

■ ■ ■ ■ ■ ■

Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 18, 2005

To: State Appraiser Regulatory Agency Officials

Subject: State Field Contacts

The Appraisal Subcommittee (“ASC”) recently formalized the types of State field contacts it performs and added a new contact to that process called “Priority Contact.” The types of field contacts performed by ASC staff follow:

- Three-year Field Review - Full on-site review of a State's appraiser regulatory program and an assessment of its compliance with Title XI;
- 18-month Field Review - Full on-site review of a State's appraiser regulatory program and an assessment of its compliance with Title XI. States are placed on an 18-month review cycle when conditions within the State warrant closer, more frequent on-site supervision by the ASC;
- Follow-up Review - On-site review focusing on specific areas of concern noted in the previous field review. Follow-up reviews usually will be conducted within 6-12 months of the previous field review;
- Early Warning System Contact - On-site contact resulting from a "trigger" event, such as: significant State legislative change; replacement of all or most of the State appraiser board; etc.; and
- Priority Contact - On-site contact, designed for risk management purposes, when a State's program has a significant impact on the nation's appraiser regulatory system. The primary purposes of the contact will be to review topical issues, evaluate overall compliance issues, and maintain a close working relationship with the State. States selected for priority contacts usually will be States with large populations of State licensed and certified appraisers.

Please contact us if you have any questions.

Sincerely,

Ben Henson
Executive Director