

Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 17, 2010

Mr. Charles Bramlet, Chair
Georgia Real Estate Appraisers Board
International Tower, Suite 1000
229 Peachtree Street NE
Atlanta, GA 30303-1605

Dear Mr. Bramlet:

Thank you for your cooperation and your staff's assistance in the December 10, 2009 Appraisal Subcommittee (ASC) Follow-Up to the May 2008 ASC Compliance Review of Georgia's appraiser regulatory program (Program). Attached is the ASC Staff Follow-Up Report (Report).

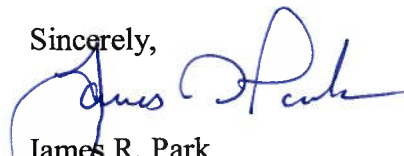
The Georgia Real Estate Appraiser Board (Board) was notified by letter dated December 22, 2008, that Georgia's Program was not in substantial compliance with Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989, as amended. The ASC further notified the Board of the following concerns:

- Georgia must issue temporary practice permits for a minimum of six months and allow at least one easy extension of a temporary practice permit.¹
- Georgia must use a reliable means of validating experience claims on all initial applications, including tax assessors.²
- Georgia should resolve complaints within one year, except for special documented circumstances.³

As detailed in the attached Report, one of the three concerns was resolved. Significant progress was made towards addressing the remaining concerns.

Please be advised this letter and the attached Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



James R. Park
Executive Director

Attachment

cc: Mr. Jeffrey Ledford, Commissioner

¹ Title XI § 1118 (a), 12 U.S.C. 3347; Title XI § 1122 (a), 12 U.S.C. 3351; ASC Policy Statement 5

² Title XI § 1116 (a), 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria; ASC Policy Statement 10G

³ Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E

ASC Staff Follow-Up Report: 2008 ASC Compliance Review

Georgia Appraiser Regulatory Program (Program)		
Georgia Real Estate Appraiser Board (Board)	Date of Follow-Up: December 10, 2009	Follow-Up Report Issue Date: February 17, 2010
Umbrella Agency: Georgia Real Estate Commission	Final Compliance Review: May 20-21, 2008	
Number of State Credentialed Appraisers on National Registry: 1389	PM: N. Fenochietti	

Requirement/Guidance	State Required Actions from the December 22, 2008 ASC Compliance Review Letter	Current Status as of December 10, 2009 Follow-Up	Further Required Actions/Comments
Temporary Practice:			
States must issue temporary practice permits for a minimum of six months and allow at least one easy extension of a temporary practice permit. (Title XI § 1118 (a), 12 U.S.C. 3347; Title XI § 1122 (a), 12 U.S.C. 3351; ASC Policy Statement 5.)	Georgia was required to provide the ASC with a plan to ensure a non-resident applicant applying for temporary practice purposes is issued a credential for at least six months with an easy extension.	Georgia provided a written plan to address this concern in their February 20, 2009 letter to the ASC. Georgia implemented the plan that now provides for the issuance of a temporary practice permit valid for six months, or, at the election of the applicant, a non-resident credential. The temporary practice permit is issued with an automatic six-month extension, and is valid for one assignment which may include more than one property.	<p>Further Required Actions: None.</p> <p>Comments: During the next Review, ASC will pay particular attention to this area for compliance with ASC Policy Statement 5.</p>
Application Process:			
States must use a reliable means of validating experience claims on all initial applications, including tax assessors. (Title XI § 1116 (a), 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria; ASC Policy Statement 10G.)	Georgia was required to: (1) Take steps to ensure full compliance with ASC Policy Statement 10G as amended and effective October 1, 2008, regarding any applications for certification received on or after that date; and (2) Provide the ASC with a written plan regarding how the State will comply with step one above.	<p>Georgia provided a written plan to address this concern in their February 20, 2009 letter to the ASC. Georgia is selecting and reviewing two work samples of all applicants who have been credentialed since October 1, 2008, as directed by the ASC. Review of all applicants through August 2009 was targeted for completion by the end of December, 2009.</p> <p>Initially, Georgia was falling short of the response deadline determined by the ASC. However, they are now on target and working diligently toward permanently resolving the issue.</p>	<p>Further Required Actions: The Board must: (1) Implement the newly developed work sample review process for all applicants prior to the issuance of the credential sought; and (2) Ensure the experience log includes all of the information required by the AQB Criteria, including scope of supervision and the supervising appraiser's signature and credential number.</p> <p>Comments: The Board should maintain all records demonstrating compliance with credential qualification in the same file, either paper or electronic.</p> <p>During the next Review, the ASC expects to see this area of concern in complete compliance with AQB Criteria and ASC Policy Statement 10G.</p>

ASC Staff Follow-Up Report: 2008 ASC Compliance Review

Georgia Appraiser Regulatory Program (Program)		
Georgia Real Estate Appraiser Board (Board)	Date of Follow-Up: December 10, 2009	Follow-Up Report Issue Date: February 17, 2010
Umbrella Agency: Georgia Real Estate Commission	Final Compliance Review: May 20-21, 2008	
Number of State Credentialed Appraisers on National Registry: 1389	PM: N. Fenochietti	

Requirement/Guidance	State Required Actions from the December 22, 2008 ASC Compliance Review Letter	Current Status as of December 10, 2009 Follow-Up	Further Required Actions/Comments
Enforcement:			
States should resolve complaints within one year, except for special documented circumstances. (Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E.)	<p>Georgia was required to:</p> <p>(1) Reduce the backlog of aged complaints to attain acceptable levels as required by ASC Policy Statement 10E; and</p> <p>(2) Forward quarterly complaint logs to ASC staff to allow monitoring of the Board's progress.</p>	<p>As of December 10, 2009, Georgia had 261 outstanding complaints; 67 were unresolved for more than one year. This represents a 20% reduction from the 86 aged complaints outstanding during the May 2008 Compliance Review.</p> <p>Complaint processing time improved. Complaint investigation and resolution appears to be fair and equitable.</p>	<p>Further Required Actions:</p> <p>The Board must:</p> <p>(1) Continue to reduce the backlog of aged complaints to attain acceptable levels, as required by ASC Policy Statement 10E; and</p> <p>(2) Continue to forward quarterly complaint logs to ASC staff to allow monitoring of the Board's progress towards addressing this situation.</p> <p>Comments:</p> <p>The Board continues to move in the right direction. During the next Review, the ASC expects to see an improvement in Georgia's complaint, investigation and resolution program.</p> <p>Although one investigator left service, the Board is improving the overall complaint and investigation process, and closing more cases than was noted during the previous Compliance Review. The staff was very cooperative and dedicated to resolving this issue.</p>