

November 15, 2024

Via Email

Todd Blackistone, Executive Director
Maryland Commission of Real Estate Appraisers, Appraisal
Management Companies and Home Inspectors
1100 N. Eutaw Street, Room 121
Baltimore, MD 21201
Todd.Blackistone@maryland.gov

RE: ASC Compliance Review of Maryland's Appraiser Regulatory Program

Dear Todd Blackistone:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Maryland appraiser regulatory program (Appraiser Program) on February 27-29, 2024, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.¹

The ASC considered the preliminary results of the Review and the State's response to those results. The Appraiser Program is given an ASC Finding of "Needs Improvement." The final ASC Compliance Review Report (Report) of the Maryland Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must have a policy for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI;²
- States must reconcile and pay registry invoices in a timely manner;³
- States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought;⁴ and
- States may not continue to accept AQB approved courses after the AQB's expiration date unless the course content is reviewed and approved by the State.⁵

ASC staff will confirm appropriate corrective actions have been taken during the next Review. Maryland will remain on a two-year Review Cycle.

¹ 12 U.S.C. §§ 3331-3356.

² 12 U.S.C. § 3351; Policy Statement 5

³ 12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B

⁴ 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B

⁵ 12 U.S.C. § 3347; Policy Statement 6 B

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,

A handwritten signature in black ink, appearing to read 'ZQM f'.

Zixta Q. Martinez
ASC Chair

Attachment



ASC State Appraiser Program Compliance Review Report

ASC Finding: Needs Improvement

Final Report Issue Date: November 15, 2024

Maryland Appraiser Regulatory Program (State)

Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors (Board)	PM: M. Brown	ASC Compliance Review Date: February 27-29, 2024	Review Period: April 2022 to February 2024
Umbrella Agency: Department of Labor, Division of Occupational and Professional Licensing	Number of State Credentialed Appraisers on Appraiser Registry: 2183		Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Statutes, Regulations, Policies and Procedures:		X					
States must have a policy for issuing a reciprocal credential to an appraiser from another State under the conditions specified in Title XI. (12 U.S.C. § 3351; Policy Statement 5.)				The State's statutes on reciprocity incorrectly require that an applicant met the credentialing requirements at the time the other State issued the credential, rather than the issuing State having current requirements that meet or exceed Maryland's current requirements. In practice, it appears the State complies with Title XI concerning reciprocity.	On May 28, 2024, the State reported that it began the process to amend its reciprocal requirement to ensure compliance with Title XI.	The State must continue the process to amend its regulations to bring them into compliance with AQB Criteria, and provide ASC staff with a copy once finalized.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 5.
Temporary Practice:	X						
				No compliance issues noted.	N/A	None	None
National Registry:		X					
States must reconcile and pay registry invoices in a timely manner. (12 U.S.C. § 3347; 12 U.S.C. § 3338; Policy Statement 3 B.)				The State had 1 unpaid Appraiser Registry invoice outstanding for more than 45 calendar days.	On May 28, 2024, the State reported that in 2023 there was a glitch in the State's system that showed the payment was made. The State went on to say that the glitch has not happened since.	The State must monitor its process to ensure Appraiser Registry invoices are reconciled and paid in a timely manner.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 3.



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Umbrella Agency: Department of Labor, Division of Occupational and Professional Licensing		Number of State Credentialed Appraisers on Appraiser Registry: 2183	Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Application Process:			X				
States must obtain and maintain sufficient relevant documentation pertaining to an application for issuance, upgrade or renewal of a credential so as to enable understanding of the facts and determinations in the matter and the reasons for those determinations. (12 U.S.C. § 3347; Policy Statement 4 A.)				The State had 1 application which did not contain documentation to support the applicant met the educational, experience, and examination AQB Criteria requirements. The State had an additional application that did not contain documentation to support the applicant met the examination requirement.	On May 28, 2024, the State reported that it had located the application and provided documentation to support the applicant met the educational, experience, and examination AQB Criteria Requirements. On March 28, 2024, the State reported that it had located the other application and provided documentation to support the applicant met the examination requirement.	The State should ensure that all documentation to support its validation methods are available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 4.
Application Process Continued:		X					
States must verify that the applicant has successfully completed courses consistent with AQB Criteria for the appraiser credential sought. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 4 B.)				The State issued 1 appraiser credential to an applicant who had not met the AQB required education.	On May 28, 2024, the State reported that it will verify all future foreign diplomas or transcripts. On September 17, 2024, the State provided documentation that the applicant's foreign diploma had been evaluated in compliance with AQB requirements.	The State must immediately cease issuing appraiser credentials to applicants who do not meet AQB Criteria.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 4.
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None



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Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
Education:		X					
States may not continue to accept AQB approved courses after the AQB's expiration date unless the course content is reviewed and approved by the State. (12 U.S.C. § 3347; Policy Statement 6 B.)				The State approved qualifying education and continuing education courses beyond the expiration date of the delivery mechanism and course content approval certificates.	On May 28, 2024, the State reported that it has a new policy to include course expiration dates on its website. The State went on to say that expiration dates will match the CAP expiration date or the provider will be required to resubmit the certificate.	Within 60 days, the State must review its approved course listings for both qualifying and continuing education to ensure all courses approved meet current AQB Criteria and have proper AQB approval of the delivery mechanism. Courses that do not meet the AQB Criteria or do not have AQB delivery mechanism approval must be removed from the approved list or reported on the list as "expired."	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 6.
Enforcement:	X						
				No compliance issues noted.	N/A	None	None