

July 1, 2025

Via Email

Sally Pritchett, Director
Kansas Real Estate Appraisal Board
700 S. Jackson, Suite 804
Topeka, KS 66603
Sally.Pritchett@ks.gov

RE: ASC Compliance Review of Kansas' Appraiser Regulatory Program

Dear Sally Pritchett:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Kansas appraiser regulatory program (Appraiser Program) on November 19-21, 2024, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program is given an ASC Finding of "Needs Improvement." The final ASC Compliance Review Report (Report) of the Kansas Appraiser Program is attached.

The ASC identified the following area(s) of non-compliance:

- State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria;²
- States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any;³
- States must ensure the accuracy of all data submitted to the Appraiser Registry;⁴
- States must exercise due diligence in determining whether submitted documentation of experience or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing;⁵
- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria.⁶
- States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations;⁷ and

¹ 12 U.S.C. §§ 3331-3356.

² 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C.

³ 12 U.S.C. § 3351; Policy Statement 2 B.

⁴ 12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, D.

⁵ 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 D.

⁶ 12 U.S.C. § 3347; Policy Statement 6 A.

⁷ 12 U.S.C. § 3347; Policy Statement 7 B.

- States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable, and well-documented manner.⁸

The State reported that it has taken some corrective actions and indicated it will implement additional steps to address ASC staff concerns. ASC staff will confirm appropriate corrective actions have been taken through off-site monitoring and during the next Review. Kansas will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



Luke H. Brown
Acting Chair

Attachment

cc: Trecia McDowell, Chair, Trecia.McDowell@Sedgwick.gov

⁸ 12 U.S.C. § 3347; Policy Statement 7 B.

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

** An ASC Finding of "Poor" may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: July 1, 2025

Kansas Appraiser Regulatory Program (State)			
Kansas Real Estate Appraisal Board	PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024	Review Period: November 2022 to November 2024
Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X					
State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C.)				Title XI requires that any minimum qualification requirements established by a State for individuals in the position of "Trainee Appraiser" and "Supervisory Appraiser" must meet or exceed the minimum qualification requirements of the AQB. The State requires unlicensed appraiser applicants to have a Supervisory Appraiser. Since the AQB Criteria are all-inclusive this would require the State to impose all the AQB Criteria requirements on unlicensed appraiser applicants.	On April 3, 2025, the State reported that they do not consider the Trainee Credential as being an appraiser and that it would be illogical to require Trainee Appraisers to take continuing education (CE) as almost all CE addresses advanced issues that would exceed the Trainee's knowledge and experience. Although an AQB requirement, the State considers requiring CE for Trainees to be an unnecessary burden. The State further notes that it does require its Provisional Licensed Appraisers to demonstrate that they have met all required CE necessary for the renewal of their credential.	The State's practice of allowing unregistered trainees to comply with only some of the minimum AQB requirements in contrast to its "Provisional Trainees," who must fully adhere to the AQB Criteria, is inconsistent with Title XI. As such, the State must amend its Statutes and Regulations to bring them into compliance with AQB Criteria and provide ASC staff with a copy once finalized.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.
Temporary Practice:		X					
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2 B.)				The State temporary practice permit log does not track the date the completed application was received.	In their April 3, 2025, response, the State indicated that they will immediately begin to track the date a completed temporary permit application was received.	Within 30 days, the State must provide ASC staff with a copy of its new Temporary Practice Log.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.



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ASC Finding: Needs Improvement

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Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
National Registry:		X					
States must ensure the accuracy of all data submitted to the Appraiser Registry. (12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, D.)				The State reported 1 appraiser to the Appraiser Registry who did not meet the experience necessary for the initial issuance of their credential and was not qualified to be included on the Appraiser Registry.	On April 3, 2025, the State reported that in some circumstances, the client will refuse to accept an appraisal report where a non-licensed individual was either noted as contributing to or signed the appraisal report.	The State must review files of all applicants for appraiser credentials during the Review Period and identify those that did not provide proof of experience consistent with AQB Criteria, contact those identified to obtain the needed documentation for the file, and report the results of their examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or inactivate the credential(s) on the National Registry.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.
Application Process:		X					
States must exercise due diligence in determining whether submitted documentation of experience, or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 D.)				1 application file did not contain adequate documentation to support that the work product demonstrated compliance with USPAP on an initial application.	On April 3, 2025, the State reported that in some circumstances, the client will refuse to accept an appraisal report where a non-licensed individual was either noted as contributing to or signed the appraisal report.	The State must review files of all applicants for appraiser credentials during the Review Period and identify those that did not provide proof of submission of USPAP compliant experience consistent with AQB Criteria and contact those identified to obtain the needed documentation for the file. The State must report the results of their examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or take appropriate action.	ASC staff will monitor this required action and conduct a Follow-up Review to confirm compliance.
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None



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Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Education:		X					
States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 6 A.)				<p>AQB Criteria requires CE courses to cover real property related appraisal topics. The State approved 5 CE courses without sufficient documentation in the file to determine the appropriateness of the content.</p> <p>The State goes on to say that they have amended their process to have a Board Member review any questionable material and provide a summary of the course material addressing applicability to real property appraisal practice for the whole Board to consider prior to approving a CE course.</p>	In their April 3, 2025, response, the State indicated that their process was to accept the same CE hours granted by the hosting state and that for most of these courses, they believed that the target audience of these seminars was rural appraisers.	Within 60 days, the State must review all approved courses using their new process to determine whether they meet AQB Criteria, remove the courses or hours that do not, and notify ASC staff in writing of the State's findings.	ASC staff will verify the effectiveness of the new process during a Follow-up Review.
Enforcement:		X					
States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)				5 of 13 files selected lacked the documentation needed to understand the facts and considerations in disciplinary cases and the reasons for those determinations.	On April 3, 2025, the State noted that they will have begun to include more documentation in their enforcement files to better explain the rationale for their disciplinary decisions.	Within 60 days, the State must develop a plan to ensure that disposition of case resolution is consistent, appropriate and equitable; and the complaint process is well documented and available to ASC staff during the on-site portion of the Review. The State must provide ASC staff with a copy of its plan within 60 days.	ASC staff will verify the effectiveness of the new process during a Follow-up Review.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

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Kansas Real Estate Appraisal Board	PM: T. Lewis	ASC Compliance Review Date: November 19-21, 2024	Review Period: November 2022 to November 2024
Umbrella Agency: Independent		Number of State Credentialed Appraisers on Appraiser Registry: 1,185	Review Cycle: Two Year with Follow Up

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Enforcement (continued):		X					
States must ensure that the system for processing and investigating complaints and sanctioning appraisers is administered in an effective, consistent, equitable and well-documented manner. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State dismissed 18 complaints without sufficient documentation to support the rationale for dismissal.	On April 3, 2025, the State reported that "Tips" from Fannie Mae are not interpreted as "complaints." The State points to language at the bottom of each of the "Tips" stating that they are not complaints but may be an area of possible concern.	The examination of the State's complaint files found inconsistency with how FNMA "Tips" communications were treated. Some cases were opened while in other cases the State did not pursue investigation. The State should include sufficient documentation to support a decision for the dismissal of an allegation that it contends does not rise to the level of a complaint.	Through off-site monitoring, during a Follow-up Review and the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

March 9, 2026

Via Email

Alycia Smith, Executive Director
Real Estate Appraisal Board
Jayhawk Tower
700 SW Jackson, Suite 804
Topeka, KS 66603
Alycia.N.Smith@ks.gov

RE: Appraisal Subcommittee Staff Follow-Up Review of Kansas's Appraiser Regulatory Program

Dear Alycia Smith:

Thank you for your cooperation and your staff's assistance in the February 17-19, 2026, Appraisal Subcommittee (ASC) Follow-up Review of the Kansas appraiser regulatory program (Appraiser Program). This was a Follow-up Review of the November 19-21, 2024, ASC Compliance Review of the Kansas Appraiser Program.

As detailed in the attached Follow-up Report (Report), Kansas made progress in all of the seven non-compliance concerns identified in the July 2025 Appraiser Program Report. In addition, Kansas addressed recommended actions to strengthen the Program. We commend the Kansas Appraiser Program for its efforts and the progress made.

This letter and the attached Follow-up Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



Frederick Grier
Acting Executive Director

Attachment

cc: Jeff Meyer, Chair, WJeffMeyer@yahoo.com

ASC Staff Follow-Up Report: 2024 Compliance Review

Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board	Follow-Up Review Date: February 17-19, 2026	Follow-Up Report Issue Date: March 9, 2026
Umbrella Agency: Independent	ASC Compliance Review Date: November 19-21, 2024	PM: A. Nespor
Follow-Up of Compliance Review Report Dated: July 1, 2025	ASC Finding: Needs Improvement	

Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the July 1, 2025 Compliance Review Report	Status as of February 17-19, 2026 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Statutes, Regulations, Policies and Procedures:		X				
State requirements for trainee appraisers and supervisory appraisers must meet or exceed the AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C.)				The State's practice of allowing unregistered trainees to comply with only some of the minimum AQB requirements in contrast to its "Provisional Trainees," who must fully adhere to the AQB Criteria, is inconsistent with Title XI. As such, the State must amend its Statutes and Regulations to bring them into compliance with AQB Criteria and provide ASC staff with a copy once finalized.	On February 4, 2026, the State responded that the Board had approved statutory and regulatory amendments to bring Kansas into compliance with AQB Criteria. The State went on to say that, in light of the "First Exposure Draft of Proposed Changes to the Real Property Appraisal Qualification Criteria (Criteria)" updated on December 4, 2025, the Board has paused the regulation amendment process. The State further responded that comments on the exposure draft are not due until March 3, 2026, which may result in additional changes to the AQB Criteria, including the possible removal of continuing education requirements for trainee appraisers. The State continued that, because Kansas has an extensive statutory and regulatory revision process, the Board does not want to initiate amendments that may need to be revised again once the Criteria are finalized.	Further Required Actions: The State must require that all trainees, regardless of registration status, comply with all minimum AQB Criteria. In addition, the State must continue to monitor the status of the proposed changes to the AQB Criteria and must continue the process to amend its Statutes and Regulations to bring them into compliance with AQB Criteria and provide ASC staff with a copy once finalized. Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Temporary Practice:	X					
States must track all temporary practice permits using a permit log which includes the name of the applicant, date application received, date completed application received, date of issuance, and date of expiration, if any. (12 U.S.C. § 3351; Policy Statement 2 B.)				Within 30 days, the State must provide ASC staff with a copy of its new Temporary Practice Log.	The State provided a copy of the new Temporary Practice Log that tracks the date the completed application was received.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

ASC Staff Follow-Up Report: 2024 Compliance Review

Kansas Appraiser Regulatory Program (State)		
Kansas Real Estate Appraisal Board	Follow-Up Review Date: February 17-19, 2026	Follow-Up Report Issue Date: March 9, 2026
Umbrella Agency: Independent	ASC Compliance Review Date: November 19-21, 2024	PM: A. Nespor
Follow-Up of Compliance Review Report Dated: July 1, 2025	ASC Finding: Needs Improvement	

Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the July 1, 2025 Compliance Review Report	Status as of February 17-19, 2026 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
National Registry:	X					
States must ensure the accuracy of all data submitted to the National Registry. (12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, D.)				The State must review files of all applicants for appraiser credentials during the Review Period and identify those that did not provide proof of experience consistent with AQB Criteria, contact those identified to obtain the needed documentation for the file, and report the results of their examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or inactivate the credential(s) on the National Registry.	On February 4, 2026, the State responded that the Board reviewed the relevant files and determined there were not any instances in which applicants provided proof of experience that was inconsistent with the AQB Criteria.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Application Process:	X					
States must exercise due diligence in determining whether submitted documentation of experience, or work product demonstrates compliance with USPAP on all initial or upgrade applications for appraiser credentialing. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 D.)				The State must review files of all applicants for appraiser credentials during the Review Period, identify those who did not provide proof of submission of USPAP compliant experience consistent with AQB Criteria and contact those identified to obtain the needed documentation for the file. The State must report the results of its examination to ASC staff within 30 days. The State must ensure all appraiser(s) meet AQB Criteria or take appropriate action.	On February 4, 2026, the State responded that the Board’s appraiser members reviewed the relevant applicant files and determined that they were compliant with USPAP standards and no further documentation was needed from applicants. The State further responded that, according to the Generic Experience Criteria, it is within the Board’s authority to determine what evidence is sufficient to support a finding of USPAP compliance. The State went on to say that, based on that discretion, Board staff placed the documentation from the Board member reviews in the files to support the conclusion that the work is compliant with USPAP standards. Finally, the State responded that the Board did not contact the individuals whose files were reviewed due to the determination that they were USPAP compliant when their credentials were issued.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

ASC Staff Follow-Up Report: 2024 Compliance Review

Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board	Follow-Up Review Date: February 17-19, 2026	Follow-Up Report Issue Date: March 9, 2026
Umbrella Agency: Independent	ASC Compliance Review Date: November 19-21, 2024	PM: A. Nespor
Follow-Up of Compliance Review Report Dated: July 1, 2025	ASC Finding: Needs Improvement	

Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the July 1, 2025 Compliance Review Report	Status as of February 17-19, 2026 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Education:	X					
States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 6 A.)				Within 60 days, the State must review all approved courses using their new process to determine whether they meet AQB Criteria, remove the courses or hours that do not, and notify ASC staff in writing of the State's findings.	On February 4, 2026, the State responded that at the end of calendar year 2025, the Board's approved continuing education courses expired. (K.A.R 117-6-3(g)). The State says that the Board ensures continuing education courses comply with Kansas law, including approving or renewing courses that cover real property related appraisal topics stated in K.A.R 117-6-3(b). The State went on to say that partial approval may be granted if a portion of the course(s) covers real estate related appraisal topics and the length of that portion is at least two classroom hours. (K.A.R 117-6-3(c)). The State further responded that any courses that do not meet AQB Criteria and Kansas law are sent to the Board for review. The State provided the example in which, at the last Board meeting, the Board voted to deny renewal of a continuing education course that did not meet the requirements of Kansas law and AQB Criteria.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:	X					
States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)				Within 60 days, the State must develop a plan to ensure that disposition of case resolution is consistent, appropriate and equitable; and the complaint process is well documented and available to ASC staff during the on-site portion of the Review. The State must provide ASC staff with a copy of its plan within 60 days.	On February 4, 2026, the State responded that on January 8, 2026, the Board approved a "Complaint Resolution Plan" which was provided for review. The State went on to say that any complaints closed prior to January 8, 2026, did not follow the process outlined in the Complaint Resolution Plan; however, for all complaints that are pending after January 8, 2026, the Board is following the process outlined in the Complaint Resolution Plan.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.

ASC Staff Follow-Up Report: 2024 Compliance Review

Kansas Appraiser Regulatory Program (State)

Kansas Real Estate Appraisal Board	Follow-Up Review Date: February 17-19, 2026	Follow-Up Report Issue Date: March 9, 2026
Umbrella Agency: Independent	ASC Compliance Review Date: November 19-21, 2024	PM: A. Nespor
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Applicable Federal Citations	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the July 1, 2025 Compliance Review Report	Status as of February 17-19, 2026 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Enforcement (continued):	X					
States must maintain relevant documentation to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 7 B.)				The examination of the State's complaint files found inconsistency with how FNMA "Tips" communications were treated. Some cases were opened, while in other cases the State did not pursue an investigation. The State should include sufficient documentation to support a decision for the dismissal of an allegation that it contends does not rise to the level of a complaint.	No FNMA "Tips" were dismissed during the period under follow-up review.	Further Required Actions: None Comments: During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.