

■   ■   ■   ■   ■   ■

# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

April 4, 2005

Louis J. Garone, Chair  
Board of Real Estate Appraisers  
Department of Commerce and Insurance  
1900 Grant Street, Suite 600  
Denver, CO 80203

Dear Mr. Garone:

Thank you for your March 11, 2005 letter to Appraisal Subcommittee (“ASC”) Chairman Virginia Gibbs. In your letter, you communicated the Board of Real Estate Appraisers’ (“Board”) plan for implementing the 2008 Appraiser Qualifications Board (“AQB”) criteria changes. You asked whether the Board’s plan was acceptable to the ASC.

In short, your plan, as presented in your March 11<sup>th</sup> letter, is acceptable. A more thorough response to your questions follows.

You stated that Colorado has chosen to follow the “Firm Date” scenario for implementing the 2008 AQB criteria. Your plan is that all “complete, properly documented applications” received on or before December 31, 2007, will be processed under the current (*i.e.*, pre-2008) AQB criteria. We concur that this is the proper implementation of the Firm Date scenario.

The term “complete, properly documented application” warrants further discussion. We consider a complete application to be an application accompanied by all necessary supporting documentation to enable the State to make a credential issuance decision at a given point in time. Supporting documentation would include not only adequate experience, education, and examination documentation, but also such documents as letters of good standing or license histories from other States, reviews of applicant work products (*e.g.*, appraisal reports), and any other documents and/or actions determined necessary by the State to make a final credential issuance decision.

You discussed two factors that could cause Colorado to receive a completed application on or before December 31, 2007, and to issue the credential in 2008:

First, you explained that both appraiser and real estate broker credentials expire on December 31<sup>st</sup> annually, and that renewing existing credentials takes precedence over new credential applications. As a result, credentials for some applications received in November and December 2007, might not be issued until January 2008; and

Second, you explained Colorado’s “deferred license issue” program, wherein an individual submitting an application in November or December may elect to have the credential issued with a January 1 effective date. This program allows an applicant to avoid having a credential issued in November or December only to expire December 31<sup>st</sup>.

You conclude your discussion of these two factors by stating that all complete, properly documented applications received in November or December 2007, will be reviewed and the credentials issued by the end of January 2008.

We consider Colorado's consideration of the factors discussed above to be reasonable and prudent. Provided the credentials for associated applications are issued not later than January 31, 2008, we would not object to the Board's implementation plan.

We very much appreciate your initiative to share your implementation plan with us. Cooperative efforts such as this will go a long way toward helping to ensure a smooth transition to the 2008 AQB criteria. We hope other States follow your example.

Sincerely,

Ben Henson  
Executive Director