof and request such
5 documents, through the application or otherwise, as the ~~board~~ SUPERINTENDENT
6 deems necessary for the interests of the public and to verify the honesty,
7 truthfulness, reputation and competency of the applicant and shall require
8 that the applicant for registration, licensure or certification:

9 1. Be at least eighteen years of age and a citizen of the United
10 States or a qualified alien as defined in 8 United States Code section 1641.

11 2. Not have had a license or certificate denied pursuant to this
12 chapter within one year immediately preceding the application.

13 3. Not have had a license or certificate revoked pursuant to this
14 chapter within five years immediately preceding the application.

15 4. State whether or not the applicant has ever been convicted in a
16 court of competent jurisdiction in this or any other state of a felony or of
17 forgery, theft, extortion or conspiracy to defraud or any other crime
18 involving dishonesty or moral turpitude.

19 E. Applications for registration, licensure or certification by
20 persons who are charged or under indictment for fraud involving appraisal of
21 real property may be denied pending final disposition of the charge or
22 indictment. On final disposition, the ~~board~~ SUPERINTENDENT shall review the
23 proceedings and act on the application.

24 Sec. 10. Section 32-3613, Arizona Revised Statutes, is amended to
25 read:

26 32-3613. Application and qualification requirements for
27 issuance of license

28 A. An application for licensing and examination shall be made on forms
29 as prescribed by the ~~board~~ SUPERINTENDENT and BE accompanied by the required
30 fees.

31 B. ~~Those~~ Persons filing for licensing shall meet the minimum criteria
32 for licensing established by the ~~board~~ SUPERINTENDENT under section 32-3605,
33 subsection B, paragraph 3.

34 C. ~~No~~ A person may NOT be a state licensed appraiser unless the person
35 has achieved a passing grade on the national examination approved by the
36 appraiser qualifications board.

37 Sec. 11. Section 32-3614, Arizona Revised Statutes, is amended to
38 read:

39 32-3614. Application and qualification requirements for
40 certification

41 A. An application for certification and examination shall be made on
42 forms prescribed by the ~~board~~ SUPERINTENDENT and BE accompanied by the
43 required fees.

1 B. ~~Those~~ Persons filing for certification shall meet the minimum
2 criteria for certification established by the ~~board~~ SUPERINTENDENT under
3 section 32-3605, subsection B, paragraph 2 and section 32-3615.

4 C. ~~No~~ A person may NOT be a state certified real estate appraiser
5 unless the person has achieved a passing grade on the national examination
6 approved by the appraiser qualifications board.

7 D. Persons presenting evidence showing successful completion of the
8 requirements of this section shall be recognized as having met the
9 qualifications as a state certified real estate appraiser.

10 Sec. 12. Section 32-3614.01, Arizona Revised Statutes, is amended to
11 read:

12 32-3614.01. Application for registered trainee appraiser
13 certificates

14 An application for a registered trainee appraiser certificate shall be
15 made on a form prescribed by the ~~board~~ SUPERINTENDENT and BE accompanied by
16 the fees prescribed by section 32-3607. An applicant must complete education
17 requirements as outlined by the appraiser qualifications board. The
18 applicant must submit proof that the applicant has successfully passed the
19 required courses that are specifically oriented to the requirements and
20 responsibilities of supervisory appraisers and trainee appraisers and that
21 comply with the specifications established by the appraiser qualifications
22 board.

23 Sec. 13. Section 32-3614.02, Arizona Revised Statutes, is amended to
24 read:

25 32-3614.02. Application for supervisory appraiser designation

26 An application for a supervisory appraiser designation shall be made on
27 a form prescribed by the ~~board~~ SUPERINTENDENT. The applicant must submit
28 proof of successful completion of a course that is specifically oriented to
29 the requirements and responsibilities of supervisory appraisers and trainee
30 appraisers and that complies with the specifications established by the
31 appraiser qualifications board.

32 Sec. 14. Section 32-3615, Arizona Revised Statutes, is amended to
33 read:

34 32-3615. Experience requirement for licensure or certification

35 A. Each applicant for licensure or certification shall have experience
36 that was acquired within ten years immediately preceding the filing of the
37 application for licensure or certification.

38 B. Each applicant for licensure or certification shall furnish under
39 oath a detailed listing of the real estate or other appraisal reports, review
40 reports or filed memoranda for each year for which experience is claimed by
41 the applicant. On request, the applicant shall make available to the ~~board~~
42 SUPERINTENDENT for examination copies of appraisal reports ~~which~~ THAT the
43 applicant has prepared in the course of the applicant's appraisal experience.

1 Sec. 15. Section 32-3617, Arizona Revised Statutes, is amended to
2 read:

3 32-3617. Nonresident temporary licensure or certification

4 A. Every applicant for nonresident temporary licensure or
5 certification under this chapter who is not a resident of this state shall
6 submit, with the application for nonresident temporary licensure or
7 certification, an irrevocable consent that service of process on the
8 applicant may be made by delivery of the process to the secretary of state
9 if, in an action against the applicant in a court of this state arising out
10 of the applicant's activities as a nonresident temporary state licensed or
11 state certified appraiser, the plaintiff cannot effect, in the exercise of
12 due diligence, personal service on the applicant.

13 B. A nonresident of this state who has complied with subsection A of
14 this section may obtain a nonresident temporary license or certificate as a
15 nonresident temporary state licensed or state certified appraiser by
16 conforming to all of the requirements of this chapter relating to state
17 licensed or state certified appraisers.

18 C. A nonresident of this state who is licensed or certified in another
19 state is entitled to nonresident temporary licensure or certification ~~from~~ BY
20 the ~~board~~ SUPERINTENDENT, which ~~shall be~~ IS valid until the completion of
21 each appraisal assignment but not for a period of more than one year from the
22 date of issuance, if:

23 1. The nonresident appraiser's business in this state is of a
24 temporary nature.

25 2. The nonresident appraiser applies with the ~~board~~ SUPERINTENDENT on
26 forms ~~prepared~~ PRESCRIBED by the ~~board~~ SUPERINTENDENT.

27 3. The nonresident appraiser pays the nonresident temporary licensure
28 or certification fee required by the ~~board~~ SUPERINTENDENT.

29 D. The ~~board~~ SUPERINTENDENT shall adopt rules in furtherance of this
30 section to avoid the abuse of the temporary practice rights in this state.

31 Sec. 16. Section 32-3618, Arizona Revised Statutes, is amended to
32 read:

33 32-3618. Reciprocity

34 Reciprocity shall be granted to an appraiser if all of the following
35 conditions apply:

36 1. The appraiser holds a credential from a state that is in compliance
37 with 12 United States Code sections 3310, 3332, 3333, 3335, 3338, 3339, 3341,
38 3342, 3345, 3346, 3347, 3348, 3350, 3351, 3353, 3354 and 3355.

39 2. The credential requirements for the state described in paragraph 1
40 of this section meet or exceed those of this state.

41 3. The appraiser has completed an application for licensure or
42 certification on a form as prescribed by the ~~board~~ SUPERINTENDENT and
43 submitted the fees prescribed pursuant to section 32-3607.

1 Sec. 17. Section 32-3619, Arizona Revised Statutes, is amended to
2 read:

3 32-3619. Renewal of license or certificate; fees

4 A. Except as otherwise provided in this section and in section
5 32-4301, to renew a registration certificate as a registered trainee
6 appraiser or a license or certificate as a state licensed or state certified
7 appraiser, the holder of a current, valid license or certificate shall ~~make~~
8 ~~an application~~ APPLY WITH and pay the prescribed fee to the ~~board~~
9 SUPERINTENDENT not earlier than ninety days nor later than thirty days before
10 ~~the expiration date of~~ the license or certificate ~~then held~~ EXPIRES. With
11 the application for renewal, the registered trainee appraiser or the state
12 licensed or state certified appraiser shall present evidence in the form
13 prescribed by the ~~board~~ SUPERINTENDENT of having completed the continuing
14 education requirements for renewal specified in section 32-3625.

15 B. The ~~board~~ SUPERINTENDENT may accept a renewal application after the
16 expiration date and within ninety days of the date of expiration but shall
17 assess a delinquent renewal fee in addition to the renewal fee.

18 C. An appraiser or registered trainee appraiser who fails to seek
19 renewal within the time period specified in subsection A or B of this section
20 must reapply for licensure or certification and meet all of the requirements
21 of this chapter.

22 D. An appraiser or registered trainee appraiser shall not engage in,
23 advertise or purport to engage in real estate appraisal activity in this
24 state after a license or certificate has expired and before the renewal of
25 the expired license or certificate except as provided in section 41-1092.11.

26 Sec. 18. Section 32-3620, Arizona Revised Statutes, is amended to
27 read:

28 32-3620. Basis for denial of a license or certificate

29 A. The ~~board~~ SUPERINTENDENT may deny the initial issuance or renewal
30 of a license or certificate as a registered trainee appraiser, a supervisory
31 appraiser or a state licensed or state certified appraiser to an applicant
32 who has been convicted of a felony or on any of the grounds prescribed in
33 this chapter.

34 B. To assist in determining whether grounds exist to deny the initial
35 issuance or renewal of a license or certificate to an applicant, the ~~board~~
36 SUPERINTENDENT shall require the applicant to ~~obtain~~ APPLY FOR a valid
37 fingerprint clearance card issued pursuant to section 41-1758.03.

38 C. A person who is denied the issuance of a license or certificate may
39 request, and if requested shall receive, a hearing in accordance with title
40 41, chapter 6, article 10.

1 Sec. 19. Section 32-3621, Arizona Revised Statutes, is amended to
2 read:

3 32-3621. Addresses; telephone numbers; e-mail addresses;
4 notification of change

5 A. Each registered trainee appraiser or state licensed or state
6 certified appraiser shall advise the ~~board~~ SUPERINTENDENT of the address of
7 the person's principal place of business and all other addresses at which the
8 person is currently engaged in the business of preparing real property
9 appraisal reports.

10 B. Every registered trainee appraiser or state licensed or state
11 certified appraiser shall notify the ~~board~~ SUPERINTENDENT of the person's
12 current residence address. Residence addresses on file with the ~~board~~
13 SUPERINTENDENT are exempt from disclosure as public records.

14 C. Every registered trainee appraiser or state licensed or state
15 certified appraiser shall provide the person's e-mail address if one exists
16 and a daytime telephone number to the ~~board~~ SUPERINTENDENT.

17 D. If a registered trainee appraiser or a state licensed or state
18 certified appraiser changes the person's place of business or residence,
19 e-mail address or daytime telephone number, the person shall give the ~~board~~
20 SUPERINTENDENT written notification of the change within ten days after the
21 change.

22 Sec. 20. Section 32-3622, Arizona Revised Statutes, is amended to
23 read:

24 32-3622. Licenses and certificates

25 A. A license or certificate issued under this chapter shall be signed
26 on behalf of the ~~board~~ SUPERINTENDENT and shall bear the license or
27 certificate number assigned by the ~~board~~ SUPERINTENDENT.

28 B. Each state licensed or state certified appraiser shall place the
29 appraiser's license or certificate number adjacent to or immediately below
30 the title "state licensed appraiser" or "state certified appraiser", and the
31 number shall be included in an appraisal report or in a contract or other
32 instrument used by the license or certificate holder in conducting appraisal
33 activities.

34 Sec. 21. Section 32-3625, Arizona Revised Statutes, is amended to
35 read:

36 32-3625. Continuing education

37 A. As a prerequisite to renewal of a license or certificate, a state
38 registered trainee appraiser or a licensed or state certified appraiser shall
39 present evidence satisfactory to the ~~board~~ SUPERINTENDENT of having met the
40 continuing education requirements of either subsection B or C of this
41 section.

42 B. The basic continuing education requirement for renewal of a license
43 or certificate is the completion by the applicant, during the immediately
44 preceding term of the license or certificate, of courses or seminars that are
45 approved by the ~~board~~ SUPERINTENDENT.

1 C. An applicant for reregistering, relicensing or recertification may
2 satisfy all or part of the continuing education requirements by presenting
3 evidence of the following, which shall be approved by the ~~board~~
4 SUPERINTENDENT:

5 1. Completion of an education program of study determined by the ~~board~~
6 SUPERINTENDENT to be equivalent, for continuing education purposes, to
7 courses approved by the ~~board~~ SUPERINTENDENT pursuant to subsection B of this
8 section.

9 2. Participation other than as a student in educational processes and
10 programs that are approved by the ~~board~~ SUPERINTENDENT and that relate to
11 appropriate appraisal theory, practices or techniques, including teaching,
12 program development and preparation of textbooks, monographs, articles and
13 other instructional materials, not to exceed fifty ~~per-cent~~ PERCENT of an
14 applicant's continuing education requirements and not for the same course in
15 consecutive renewal periods.

16 D. The ~~board~~ SUPERINTENDENT shall adopt rules to ~~assure~~ ENSURE that
17 ~~persons renewing their licenses or certificates~~ A PERSON WHO RENEWS THE
18 PERSON'S LICENSE OR CERTIFICATE as A state licensed or state certified
19 ~~appraisers follow~~ APPRAISER FOLLOWS practices and techniques that provide a
20 high degree of service and protection to ~~those~~ members of the public with
21 whom ~~they deal~~ THE PERSON DEALS in the professional relationship under the
22 authority of the license or certificate. The rules shall include the
23 following:

24 1. Policies and procedures for obtaining ~~board~~ THE SUPERINTENDENT'S
25 approval of courses and instruction pursuant to subsection B of this section.

26 2. Standards, policies and procedures to be applied by the ~~board~~
27 SUPERINTENDENT in evaluating an applicant's claims of equivalency in
28 accordance with subsection C of this section.

29 3. Standards, monitoring methods and systems for recording attendance
30 to be employed by course sponsors as a prerequisite to ~~board~~ THE
31 SUPERINTENDENT'S approval of courses for credit.

32 E. In adopting rules pursuant to subsection D, paragraph 1 of this
33 section, the ~~board~~ SUPERINTENDENT shall give consideration to courses of
34 instruction, seminars and other appropriate appraisal educational courses or
35 programs previously or hereafter developed by or under the auspices of
36 professional appraisal organizations and ~~utilized~~ USED by those associations
37 for purposes of designation, or indicating compliance with the continuing
38 education requirements of such organizations. ~~No~~ A person who offers these
39 courses may NOT discriminate in the opportunity to participate in these
40 courses on the basis of membership or nonmembership in an appraisal
41 organization.

42 F. ~~No~~ AN amendment or repeal of a rule adopted by the ~~board~~
43 SUPERINTENDENT pursuant to this section may ~~operate to~~ NOT deprive a state
44 registered trainee appraiser or a state licensed or state certified appraiser
45 of credit toward renewal of a license or certificate for any course of

1 instruction ~~either completed by~~ THAT the applicant EITHER COMPLETED or
2 enrolled in ~~by the applicant~~ before the amendment or repeal of the rule that
3 would have qualified for continuing education credit ~~under the rule~~ as ~~it~~ THE
4 RULE existed before the repeal or amendment.

5 G. A license or certificate as a state registered trainee appraiser or
6 a state licensed or state certified appraiser that has been suspended as a
7 result of disciplinary action by the ~~board~~ SUPERINTENDENT shall not be
8 reinstated unless the applicant presents evidence of completion of the
9 continuing education required by this chapter.

10 H. A license or certificate that has been revoked by the ~~board~~
11 SUPERINTENDENT shall not be reinstated unless the applicant successfully
12 completes the appropriate requirements of the appraisal qualifications board,
13 including education and passage of the current national examination.

14 Sec. 22. Section 32-3626, Arizona Revised Statutes, is amended to
15 read:

16 32-3626. Scarcity determination; resident temporary licenses
17 and certificates; exemption

18 A. No later than November 1 of each year, the ~~board~~ SUPERINTENDENT
19 shall determine and make a finding whether there is a scarcity of state
20 certified or state licensed appraisers in an area within the state to perform
21 appraisals in federally related transactions.

22 B. In determining whether a scarcity exists, the ~~board~~ SUPERINTENDENT
23 shall follow procedures in accordance with the provisions governing scarcity
24 in 12 United States Code section 3348 and regulations adopted pursuant to
25 that section as of September 30, 1992.

26 C. If the ~~board~~ SUPERINTENDENT makes a finding of scarcity, within
27 fifteen days after the finding, the ~~board~~ SUPERINTENDENT shall apply to the
28 appropriate federal agency for a temporary waiver of the state certification
29 or licensing requirements.

30 D. If a waiver request has been approved by the federal agency
31 authorized to issue waivers, the ~~board~~ SUPERINTENDENT may ~~thereafter~~ issue
32 resident temporary licenses or certificates to applicants consistent with the
33 reduction in application requirements of this chapter for licenses and
34 certificates as authorized by the waiver. A resident temporary license or
35 certificate ~~shall be~~ IS subject to all provisions of this chapter THAT ARE
36 not inconsistent with the provisions of the waiver.

37 E. A person obtaining a resident temporary license or certificate
38 under this section ~~is required to~~ SHALL comply with all ~~of the~~ provisions of
39 this chapter except for those ~~provisions of this chapter~~ for which a
40 temporary waiver has been approved and shall indicate on all appraisals
41 performed by the person that the appraisal is not ~~an appraisal~~ done by a
42 state certified or state licensed appraiser and THAT the person performing
43 the appraisal is a resident temporary license or certificate holder. A
44 person holding a resident temporary license or certificate may perform

1 appraisals only in areas within the state where ~~it has been determined by~~ the
2 ~~board~~ SUPERINTENDENT HAS DETERMINED that a scarcity exists.

3 F. The ~~board~~ SUPERINTENDENT is exempt from title 41, chapter 6,
4 article 10 in making the determination and finding OF SCARCITY and in issuing
5 resident temporary licenses and certificates in accordance with the waiver ~~in~~
6 UNDER subsection D of this section and section 32-3605, subsection B,
7 paragraph ~~14~~ 15.

8 Sec. 23. Section 32-3627, Arizona Revised Statutes, is amended to
9 read:

10 32-3627. Inactive license or certificate status; reactivation
11 application; renewal application and fee; continuing
12 education

13 A. Any license or certificate holder may request that the license or
14 certificate be placed on inactive status by filing with the ~~board~~
15 SUPERINTENDENT an 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. A request for inactive status.

19 B. The period a license or certificate is on inactive status under
20 this section may not exceed two years.

21 C. A license or certificate holder who is on inactive status shall not
22 do either of the following:

- 23 1. Represent that the license or certificate holder is an active
24 appraiser licensed or certified in this state.
- 25 2. Perform real estate appraisals or appraisal reviews on real estate
26 in this state.

27 D. A license or certificate holder WHO IS on inactive status under
28 this section must file with the ~~board~~ SUPERINTENDENT an application for
29 reactivation of the license or certificate before resuming real estate
30 appraisal activity.

31 E. To return to active status, ~~an~~ THE inactive license or certificate
32 holder shall do both of the following:

- 33 1. File with the ~~board~~ SUPERINTENDENT an application for reactivation
34 of the license or certificate.
- 35 2. Provide evidence of completion of the required continuing education
36 that the license or certificate holder would have been required to meet
37 during the period when the license or certificate holder's license or
38 certificate was on inactive status.

39 F. If the holder of an inactive license or certificate under this
40 section does not file an application for reactivation within a ~~two-year~~
41 TWO-YEAR period, that person must reapply for licensure or certification
42 pursuant to the requirements of this chapter.

43 G. A license or certificate holder who is on inactive status pursuant
44 to this section remains on inactive status until the ~~board~~ SUPERINTENDENT
45 approves the application for reactivation of the license or certificate.

1 H. The ~~board~~ SUPERINTENDENT may take disciplinary or remedial action
2 against a license or certificate holder who is on inactive status pursuant to
3 this section.

4 I. A license or certificate holder who places the holder's license or
5 certificate on inactive status must pay the renewal fee and complete an
6 application for renewal as prescribed in section 32-3619. ~~A- THE~~ license or
7 certificate holder on inactive status is not required to provide evidence of
8 completion of the continuing education requirements until the application for
9 reactivation is filed pursuant to subsection E of this section.

10 Sec. 24. Section 32-3628, Arizona Revised Statutes, is amended to
11 read:

12 32-3628. Inactive license or certificate status during military
13 duty; reactivation application; renewal application
14 and fee; continuing education

15 A. A license or certificate holder who is ordered to active military
16 duty with the United States armed forces may request that the license or
17 certificate be placed on inactive status by filing with the ~~board~~
18 SUPERINTENDENT an application that includes all of the following:

- 19 1. The license or certificate holder's name.
- 20 2. The license or certificate number.
- 21 3. The date that the active military duty begins.
- 22 4. A request for inactive status.

23 B. The license or certificate is deemed to be on inactive status while
24 the license or certificate holder is on active military duty, but the period
25 of inactive status may not exceed three years.

26 C. A license or certificate holder who is on inactive status pursuant
27 to this section shall not do either of the following:

- 28 1. Represent that the holder is an active appraiser licensed or
29 certified in this state.
- 30 2. Perform real estate appraisals or appraisal reviews on real estate
31 in this state.

32 D. A license or certificate holder WHO IS on inactive status must file
33 with the ~~board~~ SUPERINTENDENT an application for reactivation of the license
34 or certificate within one hundred eighty days after returning home from
35 active military duty.

36 E. If the holder of an inactive license or certificate timely files an
37 application for reactivation of the license or certificate, the license or
38 certificate is returned to active status on the ~~board's~~ SUPERINTENDENT'S
39 approval of the application for reactivation. The ~~time period for completion~~
40 ~~of LICENSE OR CERTIFICATE HOLDER SHALL COMPLETE~~ the continuing education
41 requirements that ~~the license or certificate holder~~ would otherwise have been
42 required ~~to meet during the period~~ when the license or certificate was on
43 inactive status ~~is extended for a period not to exceed~~ WITHIN ninety days
44 after THE PERSON'S return from active military duty. The license or
45 certificate holder must submit proof of completion of any continuing

1 education requirements to the ~~board~~ SUPERINTENDENT no later than one hundred
2 twenty days after completion.

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

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

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

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

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

24 Sec. 25. Section 32-3631, Arizona Revised Statutes, is amended to
25 read:

26 32-3631. Disciplinary proceedings

27 A. The rights of an applicant or holder under a license or certificate
28 as a registered trainee appraiser or a state licensed or state certified
29 appraiser may be revoked or suspended, or the holder of the license or
30 certificate may otherwise be disciplined, including being placed on probation
31 as prescribed by rule, in accordance with this chapter on any of the grounds
32 set forth in this section. The ~~board~~ SUPERINTENDENT may investigate the
33 actions of a registered trainee appraiser or a state licensed or state
34 certified appraiser in this state or in any other state and may revoke or
35 suspend the rights of a license or certificate holder or otherwise discipline
36 a registered trainee appraiser or a state licensed or state certified
37 appraiser for any of the following acts or omissions:

38 1. Procuring or attempting to procure a license or certificate
39 pursuant to this chapter by knowingly making a false statement, submitting
40 false information, refusing to provide complete information in response to a
41 question in an application for a license or certificate or committing any
42 form of fraud or misrepresentation.

43 2. Failing to meet the minimum qualifications established by this
44 chapter.

- 1 3. Paying or offering to pay money or other considerations other than
2 as provided by this chapter to any member or employee of the ~~board~~ DEPARTMENT
3 to procure a license or certificate under this chapter.
- 4 4. ~~A conviction~~ BEING CONVICTED, including ~~a conviction~~ based on a
5 plea of guilty, of a crime that is substantially related to the
6 qualifications, functions and duties of a person developing appraisals and
7 communicating appraisals to others, or ~~a conviction for~~ BEING CONVICTED OF
8 any felony or any crime involving moral turpitude.
- 9 5. COMMITTING an act or omission involving dishonesty, fraud or
10 misrepresentation with the intent to substantially benefit the license or
11 certificate holder or another person or with the intent to substantially
12 injure another person.
- 13 6. ~~Violation of~~ VIOLATING any of the standards of the development or
14 communication of appraisals as provided in this chapter.
- 15 7. ~~Negligence or incompetence by the~~ BEING NEGLIGENT OR INCOMPETENT AS
16 A state licensed or state certified appraiser in developing an appraisal, in
17 preparing an appraisal report or in communicating an appraisal.
- 18 8. Wilfully disregarding or violating any ~~of the~~ provisions of this
19 chapter or ~~a board~~ AN order or ~~the rules of the board~~ RULE OF THE
20 SUPERINTENDENT for the administration and enforcement of this chapter.
- 21 9. Accepting an appraisal assignment if the employment itself is
22 contingent on the appraiser reporting a predetermined estimate, analysis or
23 opinion or if the fee to be paid is contingent on the opinion, conclusion or
24 value reached or on the consequences resulting from the appraisal assignment.
- 25 10. Violating the confidential nature of any records to which the
26 registered trainee appraiser or the state licensed or state certified
27 appraiser gains access through employment or engagement as a registered
28 trainee appraiser or an appraiser.
- 29 11. ~~Entry of~~ HAVING a final civil judgment ENTERED against the person
30 on grounds of fraud, misrepresentation or deceit in the making of any
31 appraisal.
- 32 B. In a disciplinary proceeding based on a civil judgment, a
33 registered trainee appraiser or state licensed or state certified appraiser
34 ~~shall be afforded an opportunity to~~ MAY present matters in mitigation and
35 extenuation.
- 36 C. The ~~board~~ SUPERINTENDENT may issue subpoenas for the attendance of
37 witnesses and the production of books, records, documents and other evidence
38 necessary and relevant to an investigation or hearing.
- 39 D. The lapsing or suspension of a license or certificate by operation
40 of law or by AN order or decision of the ~~board~~ SUPERINTENDENT or a court of
41 law, or the voluntary surrender of a license or certificate by a license or
42 certificate holder, shall not deprive the ~~board~~ SUPERINTENDENT of
43 jurisdiction to do ~~any~~ EITHER of the following within twenty-four months
44 after the expiration of the license or certificate pursuant to section
45 32-3616:

1 Sec. 27. Section 32-3635, Arizona Revised Statutes, is amended to
2 read:

3 32-3635. Standards of practice; unprofessional conduct

4 A. A registered trainee appraiser or a state licensed or state
5 certified appraiser shall comply with the standards of professional appraisal
6 practice adopted by the ~~board~~ SUPERINTENDENT.

7 B. An appraisal or appraisal report shall not be issued by a real
8 estate appraiser unless it meets the appraisal standards established by this
9 chapter and rules adopted pursuant to this chapter.

10 C. An appraisal review report shall clearly indicate the nature of the
11 review process undertaken and shall separate the review function from any
12 other functions.

13 D. All federally related appraisals shall be in writing.

14 E. Failure to pay ~~board-imposed~~ THE fees and expenses authorized by
15 section 32-3632, subsection C is unprofessional conduct as defined by uniform
16 standards of professional appraisal practice.

17 Sec. 28. Section 32-3637, Arizona Revised Statutes, is amended to
18 read:

19 32-3637. Retention of records; definition

20 A. A state licensed or state certified appraiser shall retain a work
21 file for at least five years after preparation of the work file or at least
22 two years after final disposition of any judicial proceeding in which the
23 appraiser provided testimony related to the work file, whichever period of
24 time is greater.

25 B. A state licensed or state certified appraiser shall do either of
26 the following:

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

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

30 C. The ~~board~~ SUPERINTENDENT may inspect all records required to be
31 maintained under this chapter by the state licensed or state certified
32 appraiser on reasonable notice to the appraiser.

33 D. For the purposes of this section, "work file" includes
34 documentation that is necessary to support an appraiser's analyses, opinions
35 and conclusions and that demonstrates compliance with the uniform standards
36 of professional appraisal practice.

37 Sec. 29. Section 32-3638, Arizona Revised Statutes, is amended to
38 read:

39 32-3638. Violation; classification

40 Any person who performs a real estate appraisal or appraisal review,
41 who is not licensed or certified under this chapter and who knowingly assumes
42 or uses any title, designation or abbreviation likely to create the
43 impression of licensure or certification by this state or any person who
44 knowingly provides false or fraudulent information to the ~~board~~
45 SUPERINTENDENT is guilty of a class 1 misdemeanor.

1 Sec. 30. Section 32-3639, Arizona Revised Statutes, is amended to
2 read:

3 32-3639. Damages; injunctive relief

4 If the ~~board~~ SUPERINTENDENT has a reasonable basis to believe, after
5 investigation, that any person is violating any provision of this chapter,
6 the ~~board~~ SUPERINTENDENT may bring an action in superior court for
7 appropriate injunctive or other equitable relief, damages sustained and
8 taxable costs and reasonable attorney fees.

9 Sec. 31. Section 32-3651, Arizona Revised Statutes, is amended to
10 read:

11 32-3651. Definitions

12 In this article, unless the context otherwise requires:

13 1. "Analysis" means the review of a property valuation or legal
14 classification established by a county assessor in the representation of a
15 person in appealing the property valuation OR LEGAL CLASSIFICATION to the
16 county assessor.

17 2. "Appraisal" means the development of real or personal property
18 value VALUATION or legal classification opinions or conclusions.

19 ~~3. "Board" means the state board of appraisal.~~

20 ~~4.~~ 3. "Property tax agent" means an individual who is designated by a
21 person or is an employee of an entity designated as an agent pursuant to
22 section 42-16001, who acts on behalf of a person who owns, controls or
23 possesses property valued by a county assessor or the department of revenue
24 and who receives a fee for the analysis of any matter relating to the review
25 of the valuation or legal classification of the person's property before the
26 assessor, the county or state board of equalization or the department of
27 revenue. Property tax agent does not include a person who is admitted to
28 practice law in this state, an employee of the person owning, controlling or
29 possessing the property or an employee of an entity designated pursuant to
30 section 42-16001, if such employee is performing a secretarial, clerical or
31 administrative support function.

32 Sec. 32. Section 32-3652, Arizona Revised Statutes, is amended to
33 read:

34 32-3652. Registration; renewal; fees

35 A. An individual who wishes to act as a property tax agent shall apply
36 for registration by submitting to the ~~board~~ SUPERINTENDENT a completed
37 application form prescribed by the ~~board~~ SUPERINTENDENT with the initial
38 registration fee. The applicant shall also file with the ~~board~~
39 SUPERINTENDENT an affidavit stating whether the applicant has been convicted
40 of a felony or any misdemeanor involving dishonesty or moral turpitude in
41 this or any other state within the last ten years. The ~~board~~ SUPERINTENDENT
42 may review the affidavit and issue or deny the registration based on its
43 findings.

44 B. Except as provided in section 32-4301, registration is valid for
45 two years. An individual may renew a registration by submitting to the ~~board~~

1 SUPERINTENDENT a renewal form prescribed by the ~~board~~ SUPERINTENDENT with the
2 renewal fee on or before the date the registration expires.

3 C. An appraiser WHO IS licensed or certified pursuant to this chapter
4 may register and renew registration as a property tax agent without paying
5 the fee prescribed by this section.

6 D. The ~~board~~ SUPERINTENDENT shall issue a certificate of registration
7 to an individual, ~~if the individual complies with this section and the~~
8 ~~individual~~ is not prohibited from registering pursuant to section 32-3654.

9 E. A person shall not act as a property tax agent if the person is not
10 registered pursuant to this section.

11 F. The ~~board~~ SUPERINTENDENT shall collect from each individual a fee
12 of:

- 13 1. Two hundred dollars for an initial registration.
- 14 2. One hundred dollars for a renewal.
- 15 3. Five dollars for a duplicate registration certificate.

16 ~~G. The board shall deposit, pursuant to sections 35-146 and 35-147,~~
17 ~~monies collected pursuant to subsection F of this section in the board of~~
18 ~~appraisal fund.~~

19 Sec. 33. Section 32-3653, Arizona Revised Statutes, is amended to
20 read:

21 32-3653. Property tax agent conduct

22 A property tax agent:

- 23 1. Shall not knowingly misrepresent any information or act in a
24 fraudulent manner.
- 25 2. Shall not prepare documents or provide evidence in a property
26 valuation or legal classification appeal unless the agent is authorized by
27 the property owner to do so and any required agency authorization form has
28 been filed.
- 29 3. Shall not knowingly submit false or erroneous information in a
30 property valuation or legal classification appeal.
- 31 4. Shall use appraisal standards and methods that are adopted by the
32 ~~board~~ SUPERINTENDENT when the agent submits appraisal information in a
33 property valuation or legal classification appeal.

34 Sec. 34. Section 32-3654, Arizona Revised Statutes, is amended to
35 read:

36 32-3654. Disciplinary actions

37 A. On the complaint of any person or on ~~its~~ THE SUPERINTENDENT'S own
38 motion, the ~~board~~ SUPERINTENDENT shall investigate any suspected violation of
39 this article by a property tax agent. If the ~~board~~ SUPERINTENDENT finds a
40 violation, ~~it~~ THE SUPERINTENDENT may issue a letter of concern.

41 B. If the ~~board~~ SUPERINTENDENT finds that the property tax agent
42 committed any of the following violations, ~~it~~ THE SUPERINTENDENT shall revoke
43 or suspend the agent's registration:

- 44 1. Secured registration by fraud or deceit.

1 2. Committed an act or is responsible for an omission involving fraud
2 or knowing misrepresentation with the intent to obtain a benefit.
3 3. Knowingly violated section 32-3653.
4 C. The ~~board~~ SUPERINTENDENT shall:
5 1. Suspend the agent's registration for not less than six months on
6 the first finding of a violation pursuant to subsection B of this section.
7 2. Suspend the agent's registration for not less than twelve months on
8 the second finding of a violation pursuant to subsection B of this section.
9 3. Revoke the agent's registration on a third or subsequent finding of
10 a violation pursuant to subsection B of this section.
11 D. The ~~board~~ SUPERINTENDENT shall not impose discipline until the
12 agent has been provided an opportunity for a hearing before the ~~board~~
13 SUPERINTENDENT pursuant to title 41, chapter 6, article 10. The ~~board~~
14 SUPERINTENDENT shall notify the agent of the charges and the date and time of
15 the hearing. The notice may be personally served or sent by certified mail to
16 the agent's last known address. Except as provided in section 41-1092.08,
17 subsection H, the final decision of the ~~board~~ SUPERINTENDENT is subject to
18 judicial review pursuant to title 12, chapter 7, article 6.
19 E. The ~~board~~ SUPERINTENDENT shall not renew an agent's registration
20 during the time the registration is suspended or revoked.
21 Sec. 35. Section 32-3655, Arizona Revised Statutes, is amended to
22 read:
23 32-3655. Rules
24 The ~~board~~ SUPERINTENDENT may adopt rules for the purpose of
25 administering this article.
26 Sec. 36. Section 32-3662, Arizona Revised Statutes, is amended to
27 read:
28 32-3662. Registration
29 A. A person shall not directly or indirectly engage or attempt to
30 engage in business as an appraisal management company, directly or indirectly
31 perform or attempt to perform appraisal management services or advertise or
32 hold itself out as engaging in or conducting business as an appraisal
33 management company without first obtaining a registration issued by the ~~board~~
34 SUPERINTENDENT pursuant to this article, regardless of the entity's use of
35 appraisal management company, mortgage technology company or any other name.
36 B. A person who wishes to be registered as an appraisal management
37 company in this state must file a written application with the ~~board~~
38 SUPERINTENDENT on a form prepared and furnished by the ~~board~~ SUPERINTENDENT
39 and pay a fee in an amount to be determined by the ~~board~~ SUPERINTENDENT. The
40 registration required by subsection A OF THIS SECTION shall include:
41 1. The name, residence address, business address and telephone number
42 of the applicant and the location of each principal office and branch office
43 at which the appraisal management company will conduct business in this
44 state.

- 1 2. The name under which the applicant will conduct business as an
2 appraisal management company.
- 3 3. The name, residence address, business address and telephone number
4 of each person who will have an interest in the appraisal management company
5 as a principal, partner, officer, director or trustee, specifying the
6 capacity and title of each person.
- 7 4. If the person seeking registration is a corporation that is not
8 domiciled in this state, the name and contact information for the company's
9 agent for service of process in this state.
- 10 5. A certification that the person seeking registration has a system
11 and process in place to verify that a person being added to the appraiser
12 panel for the appraisal management company's appraisal management services in
13 this state holds a license or certification in good standing in this state.
- 14 6. A certification that the person seeking registration has a system
15 in place to review the work of all independent appraisers that are performing
16 real property appraisal services for the appraisal management company on a
17 periodic basis to confirm that the real property appraisal services are being
18 conducted in accordance with uniform standards of professional appraisal
19 practice.
- 20 7. A certification that the person maintains a detailed record of each
21 service request that it receives and the independent appraiser that performs
22 the real property appraisal services for the appraisal management company.
- 23 8. A certification that the person seeking registration has a system
24 in place to train those who select individual appraisers for real property
25 APPRAISAL services in this state, ~~to~~ ensure that the selectors have
26 appropriate training in placing appraisal assignments.
- 27 9. An irrevocable consent to service of process.
- 28 10. Any other information required by the ~~board~~ SUPERINTENDENT deemed
29 reasonable in scope and content and necessary for the implementation and
30 administration of this chapter.
- 31 Sec. 37. Section 32-3664, Arizona Revised Statutes, is amended to
32 read:
- 33 32-3664. Registration forms
- 34 An applicant for initial and renewal registration as an appraisal
35 management company shall submit to the ~~board~~ SUPERINTENDENT an application on
36 a form prescribed by the ~~board~~ SUPERINTENDENT.
- 37 Sec. 38. Section 32-3666, Arizona Revised Statutes, is amended to
38 read:
- 39 32-3666. Consent to service of process
- 40 Each entity applying for registration as an appraisal management
41 company shall complete and execute an irrevocable consent to service of
42 process form as prescribed by the ~~board~~ SUPERINTENDENT.

1 Sec. 39. Section 32-3667, Arizona Revised Statutes, is amended to
2 read:

3 32-3667. Fee; bond

4 A. The ~~board~~ SUPERINTENDENT shall establish the fee for appraisal
5 management company registration by rule.

6 B. The appraisal management company ~~is required to~~ SHALL show proof of
7 a surety bond of at least twenty thousand dollars but not more than fifty
8 thousand dollars.

9 Sec. 40. Section 32-3668, Arizona Revised Statutes, is amended to
10 read:

11 32-3668. Owner requirements

12 A. An appraisal management company applying for registration may not
13 be owned by a person or have any principal of the company who has had any
14 financial, real estate or mortgage lending industry license or certificate
15 refused, denied, canceled, revoked or voluntarily surrendered in this state
16 or in any other state. This requirement may be waived by appeal and at the
17 discretion of the ~~board~~ SUPERINTENDENT.

18 B. Each person that owns, is an officer of or has a financial interest
19 in an appraisal management company in this state shall:

20 1. Be of good moral character.

21 2. ~~Obtain~~ APPLY FOR a valid fingerprint clearance card issued pursuant
22 to section 41-1758.03.

23 3. Certify to the ~~board~~ SUPERINTENDENT that the person has never had
24 any financial, real estate or mortgage lending industry license or
25 certificate refused, denied, canceled, revoked or voluntarily surrendered in
26 this state or in any other state. This requirement may be waived by appeal
27 and at the discretion of the ~~board~~ SUPERINTENDENT.

28 Sec. 41. Section 32-3669, Arizona Revised Statutes, is amended to
29 read:

30 32-3669. Controlling person

31 A. Each appraisal management company applying to the ~~board~~
32 SUPERINTENDENT for registration in this state shall designate one controlling
33 person ~~that~~ WHO will be the main contact for all communication between the
34 ~~board~~ SUPERINTENDENT and the appraisal management company.

35 B. To serve as a controlling person of an appraisal management
36 company, a person shall:

37 1. Certify to the ~~board~~ SUPERINTENDENT that the person has never had
38 any financial, real estate or mortgage lending industry license or
39 certificate issued by this state, or any other state, refused, denied,
40 canceled, revoked or voluntarily surrendered. This requirement may be waived
41 by appeal and at the discretion of the ~~board~~ SUPERINTENDENT.

42 2. Be of good moral character.

43 3. ~~Obtain~~ APPLY FOR a valid fingerprint clearance card issued pursuant
44 to section 41-1758.03.

1 Sec. 42. Section 32-3671, Arizona Revised Statutes, is amended to
2 read:

3 32-3671. Agreements with independent appraisers; limitations

4 An appraisal management company registered in this state pursuant to
5 this article may not enter into contracts or agreements with an independent
6 appraiser for the performance of real property appraisal services in this
7 state unless that person is licensed or certified in good standing with the
8 ~~board~~ SUPERINTENDENT.

9 Sec. 43. Section 32-3672, Arizona Revised Statutes, is amended to
10 read:

11 32-3672. Certification on registration renewal

12 ~~A.~~ Each appraisal management company seeking ~~to be registered~~
13 REGISTRATION RENEWAL in this state shall certify to the ~~board on renewal~~
14 SUPERINTENDENT on a form prescribed by the ~~board~~ SUPERINTENDENT ALL OF THE
15 FOLLOWING:

16 1. That the appraisal management company has a system and process in
17 place to verify that a person being added to the appraiser panel of the
18 appraisal management company holds a license or certificate in good standing
19 in this state pursuant to the ~~board~~ SUPERINTENDENT.

20 ~~B. 2. Each appraisal management company seeking to be registered in~~
21 ~~this state shall certify to the board on renewal~~ That ~~it~~ THE APPRAISAL
22 MANAGEMENT COMPANY has a system in place to review the quality of appraisals
23 of all independent appraisers that are performing real property appraisal
24 services for the appraisal management company on a periodic basis to confirm
25 that the real property appraisal services are being conducted in accordance
26 with uniform standards of professional appraisal practice.

27 ~~C. 3. Each appraisal management company seeking to be registered~~
28 ~~shall certify to the board on renewal~~ That ~~it~~ THE APPRAISAL MANAGEMENT
29 COMPANY maintains a detailed record of each service request that it receives
30 and the name of the independent appraiser that performs the real property
31 appraisal services for the appraisal management company. ~~An~~ THE appraisal
32 management company shall maintain a detailed record for the same time period
33 that an appraiser is required to maintain an appraisal record for the same
34 real property appraisal activity.

35 ~~D. 4. Each appraisal management company seeking to be registered~~
36 ~~shall certify to the board on renewal~~ That ~~it~~ THE APPRAISAL MANAGEMENT
37 COMPANY has a system in place to train those who select individual appraisers
38 for real property appraisal services in this state, ~~to ensure that the~~
39 selectors have appropriate training in placing appraisal assignments.

40 Sec. 44. Section 32-3677, Arizona Revised Statutes, is amended to
41 read:

42 32-3677. Adjudication of disputes

43 A. Except within the first sixty days after an independent appraiser
44 is first added to the appraiser panel of an appraisal management company, an
45 appraisal management company shall not remove an appraiser from its appraiser

1 panel, or otherwise refuse to assign requests for real property appraisal
2 services to an independent appraiser, without notifying the appraiser in
3 writing of the reasons for the appraiser being removed from the appraiser
4 panel of the appraisal management company.

5 B. An independent appraiser that is removed from the appraiser panel
6 of an appraisal management company for alleged illegal conduct, A violation
7 of the uniform standards of professional appraisal practice or A violation of
8 state licensing standards may file a complaint with the ~~board~~ SUPERINTENDENT
9 for a review of the decision of the appraisal management company, except that
10 ~~in no case shall~~ the ~~board~~ SUPERINTENDENT MAY NOT make any determination
11 regarding the nature of the business relationship between the appraiser and
12 the appraisal management company that is unrelated to the actions specified
13 in subsection A OF THIS SECTION.

14 C. If an independent appraiser files a complaint against an appraisal
15 management company pursuant to subsection B OF THIS SECTION, the ~~board~~
16 SUPERINTENDENT shall adjudicate the complaint within a reasonable time.

17 D. If, after AN opportunity for a hearing and review, the ~~board~~
18 SUPERINTENDENT determines that an independent appraiser did not commit a
19 violation of law, a violation of the uniform standards of professional
20 appraisal practice or a violation of state licensing standards, the ~~board~~
21 SUPERINTENDENT shall order that the appraiser be added to the appraiser panel
22 of the appraisal management company that was the subject of the complaint
23 without prejudice. The ~~board~~ SUPERINTENDENT shall furnish the appraisal
24 management company with all written documentation and investigation records
25 that support the ~~board's~~ SUPERINTENDENT'S findings.

26 Sec. 45. Section 32-3678, Arizona Revised Statutes, is amended to
27 read:

28 32-3678. Censure, suspension or revocation; civil penalty

29 The ~~board~~ SUPERINTENDENT may censure an appraisal management company,
30 conditionally or unconditionally suspend or revoke any registration issued
31 under this article or impose civil penalties not to exceed fifteen thousand
32 dollars per violation if, in the opinion of the ~~board~~ SUPERINTENDENT, an
33 appraisal management company is attempting to perform, has performed or has
34 attempted to perform any of the following acts:

- 35 1. Committing any act in violation of this article.
- 36 2. Violating any rule adopted by the ~~board~~ SUPERINTENDENT in the
37 interest of the public and consistent with this article.
- 38 3. Knowingly making or causing to be made to the ~~board~~ SUPERINTENDENT
39 any false representation of material fact.
- 40 4. Suppressing or withholding from the ~~board~~ SUPERINTENDENT any
41 information that the ~~applicant~~ APPRAISAL MANAGEMENT COMPANY possesses and
42 that, if submitted by the ~~applicant~~ APPRAISAL MANAGEMENT COMPANY, would have
43 rendered the ~~applicant~~ APPRAISAL MANAGEMENT COMPANY ineligible to be
44 registered pursuant to rules adopted by the ~~board~~ SUPERINTENDENT.

1 5. Violating the federal financial institutions reform, recovery and
2 enforcement act of 1989 (P.L. 101-73; 103 Stat. 183).

3 Sec. 46. Section 32-3679, Arizona Revised Statutes, is amended to
4 read:

5 32-3679. Disciplinary hearings

6 A. The ~~board~~ SUPERINTENDENT may conduct disciplinary proceedings in
7 accordance with title 41, chapter 6, article 10.

8 B. Before censuring any registrant, or suspending or revoking any
9 registration, the ~~board~~ SUPERINTENDENT shall notify the registrant in writing
10 of any charges made at least forty-five days before the date set for the
11 hearing and shall afford the registrant an opportunity to be heard in person
12 or by counsel.

13 C. The written notice shall be satisfied by personal service on the
14 controlling person of the registrant or the registrant's agent for service of
15 process in this state or by sending the notice by certified mail to the
16 controlling person of the registrant to the registrant's address on file with
17 the ~~board~~ SUPERINTENDENT.

18 D. The hearing shall be at a time and place prescribed by the ~~board~~
19 SUPERINTENDENT. Any reasonable request for a delay of a hearing shall not
20 exceed ninety days.

21 E. The ~~board~~ SUPERINTENDENT may make findings of fact and shall
22 deliver or mail the findings to the registrant charged with a violation of
23 this article.

24 Sec. 47. Section 32-3680, Arizona Revised Statutes, is amended to
25 read:

26 32-3680. Rulemaking authority

27 The ~~board~~ SUPERINTENDENT shall adopt rules that are reasonably
28 necessary to implement, administer and enforce this article, including rules
29 for obtaining copies of appraisals and other documents necessary to audit
30 compliance with this article and rules requiring a surety bond to be posted
31 with each application.

32 Sec. 48. Section 32-4301, Arizona Revised Statutes, is amended to
33 read:

34 32-4301. License, certificate or registration expiration:
35 military active duty; one hundred eighty day
36 extension

37 A. Except as otherwise provided in this section, a license,
38 certificate or registration THAT IS issued pursuant to this title to any
39 member of the Arizona national guard or the United States armed forces
40 reserves shall not expire while the member is serving on federal active duty
41 and shall be extended one hundred eighty days after the member returns from
42 federal active duty, provided that the member, or the legal representative of
43 the member, notifies the license, certificate or registration issuing
44 authority of the federal active duty status of the member. A license,
45 certificate or registration issued pursuant to this title to any member

1 serving in the regular component of the United States armed forces shall be
2 extended one hundred eighty days from the date of expiration, provided that
3 the member, or the legal representative of the member, notifies the license,
4 certificate or registration issuing authority of the federal active duty
5 status of the member.

6 B. A license, certificate or registration issued pursuant to this
7 title to any member of the Arizona national guard, the United States armed
8 forces reserves or the regular component of the United States armed forces
9 shall not expire and shall be extended one hundred eighty days from the date
10 the military member is able to perform activities necessary under the
11 license, certificate or registration if the member both:

- 12 1. Is released from active duty service.
- 13 2. Suffers an injury as a result of active duty service that
14 temporarily prevents the member from being able to perform activities
15 necessary under the license, certificate or registration.

16 C. If the license, certificate or registration is renewed during the
17 applicable extended time period after the member returns from federal active
18 duty, the member is responsible only for normal fees and activities relating
19 to renewal of the license, certificate or registration and shall not be
20 charged any additional costs such as late fees or delinquency fees.

21 D. The member, or the legal representative of the member, shall
22 present to the authority issuing the license, certificate or registration a
23 copy of the member's official military orders, a redacted military
24 identification card or a written verification from the member's commanding
25 officer before the end of the applicable extended time period in order to
26 qualify for the extension.

27 E. This section does not apply to licenses issued pursuant to chapter
28 10 of this title if a person other than the person who is a member of the
29 Arizona national guard, the United States armed forces reserves or the
30 regular component of the United States armed forces as described in
31 subsection A **OF THIS SECTION** is authorized to renew the license.

32 F. A license or certificate issued pursuant to chapter 36 of this
33 title to any member of the Arizona national guard, the United States armed
34 forces reserves or the regular component of the United States armed forces
35 shall be placed in active status for ninety days after the member returns
36 from federal active duty, provided that the member, or the legal
37 representative of the member, notifies the ~~state board of appraisal~~
38 **DEPARTMENT OF FINANCIAL INSTITUTIONS** of the federal active duty status of the
39 member.

40 Sec. 49. Section 41-619.51, Arizona Revised Statutes, is amended to
41 read:

42 **41-619.51. Definitions**

43 In this article, unless the context otherwise requires:

- 44 1. "Agency" means the supreme court, the department of economic
45 security, the department of child safety, the department of education, the

1 department of health services, the department of juvenile corrections, the
2 department of emergency and military affairs, the department of
3 transportation, the state real estate department, the ~~state board of~~
4 ~~appraisal~~ DEPARTMENT OF FINANCIAL INSTITUTIONS, the Arizona game and fish
5 department, ~~or~~ the board of examiners of nursing care institution
6 administrators and assisted living facility managers OR THE STATE BOARD OF
7 DENTAL EXAMINERS.

8 2. "Board" means the board of fingerprinting.

9 3. "Central registry exception" means notification to the department
10 of economic security, the department of child safety or the department of
11 health services, as appropriate, pursuant to section 41-619.57 that the
12 person is not disqualified because of a central registry check conducted
13 pursuant to section 8-804.

14 4. "Expedited review" means an examination, in accordance with board
15 rule, of the documents an applicant submits by the board or its hearing
16 officer without the applicant being present.

17 5. "Good cause exception" means the issuance of a fingerprint
18 clearance card to an employee pursuant to section 41-619.55.

19 6. "Person" means a person who is required to be fingerprinted
20 pursuant to this article or who is subject to a central registry check and
21 any of the following:

- 22 (a) Section 8-105.
- 23 (b) Section 8-322.
- 24 (c) Section 8-463.
- 25 (d) Section 8-509.
- 26 (e) Section 8-802.
- 27 (f) Section 8-804.
- 28 (g) Section 15-183.
- 29 (h) Section 15-503.
- 30 (i) Section 15-512.
- 31 (j) Section 15-534.
- 32 (k) Section 15-763.01.
- 33 (l) Section 15-782.02.
- 34 (m) Section 15-1330.
- 35 (n) Section 15-1881.
- 36 (o) Section 17-215.
- 37 (p) Section 28-3413.
- 38 (q) Section 32-1232.
- 39 (r) SECTION 32-1284.
- 40 (s) SECTION 32-1297.01.
- 41 ~~(r)~~ (t) Section 32-2108.01.
- 42 ~~(s)~~ (u) Section 32-2123.
- 43 ~~(t)~~ (v) Section 32-2371.
- 44 ~~(u)~~ (w) Section 32-2372.
- 45 ~~(v)~~ (x) Section 32-3620.

- 1 ~~(w)~~ (y) Section 32-3668.
- 2 ~~(x)~~ (z) Section 32-3669.
- 3 ~~(y)~~ (aa) Section 36-207.
- 4 ~~(z)~~ (bb) Section 36-411.
- 5 ~~(aa)~~ (cc) Section 36-425.03.
- 6 ~~(bb)~~ (dd) Section 36-446.04.
- 7 ~~(cc)~~ (ee) Section 36-594.01.
- 8 ~~(dd)~~ (ff) Section 36-594.02.
- 9 ~~(ee)~~ (gg) Section 36-882.
- 10 ~~(ff)~~ (hh) Section 36-883.02.
- 11 ~~(gg)~~ (ii) Section 36-897.01.
- 12 ~~(hh)~~ (jj) Section 36-897.03.
- 13 ~~(ii)~~ (kk) Section 36-3008.
- 14 ~~(jj)~~ (ll) Section 41-619.53.
- 15 ~~(kk)~~ (mm) Section 41-1964.
- 16 ~~(ll)~~ (nn) Section 41-1967.01.
- 17 ~~(mm)~~ (oo) Section 41-1968.
- 18 ~~(nn)~~ (pp) Section 41-1969.
- 19 ~~(oo)~~ (qq) Section 41-2814.
- 20 ~~(pp)~~ (rr) Section 46-141, subsection A.
- 21 ~~(qq)~~ (ss) Section 46-321.

22 Sec. 50. Section 41-1092, Arizona Revised Statutes, is amended to
23 read:

24 41-1092. Definitions

25 In this article, unless the context otherwise requires:

26 1. "Administrative law judge" means an individual or an agency head,
27 board or commission that sits as an administrative law judge, that conducts
28 administrative hearings in a contested case or an appealable agency action
29 and that makes decisions regarding the contested case or appealable agency
30 action.

31 2. "Administrative law judge decision" means the findings of fact,
32 conclusions of law and recommendations or decisions issued by an
33 administrative law judge.

34 3. "Appealable agency action" means an action that determines the
35 legal rights, duties or privileges of a party and that is not a contested
36 case. Appealable agency actions do not include interim orders by
37 self-supporting regulatory boards, rules, orders, standards or statements of
38 policy of general application issued by an administrative agency to
39 implement, interpret or make specific the legislation enforced or
40 administered by it or clarifications of interpretation, nor does it mean or
41 include rules concerning the internal management of the agency that do not
42 affect private rights or interests. For the purposes of this paragraph,
43 administrative hearing does not include a public hearing held for the purpose
44 of receiving public comment on a proposed agency action.

- 1 4. "Director" means the director of the office of administrative
2 hearings.
- 3 5. "Final administrative decision" means a decision by an agency that
4 is subject to judicial review pursuant to title 12, chapter 7, article 6.
- 5 6. "Office" means the office of administrative hearings.
- 6 7. "Self-supporting regulatory board" means any one of the following:
7 (a) The Arizona state board of accountancy.
8 ~~(b) The state board of appraisal.~~
9 ~~(c)~~ (b) The board of barbers.
10 ~~(d)~~ (c) The board of behavioral health examiners.
11 ~~(e)~~ (d) The Arizona state boxing and mixed martial arts commission.
12 ~~(f)~~ (e) The state board of chiropractic examiners.
13 ~~(g)~~ (f) The board of cosmetology.
14 ~~(h)~~ (g) The state board of dental examiners.
15 ~~(i)~~ (h) The state board of funeral directors and embalmers.
16 ~~(j)~~ (i) The Arizona game and fish commission.
17 ~~(k)~~ (j) The board of homeopathic and integrated medicine examiners.
18 ~~(l)~~ (k) The Arizona medical board.
19 ~~(m)~~ (l) The naturopathic physicians medical board.
20 ~~(n)~~ (m) The state board of nursing.
21 ~~(o)~~ (n) The board of examiners of nursing care institution
22 administrators and adult care home managers.
23 ~~(p)~~ (o) The board of occupational therapy examiners.
24 ~~(q)~~ (p) The state board of dispensing opticians.
25 ~~(r)~~ (q) The state board of optometry.
26 ~~(s)~~ (r) The Arizona board of osteopathic examiners in medicine and
27 surgery.
28 ~~(t)~~ (s) The Arizona peace officer standards and training board.
29 ~~(u)~~ (t) The Arizona state board of pharmacy.
30 ~~(v)~~ (u) The board of physical therapy.
31 ~~(w)~~ (v) The state board of podiatry examiners.
32 ~~(x)~~ (w) The state board for private postsecondary education.
33 ~~(y)~~ (x) The state board of psychologist examiners.
34 ~~(z)~~ (y) The board of respiratory care examiners.
35 ~~(aa)~~ (z) The office of pest management.
36 ~~(bb)~~ (aa) The state board of technical registration.
37 ~~(cc)~~ (bb) The Arizona state veterinary medical examining board.
38 ~~(dd)~~ (cc) The acupuncture board of examiners.
39 ~~(ee)~~ (dd) The Arizona regulatory board of physician assistants.
40 ~~(ff)~~ (ee) The board of athletic training.
41 ~~(gg)~~ (ff) The board of massage therapy.
- 42 Sec. 51. Section 41-1758, Arizona Revised Statutes, is amended to
43 read:
44 41-1758. Definitions
45 In this article, unless the context otherwise requires:

1 1. "Agency" means the supreme court, the department of economic
2 security, the department of child safety, the department of education, the
3 department of health services, the department of juvenile corrections, the
4 department of emergency and military affairs, the department of
5 transportation, the state real estate department, the ~~state board of~~
6 ~~appraisal~~ DEPARTMENT OF FINANCIAL INSTITUTIONS, the board of fingerprinting,
7 the Arizona game and fish department, ~~or~~ the board of examiners of nursing
8 care institution administrators and assisted living facility managers OR THE
9 STATE BOARD OF DENTAL EXAMINERS.

10 2. "Division" means the fingerprinting division in the department of
11 public safety.

12 3. "Electronic or internet-based fingerprinting services" means a
13 secure system for digitizing applicant fingerprints and transmitting the
14 applicant data and fingerprints of a person or entity submitting fingerprints
15 to the department of public safety for any authorized purpose under this
16 title. For the purposes of this paragraph, "secure system" means a system
17 that complies with the information technology security policy approved by the
18 department of public safety.

19 4. "Good cause exception" means the issuance of a fingerprint
20 clearance card to an applicant pursuant to section 41-619.55.

21 5. "Person" means a person who is required to be fingerprinted
22 pursuant to any of the following:

- 23 (a) Section 8-105.
- 24 (b) Section 8-322.
- 25 (c) Section 8-463.
- 26 (d) Section 8-509.
- 27 (e) Section 8-802.
- 28 (f) Section 15-183.
- 29 (g) Section 15-503.
- 30 (h) Section 15-512.
- 31 (i) Section 15-534.
- 32 (j) Section 15-763.01.
- 33 (k) Section 15-782.02.
- 34 (l) Section 15-1330.
- 35 (m) Section 15-1881.
- 36 (n) Section 17-215.
- 37 (o) Section 28-3413.
- 38 (p) Section 32-1232.
- 39 (q) SECTION 32-1284.
- 40 (r) SECTION 32-1297.01.
- 41 ~~(q)~~ (s) Section 32-2108.01.
- 42 ~~(r)~~ (t) Section 32-2123.
- 43 ~~(s)~~ (u) Section 32-2371.
- 44 ~~(t)~~ (v) Section 32-2372.
- 45 ~~(u)~~ (w) Section 32-3620.

