Introduction to AMC Legislation
Effective April 27, 2019, AMCs operating within the State of New York will be required to register with the Department of State (the “Department”).

To help AMCs and other interested parties understand the new law that established this registration requirement and certain requirements that are specific to New York State, the Department has prepared this informational guidance. Please visit our website at www.dos.ny.gov periodically for important updates.

What are AMCs?
An AMC is 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.
NY CLS Exec § 160-aaaa(2)

What Services Do AMCs Provide?
AMCs may engage in any of the following activities 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.
NY CLS Exec § 160-aaaa(3).

ARE THERE SPECIFIC RULES ABOUT HOW AMCS WORK AND WHO AMCS CAN HIRE?
Yes, Article 6-H of the New York Executive Law, which established the registration requirements for AMCs, has many specific rules concerning how AMCs are permitted to operate.

For example, Section 160-jjjj(3) makes it unlawful for an AMC to: “hire, employ or engage, or in any way contract with or pay a person who is not licensed or certified as a real estate appraiser by the department pursuant to article six-E of this chapter for the purposes of performing an appraisal….”

AMCs are not prohibited from “hiring, employing, engaging or contracting with or paying a person to perform a property inspection, or property evaluation if they are licensed as an appraiser, a real estate broker including associate real estate brokers and real estate salespersons pursuant to article twelve-A of the real property law or a home inspector pursuant to article twelve-B of the real property law, or a person to perform a broker price opinion if they are licensed as a real estate broker including associate real estate brokers and real estate salespersons pursuant to article twelve-A of the real property law.”

IF I HAVE QUESTIONS WHERE CAN I GET HELP?
If you have questions regarding the new AMC legislation, please email them to the Department at: licensing@dos.ny.gov or contact 518-474-4429. Call Center Representatives are available from 8:45am to 4:30pm Monday through Friday except on Legal Holidays.