

KANSAS REAL ESTATE APPRAISAL BOARD

Consequences of Not Funding this Program

Would not be able to do Federally Related Real Estate Appraisals in KS.

	<u>Statutory Basis</u>	<u>Mandatory vs.</u>	<u>MOE/Match Rqt.</u>	<u>Priority Level</u>
Specific	58-4101 et seq. 58-4701 et seq.	Mandatory	No	1

Program Goals

- A. Continue to work diligently to get complaints processed in the one-year timeframe mandated by the ASC.
- B. Continue to maintain excellent reviews conducted by the Appraisal Subcommittee.

Program History

The Kansas State Certified and Licensed Real Property Appraisers Act became effective on April 19, 1990. The act established the Kansas Real Estate Appraisal Board and provided for the licensure and certification of real estate appraisers. Under K.S.A. 58-4121, the act requires all state certified and licensed appraisers to comply with the Uniform Standards of Professional Appraisal Practice promulgated pursuant to federal law.

The 1993 legislature amended the act to separate the Appraisal Board from the Real Estate Commission on October 1, 1993. This created the establishment of an independent agency.

Legislation was passed in 2008 to require anyone performing appraisals for real estate-related financial transactions be licensed or certified with the Board with certain exceptions as set out in the Act.

The Appraisal Subcommittee (ASC) of the Federal Financial Institutions Examination Council (FFIEC) was created on August 9, 1989, pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. Title XI's purpose is to provide that federal financial and public policy interests in real estate transactions will be protected by requiring the real estate appraisal utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision. In general, the ASC oversees the real estate appraisal process as it relates to federally related transactions, as defined in section 1121(4) of Title XI. The ASC is an FFIEC subcommittee. The FFIEC was established pursuant to Title X of the Financial Institutions Regulatory and Interest Rate Control Act of 1978 to create an interagency body empowered to prescribe uniform principles for the Federal examination of regulated financial institutions.

Legislation was passed in 2012, Under 58-4701 Appraisal Management Companies working in Kansas to be registered with the Board effective October 1, 2012. This was put in place so KS would comply with enacted Dodd Frank Legislation.

Performance Measures

<i>Outcome Measures</i>	<i>Goal</i>	<i>FY 2019</i>	<i>FY 2020</i>	<i>FY 2021</i>	<i>3-yr. Avg.</i>	<i>FY 2022</i>	<i>FY 2023</i>
Current active real estate appraisers	A	984	992	979	985	1,000	1,000
Number of new real estate appraisal	A	65	81	82	76	90	90
Percent of real estate appraisal licensees denied	A	5	5	7	5.7	5	5
Current active appraisal management	A	110	116	112		125	125
Number of new real estate appraisal	A	6	11	10		10	10
Percentage of appraisal licenses found in	A	1	0	0	0.3	0	3
Percentage of licenses renewed online or	A	35	50	20	35	30	30
Number of Appraiser Complaints	B	32	22	20		20	30
Percent of closed complaints resulting in	B	10	10	20	13.3	25	25

B

<i>Funding Source</i>	<i>FY 2018</i>	<i>FY 2019</i>	<i>FY 2020</i>	<i>FY 2021</i>	<i>FY 2022</i>	<i>FY 2023</i>
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-SGF State Funds	246,914	291,761	331,776	268,759	340,802	344,867
Federal Funds	-	-	-	-	-	-
Total	\$ 246,914	\$ 291,761	\$ 331,776	\$ 268,759	\$ 340,802	\$ 344,867