
A BILL FOR AN ACT

RELATING TO APPRAISALS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The purpose of this Act is to require a real
2 estate appraiser to certify compliance with the Uniform
3 Standards of Professional Appraisal Practice when acting as an
4 appraiser or an arbitrator in an arbitration proceeding.

5 SECTION 2. Chapter 466K, Hawaii Revised Statutes, is
6 amended by adding two new sections to be appropriately
7 designated and to read as follows:

8 "§466K- Definitions. For the purposes of this chapter,
9 unless the context otherwise requires:

10 "Arbitrator" means an individual appointed to render an
11 award in a controversy that is subject to an agreement to
12 arbitrate.

13 "Uniform Standards of Professional Appraisal Practice"
14 means the most current Uniform Standards of Professional
15 Appraisal Practice approved by the director of commerce and
16 consumer affairs.

17 §466K- Appraisers in arbitration proceedings. (a) A
18 real estate appraiser shall certify compliance with the Uniform



1 Standards of Professional Appraisal Practice when acting as an
2 arbitrator in an arbitration proceeding to determine the fair
3 market value, fair market rental value, or fair and reasonable
4 rent of real estate.

5 (b) The agreement to arbitrate shall govern in the event
6 of any conflict between the Uniform Standards of Professional
7 Appraisal Practice and the rules of any arbitration process or
8 chapter 658A; provided that the parties to the arbitration may
9 agree mutually that the Uniform Standards of Professional
10 Appraisal Practice rules and standards shall prevail with regard
11 to reports."

12 SECTION 3. Section 466K-4, Hawaii Revised Statutes, is
13 amended by amending subsection (a) to read as follows:

14 "(a) No person may practice as a real estate appraiser in
15 this State unless that person has been licensed or certified to
16 practice in accordance with this chapter and rules adopted by
17 the director of commerce and consumer affairs pursuant to
18 chapter 91. All real estate appraisers who are licensed or
19 certified to practice in this State shall comply with the
20 current [~~uniform standards of professional appraisal practice~~]
21 Uniform Standards of Professional Appraisal Practice approved by
22 the director when performing appraisals in connection with a



1 federally or non-federally related real estate transaction[+],
2 or certify compliance with the current Uniform Standards of
3 Professional Appraisal Practice in connection with any
4 arbitration proceeding to determine the fair market value, fair
5 market rental value, or fair and reasonable rent of real
6 estate."

7 SECTION 4. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect on July 1, 2112.



Report Title:

Real Estate Appraisal Arbitration; Uniform Standards of Professional Appraisal Practice

Description:

Requires a real estate appraiser to comply with the Uniform Standards of Professional Appraisal Practice when acting as an arbitrator in an arbitration proceeding to determine the fair market value, fair rental value, or fair and reasonable rent of real estate. Effective July 1, 2112. (SB975 HD2)

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