

August 21, 2025

**Via Email**

Brendan Hughes, First Executive Deputy Secretary of State  
Division of Licensing Services  
New York State Department of State  
One Commerce Plaza  
99 Washington Avenue, 5th Floor  
Albany, NY 12201  
[Brendan.Hughes@dos.ny.gov](mailto:Brendan.Hughes@dos.ny.gov)

RE: ASC Compliance Review of New York's Appraiser Regulatory Program

Dear Brendan Hughes:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the New York appraiser regulatory program (Appraiser Program) on November 19-21, 2024, to determine the Appraiser Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.<sup>1</sup>

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 "Good." The final ASC Compliance Review Report (Report) of the New York Appraiser Program is attached.

The ASC identified the following areas of non-compliance:

- States must ensure that staff authorization information provided to the ASC is updated and accurate.<sup>2</sup> The ASC acknowledges that the State reported it has removed access to the Appraiser Registry for the three employees in question.
- States must ensure that appraiser education courses are consistent with AQB Criteria.<sup>3</sup> The ASC recognizes that the State reported it revoked the course approval for the course that did not include real property-related appraisal topics.
- States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria.<sup>4</sup> The ASC acknowledges that the State provided documentation that had been missing from the files that had been reviewed.

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<sup>1</sup> 12 U.S.C. §§ 3331-3356.

<sup>2</sup> 12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, C.

<sup>3</sup> 12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 6 A.

<sup>4</sup> 12 U.S.C. § 3347; Policy Statement 6 A.

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

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 cursive script that reads "Frederick Grier".

Frederick Grier  
Acting Executive Director

Attachment

cc: Whitney Clark, Deputy Secretary of State for Business Development,  
[Whitney.Clark@dos.ny.gov](mailto:Whitney.Clark@dos.ny.gov)

Jodi DeLollo, Director, Division of Licensing Services, [Jodi.DeLollo@dos.ny.gov](mailto:Jodi.DeLollo@dos.ny.gov)

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>State maintains a strong regulatory Program</li> <li>Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>Deficiencies are minor in nature</li> <li>State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>State maintains an effective regulatory Program</li> <li>Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>State regulatory Program needs improvement</li> <li>Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>State regulatory Program has substantial deficiencies</li> <li>Substantial risk of Program failure</li> </ul>	1-year
Poor**	<ul style="list-style-type: none"> <li>State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

\*\* An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, Reciprocity; see also Policy Statement 12, Interim Sanctions.



ASC State Appraiser Program Compliance Review Report

ASC Finding: Good

Final Report Issue Date: August 21, 2025

New York Appraiser Regulatory Program (State)			
New York State Board of Real Estate Appraisal (Board)	PM: M. Brown	ASC Compliance Review Date: November 19-21, 2024	Review Period: December 2022 to October 2024
Umbrella Agency: Department of State, Division of Licensing Services		Number of State Credentialed Appraisers on Appraiser Registry: 3593	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 funding and staffing sufficient to carry out their Title XI-related duties. (12 U.S.C. § 3347; Policy Statement 1 B.)				The 9 member board has 4 vacant positions. During the Compliance Review period, 4 out of the 6 meetings held did not have a quorum. This concern was also identified in the 2020 Final Compliance Review Report.	On March 6, 2025, the State reported that the board in New York exists to provide guidance and regulations and that the 4 meetings that did not have a quorum did not result in a failure to make updates to applicable standards.  At the same time, the State reported that it is working with appointing authorities to secure additional members for the board.	The State should continue the process to secure additional members for the board.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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Umbrella Agency: Department of State, Division of Licensing Services				Number of State Credentialed Appraisers on Appraiser Registry: 3593		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 Continued:			X				
States must, at a minimum, adopt and implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				The State's statutes allow experience credit for teaching appraisal courses at a university, college, or junior college when such courses have a duration of not less than 10 weeks. Teaching is not an allowable category of experience credit in the AQB Criteria.	On March 6, 2025, the State reported the provision in its statute 160-k that allows experience credit for teaching appraisal courses at a university, college, or junior college, when such courses have a duration of not less than 10 weeks, has been in existence since 1991. Executive Law section 160-d requires the state to adopt qualifications that are no less stringent than the Real Property Appraiser Qualification Criteria.  At the same time, the State reported that when the Appraiser Qualifications Board revised the requirement set forth in 160-k, the State repealed it by implication and therefore does not allow this experience.	The State should amend its statute to comply with the requirements of Title XI.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Temporary Practice:	X						
				No compliance issues noted.	N/A	None	None
National Registry:		X					
States must ensure that staff authorization information provided to the ASC is updated and accurate. (12 U.S.C. § 3338; 12 U.S.C. § 3347; Policy Statement 3 A, C.)				The State failed to notify the ASC to inactivate 3 individual's Registry access.	On March 6, 2025, the State reported that it sent an email to the ASC on November 12, 2024 (subsequent to the end of the review period), to remove access for 3 of the State's employees.	The State must ensure that staff authorization information provided to the ASC is updated, accurate, and timely.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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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				
Application Process:	X						
				No compliance issues noted.	N/A	None	None
Reciprocity:	X						
				No compliance issues noted.	N/A	None	None
Education:		X					
States must ensure that appraiser education courses are consistent with AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 6 A.)				AQB Criteria requires continuing education (CE) courses to cover real property related appraisal topics. The State approved 1 CE course without sufficient documentation in the file to determine the appropriateness of the content.	On March 6, 2025, the State reported it had revoked the course's approval after it obtained and reviewed the course outline and determined that it should not have been approved for CE credit.	The State must ensure that appraiser education courses are consistent with AQB Criteria.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.



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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 Continued:		X					
States must maintain sufficient documentation to support that approved appraiser courses conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 6 A.)				Of the 12 education files provided to ASC staff, 3 were not appropriately documented. The files did not include enough information to support that approved appraiser courses conform to AQB Criteria.	On March 6, 2025, the State reported it had approved 1 course for 7 hours that included time for course registration, based on its AQB CAP approval. The State provided a copy of the AQB Certificate with its response.  At the same time, the State reported that although proof that an AQB instructor was AQB certified was missing from its file for 1 course, it is required by the State, in addition to certification signed by the school coordinator on the State's course application. The State went on to report that it obtained the documentation to confirm the instructors are AQB certified.  At the same time, the State reported 1 course was missing course approval documentation in the file. The State provided a copy of the approval for the course.	The State must ensure that all documentation to support its approval of appraiser courses is maintained and available to ASC staff for future Compliance Reviews.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance.
Enforcement:	X						
				No compliance issues noted.	N/A	None	None