§ 160-aaaa. Definitions. As used in this article, the following terms shall have the following meanings:

1. "Appraisal" or "real estate appraisal" means an analysis, opinion or conclusion relating to the nature, quality, value or utility of specified interests in, or aspects of, identified real estate. An appraisal may be classified by subject matter into either a valuation or an analysis.

2. "Appraisal management company" or "AMC" means an individual or business entity that:

(a) provides appraisal management services to creditors or to secondary mortgage market participants, including affiliates;

(b) provides such services in connection with valuing a consumer's real property as security for consumer credit transactions secured by a consumer's principal dwelling; and

(c) within a given year, oversees an appraisal panel of more than fifteen appraisers working in New York state or twenty-five or more appraisers working in two or more states. An AMC shall not include a department or division of an entity that provides appraisal management services only to that entity.

3. "Appraisal management services" means to, directly or indirectly, provide any of the following services on behalf of a lender, financial institution, client, or any other person in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating such transactions into securitizations:

(a) administer an appraiser panel;

(b) recruit, retain or select appraisers;

(c) qualify or verify licensing or certification and negotiate fees and service level expectations with persons who are part of an appraiser panel;

(d) contract with appraisers to perform appraisal assignments;

(e) receive an order for an appraisal from one person, and deliver the order for the appraisal to an appraiser that is part of an appraiser panel for completion;

(f) manage the process of having an appraisal performed, including

providing administrative duties, such as receiving appraisal orders and reports, submitting completed appraisal reports to creditors and underwriters for services provided, and reimbursing appraisers for services performed;

(g) track and determine the status of orders for appraisals;

(h) conduct quality control of a completed appraisal prior to the delivery of the appraisal to the person that ordered the appraisal;

(i) provide a completed appraisal performed by an appraiser to one or more clients; or

(j) compensate appraisers for services rendered.

An individual who hires an appraiser solely for his or her own purposes, shall not be deemed an appraisal management company.

4. "Appraiser" means a person licensed or certified pursuant to article six-E of this chapter.

5. "Appraiser panel" means a network, list or roster of licensed or certified appraisers approved by the appraisal management company to perform appraisals as independent contractors of the appraisal management company.

6. "Appraisal review" means the act or process of developing and communicating an opinion about the quality of another appraiser's work that was performed as part of an appraisal assignment. Appraisal reviews must be performed by a person who is certified as a real estate appraiser pursuant to article six-E of this chapter.

7. "Board" means the state board of real estate appraisal which shall advise the department, as necessary, on implementation of, and enforcement of this article.

8. "Competent appraiser" means an appraiser that satisfies each provision of the competency rule of the uniform standards of professional appraisal practice for a specific appraisal assignment or valuation service that the appraiser has received, or may receive, from an appraisal management company.

9. "Controlling person" means:

(a) an owner, officer or director of an appraisal management company, or an individual who holds an ownership interest of ten percent or more of such company;

(b) an individual employed, appointed or authorized by an appraisal management company that has the authority to enter into a contractual relationship with other persons for the performance of appraisal management services and has the authority to enter into agreements with appraisers for the performance of appraisals; or

(c) an individual who possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of an appraisal management company.

10. "Department" means the New York state department of state.

11. "Hybrid firm or entity" means an entity that hires both real estate appraisers as employees to perform appraisals of real property, and engage independent contractors to perform such appraisals. A hybrid firm or entity shall be treated as an AMC for purposes of state registration if it oversees more than fifteen real estate appraisers completing valuation services in an individual state or twenty-five or more real estate appraisers in two or more states within a given year. The numerical calculation for a hybrid firm or entity should only include real estate appraisers engaged as independent contractors.

12. "Person" means an individual, partnership, corporation, or any other entity recognized under New York state law.

13. "Real estate" means an identified parcel or tract of land, including improvements, if any.

14. "Real property" means the interest, benefits, and rights inherent in the ownership of real estate.

15. "Uniform standards of professional appraisal practice" or "USPAP" means the appraisal standards promulgated by the appraisal standards

board of the appraisal foundation.

16. "Secondary mortgage market participant" means a guarantor or insurer of mortgage-backed securities, or an underwriter or issuer of mortgage-backed securities. Secondary mortgage market participant only includes an individual investor in a mortgage-backed security if that investor also serves in the capacity of a guarantor, insurer, underwriter, or issuer for such mortgage-backed security.