

Appraisal Subcommittee

Federal Financial Institutions Examination Council

September 18, 2013

Mr. Robert E. Praytor, Administrator
Mississippi Real Estate Appraiser Licensing & Certification Board
P O Box 12685
Jackson, MS 39236

RE: ASC Compliance Review of Mississippi's appraiser regulatory program

Dear Mr. Praytor:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Mississippi appraiser regulatory program on April 9 - 11, 2013. This is the final ASC Compliance Review Report (Report) on that Review.

The ASC has considered the preliminary findings regarding the Review and the State's response. Although the attached Report references areas of concern, the ASC has determined the Program is in substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended. Mississippi will remain on a two-year Review Cycle.

This letter and the attached 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,



Arthur Lindo
Chairman

Attachment

cc: Mr. Michael E. McGee, Deputy Director
Ms. Holly Hood, Administrative Assistant

“ASC Finding” Defined for ASC Compliance Review Report

1. IN SUBSTANTIAL COMPLIANCE

Applies when no issues of non-compliance or violations of Title XI, ASC Policy Statements or AQB Criteria are identified.

2. NOT IN SUBSTANTIAL COMPLIANCE

Applies when there are one or more issues of non-compliance or violations of Title XI, ASC Policy Statements and/or AQB Criteria but the concerns do not rise to the level of “not in compliance.”

3. NOT IN COMPLIANCE

Applies when the number, seriousness, and/or repetitiveness of the Title XI, ASC Policy Statements and/or AQB Criteria violations warrant this finding.

ASC Compliance Review Report

ASC Finding: In Substantial Compliance

Final Report Issue Date: September 18, 2013

Mississippi Appraiser Regulatory Program (Program)

Mississippi Real Estate Appraiser Licensing and Certification Board (Board) / Decision Making

PM: K. Klamet

ASC Compliance Review Date: April 9-11, 2013

Review Period: April 2011 to April 2013

Umbrella Agency: Mississippi Real Estate Commission

Number of State Credentialed Appraisers on National Registry: 1,269

Review Cycle: Two Year

Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
Mississippi Statutes, Regulations, Policies and Procedures:	X							
States must adopt and/or implement all relevant AQB Real Property Appraiser Qualification Criteria. (Title XI § 1116, 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria.)				<p>A review of the Mississippi Real Estate Appraiser Licensing and Certification Board rules (Rules) revealed the following inconsistencies with the AQB Criteria regarding: (1) experience credit hours; (2) experience credit scope of review; and (3) examinations.</p> <p>AQB Criteria requires that verification forms for experience credit claimed by an applicant include the number of actual work hours by the trainee/applicant on each assignment. Rule 2.8, provides that each appraisal having four or more signers accepting responsibility for the report shall be awarded credit for an appraisal based on the appropriate hours documented divided by the number of signers.</p> <p>AQB Criteria requires that experience credit verification forms include a description of work performed by the trainee/applicant and the scope of the review and supervision of the supervising appraiser. Rule 11.6 4., does not require the trainee/applicant to include the scope of the review and supervision of the supervising appraiser.</p> <p>AQB Criteria requires appraiser credential applicants to successfully complete the AQB approved qualifying examination. The AQB approved qualifying examination includes a time limit for examinations. Rule 3.3 5. (a), provides that applicants will be allowed 4 1/2 hours to complete the examination.</p>	On July 29, 2013, the Board reported to ASC staff that the Mississippi rules and regulations have been revised to correct the identified inconsistencies. The proposed changes were filed with the Mississippi Secretary of State and will be presented as Accepted and Final after 30 days of initial filing.	None	None	The Board's resolution addresses the concern.
Mississippi Statutes, Regulations, Policies and Procedures Continued:	X							
States must adopt and/or implement all relevant AQB Real Property Appraiser Qualification Criteria. (Title XI § 1116, 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria.)				<p>A review of the Mississippi Real Estate Appraiser Licensing and Certification Board rules revealed the following inconsistency with the AQB Criteria regarding continuing education (CE).</p> <p>AQB Criteria allows up to one half of an individual's required CE to be granted for participation, other than as a student, in appraisal educational processes and programs. Rule 5.5, does not limit CE credit for non-student participation to 50%.</p>	On July 29, 2013, the Board reported to ASC staff that the Mississippi rules and regulations have been revised to correct the identified inconsistency. The proposed changes were filed with the Mississippi Secretary of State and will be presented as Accepted and Final after 30 days of initial filing.	None	None	The Board's resolution addresses the concern.

ASC Compliance Review Report

ASC Finding: In Substantial Compliance
Final Report Issue Date: September 18, 2013

Mississippi Appraiser Regulatory Program (Program)

Mississippi Real Estate Appraiser Licensing and Certification Board (Board) / Decision Making	PM: K. Klamet	ASC Compliance Review Date: April 9-11, 2013	Review Period: April 2011 to April 2013
Umbrella Agency: Mississippi Real Estate Commission		Number of State Credentialed Appraisers on National Registry: 1,269	Review Cycle: Two Year

Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
Temporary Practice:			X					
States must issue temporary practice permits for a minimum of six months and allow at least one easy extension of a temporary practice permit. (Title XI § 1118 (a), 12 U.S.C. 3347; Title XI § 1122 (a), 12 U.S.C. 3351; ASC Policy Statement 5.)				ASC Policy Statement 5 requires a temporary practice permit be valid for no less than 6 months after its issuance date and the temporary practitioner be allowed an effortless method of obtaining an extension. Mississippi issues temporary practice permits for 6 months or the end of the applicant's credential expiration date, whichever comes first. Once the appraiser notifies Mississippi that the home State credential has been renewed, the temporary practice permit is reissued with an expiration date reflecting 6 months from the original issue date. Mississippi regards this as an extension of the permit and does not allow another extension.	On July 29, 2013, the Board informed ASC staff that a 6 month extension for an appraisal assignment will be allowed upon written communication for such by the applicant.	None	None	During the next Review, ASC staff will pay particular attention to this area for compliance with ASC Policy Statement 5.
National Registry:	X			No compliance issues noted.	N/A	None	None	None
Application Process:	X			No compliance issues noted.	N/A	None	None	None
Reciprocity:	X			No compliance issues noted.	N/A	None	None	None
Education:			X					
States must ensure that Distance Education meets AQB Real Property Appraiser Qualification Criteria. (Title XI § 1116, 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria.)				ASC staff identified 2 distance education courses that did not have proof of the required secondary provider International Distance Education Certification Center (IDECC) approval.	On July 29, 2013, the Board reported to ASC staff that a checklist is in place to assure that all secondary providers have the appropriate documentation from IDECC. At the same time, the Board reported that the regulation pertaining to procedures and criteria for approval of courses has been revised to ensure that secondary providers must have their own IDECC approval.	None	None	During the next Review, ASC staff will pay particular attention to this area for compliance with AQB Criteria.
Enforcement:	X			No compliance issues noted.	N/A	None	None	None