

## 2012 Kansas Statutes

**58-4716. Same; unlawful acts.** (a) It shall be unlawful and a violation of this act for any employee, partner, director, officer or agent of an AMC to influence or attempt to influence the development, reporting, result or review of an appraisal through coercion, extortion, collusion, compensation, inducement, intimidation, bribery or in any other manner, including, but not limited to:

- (1) Withholding or threatening to withhold timely payment or partial payment for an appraisal unless such appraisal is substandard or noncompliant.
  - (2) Withholding or threatening to withhold, either expressly or by implication, future business from an appraiser.
  - (3) Demoting or terminating or threatening to demote or terminate an appraiser.
  - (4) Promising, either expressly or by implication, future business, promotions or increased compensation for an appraiser.
  - (5) Conditioning an assignment of an appraisal or the payment of an appraisal fee or salary or bonus on:
    - (A) The opinion, conclusion or valuation to be reached by an appraiser; or
    - (B) a preliminary estimate or opinion requested from an appraiser.
  - (6) Requesting that an appraiser provide at any time prior to the appraiser's completion of an appraisal:
    - (A) An estimated, predetermined or desired valuation in an appraisal; or
    - (B) estimated values or comparable sales, except that a copy of the sales contract for purchase transactions may be provided.
  - (7) Providing to an appraiser:
    - (A) An anticipated, estimated, encouraged or desired value for a subject property; or
    - (B) a proposed or target amount to be loaned to the borrower, except that a copy of the sales contract for purchase transactions may be provided.
  - (8) Providing to an appraiser, or any entity or individual related to the appraiser, stock or other financial or nonfinancial benefit or thing of value.
  - (9) Without prior written notice to such appraiser:
    - (A) Allowing or directing the removal of an appraiser from an appraiser panel; or
    - (B) the addition of an appraiser to an exclusionary list of disapproved appraisers used by any entity.
  - (10) Committing any other act or practice that impairs or attempts to impair an appraiser's independence, objectivity or impartiality.
  - (11) Submitting or attempting to submit false, misleading or inaccurate information in any application for registration or renewal.
- (b) No provision of subsection (a) shall be construed to prohibit the AMC from requesting that an appraiser:
- (1) Provide additional information about the basis for a valuation including consideration of additional comparable data; or
  - (2) correct objective factual errors in an appraisal.
- (c) It shall be unlawful and a violation of this act for any employee, partner, director, officer, agent or independent contractor of an AMC to:
- (1) Require an appraiser to sign any sort of indemnification agreement that requires the appraiser to defend and hold harmless the appraisal management company or any of its agents, employees or independent contractors for any liability, damage, losses or claims arising out of the services performed by the AMC or its agents, employees or independent contractors but does not also include the services performed by the appraiser;
  - (2) employ any person who has had a credential to act as an appraiser issued by any appraiser-credentialing jurisdiction that:
    - (A) Was refused, denied, suspended, revoked, or surrendered or nonrenewed in lieu of a pending disciplinary proceeding in any jurisdiction against such individual; and
    - (B) (i) was not subsequently granted or reinstated; or
    - (ii) is otherwise not in good standing in any jurisdiction;
  - (3) knowingly enter into any independent contractor arrangement, whether in verbal, written or other form for the performance of appraisal or appraisal management services, with any person who has had a credential to act as an appraiser that was issued by any appraiser-credentialing jurisdiction that:
    - (A) Was refused, denied, suspended, revoked, or surrendered or nonrenewed in lieu of a pending disciplinary proceeding in any jurisdiction against such individual; and
    - (B) (i) was not subsequently granted or reinstated; or
    - (ii) is otherwise not in good standing in any jurisdiction;
  - (4) knowingly enter into any contract, agreement, or other business relationship, whether in verbal, written, or any other form, with any entity that employs, has entered into an independent contract arrangement, or has entered into any contract, agreement or other business relationship, whether in verbal, written or any other form for the performance of appraisal or appraisal management services, with any person who has ever had a credential issued by any appraiser-credentialing jurisdiction to act as an appraiser that:
    - (A) Was refused, denied, suspended, revoked or surrendered or nonrenewed in lieu of a pending disciplinary proceeding in any jurisdiction against such individual; and
    - (B) (i) was not subsequently granted or reinstated; or
    - (ii) is otherwise not in good standing in any jurisdiction;
- (5) commit an act of unprofessional conduct as defined by rules and regulations of the board;
  - (6) fail to report to the board the results of any appraisal reviews in which an appraisal is found to be substantially noncompliant with USPAP;
  - (7) fail to timely respond to any subpoena or any other request for information from the board;
  - (8) fail to timely obey an administrative order of the board; or
  - (9) fail to fully cooperate in any investigation by the board.
- (d) It shall be unlawful and a violation of this act for an AMC to include on the panel of the AMC for appraisal services in Kansas any appraiser who:
- (1) Does not hold a credential in good standing in this state pursuant to the state certified and licensed real estate appraisers act; or
  - (2) is not geographically competent to perform appraisal assignments within the appraiser's scope of practice.
- An attestation provided by an appraiser that such appraiser is geographically competent within the appraiser's scope of practice will satisfy an AMC's responsibility pursuant to this subsection.

**History:** L. 2012, ch. 93, § 16; July 1.