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Appraisal Subcommittee

Federal Financial Institutions Examination Council

March 21, 2011

Mr. Daniel Bradley, Chairman
Pennsylvania Board of Certified
Real Estate Appraisers
2601 North Third Street
Harrisburg, PA 17110

RE: Appraisal Subcommittee Staff Follow-Up Review

Dear Mr. Bradley:

Thank you for your cooperation and your staff's assistance in the February 25, 2011 Appraisal Subcommittee (ASC) staff Follow-up Review. This was a Follow-up Review of the July 28, 2010 ASC Compliance Review of Pennsylvania's appraiser regulatory program.

As detailed in the attached Follow-up Report, Pennsylvania has made significant progress toward addressing the concerns identified in the July 28, 2010 Compliance Review Report. We commend Pennsylvania's Program for its efforts, and particularly the progress made to improve the timeliness of complaint dispositions.

This letter and the attached Follow-up Report are public record and available on the ASC website in accordance with the Freedom of Information Act. Please contact us if you have any questions.

Sincerely,



James R. Park
Executive Director

Attachment

ASC Staff Follow-Up Report: 2010 Compliance Review

Pennsylvania Appraiser Regulatory Program (Program)		
Board of Certified Real Estate Appraisers (Board) / Decision Making or Advisory	Follow-Up Review Date: February 25, 2011	Follow-Up Report Issue Date: March 21, 2011
Umbrella Agency: Department of State, Bureau of Professional and Occupational Affairs	ASC Compliance Review Date: January 12-14, 2010	
Number of State Credentialed Appraisers on National Registry: 3305	PM: V. Ledbetter-Metcalf	

Requirement/Guidance	ASC Staff Assessment Compliance (YES/NO) Areas of Concern (AC)			Required/Recommended State Actions from the July 28, 2010 Compliance Review	Status as of February 25, 2011 Follow-Up	Further Required Actions/Comments
	Yes	No	AC			
Education:		X				
States must ensure appraiser continuing education courses are consistent with AQB Criteria. (Title XI § 1116 (a), 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria.)				The Required State Action in the ASC Compliance Review Report (ASC Report) instructed the Bureau staff to review its approved course listings for both qualifying and continuing education to ensure all courses approved meet current Appraiser Qualifications Board (AQB) Real Property Appraiser Qualification Criteria (AQB Criteria), including the proper IDECC distance education approvals. Courses that do not meet AQB Criteria must be removed from the approved list or reported on the list as "expired." The Bureau was also encouraged to establish expiration dates for appraiser courses to ensure the course content remains current and appropriate.	On September 17, 2010, Bureau staff sent a letter to all approved course providers requesting they update the status of courses approved by the Board prior to January 1, 2008, by indicating if the courses are still offered. The letter required the providers to submit a course syllabus and outline for all active courses. The Board staff, in conjunction with a Board member, began evaluating all responses on October 16, 2010, and expects to complete the process by or before April 30, 2011. All courses will expire on October 16, 2013, and may be renewed. Courses that have been approved by the International Distance Education Certification Center (IDECC) or AQB Course Approval Program (CAP) will expire on the date those approvals expire.	Further Required Actions: Provide ASC staff a copy of the revised course listing once completed. Comments: None

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Enforcement:		X				
States should resolve all complaints filed against appraisers within one year, except for special documented circumstances. (Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E.)				The Required State Action in the ASC Report directed the Bureau to continue sending quarterly complaint case logs to allow ASC staff to monitor the State's progress in addressing concerns.	The Bureau staff submitted quarterly complaint case logs to the ASC staff timely. The enforcement program is steadily showing signs of improvement. The number of outstanding complaints, and specifically the number of outstanding complaints that have been in process for more than a year, have decreased 37% and 3% respectively. The Bureau received 122 complaints between January 2010 and January 2011. The State had 117 outstanding complaints; specifically two from 2005, one from 2006, six from 2007, 17 from 2008, 38 from 2009, and 58 from 2010. Four of the 117 cases are deemed Special Documented Circumstances as one case is highly complex involving 16 appraisal reports, and the respondents in the remaining three cases are being criminally pursued. Bureau staff is closely monitoring their progress.	Further Required Actions: Continue to provide quarterly complaint logs to ASC staff. Comments: None