

58-4703. Same; definitions. As used in this act: (a) "Appraisal" has the meaning specified in K.S.A. 58-4102, and amendments thereto.

(b) "Appraisal management company" or "AMC" means an individual, firm, partnership, association, corporation, limited liability company or any other business entity acting as an external third party authorized either by a creditor of a consumer credit transaction secured by a consumer's principal dwelling or by an underwriter of or other principal in the secondary mortgage markets:

(1) That performs appraisal management services, regardless of the use of any of the following terms: Appraisal management company, mortgage technology provider, mortgage services provider, lender processing services provider, loan processor, real estate closing services provider, vendor management company or any other like term; and

(2) such entity oversees an appraiser panel of:

(A) More than 15 appraisers who are certified or licensed in Kansas; or

(B) a total of more than 25 appraisers who are certified or licensed in Kansas and in any other jurisdiction.

(c) "Appraisal management services" means to perform or attempt to perform, directly or indirectly, any one or more of the following functions on behalf of a lender, financial institution, client, or any other person:

(1) Administer an appraiser panel;

(2) recruit, qualify, verify licensing or certification and negotiate fees and service level expectations with any person who is part of an appraiser panel;

(3) receive an order for an appraisal from one entity and deliver the order for the appraisal to an appraiser that is part of an appraiser panel for completion;

(4) track and determine the status of orders for appraisals;

(5) conduct quality control of a completed appraisal prior to the delivery of such appraisal to the person that ordered the appraisal; or

(6) submit a completed appraisal performed by an appraiser to one or more clients.

(d) "Appraiser" means an individual who holds a credential issued by the Kansas real estate appraisal board pursuant to the state certified and licensed real property appraiser act entitling that individual to perform an appraisal of real property in the state of Kansas consistent with the scope of practice for such credential.

(e) "Appraiser panel" means a network of one or more licensed or certified appraisers who are independent contractors to the AMC and have:

(1) Responded to an invitation, request, or solicitation from an AMC, in any form, to perform appraisals for persons that have ordered appraisals through the AMC, or to perform appraisals for the AMC directly, on a periodic basis, as requested and assigned by the AMC; and

(2) been selected and approved by an AMC to perform appraisals for any client of the AMC that has ordered an appraisal through the AMC, or to perform appraisals for the AMC directly, on a periodic basis, as assigned by the AMC.

(f) "Appraisal review" means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment related to the appraiser's data collection, analysis, opinions of value, conclusions, estimate of value, or compliance with the uniform standards of professional appraisal practice. This term "appraisal review" does not include a general examination for:

(1) Grammatical, typographical or other similar errors; or

(2) Completeness including regulatory requirements, client requirements, or both such requirements as specified in the engagement letter that does not communicate an opinion.

(g) "Board" means the Kansas real estate appraisal board.

(h) "Credential" means a certificate, license or temporary permit issued by the board pursuant to the provisions of the state certified and licensed real estate appraisals act authorizing an individual to act as a temporary permitted appraiser, provisional appraiser, state licensed appraiser, certified residential appraiser or certified general appraiser in the state of Kansas.

(i) "Controlling person" means:

(1) An owner, officer, manager, or director of a corporation, partnership, firm, association, limited liability company, or other business entity seeking to offer appraisal management services in this state;

(2) an individual employed, appointed, or authorized by an AMC that has the authority to enter into a contractual relationship with other persons for the performance of appraisal management services and has the authority to enter into agreements with appraisers for the performance of appraisals; or

(3) an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an AMC.

(j) "Person" means an individual, firm, partnership, association, corporation, or any other entity.

(k) "Uniform standards of professional appraisal practice" or "USPAP" means the edition of the uniform standards of professional appraisal practice as specified in K.S.A. 58-4121, and amendments thereto.

History: L. 2012, ch. 93, § 3; July 1.