

REAL ESTATE APPRAISAL BOARD

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATIONS

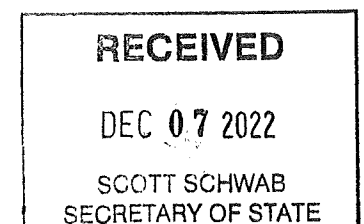
A public hearing will be conducted at 10:00 a.m. on Friday, February 17, 2023, at Jayhawk Tower, 700 SW Jackson, Ste. 804, Topeka, KS 66603, to consider the adoption of K.A.R. 117-7-1 and 117-20-4. In the event the hearing needs to be held remotely instead of in person, this information will be provided on the Board's website.

This 60-day notice of public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed regulations. All interested parties may submit written comments prior to the hearing to the Kansas Real Estate Appraisal Board, Jayhawk Tower, 700 SW Jackson, Ste. 804, Topeka, KS 66603 or via email to sally.pritchett@ks.gov. All interested parties will be given a reasonable opportunity to present their views orally on the adoption of the proposed regulations during the hearing. In order to give all parties an opportunity to present their views, it may be necessary to request each participant to limit any oral presentation to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Sally Pritchett at (785) 296-6736 or sally.pritchett@ks.gov.

The proposed regulations are for adoption on a permanent basis. A summary of the proposed regulations and the economic impact follows:

117-7-1. Fees. This regulation is being amended to increase annual renewal fees by \$50.00 for each appraiser renewing their license/certification.



There will be an economic impact to each appraiser licensed or certified in KS of \$50.00.

There will be an economic impact to the agency and the state general fund of an annual increase of \$45.00 per appraiser and \$5.00 to the state general fund. There will be no economic impact to other governmental agencies.

117-20-4 Fees. This regulation is being amended to increase annual renewal fees by \$200.00 for each appraisal management company renewing their registration.

There will be an economic impact to each appraisal management company in KS of \$200.00. There will be an economic impact to the agency and the state general fund of an annual increase of \$180.00 per appraisal management company and \$20.00 to the state general fund. There will be no economic impact to other governmental agencies.

Copies of these regulations and the economic impact statement may be obtained by contacting the Kansas Real Estate Appraisal Board at:

(785) 296-6736 (phone)

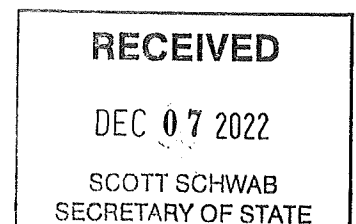
(785) 368-6443 (fax)

sally.pritchett@ks.gov (e-mail)

<http://www.kansas.gov/kreab> (website)

Sally Pritchett
Executive Director

November 7, 2022



117-7-1. Fees. The following fees shall be submitted to the board: (a) For application for certification or licensure, the fee shall be \$50.

(b) For original certification or licensure, the fee shall be \$225.

(c) For renewal of a certificate or license, the fee shall be \$150200.

(d) For late renewal of a certificate or license, the fee shall be the amount specified in subsection (c) and an additional \$50.

(e) Except as provided in subsection (h), for approval of a course of instruction to meet any portion of the education requirements of K.A.R. 117-2-1, 117-3-1, or 117-4-1, the fee shall be \$100.

(f) Except as provided in subsection (h), for approval of a course of instruction to meet the continuing education requirements of K.A.R. 117-6-1, the fee shall be \$50.

(g) Except as provided in subsection (h), for renewal of any course of instruction, the fee shall be \$25.

(h) For approval or renewal of any course of instruction that is endorsed by the appraiser qualifications board, the fee shall be \$10.

(i) For reinstatement of an inactive certificate or license, the fee shall be \$50. (Authorized by and implementing K.S.A. ~~2014~~2022 Supp. 58-4107; effective Jan. 21, 1991; amended, T-117-6-10-91, June 10, 1991; amended Aug. 5, 1991; amended, T-117-4-22-92, April 22, 1992; amended June 22, 1992; amended Feb. 6, 1995; amended Jan. 28, 2000; amended June 15, 2001; amended Feb. 4, 2005; amended Jan. 18, 2008; amended April 17, 2009; amended Feb. 18, 2011; amended June 8, 2012; amended March 15, 2013; amended May 23, 2014 amended Nov. 30, 2018; amended P-_____.)

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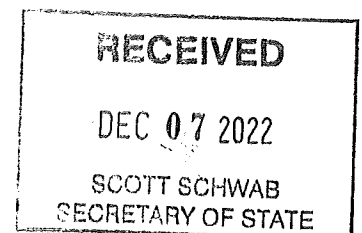
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117-20-4. Fees. The following fees shall be collected by the board: (a) For initial registration, \$1,500;

(b) for registration renewal, ~~\$900~~\$1,100;

(c) for late registration renewal, the amount specified in subsection (b) and an additional \$100;

(d) for processing fingerprints and a criminal history record check, \$50; and

(e) for initial registration and for registration renewal, the AMC Appraisal Management Company
(AMC) federal registry fee in any amount assessed by the appraisal subcommittee of the federal financial
institutions examination council for all AMCs holding a registration. (Authorized by and implementing ~~L~~
~~2012, ch. 93, secs. 8, 9, 10, and 25 K.S.A. 2022 Supp 58-4708, 58-4709, 58-4710, and 58-4725~~; effective,
T-117-7-3-12, July 3, 2012; effective Oct. 19, 2012; amended Sept. 6, 2013; amended Aug. 22, 2014;
amended P-_____.)

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Kansas Administrative Regulations Economic Impact Statement (EIS)

KS Real Estate Appraisal Board
Agency

Sally Pritchett
Agency Contact

785-368-6417
Contact Phone Number

117-20-4 and 117-7-1
K.A.R. Number(s)

☒ Permanent ☐ Temporary

Is/Are the proposed rule(s) and regulation(s) mandated by the federal government as a requirement for participating in or implementing a federally subsidized or assisted program?

☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

☒ No If no, do the total annual implementation and compliance costs for the proposed rule(s) and regulation(s), calculated from the effective date of the rule(s) and regulation(s), exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024 (as calculated in Section III, F)?

☐ Yes If yes, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration, the Attorney General, AND the Division of the Budget. The regulation(s) and the EIS will require Budget approval.

☒ No If no, continue to fill out the remaining form to be included with the regulation packet submitted in the review process to the Department of Administration and the Attorney General. Budget approval is not required; however, the Division of the Budget will require submission of a copy of the EIS at the end of the review process.

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Section I

Brief description of the proposed rule(s) and regulation(s).

Increase renewal fee for Appraisers and AMC.

Section II

Statement by the agency if the rule(s) and regulation(s) exceed the requirements of applicable federal law, and a statement if the approach chosen to address the policy issue(s) is different from that utilized by agencies of contiguous states or the federal government. *(If the approach is different or exceeds federal law, then include a statement of why the proposed Kansas rule and regulation is different.)*

N/A

Section III

Agency analysis specifically addressing the following:

- A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;
None
- B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule(s) and regulation(s) and on the state economy as a whole;
It will be a \$50 annual increase for appraisers to renew and a \$200 annual increase for all AMC's
- C. Businesses that would be directly affected by the proposed rule(s) and regulation(s);
N/A
- D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;
Allow the Board fees to fund the agency
- E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;
Have maintained current fees since 2015.

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- F. An estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local governments, or members of the public.

Note: Do not account for any actual or estimated cost savings that may be realized.

Costs to Affected Businesses – \$0

Costs to Local Governmental Units – \$0

Costs to Members of the Public – \$0

Total Annual Costs – \$Click here to enter amount.
(sum of above amounts)

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

By reviewing upcoming spending by the agency and know we will run out of money if fees are not increased. Reviewed the amount to increase by. Wanted to be sure not exdesive but enough we don't have to increase again.

- ☐ Yes If the total implementation and compliance costs exceed \$1.0 million over any two-year period through June 30, 2024, or exceed \$3.0 million over any two-year period on or after July 1, 2024, and prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.
- ☐ No
- ☒ Not Applicable

If applicable, click here to enter public hearing information.

Provide an estimate to any changes in aggregate state revenues and expenditures for the implementation of the proposed rule(s) and regulation(s), for both the current fiscal year and next fiscal year.

\$50 Increase to Appraiser Renewals and \$200 increase to AMC

\$50 increase to appraisers would an increase of \$49,500 annually after 10% for the General Fund is deducted.

\$200 increase to appraisal management companies would be an increase of \$18,000 annually after 10% is deducted for the state general fund.

\$49,500 (1100 x 50 = 55,000 subtract 10% 55,000 – 5,500 = 49,500) Appraisers

\$18,000 (100 x 200 = 20,000 subtract 10% 20,000 - 2,000 = 18,000) AMC's

Total added to Fee Fund \$67,500

Provide an estimate of any immediate or long-range economic impact of the proposed rule(s) and regulation(s) on any individual(s), small employers, and the general public. If no dollar estimate can be given for any individual(s), small employers, and the general public, give specific reasons why no estimate is possible.

This would be a \$50 increase annually to appraisers and \$200 increase annually to AMC's.

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- G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

N/A

- H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

Only members of the Board

Section IV

Does the Economic Impact Statement involve any environmental rule(s) and regulation(s)?

☐ Yes If yes, complete the remainder of Section IV.

☒ No If no, skip the remainder of Section IV.

- A. Describe the capital and annual costs of compliance with the proposed rule(s) and regulation(s), and the persons who would bear the costs.

N/A

- B. Describe the initial and annual costs of implementing and enforcing the proposed rule(s) and regulation(s), including the estimated amount of paperwork, and the state agencies, other governmental agencies, or other persons who would bear the costs.

Already do this so would be no additional costs.

- C. Describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons who would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

N/A

- D. Provide a detailed statement of the data and methodology used in estimating the costs used.

FUNDING (Receipts)

Current Funding (150.00 Annual Renewal Fee 10% already deducted)

	FY-22	FY-23	FY-24	FY-25
	Actual	Estimate	Estimate	Estimate

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Balance Carry Forward	287,301	254,088	201,961	145,782
Recovery of Expense	5,240	5,240	5,240	5,540
Receipts	294,922	295,308	295,308	295,308
Total Fee Fund	587,463	554,636	502,509	446,330
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Subtract Approved Budget Amount	333,375	352,675	356,727	362,305
Carry Forward	254,088	201,961	145,782	84,025

\$25 Increase to Appraiser Renewals and \$200 increase to AMC

\$25 increase to appraisers would an increase of \$24,750 annually after 10% for the General Fund is deducted.

\$200 increase to appraisal management companies would be an increase of \$18,000 annually after 10% is deducted for the state general fund.

\$24,750 (1100 x 25 = 27,500 subtract 10% 27,500 - 2,750 = 24,750) Appraisers

\$18,000 (100 x 200 = 20,000 subtract 10% 20,000 - 2,000 = 18,000) AMC's

Total added to Fee Fund \$42,750

\$25.00 Renewal Fee Increase (175.00 Annual Renewal Fee)

	FY-22	FY-23	FY-24	FY-25
	Actual	Estimate	Estimate	Estimate
Balance Carry Forward	287,301	254,088	244,711	231,282
Recovery of Expense	5,240	5,240	5,240	5,240
Receipts	294,922	338,058	338,058	338,058
Total Fee Fund	587,463	597,386	588,009	574,580
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Subtract Approved Budget Amount	333,375	352,675	356,727	362,305
Carry Forward	254,088	244,711	231,282	212,275

So the above will only show an additional amount in our receipts of 42,750 annually.

\$50 Increase to Appraiser Renewals and \$200 increase to AMC

\$50 increase to appraisers would an increase of \$49,500 annually after 10% for the General Fund is deducted.

\$200 increase to appraisal management companies would be an increase of \$18,000 annually after 10% is deducted for the state general fund.

\$49,500 (1100 x 50 = 55,000 subtract 10% 55,000 - 5,500 = 49,500) Appraisers

\$18,000 (100 x 200 = 20,000 subtract 10% 20,000 - 2,000 = 18,000) AMC's

Total added to Fee Fund \$67,500

\$50.00 Renewal Fee Increase (200.00 Annual Renewal Fee)

	FY-22	FY-23	FY-24	FY-25
	Actual	Estimate	Estimate	Estimate
Balance Carry Forward	287,301	254,088	269,075	280,010

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Recovery of Expense	5,240	5,240	5,240	5,240
Receipts	294,922	362,422	362,422	362,422
Total Fee Fund	587,463	621,750	636,737	647,672 574,580
Subtract Approved Budget Amount	333,375	352,675	356,727	362,305
Carry Forward	254,088	269,075	280,010	285,367

So the above will only show an additional amount in our receipts of 67,500 annually.

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