

# STATE OF KANSAS



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GOVERNOR JEFF COLYER, M.D.  
LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 23, 2018

The Honorable Caryn Tyson, Chairperson  
Senate Committee on Assessment and Taxation  
Statehouse, Room 123-E  
Topeka, Kansas 66612

Dear Senator Tyson:

**SUBJECT:** Fiscal Note for SB 419 by Senate Committee on Federal and State Affairs

In accordance with KSA 75-3715a, the following fiscal note concerning SB 419 is respectfully submitted to your committee.

Under current law, an individual with an appraisal credential that has been refused, denied, suspended, revoked, or surrendered or nonrenewed from a pending disciplinary proceeding in any jurisdiction that has not been subsequently granted or reinstated is authorized to own up to 10.0 percent of an appraisal management company. SB 419 would no longer allow these individuals to own any interest in an appraisal management company. The bill would allow the Real Estate Appraisal Board to transmit information and disciplinary action taken on an appraisal management company to the National Registry of the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. The bill would give the Board the authority to collect and remit the National Registry fee for any appraisal management company operating in Kansas that is exempt from registering in Kansas. The bill would remove the initial 30-day window that an appraisal management company could remove an appraiser from their panel without written notification.

The Real Estate Appraisal Board indicates SB 419 has the potential to increase administrative costs and staff time to process additional National Registry fees for any appraisal management company operating in Kansas that is currently exempt from registering in Kansas. The additional fees are estimated to fluctuate from year to year and would be deposited in the Federal Registry Clearing Fund and transferred to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council. The Real Estate Appraisal Board indicates the costs to process these fees and to perform all other requirements of the bill are estimated to be negligible and could be absorbed within existing budget resources.

Sincerely,

A handwritten signature in cursive script that reads "L. Campbell".

Larry L. Campbell  
Chief Budget Officer

cc: Cheryl Magathan, Real Estate Appraisal