

LEGISLATIVE RESEARCH SERVICES

30th Alaska Legislature
LRS Report 18.114
February 14, 2018



(907) 465-3991 phone
(907) 465-3908 fax
research@akleg.gov

Appraisal Management Company Surety Bond Requirements

Jake Quarstad, Legislative Analyst

What is the obligatory surety bond amount Appraisal Management Companies must take out in states with laws or regulations requiring them?

As you know, a surety bond taken out by an Appraisal Management Company (AMC) is a financial guarantee—from a third party bond agent, referred to as the *surety*—that the AMC will follow the laws and regulations required in its practice. Should the AMC fail to do so, the surety is liable to the state for damages or losses, and may be required to compensate any other parties affected by the wrongdoing of the AMC.

At least 23 states require AMCs to take out surety bonds. Each of those states is identified in the table on the following page, as well as the required bond amount for each, and the relevant statute or regulation.¹ Of those states identified, 19 have surety bond requirements of \$25,000 or less; two states require between \$40,000 and \$50,000; and two states require \$100,000 surety bonds.

¹ This table is not intended to be a comprehensive list, but rather a glimpse of the surety bond requirements found across the nation.

Appraisal Management Company Surety Bond Requirements		
State	Amount	Authority
Alabama	\$ 25,000	§ 34-27A-55
Arizona	\$ 20,000	A.R.S. § 32-3667
Arkansas	\$ 20,000	A.C.A. 17-14-406 (b)
Colorado	\$ 25,000	C.R.S.A. § 12-61-706
Georgia	\$ 20,000	Ga. Code Ann., § 43-39A
Idaho	\$ 25,000	I.C. § 54-4124
Illinois	\$ 25,000	225 ILCS 459/50
Iowa	\$ 25,000	I.C.A. § 543E.19
Louisiana	\$ 20,000	LA R.S. 37:3415.3.D(1)
Mississippi	\$ 20,000	Miss. Code Ann. §73-34-103(1)(a)
Missouri	\$ 20,000	V.A.M.S. 339.511
Nebraska	\$ 25,000	Neb. Rev. Stat. § 76-3203 (4)
New Jersey	\$ 25,000	N.J.S.A. 45:14F-35
New Mexico	\$ 25,000	N. M. S. A. 1978, § 47-14-3.1
North Carolina	\$ 25,000	N.C.G.S.A. § 93E-2-4
Oregon	\$ 25,000	O.R.S. § 674.210
Pennsylvania	\$ 40,000	049 Pa. Code § 36.352
Tennessee	\$ 20,000	T.C.A. § 62-39-408
Utah	\$ 25,000	U.A.C. R162-2e
Virginia	\$ 100,000	VA Code Ann. § 54.1-2021.1
Washington	\$ 100,000	RCWA 18.310.040
West Virginia	\$ 50,000	W. Va. Code St. R. § 190-5-5
Wyoming	\$ 25,000	W.S.1977 § 33-39-203
Sources: Thomson Reuters Westlaw, and various state regulatory websites.		

We hope this is helpful. If you have questions or need additional information, please let us know.