

Appraisers & Gramm-Leach-Bliley

By Pat Butler

Most appraisers have heard of Gramm-Leach-Bliley (Privacy Act) but few understand their obligations under the Act.

Appraisers have disclosure obligations under Gramm-Leach-Bliley (GBL) when they are hired directly by a consumer to conduct an appraisal. Compliance means disclosing to the clients whether any of their nonpublic personal information will be disclosed to any third parties.



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In the normal course of business, very few appraisers intentionally share non-public personal information about their clients. But it is possible for this data to be disclosed to a third party when an appraiser begins research on the subject property.

For example, let's say that the subject property consists of an illegal use. Perhaps the appraiser needs to call the zoning department for clarification about whether the use is indeed legal or illegal. That phone call might prompt the zoning authority to research the issue further, which might necessitate an inspection of the subject property. This might not be what the client intended.

**Appraisers
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obligations under
Gramm-Leach-
Bliley (GBL).**

To comply with GBL and to avoid possible conflicts with your clients, it is import to disclose to them ahead of time possible circumstances that might result in the disclosure of their non-public private information to third parties.

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