

March 4, 2025

Via Email

Noura Eltabbakh, Staff Attorney
Office of Professional Regulation
89 Main Street, 3rd Floor
Montpelier, VT 05620
Noura.Eltabbakh@vermont.gov

RE: ASC Compliance Review of Vermont's Appraisal Management Company (AMC)
Regulatory Program

Dear Noura Eltabbakh:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Vermont AMC regulatory program (AMC Program) on May 14-16, 2024, to determine the AMC Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The AMC Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

The ASC identified the following areas of non-compliance:

- States must establish and maintain an AMC Program with the legal authority and mechanisms to determine that an AMC oversees an appraiser panel consistent with the AMC Rule;² and
- States must ensure the accuracy of all data submitted to the AMC Registry.³

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Vermont will remain on a two-year Review Cycle.

¹ 12 U.S.C. §§ 3331-3356.

² 12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.

³ 12 U.S.C. § 3347; Policy Statement 9.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read "M Ponzar", written in a cursive style.

Matt Ponzar
Acting Executive Director

Attachment

cc: Judith Roy, Licensing Administrator, Judith.Roy@vermont.gov

ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> • State meets all Title XI mandates and complies with requirements of ASC Policy Statements • State maintains a strong regulatory Program • Very low risk of Program failure 	2-year
Good	<ul style="list-style-type: none"> • State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements • Deficiencies are minor in nature • State is adequately addressing deficiencies identified and correcting them in the normal course of business • State maintains an effective regulatory Program • Low risk of Program failure 	2-year
Needs Improvement	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program • State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies • State regulatory Program needs improvement • Moderate risk of Program failure 	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> • State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements • Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program • State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing • State regulatory Program has substantial deficiencies • Substantial risk of Program failure 	1-year
Poor**	<ul style="list-style-type: none"> • State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements • Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program • State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies • High risk of Program failure 	Continuous monitoring

*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

**An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State AMC Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: March 4, 2025

Vermont AMC Regulatory Program (State)					
Vermont Board of Real Estate Appraisers (Board) - Advisory		PM: K. Klamet		ASC Compliance Review Date: May 14-16, 2024	
Umbrella Agency: Office of Professional Regulation			Number of AMCs on AMC Registry: 96		Review Period: October 2021 to May 2024
Review Cycle: Two Year					

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X					
States must establish and maintain an AMC Program with the legal authority and mechanisms to determine that an AMC oversees an appraiser panel consistent with the AMC Rule. (12 CFR 34.210 – 34.216; 12 CFR 225.190 – 225.196; 12 CFR 323.8 -323.14; 12 CFR 1222.20 – 1222.26; Policy Statement 8.)				A review of the State's Statutes revealed the following inconsistencies with Title XI: (1) The State exempts AMCs from registration unless they meet the panel size at all times during a calendar year when the threshold should be cumulative; (2) the State definition of a panel of 25 or more state licensed or state certified appraisers does not include the requirement that the total is in two or more States.	On October 18, 2024, the State reported that Vermont has not codified a definition of AMC subtypes in statute and the administrative rules are outdated and do not mention AMC subtypes. At the same time, the State reported that to remedy this deficiency, the Office of Professional Regulation will amend the language used in the registration and renewal applications to clearly define the panel size threshold as cumulative and that a panel of 25 or more must be in two or more States.	The State must begin the process to amend its statutes to bring them into compliance with the AMC Rule, and provide ASC staff with a copy once finalized.	ASC staff will monitor this required action and pay particular attention to this area during the next Compliance Review.
National Registry:		X					
States must ensure the accuracy of all data submitted to the AMC Registry. (12 U.S.C. § 3347; Policy Statement 9.)				The State failed to report 4 AMCs to the AMC Registry.	On October 18, 2024, the State reported that, moving forward, the Licensing Administrator will perform an assessment of the AMC applications to determine whether or not the AMC must be reported to the AMC Registry.	The State must monitor its revised procedures for reporting AMC information to the AMC Registry.	During the next Compliance Review, ASC staff will pay particular attention to this area.
Enforcement:	X						
				No compliance issues noted.	N/A	None	None