

Notice Regarding Appraisal Management Companies in Hawaii
(Revised September 27, 2023)

On August 29, 2023, the state of Hawaii announced that effective June 30, 2023, (<https://cca.hawaii.gov/pvl/programs/appraisal-management-company/>) Hawaii discontinued its regulation and licensing of appraisal management companies (AMCs).

Under Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI), the ASC monitors the requirements established by States for the registration and supervision of the operations and activities of appraisal management companies. Section 1124 of Title XI bars AMCs that meet the federal statutory definition of an AMC from providing appraisal management services for federally related transactions in a non-participating State¹ (unless the AMC is a federally regulated AMC, which is a subsidiary owned and controlled by an insured depository institution and regulated by a Federal financial institutions regulatory agency). Hawaii is now a non-participating State under Section 1124 of Title XI.

Appraisal management services may still be provided for federally related transactions (FRTs) in non-participating States by companies that do not exceed the minimum statutory panel size thresholds or that do not otherwise meet the statutory definition of an AMC as noted above, or, as also noted above, by federally regulated AMCs.

We encourage all those with additional questions regarding appraisal management services in a non-participating State to consult, as appropriate, with their counsel, lender, client and/or State.

Please refer to the ASC website at <https://www.asc.gov/national-registries/amc-status> to check State statuses.

¹ Participating States are those that have elected to establish, pursuant to section 1117 of Title XI, an appraiser certifying and licensing agency with authority to register and supervise AMCs. *See* Minimum Requirements for Appraisal Management Companies, 80 Fed. Reg. 32,658 (June 9, 2015), issued by the Office of the Comptroller of the Currency; Board of Governors of the Federal Reserve System; Federal Deposit Insurance Corporation; Bureau of Consumer Financial Protection; and the Federal Housing Finance Agency.