

June 2, 2008

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Ms. Vicki Ledbetter  
Acting Executive Director  
Appraisal Subcommittee  
2000 K Street NW, Suite 310

JUN 05 2008

Dear Ms. Ledbetter:

The Occupational and Professional Licensing Division of the Maryland Department of Labor, Licensing and Regulation and the Maryland Commission of Real Estate Appraisers and Home Inspectors ("Commission") are doing a retrospective review of applicable laws and regulations and the impact of these provisions on license and certificate applicants. To achieve a successful result of this effort and improve the effectiveness of future decisions, your help would be greatly appreciated.

During the February 13-14, 2006 review, the Appraisal Subcommittee ("ASC") reviewed the Maryland Real Estate Appraiser licensing and certification program. Based on your review and analysis, Maryland was required to address operating concerns needed to bring our program into compliance with Title XI of the Financial Institution Reform, Recovery, and Enforcement Act of 1989, as amended ("Title XI"). The audit finding established the following discrepancy, as set forth in Virginia Gibbs's letter dated March 15, 2006 to then-Chair of the Commission, John Fowler:

- **Maryland issued certified appraiser credential to persons failing to document that their qualifying education conformed to Appraiser Qualification Board ("AQB") certification criteria and ASC Policy Statement 10.**

This oversight resulted in Commission-issued certified credentials based upon affidavits from applicants attesting to the validity of the applicant's required education hours. The applicants did not provide course completion certificates for the courses claimed. Upon receipt of the applicants' affidavits, the Commission would review the documentation to ensure courses claimed had met AQB criteria. Ms. Gibbs's letter also stated that during the audit period 61 appraisers had their credentials reviewed and approved in this manner. The 61 appraisers included original certificate applicants as well as individuals seeking to qualify for a higher certification category. The ASC's inclusion of applicants seeking to upgrade to a higher classification, whose course certification had previously been reviewed for eligibility, led the Commission to conclude that it must require original course certifications of any certification applicant, and not just those seeking original certification. An issue has now been raised by an applicant for a higher certification who

no longer has documentation related to courses completed prior to issuance of her first certification in the mid-1990's. For this reason, the Commission requests official clarification/guidance from your office in regard to the interpretation and implementation of your March 15, 2006 audit findings.

While the re-documentation (through submission of original certificates) of previously-approved credentials is not the norm in most occupational and professional licensing transactions in the Department, it was put into effect prospectively by the Commission as a result of our understanding of the AQB's expectations in this regard. Specifically, applicants seeking to upgrade prior to the January 1, 2008 deadline were held to this standard and required to document education credentials that had been previously accepted by the Maryland Commission or another state regulatory body in connection with an earlier application for licensing or certification. Our question for your office is therefore: Did Maryland impose a requirement as a follow-up to the audit that exceeded what the AQB expected or was the Commission's requirement for original documentation of those previously-accepted education hours consistent with the AQB's view?

We would appreciate your written response to this question and any additional guidance you can offer in this matter. If you have questions, please feel to call me at 410-230-6379.

Sincerely,

Elwood A. Mosley  
Executive Director of Commission of Real Estate  
Appraisers and Home Inspectors

cc: Stanley Botts, Commissioner  
Harry Loleas, Deputy Commissioner  
Elizabeth Trimble, Principle Counsel  
Sloane Kinstler, Assistant Attorney General  
Mr. Tom Pirritano, Commissioner