

PUBLIC PROTECTION CABINET
Kentucky Real Property Appraisers Board
(New Administrative Regulation)

201 KAR 50:160. Complaints and disciplinary proceedings.

RELATES TO: KRS Chapter 324A, 12 U.S.C. § 3350

STATUTORY AUTHORITY: KRS 324A.035, KRS 324A.050, KRS 324A.052, KRS 324A.162, KRS Chapter 13B.

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 324A.020 and 324A.035 require the Real Property Appraisers Board to promulgate administrative regulations necessary to carry out the provisions of KRS Chapter 324A. This administrative regulation is necessary to comply with Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (12 U.S.C. § 3331 through 12 U.S.C. § 3351), and KRS Chapter 324A. KRS 324A.050 establishes grounds for disciplinary action for the board. KRS 324A.052 provides for the investigation of complaints, sanctions, hearings, and appeals. KRS 324A.162 provides for disciplinary action against Appraisal Management Companies. This administrative regulation establishes disciplinary proceedings of the board consistent with these authorities.

Section 1. Filing a Complaint.

- (1) A complaint may be submitted against a credential holder or an Appraisal Management Company within one (1) year after the date of the transmittal of the appraisal report or appraisal review assignment.
- (2) A complaint shall:
 - (a) Be submitted in writing;
 - (b) Identify the person or organization submitting the complaint, unless submitted anonymously;
 - (c) Contain a concise statement of the facts, transaction, or occurrence upon which it is based; and
 - (d) Include exhibits or other documents, if applicable.
- (3) If the board receives an anonymous complaint, it shall conduct an initial investigation to determine whether a formal investigation is warranted.

Section 2. Answer by Respondent.

- (1) The credential holder or Appraisal Management Company listed by the complainant on the complaint shall be the Respondent. If more than one credential holder or Appraisal Management Company is listed on the complaint, each credential holder and Appraisal Management Company shall be a Respondent.
- (2) The board shall serve a complaint on each Respondent at the last known address of the Respondent by certified mail, return receipt requested.
- (3) A Respondent shall submit to the board an answer to the complaint within twenty (20) days after the complaint is certified mailed to the Respondent.
- (4) The Respondent shall serve a copy of the answer on the complainant, by certified mail, return receipt requested, to the address listed by the complainant on the complaint, unless the complainant is anonymous.
- (5) A Respondent may submit to the board a written request for an extension of time to answer a complaint for good cause which shall include extenuating circumstances outside the control of the Respondent.
 - (a) For requests of extensions of time up to twenty (20) days, staff may grant an extension of time to answer a complaint up to twenty (20) days for good cause shown; or,

(b) For requests of extensions of time longer than twenty (20) days, the request shall be reviewed by the chair of the board whereby the chair of the board shall approve the request, deny the request, or refer the request to the full board at its next meeting for a decision whether to approve or deny the request.

Section 3. Formal Investigation.

- (1) The board shall retain an investigator, in accordance with KRS 324A.015(7)(a), to commence an investigation of the facts alleged in a complaint:
 - (a) Upon receipt of a complaint and an answer; or
 - (b) Upon expiration of the period established in Section 2(3) of this administrative regulation if an extension is not requested by the Respondent.
- (2) The investigator shall prepare a written investigative report for the board.

Section 4. Complaint Review by the Board.

- (1) The board shall dismiss a complaint if the facts stated in the complaint fail to establish a violation of KRS Chapter 324A or 201 KAR Chapter 050.
- (2) The board shall dismiss a complaint if after review of the complaint, answer, and investigative report, the board finds no grounds for discipline under KRS 324A.050 or KRS 324A.162.
- (3) The board shall notify the complainant and the Respondent in writing if it dismisses the complaint.

Section 5. Disciplinary Proceedings.

- (1) To commence disciplinary action against the Respondent, the board shall issue a notice of administrative hearing to the Respondent in accordance with KRS Chapter 13B.
- (2) An administrative hearing shall be conducted in accordance with KRS Chapter 13B by a hearing officer.
- (3) The hearing officer shall issue a recommended order in accordance with KRS Chapter 13B.
- (4) In accordance with KRS Chapter 13B, the board shall review the recommended order of the hearing officer and shall issue a recommended order of the board.

Section 6. Settlement by Informal Proceedings. The board, through counsel, as described by in KRS 324A.020(2), may, at any time during this process, enter into informal proceedings with the Respondent for the purpose of appropriately dispensing with the matter. Any agreed order or settlement reached through this process shall be approved by the board and signed by the Respondent and the chairman of the board.

Section 7. Investigation Appeal. Within thirty (30) days of notification of final disciplinary action, the Respondent may challenge the qualifications of the investigator as stated in KRS 324A.015(7)(a) in writing. The written challenge shall identify the deficient statutory qualifications and include any supporting documentation. The board will review the written challenge at its next regularly scheduled board meeting.

Section 8. Incorporation by Reference.

- (1) The following material is incorporated by reference:
 - (a) "Complaint Form-Appraiser," KRPAB Form 014, July 2026; and
 - (b) "Complaint Form-Appraisal Management Company," KRPAB Form 015, July 2026.
- (2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Real Property Appraisers Board, 500 Mero Street, Frankfort, Kentucky 40601, (502) 564-4000, Monday through Friday, 8 a.m. to 4:30 p.m. Eastern Time, and is available on the board website, krpab.ky.gov. 201 KAR 050:160

COMPILER'S NOTE: 2025 RS HB 6, enacted by the General Assembly on March 27, 2025, altered the information to be provided at the time an administrative regulation is filed.

Aside from formatting changes necessary to upload the regulation into the LRC's publication application, this regulation has been published as submitted by the agency.

TOM VEIT, Director

APPROVED BY AGENCY: July 15, 2026

FILED WITH LRC: July 15, 2026 at 11:47 a.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on September 30, 2026, at 1:00 P.M. Eastern Time at the Mayo-Underwood Building, Room 247CE, 500 Mero Street, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be canceled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through September 30, 2026. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Name: Tom Veit, Title: Executive Director, Agency: Kentucky Real Property Appraisers Board Address: 500 Mero Street Phone Number: (502) 564-4000 (office) Fax: (502) 564-4818 Email: Tom.Veit@ky.gov Link to PPC public comment portal: https://ppc.ky.gov/reg_comment.aspx.