

□ □ □ □ □ □

Appraisal Subcommittee

Federal Financial Institutions Examination Council

July 30, 2009

Mr. Rick Bachmeier, Chair
Idaho Real Estate Appraiser Board
Bureau of Occupational Licenses
1109 Main Street, Suite 220
Boise, ID 83702-5642

Dear Mr. Bachmeier:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Idaho real estate appraiser regulatory program (Program) on February 3-5, 2009. This is the final ASC Compliance Review Report (Report) on that Review.

The ASC has considered the staff's preliminary findings regarding the Review and the State's response. The ASC has determined that the Program is not in substantial compliance with Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI). Details regarding the ASC staff observations, the State response, and required/recommended State actions are included in the attached Report. The ASC identified the following concern:

- ASC Policy Statement 10E - States must resolve complaints within 1 year of receipt, except for special documented circumstances. Recommendations to further strengthen the Program are included in the attached Report.

In response, the State indicated it has taken corrective actions, which are detailed in the attached Report. The reported corrective actions appear to be appropriate. ASC staff will confirm that these corrective actions have taken place during the next Review. Please also be advised that 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,

Deborah S. Merkle
Acting Chairman

Attachment

cc: Tana Cory, Bureau Chief
Steven L. Olsen, Idaho Office of the Attorney General

ASC Compliance Review Report

Idaho Appraiser Regulatory Program (Program)

Idaho Real Estate Appraiser Board (Board) **ASC Compliance Review (Review) Date: February 3-5, 2009** **Review Period: 08/07 - 02/09**

Umbrella Agency: Bureau of Occupational Licenses (Bureau) **Number of Idaho credentialed appraisers on National Registry: 773** **Issue Date: July 30, 2009** **Page 1 of 1**

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					
Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Temporary Practice:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
National Registry:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Application Process:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Reciprocity:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Education:	X			No compliance issues noted.	N/A	N/A	N/A	N/A
Enforcement:		X		See below.	See below.	See below.	See below.	See below.
States should resolve complaints within 1 year, except for special documented circumstances (ASC <i>Policy Statement 10E</i>).				Idaho had 77 open complaints; 40 of those complaints were over one year old; 38 were investigated and awaiting the filing of formal charges by the Attorney's General Office (AGO). ASC staff noted that the backlog appeared to be due to a previous lack of resources. Since August 2007 Review, the Bureau added two additional investigators and three additional attorneys.	During the Review, the Board and staff responded that the hearing backlog would take some time to process. The Board acknowledged the AGO is working through the backlog. However, substantial resources are currently devoted to obtaining settlements on cases so as to avoid time consuming hearings. During the Review, the Board and staff stated that with the additional resources, given time, they should be able to eliminate the backlog and process new complaints in a timely manner.	The Board must continue to monitor the progress of cases assigned to the AGO for compliance with Policy Statement 10E.	To strengthen the Program, Idaho should explore ways to process complaints of appraiser misconduct or wrong doing on a timely basis to ensure compliance with Policy Statement 10E.	During the next Review, the ASC expects to see an improvement in Idaho's complaint investigation and resolution program.