

March 24, 2025

Via Email

Brendan Hughes, First Executive Deputy Secretary of State
Division of Licensing Services
New York State Department of State
One Commerce Plaza
99 Washington Avenue, 5th Floor
Albany, NY 12201
Brendan.Hughes@dos.ny.gov

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

Dear Brendan Hughes:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the New York AMC regulatory program (AMC Program) on November 19-21, 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 area of non-compliance:

- States must ensure the accuracy of all data submitted to the AMC Registry.²

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. New York will remain on a two-year Review Cycle. The final ASC Compliance Review Report (Report) of the New York AMC Program is attached.

¹ 12 U.S.C. §§ 3331-3356

² 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: Whitney Clark, Deputy Secretary of State for Business Development,
Whitney.Clark@dos.ny.gov

Jodi DeLollo, Director, Division of Licensing Services, Jodi.DeLollo@dos.ny.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 24, 2025

New York AMC Regulatory Program (State)			
New York State Board of Real Estate Appraisal (Board)	PM: M. Brown	ASC Compliance Review Date: November 19-21, 2024	Review Period: December 2022 to October 2024
Umbrella Agency: Department of State, Division of Licensing Services		Number of AMCs on AMC Registry: 169	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 have funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 8.)				The 9 member board has 4 vacant positions. During the Compliance Review period, 4 out of the 6 meetings held did not have a quorum. This concern was also identified in the 2020 Final Compliance Review Report.	On March 6, 2025, the State reported the New York Real Estate Appraiser Regulatory Program board's authority does not extend to the AMC Regulatory Program. The board's limited role pertaining to the AMC Program is to advise on its implementation and enforcement.	The State should continue the process to secure additional members for the board.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
National Registry:		X					
States must ensure the accuracy of all data submitted to the AMC Registry. (12 U.S.C. § 3347; Policy Statement 9.)				<p>The State failed to report 3 AMCs to the AMC Registry.</p> <p>18 AMC names listed on the AMC Registry do not match the State's AMC registration names.</p> <p>29 AMCs hold active registrations in the State but are listed as inactive on the AMC Registry.</p>	<p>On March 6, 2025, the State reported 3 AMCs submitted applications indicating unlicensed activity that resulted in an investigation. It was determined that 2 of the AMCs did not require a license during the prior term and 1 is still pending.</p> <p>At the same time, the State reported that it reviewed the 18 AMC names that do not match the AMC Registry and found that 4 records needed to be corrected.</p> <p>The State went on to report that the 29 AMCs listed as inactive on the AMC Registry with active State registrations were due to the fact that registration terms in the State are for 2 years, while the AMC Registry term is for 1 year. Although the State license term is 2 years, AMCs are required to submit an annual AMC roster to the State. The State reported that it had updated its policy to send electronic reminders to State registered AMCs, and 1 of the 29 AMCs' State registrations had expired, 12 had submitted updated rosters that the State used to update the AMC Registry, and 16 failed to file an annual roster.</p>	<p>Within 60 days, the State must provide ASC staff sufficient documentation to show that the State registered AMC meets the federal definition to be eligible to be on the AMC Registry; or that the State took appropriate action.</p> <p>Within 60 days, the State must provide ASC staff with its updated policy that ensures the accuracy of all data submitted to the AMC Registry.</p>	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:	X			No compliance issues noted.	N/A	None	None