

March 19, 2025

**Via Email**

Diana Piechocki, Director  
State Board of Appraisers, Abstracters, and Home Inspectors  
Department of Labor and Licensing  
900 West Capitol Avenue, Suite 400  
Little Rock, AR 72201  
[Diana.Piechocki@arkansas.gov](mailto:Diana.Piechocki@arkansas.gov)

RE: ASC Compliance Review of Arkansas' Appraiser Regulatory Program

Dear Diana Piechocki:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Arkansas appraiser regulatory program (Appraiser Program) on October 22-24, 2024, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

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

The ASC identified the following areas of non-compliance:

- States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought;<sup>2</sup>
- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria;<sup>3</sup> and
- States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances.<sup>4</sup>

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

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B, C.

<sup>3</sup> 12 U.S.C. § 3347; Policy Statement 6 A.

<sup>4</sup> 12 U.S.C. § 3347; Policy Statement 7 B.

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: Steve Guntharp, Chief of Staff, [Steve.Guntharp@arkansas.gov](mailto:Steve.Guntharp@arkansas.gov)

## ASC Finding Descriptions

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

**ASC Finding: Good**

Final Report Issue Date: March 19, 2025

<b>Arkansas Appraiser Regulatory Program (State)</b>			
<b>State Board of Appraisers, Abstracters, and Home Inspectors (Board)</b>	PM: K. Klamet	ASC Compliance Review Date: October 22-24, 2024	Review Period: March 2022 to October 2024
<b>Umbrella Agency: Arkansas Department of Labor and Licensing</b>		<b>Number of State Credentialed Appraisers on Appraiser Registry: 891</b>	<b>Review Cycle: Two Year</b>

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b>	X			No compliance issues noted.	N/A	None	None
<b>Temporary Practice:</b>	X			No compliance issues noted.	N/A	None	None
<b>National Registry:</b>	X			No compliance issues noted.	N/A	None	None
<b>Application Process:</b>		X		The State did not verify completion of continuing education (CE) requirements for credentials issued by reciprocity. The State only verified that the reciprocal licensee had an active credential on the Appraiser National Registry.	On March 5, 2025, the State reported that it verified both the National Registry and CE course completion certificates for non resident appraisers on a one-year CE cycle that were licensed by reciprocity.  At the same time, the State reported that it is changing its renewal dates for non resident appraisers to match the requirements of resident appraisers through a rule change.	The State must ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
<b>Reciprocity:</b>	X			No compliance issues noted.	N/A	None	None
<b>Education:</b>		X		AQB Criteria requires CE courses to cover real property related appraisal topics. The State approved 2 CE courses without sufficient documentation in the file to determine the appropriateness of the content.	On March 5, 2025, the State reported that its board reviewed and determined the courses satisfied the approved Real Property Appraiser Qualification Criteria for CE.	The State must ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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	YES	NO	AC				
<b>Enforcement:</b>		X					
States must resolve all complaints filed against appraisers within one year (12 months) of the complaint filing date in the absence of special documented circumstances. (12 U.S.C. § 3347; Policy Statement 7 B.)				The State had 11 aged complaints, 3 which were unresolved for more than 1 year and 1 which was unresolved for more than 2 years, without exemptions for special documented circumstances.	On March 5, 2025, the State reported that 3 of the 4 aged complaints were closed after the State submitted its original documents for the Review. The other aged complaint was due to the lack of response from the respondent.  At the same time, the State reported that it received an ASC grant that was used to hire a contract investigator that assisted staff to work on the backlog of complaints.	The State must monitor its revised processes to ensure complaints are resolved timely and the backlog of aged complaints is eliminated.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.