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Appraisal Subcommittee

Federal Financial Institutions Examination Council

April 27, 2000

George Junnier, Chairperson
Georgia Real Estate Appraisers Board
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605

Dear Mr. Junnier:

Thank you for your cooperation and your staff's assistance in the March 22-23, 2000 Appraisal Subcommittee ("ASC") review of the Georgia Real Estate Appraisers Board ("Board") and appraiser regulatory program ("Program"). Based on our review, we believe Georgia has an effective Program. Board actions appeared to be fair and equitable. Reciprocal applications were processed quickly, often within a day of receipt. Complaints were investigated and resolved in a timely manner, and all files were well documented.

While the overall methods and procedures you use to evaluate and audit education providers are comprehensive and highly effective, we identified two concerns. These concerns need to be addressed to bring your Program into compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI").

- **Continuing Education**

Georgia's continuing education regulations allow carryover of continuing education hours from one renewal cycle to the next. Georgia maintains an annual continuing education cycle, requiring appraisers to take at least 14 hours of continuing education prior to each renewal. Chapter 539-1-.16(7) of the Georgia Rules and Regulations permits renewing appraisers, who have earned between 28 and 42 hours of continuing education during one renewal period, to apply the remaining hours toward one or two of the following years.

Appraiser Qualifications Board Criteria ("AQB Criteria") require appraisers to demonstrate the equivalent of 14 classroom hours of continuing education for each year of the State's continuing education cycle. The AQB has determined that carryover of continuing education hours from one renewal cycle to the next is improper. The Board needs to correct this inconsistency promptly. States have corrected this situation by either establishing a continuing education cycle matching or exceeding the existing carryover period or by eliminating the carryover provision from the regulations.

- **Distance Education**

While you have implemented the AQB's Criteria regarding distance education properly, Chapter 539-2-.14 of the Georgia Rules and Regulations, which contains a detailed listing of characteristics expected of providers of computer-based courses seeking Board approval, does not include a necessary technical provision. The AQB Criteria require distance education providers to be: (1) an accredited college or university; (2) accepted for college credit through the American Council on Education's Program on Non-collegiate Sponsored Instruction ("ACE/PONSI"); or (3) approved through the AQB Course Approval Program. Because your education regulations are so specific, to avoid potential misunderstanding by education providers, the regulations should be amended to include these provider qualification requirements.

Please respond to our findings and recommendations within 60 days from the date of this letter. Until the expiration of that time period or the receipt of your response, we consider this field review to be an open matter. After receiving your response or the expiration of the 60-day response period, whichever is earlier, this letter, your response and any other correspondence between you and the ASC regarding this field review become releasable to the public under the Freedom of Information Act and will be made available on our Web site.

If you have any questions, please contact us.

Sincerely,

Thomas E. Watson, Jr.
Chairman

cc: Charles Clark, Commissioner