

324A.163 Administration of appraisal management company recovery fund -- Restitution to real property appraisers -- Administrative regulations -- Annual public statement of income and expenses.

- (1) The board shall administer the appraisal management company recovery fund solely to provide restitution to each Kentucky licensed or certified real property appraiser who has suffered pecuniary loss:
 - (a) As a result of an appraisal management company ceasing to be registered with the board, either voluntarily or involuntarily;
 - (b) If an appraiser has received a final judgment from a court of competent jurisdiction within the Commonwealth; and
 - (c) If no viable alternative for full restitution is available, as determined by the board.
- (2) Each fund distribution for restitution shall be made payable to the appropriate appraiser as determined by the board. The amount to be paid to the appraiser shall equal the actual amount of appraisal fees that are proven to be owed to the appraiser by the relevant appraisal management company and any reasonable and appropriate court costs associated with determining the final judgment in favor of the appraiser. If the amount of restitution to be paid to any one (1) or more appraisers at any one (1) time exceeds the balance in the fund, the board shall:
 - (a) Distribute as much of the restitution amount as possible, which shall be deemed to satisfy in full any claim the relevant appraisers have on payments from the recovery fund; and
 - (b) In the case of distributions to more than one (1) appraiser, provide for a pro rata distribution of the available fund balance, which shall be deemed to satisfy in full any claim the relevant appraisers have on payments from the recovery fund.
- (3) Whenever restitution is paid by the fund, the fund shall be subrogated to the amount of the restitution.
- (4) The board shall promulgate administrative regulations in accordance with KRS Chapter 13A to:
 - (a) Ensure that the balance of the fund established in KRS 324A.155 shall not fall below three hundred thousand dollars (\$300,000); and
 - (b) Impose the fees assessed upon appraisal management companies under KRS 324A.155 whenever the balance of the fund is less than three hundred thousand dollars (\$300,000). The board shall cease imposing the fees when the balance of the fund is three hundred thousand dollars (\$300,000).
- (5) Within one hundred twenty (120) days after the end of each fiscal year, the board shall make public, in accordance with KRS 424.180 and 424.190, a statement of income and expenses of the appraisal management company recovery fund, the details of which are in accordance with generally accepted accounting principles.

Effective: June 25, 2013

History: Created 2013 Ky. Acts ch. 46, sec. 2, effective June 25, 2013.