

FYI Cover Page

March 10, 2021

Appraisal Subcommittee Members
(Revised as of January 19, 2021)

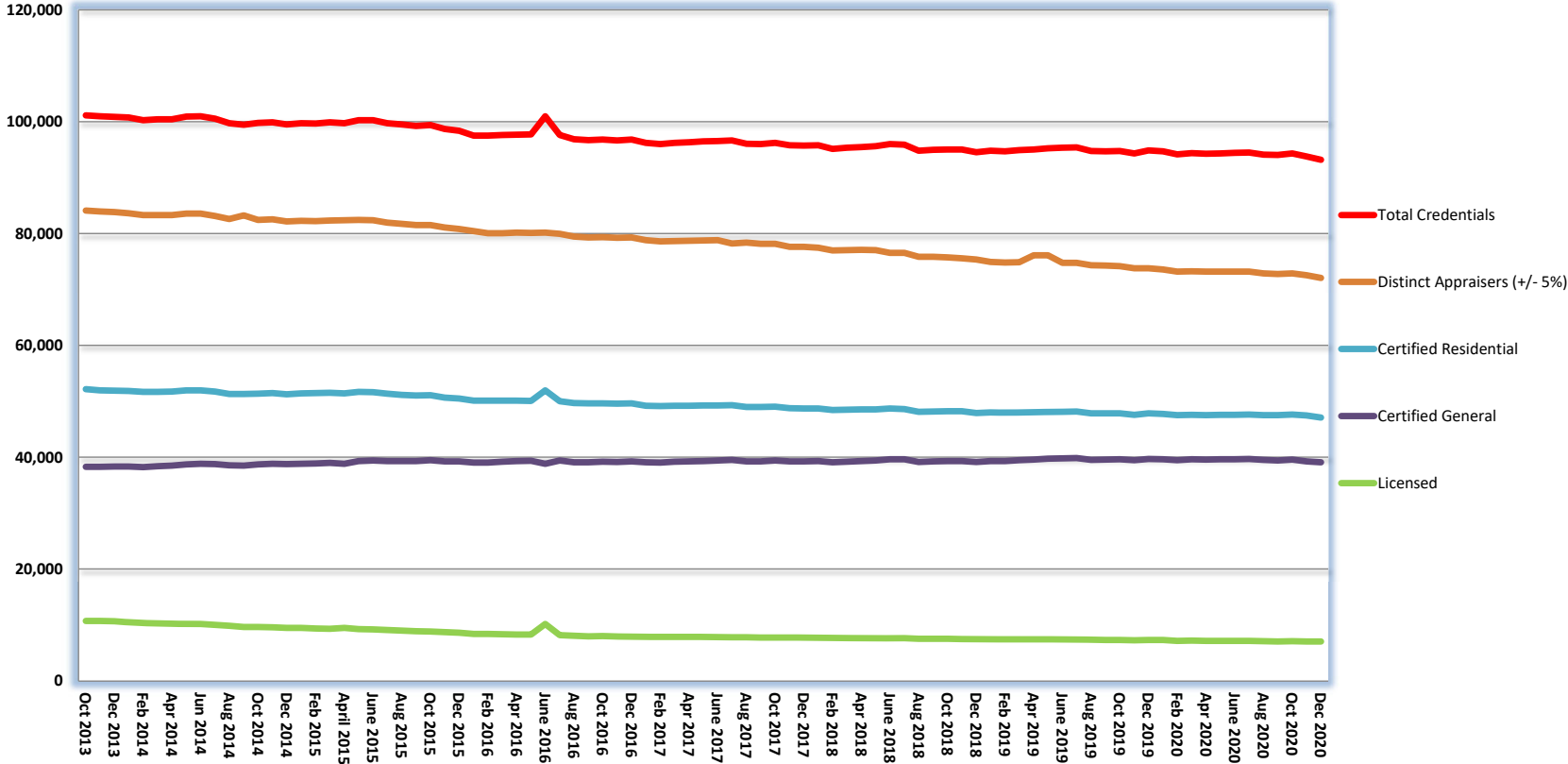
| Agency | Member | Alternate Member |
|-------------|--|---|
| CFPB | <p>John Schroeder (Vice-Chair) Regional Director – Midwest Region Supervision, Enforcement and Fair Lending Consumer Financial Protection Bureau 230 S. Dearborn Street, Suite 1590 Chicago, IL 60604 P: 312-610-8948 C: 202-591-5938 Email: John.Schroeder@cfpb.gov</p> | <p>Orlando Orellano Assistant Regional Director – Midwest Region Consumer Financial Protection Bureau 230 S. Dearborn Street, Suite 1590 Chicago, IL 60604 P: 312-610-8953 C: 202-573-1010 Email: Orlando.Orellano@cfpb.gov</p> |
| FDIC | <p>John Jilovec Deputy Regional Director Division of Risk Management Supervision Federal Deposit Insurance Corporation Kansas City Regional Office 1100 Walnut Street, Suite 2100 Kansas City, MO 64106 P: 816-234-8141 C: 816-309-1779 Email: JJilovec@fdic.gov</p> | <p>Rae-Ann Miller Associate Director Risk Management Policy Branch Division of Risk Management Supervision Federal Deposit Insurance Corporation 550 17th Street NW Washington, DC 20429 P: 202-898-3898 Email: RMiller@fdic.gov</p> |
| FHFA | <p>Maria Fernandez Senior Associate Director Office of Housing and Regulatory Policy Division of Housing Mission & Goals Federal Housing Finance Agency 400 7th Street SW Washington, DC 20219 P: 202-649-3102 Email: Maria.Fernandez@fhfa.gov</p> | <p>Robert Witt Senior Policy Analyst Office of Housing & Regulatory Policy Division of Housing Mission & Goals Federal Housing Finance Agency 400 7th Street SW Washington, DC 20219 P: 202-649-3128 Email: Robert.Witt@fhfa.gov</p> |
| FRB | <p>Keith Coughlin Assistant Director Community & Regional Bank Supervision Division of Supervision and Regulation Board of Governors of the Federal Reserve System 20th & C Streets NW Washington, DC 20551 P: 202-452-2056 C: 202-294-9232 Email: Keith.J.Coughlin@frb.gov</p> | |

Appraisal Subcommittee Members
(Revised as of January 19, 2021)

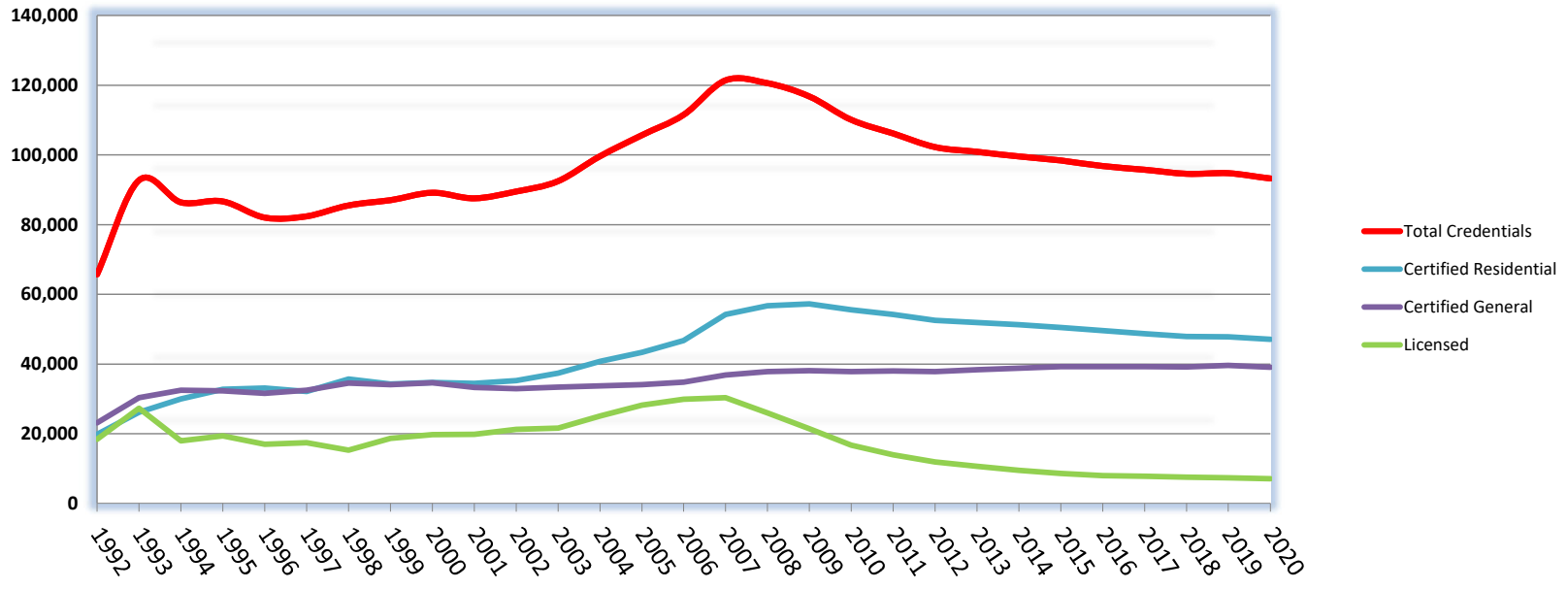
| Agency | Member | Alternate Member |
|-------------|---|---|
| HUD | <p>Bobbi Borland Director Home Valuation Policy Division Office of Single Family Program Development U.S. Department of Housing & Urban Development 451 7th Street SW, Room 9272 Washington, DC 20410-8000 P: 202-402-5244 Email: Bobbi.L.Borland@hud.gov</p> | <p>Brian Barnes Acting Deputy Director Home Valuation Policy Division Office of Single Family Program Devel. U.S. Department of Housing & Urban Development 451 7th Street SW, Room 9270 Washington, DC 20410-8000 P: 202-402-6467 Email: Brian.S.Barnes@hud.gov</p> |
| NCUA | <p>Tim Segerson (Chair) Deputy Director Office of Examination & Insurance National Credit Union Administration 1775 Duke Street Alexandria, VA 22314-3428 P: 703-518-6397 C: 716-228-4993 Email: Segerson@ncua.gov</p> | |
| OCC | <p>Enice Thomas, CFE Deputy Comptroller for Credit Risk Office of the Comptroller of the Currency 400 7th Street SW Washington, DC 20219 P: 202-649-8281 C: 202-286-2954 Email: Enice.Thomas@occ.treas.gov</p> | <p>James Rives National Bank Examiner Bank Supervision Policy – Credit Risk Office of the Comptroller of the Currency 400 7th Street SW, 7W-114 Washington, DC 20219 P: 202-649-6594 C: 202-294-1823 Email: James.Rives@occ.treas.gov</p> |

Monthly Appraisers Credential Trends

As of December 31, 2020



Yearly Appraiser Credential Trends



| Year-End Appraiser Credentials | | | | | |
|--------------------------------|-------------------|-----------------------|----------|--------------|-------------------|
| Year-End | Certified General | Certified Residential | Licensed | Transitional | Total Credentials |
| 1992 | 23,133 | 19,772 | 18,406 | 4,405 | 65,716 |
| 1993 | 30,348 | 26,163 | 27,316 | 8,882 | 92,709 |
| 1994 | 32,450 | 29,949 | 17,960 | 6,043 | 86,402 |
| 1995 | 32,305 | 32,733 | 19,375 | 2,244 | 86,657 |
| 1996 | 31,628 | 33,141 | 16,984 | 226 | 81,979 |
| 1997 | 32,519 | 32,161 | 17,371 | 318 | 82,369 |
| 1998 | 34,485 | 35,697 | 15,287 | 23 | 85,492 |
| 1999 | 34,082 | 34,237 | 18,676 | 24 | 87,019 |
| 2000 | 34,609 | 34,702 | 19,755 | 28 | 89,094 |
| 2001 | 33,246 | 34,401 | 19,837 | 23 | 87,507 |
| 2002 | 32,959 | 35,233 | 21,261 | 37 | 89,490 |
| 2003 | 33,394 | 37,418 | 21,575 | 47 | 92,434 |
| 2004 | 33,725 | 40,726 | 25,095 | 46 | 99,592 |
| 2005 | 34,074 | 43,327 | 28,185 | 52 | 105,638 |
| 2006 | 34,812 | 46,701 | 29,921 | 51 | 111,485 |
| 2007 | 36,881 | 54,177 | 30,286 | 63 | 121,407 |
| 2008 | 37,851 | 56,704 | 25,931 | 65 | 120,551 |
| 2009 | 38,061 | 57,253 | 21,434 | 43 | 116,791 |
| 2010 | 37,807 | 55,522 | 16,674 | 23 | 110,026 |
| 2011 | 38,016 | 54,201 | 13,900 | 13 | 106,130 |
| 2012 | 37,834 | 52,504 | 11,875 | 12 | 102,225 |
| 2013 | 38,332 | 51,893 | 10,648 | 1 | 100,874 |
| 2014 | 38,777 | 51,240 | 9,507 | 0 | 99,524 |
| 2015 | 39,257 | 50,472 | 8,622 | 0 | 98,351 |
| 2016 | 39,246 | 49,631 | 7,926 | 0 | 96,803 |
| 2017 | 39,262 | 48,720 | 7,749 | 0 | 95,731 |
| 2018 | 39,135 | 47,908 | 7,481 | 0 | 94,524 |
| 2019 | 39,606 | 47,776 | 7,321 | 0 | 94,703 |
| 2020 | 39,070 | 47,073 | 7,061 | 0 | 93,204 |

| Monthly Appraiser Credential Trends | | | | | | |
|-------------------------------------|-------------------|-----------------------|----------|--------------|-------------------|---------------------|
| Date | Certified General | Certified Residential | Licensed | Transitional | Total Credentials | Appraisers (+/- 5%) |
| Oct 2013 | 38,273 | 52,170 | 10,711 | 1 | 101,155 | 84,122 |
| Nov 2013 | 38,298 | 51,971 | 10,703 | 1 | 100,973 | 83,921 |
| Dec 2013 | 38,332 | 51,893 | 10,648 | 1 | 100,874 | 83,809 |
| Jan 2014 | 38,359 | 51,835 | 10,524 | 1 | 100,719 | 83,611 |
| Feb 2014 | 38,239 | 51,669 | 10,349 | 0 | 100,257 | 83,276 |
| Mar 2014 | 38,407 | 51,701 | 10,301 | 0 | 100,409 | 83,274 |
| Apr 2014 | 38,473 | 51,751 | 10,190 | 0 | 100,414 | 83,277 |
| May 2014 | 38,721 | 51,940 | 10,231 | 0 | 100,892 | 83,554 |
| Jun 2014 | 38,818 | 51,936 | 10,202 | 0 | 100,956 | 83,542 |
| Jul 2014 | 38,757 | 51,734 | 10,030 | 0 | 100,521 | 83,125 |
| Aug 2014 | 38,570 | 51,329 | 9,842 | 0 | 99,741 | 82,562 |
| Sep 2014 | 38,526 | 51,278 | 9,650 | 0 | 99,454 | 83,236 |
| Oct 2014 | 38,735 | 51,384 | 9,635 | 0 | 99,754 | 82,449 |
| Nov 2014 | 38,835 | 51,441 | 9,596 | 0 | 99,872 | 82,521 |
| Dec 2014 | 38,777 | 51,240 | 9,507 | 0 | 99,524 | 82,164 |
| Jan 2015 | 38,828 | 51,419 | 9,460 | 0 | 99,707 | 82,249 |
| Feb 2015 | 38,865 | 51,448 | 9,358 | 0 | 99,671 | 82,187 |
| Mar 2015 | 39,012 | 51,538 | 9,342 | 0 | 99,892 | 82,299 |
| April 2015 | 38,828 | 51,419 | 9,460 | 0 | 99,707 | 82,354 |
| May 2015 | 39,315 | 51,680 | 9,249 | 0 | 100,242 | 82,428 |
| June 2015 | 39,435 | 51,617 | 9,195 | 0 | 100,247 | 82,366 |
| July 2015 | 39,290 | 51,335 | 9,101 | 0 | 99,726 | 81,950 |
| Aug 2015 | 39,309 | 51,164 | 9,009 | 0 | 99,482 | 81,740 |
| Sept 2015 | 39,284 | 51,056 | 8,889 | 0 | 99,229 | 81,527 |
| Oct 2015 | 39,480 | 51,085 | 8,833 | 0 | 99,398 | 81,502 |
| Nov 2015 | 39,282 | 50,672 | 8,751 | 0 | 98,705 | 81,069 |
| Dec 2015 | 39,257 | 50,472 | 8,622 | 0 | 98,351 | 80,806 |
| Jan 2016 | 39,032 | 50,105 | 8,378 | 0 | 97,515 | 80,407 |
| Feb 2016 | 39,027 | 50,104 | 8,379 | 0 | 97,510 | 80,062 |
| Mar 2016 | 39,187 | 50,107 | 8,325 | 0 | 97,619 | 80,055 |
| Apr 2016 | 39,288 | 50,097 | 8,294 | 0 | 97,679 | 80,170 |
| May 2016 | 39,352 | 50,072 | 8,277 | 0 | 97,701 | 80,114 |
| June 2016 | 38,818 | 51,936 | 10,202 | 0 | 100,956 | 80,160 |
| July 2016 | 39,394 | 50,010 | 8,196 | 0 | 97,600 | 79,935 |
| Aug 2016 | 39,099 | 49,672 | 8,078 | 0 | 96,849 | 79,441 |
| Sep 2016 | 39,092 | 49,622 | 7,995 | 0 | 96,709 | 79,297 |
| Oct 2016 | 39,201 | 49,622 | 8,001 | 0 | 96,824 | 79,334 |
| Nov 2016 | 39,128 | 49,591 | 7,934 | 0 | 96,653 | 79,219 |
| Dec 2016 | 39,246 | 49,631 | 7,926 | 0 | 96,803 | 79,302 |
| Jan 2017 | 39,119 | 49,210 | 7,899 | 0 | 96,228 | 78,794 |
| Feb 2017 | 39,029 | 49,131 | 7,842 | 0 | 96,002 | 78,577 |
| Mar 2017 | 39,196 | 49,173 | 7,851 | 0 | 96,220 | 78,663 |
| Apr 2017 | 39,256 | 49,214 | 7,854 | 0 | 96,324 | 78,683 |
| May 2017 | 39,333 | 49,265 | 7,852 | 0 | 96,450 | 78,732 |
| June 2017 | 39,429 | 49,259 | 7,855 | 0 | 96,543 | 78,789 |
| July 2017 | 39,513 | 49,309 | 7,833 | 0 | 96,655 | 78,235 |
| Aug 2017 | 39,265 | 48,994 | 7,793 | 0 | 96,052 | 78,386 |
| Sep 2017 | 39,241 | 49,005 | 7,759 | 0 | 96,005 | 78,174 |
| Oct 2017 | 39,404 | 49,022 | 7,778 | 0 | 96,204 | 78,142 |
| Nov 2017 | 39,229 | 48,763 | 7,757 | 0 | 95,749 | 77,596 |
| Dec 2017 | 39,262 | 48,720 | 7,749 | 0 | 95,731 | 77,629 |
| Jan 2018 | 39,316 | 48,689 | 7,744 | 0 | 95,749 | 77,478 |
| Feb 2018 | 39,087 | 48,420 | 7,635 | 0 | 95,142 | 76,968 |
| Mar 2018 | 39,190 | 48,492 | 7,644 | 0 | 95,326 | 77,034 |
| Apr 2018 | 39,310 | 48,530 | 7,628 | 0 | 95,468 | 77,066 |
| May 2018 | 39,418 | 48,556 | 7,637 | 0 | 95,611 | 77,002 |
| June 2018 | 39,627 | 48,700 | 7,638 | 0 | 95,965 | 76,551 |
| July 2018 | 39,623 | 48,603 | 7,643 | 0 | 95,869 | 76,519 |
| Aug 2018 | 39,126 | 48,126 | 7,529 | 0 | 94,781 | 75,825 |
| Sep 2018 | 39,246 | 48,195 | 7,518 | 0 | 94,959 | 75,822 |
| Oct 2018 | 39,300 | 48,219 | 7,514 | 0 | 95,033 | 75,751 |
| Nov 2018 | 39,302 | 48,217 | 7,503 | 0 | 95,022 | 75,548 |
| Dec 2018 | 39,135 | 47,908 | 7,481 | 0 | 94,524 | 75,339 |
| Jan 2019 | 39,320 | 47,990 | 7,483 | 0 | 94,793 | 74,894 |
| Feb 2019 | 39,305 | 47,953 | 7,449 | 0 | 94,707 | 74,793 |
| Mar 2019 | 39,468 | 48,007 | 7,426 | 0 | 94,901 | 74,839 |
| Apr 2019 | 39,589 | 48,039 | 7,413 | 0 | 95,041 | 76,110 |
| May 2019 | 39,728 | 48,085 | 7,424 | 0 | 95,237 | 76,129 |
| June 2019 | 39,778 | 48,130 | 7,424 | 0 | 95,332 | 74,763 |
| July 2019 | 39,846 | 48,146 | 7,411 | 0 | 95,403 | 74,760 |
| Aug 2019 | 39,551 | 47,824 | 7,377 | 0 | 94,752 | 74,332 |
| Sep 2019 | 39,573 | 47,836 | 7,308 | 0 | 94,717 | 74,262 |
| Oct 2019 | 39,630 | 47,822 | 7,299 | 0 | 94,751 | 74,142 |
| Nov 2019 | 39,481 | 47,564 | 7,282 | 0 | 94,327 | 73,780 |
| Dec 2019 | 39,679 | 47,828 | 7,341 | 0 | 94,848 | 73,774 |
| Jan 2020 | 39,639 | 47,732 | 7,307 | 0 | 94,678 | 73,565 |
| Feb 2020 | 39,448 | 47,501 | 7,185 | 0 | 94,134 | 73,170 |
| Mar 2020 | 39,613 | 47,555 | 7,192 | 0 | 94,360 | 73,235 |
| Apr 2020 | 39,563 | 47,508 | 7,161 | 0 | 94,232 | 73,213 |
| May 2020 | 39,607 | 47,553 | 7,158 | 0 | 94,318 | 73,187 |
| June 2020 | 39,642 | 47,594 | 7,167 | 0 | 94,403 | 73,177 |
| July 2020 | 39,686 | 47,626 | 7,160 | 0 | 94,472 | 73,177 |
| Aug 2020 | 39,502 | 47,512 | 7,105 | 0 | 94,119 | 72,886 |
| Sep 2020 | 39,418 | 47,542 | 7,061 | 0 | 94,021 | 72,756 |
| Oct 2020 | 39,569 | 47,623 | 7,104 | 0 | 94,296 | 72,852 |
| Nov 2020 | 39,260 | 47,446 | 7,071 | 0 | 93,777 | 72,559 |
| Dec 2020 | 39,070 | 47,073 | 7,061 | 0 | 93,204 | 72,069 |

**APPRAISAL SUBCOMMITTEE
OPEN SESSION MEETING MINUTES
MAY 13, 2020**

LOCATION: Zoom Conference

ATTENDEES

ASC MEMBERS: CFPB – John Schroeder
FDIC – John Jilovec
FHFA – Robert Witt
FRB – Art Lindo
HUD – Bobbi Borland
NCUA – Tim Segerson
OCC – James Rives

ASC STAFF: Executive Director – Jim Park
Deputy Executive Director – Denise Graves
General Counsel – Alice Ritter
Grants Director – Mark Abbott
Financial Manager – Girard Hull
Attorney-Advisor – Ada Bohorfoush
Management and Program Analyst – Lori Schuster
Administrative Officer – Brian Kelly
Regulatory Affairs Specialist – Maria Brown
Policy Manager – Claire Brooks
Policy Manager – Kristi Klamet
Policy Manager – Jenny Tidwell

OBSERVERS: Please see attached list

The Meeting was called to order at 10:00 a.m. by Chair T. Segerson.

REPORTS

• **Chair**

T. Segerson welcomed the observers. He reported that OCC's primary member and ASC Vice Chair, R. Taft, has accepted another position. J. Rives, currently the OCC's alternate member, will be the acting OCC representative. T. Segerson thanked R. Taft for his service to the ASC and wished him well.

• **Executive Director**

J. Park updated the ASC on recent staff activity.

- This is the first virtual ASC Meeting and thanked attendees for their interest.

- He reported on steps taken by the ASC, the Appraiser Qualifications Board and States to identify areas where relief and assistance is most needed during the COVID-19 pandemic.
- The Association of Appraiser Regulatory Officials (AARO) was helpful with the virtual presentation of the ASC Grants Program to States. This presentation had been scheduled for AARO's Spring Conference which was cancelled.

J. Schroeder asked if the Government Accountability Office (GAO) has contacted the ASC regarding the request from the House Financial Services Committee to GAO to study the federal agencies' implementation of Title XI. J. Park responded "no." J. Schroeder also asked if North Dakota will be requesting an extension of the temporary waiver. J. Park responded that North Dakota has not submitted an extension request and has not heard anything from them regarding their intentions.

- **Delegated State Compliance Reviews**

A. Bohorfoush reported on State Program Compliance Reviews completed pursuant to delegated authority since the ASC's February 12th Meeting. Three State Appraiser Program Compliance Reviews were finalized and approved by the Executive Director under delegated authority. Kansas, Rhode Island and Wisconsin were awarded a Finding of "Good" and all will remain on a two-year Review Cycle. One State Appraiser Program Compliance Review was finalized and approved by the Chair under delegated authority. Puerto Rico earned a finding of "Needs Improvement" and will remain on a two-year Review Cycle.

There were three State AMC Program Compliance Reviews finalized and approved by the Executive Director under delegated authority. Kansas was awarded a Finding of "Excellent" and will remain on a two-year Review Cycle. Illinois and Wisconsin were awarded a Finding of "Good" and both will remain on a two-year Review Cycle. One State AMC Program Compliance Review was finalized and approved by the Chair under delegated authority. Rhode Island earned a rating of "Needs Improvement" and will remain on a two-year Review Cycle.

The Illinois Appraiser Program requested and was granted an extension to the deadlines contained in the final Appraiser Program Compliance Review Report. The deadline has been extended from April 24 to October 31, 2020 as the Division of Real Estate is largely conducting its operations with a remote work force. The Illinois Governor issued an Executive Order directing State agencies to temporarily reduce activities due to the COVID-19 pandemic. Illinois did submit a quarterly complaint log on May 1st and of the 148 open complaints, 15 of those have been open for more than one year. ASC staff expects that many of those would be removed for special documented circumstances.

- **Grants Report**

M. Abbott updated the ASC on the Grants Program. Currently two grants have been awarded: one for the Investigator Training Program (ITP) administered by the Appraisal Foundation (TAF) and one for the grant-eligible activities of the Appraiser Qualifications and Appraisal Standards Boards. The ITP grant has been executed but has not had much activity due to the COVID-19 pandemic. The second grant for Board support remains approved by the ASC but not executed by TAF.

M. Abbott shared a brief summary of the presentation that was given to States describing the ASC State Grant Program. The presentation is available on the ASC and AARO websites. ASC staff is also considering in-person training for FY21.

- **Financial Manager**

G. Hull provided the mid-year financial status for FY20. The ASC has recognized revenue of \$3.2M, or 51% of the annual budgeted revenue of \$6.4M. Appraiser registry fees account for \$1.8M, or 54% of mid-year revenue, and AMC registry fees account for \$1.M, or 46% of mid-year revenue. ASC expenditures totaled \$2.1M, or 42% of the annual budget of roughly \$4.9M, and \$391K less than budgeted mid-year expenditures. ASC travel costs have decreased significantly due to the COVID-19 pandemic. IT Project Services are expected to increase for the remainder of FY20. J. Schroeder asked if there is an appropriate level for the reserve fund, and if so, how to maintain that level. G. Hull responded that the reserve balance is equal to one year of operating costs, or approximately \$4.2M, not including grants. M. Abbott added that some of the reserve will be transferred to a new account for grants. J. Schroeder asked why Personnel Benefits are lower than the budgeted amount. G. Hull responded that the General Services Administration provides a monthly cash report to him. Due to COVID-19 related work delays, the March cash report did not include complete payroll data for March. This information was included in the April cash report received on May 8th and has been recorded in the April financial statements.

- **Notation Vote**

L. Schuster reported that approval to distribute and post the February 10, 2020 ASC Roundtable Summary passed by a 7-0 vote on April 21, 2020.

ACTION ITEMS

- **February 12, 2020 Open Session Minutes**

J. Schroeder made a motion to approve the February 12th open session meeting minutes as presented. J. Rives seconded and all members present voted to approve.

- **February 12, 2020 Closed Session Minutes**

J. Schroeder made a motion to approve the February 12th closed session meeting minutes as edited by FDIC. J. Rives seconded and all members present voted to approve.

- **April 9, 2020 Special Meeting Minutes**

J. Schroeder made a motion to approve the April 9th special session meeting minutes as presented. J. Rives seconded and all members present voted to approve.

- **Selection of ASC Vice Chair**

T. Segerson stated that with the departure of R. Taft, the Vice-Chair position is vacant. J. Schroeder notified T. Segerson that he would be interested in the position. No other ASC member expressed interest. A voice vote was taken, and all members voted to approve the selection of J. Schroeder as Vice-Chair for a two-year period. J. Schroeder abstained. T. Segerson asked J. Park if FFIEC approval is needed and J. Park responded “no.”

- **Policy on Monitoring and Reviewing the Appraisal Foundation**

J. Park summarized the current monitoring process and the proposed policy which would formalize the process. A. Lindo suggested the section regarding Round Tables and Hearings be removed since the ASC has statutory authority to convene roundtables or public hearings on appraisal-related issues. All ASC members agreed that this section should be removed. T. Segerson asked for a motion to approve the Policy with edits as discussed above. A voice vote was taken, and all members present voted to approve.

- **Review and Approval of 2020 State Grant Notice of Funding Availability (NOFA) Summary**

M. Abbott summarized the NOFA for the ASC. There will be quarterly deadlines of August 17 and October 1, 2020, as well as 2021 deadlines of March 1st and June 1st. The award period will be for three years (October 1, 2020 – September 30, 2023). The grant funds will support ongoing (*e.g.*, annual participation in conferences or software subscriptions) and one-time (*e.g.*, computer upgrades or IT development projects) expenditures in categories that include: (1) Technology; (2) Travel; (3) Communications; (4) Training; (5) Supplies; and (6) Other. He plans to schedule technical assistance calls with States in the future. J. Jilovec asked if the recommendations from the Appraisal Subcommittee Advisory Committee for Development of Regulations (ASCAC) were considered in the preparation of the NOFA. J. Park responded that ASC staff took the recommendations from ASCAC into consideration. J. Rives asked if the quarterly deadlines would change to an annual deadline in the future. He also wanted to know if the quarterly deadlines would create additional work for ASC staff. M. Abbott responded that flexibility was allowed for this year due to the COVID-19 pandemic. If a grant is awarded six months into the fiscal year, the funds will cover the remaining six months of the fiscal year. Afterwards, the grant funds will cover one year. As some States will have challenges submitting a grant request due to the COVID-19 pandemic, grants awarded in FY21 would cover two years. He would prefer the grant awards be spread out rather than awarded at one time. This will allow ASC staff to work with the States. ASC staff will request that awardees submit a narrative of how grant funds were spent to ensure that funds were spent correctly. J. Rives asked if there is an algorithm to determine how much funding would be obligated for grants. M. Abbott responded that ASC staff does not

know what types of grant proposals will be submitted but felt that \$10M over three years was a reasonable amount. The ASC would need to approve an increase in funds. T. Segerson asked if the ASC should have controls in place regarding State supplantation of funds if a grant is awarded. M. Abbott responded that State staff are also concerned about supplantation of funds. This will be mitigated by insisting that proposed grant activities are new activities or an expansion of existing activities. There is no Federal statute regarding supplantation of funds. Due to the COVID-19 pandemic, State budgets may be severely cut. During his grant presentation to States last week, M. Abbott asked States to let ASC staff know what types of funding would be helpful. T. Segerson asked how the funds would be transferred to a State once a grant is awarded. M. Abbott responded that funds would be committed but not obligated. The Financial Manager will prepare a new report showing the reserve balance, obligated grant funds and committed grant funds. Only first year grant awards will be obligated. T. Segerson asked if the ASC will have adequate funding for its operations and grants. M. Abbott responded that one-year of operating funds will be in the reserve and will be separate from grant funds. Grant commitments will be subject to future revenue. J. Jilovec made a motion to approve the 2020 NOFA as presented. J. Schroeder seconded and all members present voted to approve.

- **2019 ASC Annual Report**

A. Bohorfoush presented the 2019 ASC Annual Report for approval. She said the FFIEC logo on the back cover will be removed. J. Schroeder made a motion to approve the 2019 ASC Annual Report as presented. J. Rives seconded and all members present voted to approve.

The Open Session adjourned at 11:30 a.m. The next regularly scheduled ASC Meeting will be held on September 9, 2020.

Attachment: Observer list

| | |
|--|-----------------------------------|
| | |
| Meeting: Appraisal Subcommittee Meeting | Meeting Date: May 13, 2020 |
| Time: 10:00 a.m. ET | Location: Zoom |

| Name | Affiliation |
|------------------|--|
| David Bunton | Appraisal Foundation |
| Kelly Davids | Appraisal Foundation |
| Lisa Desmarais | Appraisal Foundation |
| Edna Nkemngu | Appraisal Foundation |
| Amy Timmerman | Appraisal Foundation |
| Jeremy Gray | Appraisal Foundation Board of Trustees |
| Lisa Hobart | Appraisal Foundation Board of Trustees |
| Ronny Johnson | Appraisal Foundation Board of Trustees |
| Wayne Miller | Appraisal Standards Board |
| Mark Lewis | Appraiser Qualifications Board |
| Bill Garber | Appraisal Institute |
| Brian Rodgers | Appraisal Institute |
| Steven Feyerick | American Society of Farm Managers & Rural Appraisers |
| Deanna Ilk | American Society of Farm Managers & Rural Appraisers |
| Brian Stockman | American Society of Farm Managers & Rural Appraisers |
| Julie Friess | Arizona real estate appraiser |
| Leah Callahan | Columbia Bank |
| Deana Krumhansl | Consumer Financial Protection Bureau |
| Orlando Orellano | Consumer Financial Protection Bureau |

| Name | Affiliation |
|----------------------|---|
| Michael Briggs | Federal Deposit Insurance Corporation |
| Suzy Gardner | Federal Deposit Insurance Corporation |
| Ben Gibbs | Federal Deposit Insurance Corporation |
| Ming-Yuen Meyer Fong | Federal Housing Finance Agency |
| Marie DeGregorio | Federal Reserve Board |
| Trevor Feigleson | Federal Reserve Board |
| David Imhoff | Federal Reserve Board |
| Joe Maldonado | Federal Reserve Board |
| Matthew McQueeney | Federal Reserve Board |
| Derald Seid | Federal Reserve Board |
| John Lynch | JPMorgan Chase |
| Steve Sousa | Massachusetts Board of Real Estate Appraisers |
| Rachel Ackmann | National Credit Union Administration |
| Will Binkley | Office of the Comptroller of the Currency |
| Stacey Fluellen | Office of the Comptroller of the Currency |
| Joanne Phillips | Office of the Comptroller of the Currency |

**APPRAISAL SUBCOMMITTEE
SPECIAL MEETING MINUTES
JULY 29, 2020**

LOCATION: Zoom

ATTENDEES

ASC MEMBERS: CFPB – John Schroeder
FDIC – John Jilovec
FHFA – Robert Witt
FRB – Art Lindo
HUD – Bobbi Borland
NCUA – Tim Segerson
OCC – James Rives

ASC STAFF: Executive Director – Jim Park
Deputy Executive Director – Denise Graves
General Counsel – Alice Ritter
Grants Director – Mark Abbott
Financial Manager – Girard Hull
Attorney-Advisor – Ada Bohorfoush
Management and Program Analyst – Lori Schuster
Administrative Officer – Brian Kelly
Regulatory Affairs Specialist – Maria Brown
Policy Manager – Claire Brooks
Policy Manager – Kristi Klamet
Policy Manager – Vicki Metcalf
Policy Manager – Jenny Tidwell

OBSERVERS: (See attached list)

The Meeting was called to order at 4:00 p.m. by Chair T. Segerson.

ACTION ITEMS

- **North Dakota Request to Extend Commercial Temporary Waiver Relief**

T. Segerson opened the Special Meeting and welcomed observers. He noted that ASC staff will provide a summary and staff recommendation regarding the Request from North Dakota. He added that there would be no public comments taken at this Special Meeting.

J. Park provided the summary and staff recommendation:

Title XI authorizes the ASC to waive, on a temporary basis and subject to approval of the FFIEC, “any requirement relating to certification or licensing of a person to perform appraisals under [Title XI]” upon “a written determination that

there is a scarcity of certified or licensed appraisers to perform appraisals in connection with federally-related transactions (FRT) in a State, or in any geographical political subdivision of a State, leading to significant delays in the performance of such appraisals.” The ASC has promulgated regulations that set forth procedures that govern the processing of temporary waiver requests. On August 1, 2018, the Governor of North Dakota, the North Dakota Department of Financial Institutions, and the North Dakota Bankers Association (Requesters) submitted a temporary waiver request to the ASC. The Requesters sought a temporary waiver of not less than five years of appraiser credentialing requirements for appraisals of FRTs under \$500,000 for 1-to-4 family residential real estate transactions and under \$1,000,000 for agricultural and commercial real estate transactions throughout the State of North Dakota. On July 9, 2019, the ASC convened a Special Meeting to consider the request. Based on the information provided by the Requester, the North Dakota Real Estate Appraiser Qualifications and Ethics Board (Appraiser Board) and by the public through comment letter submissions, the ASC issued an Order approving a limited version of the waiver request. The Order was published in the *Federal Register*, and in pertinent part included a temporary waiver of appraiser credentialing requirements for appraisals of FRTs under \$1,000,000 for commercial real estate transactions throughout the State of North Dakota for a period of one year and residential FRTs below \$500,000. (The temporary waiver for residential real estate transactions terminated on December 8, 2019 due to the federal banking agencies final rule that increased the appraisal exemption threshold for residential real estate transactions that became effective on October 9, 2019.) The Order included an option for the Requester to submit certain information to the ASC at least 30 days prior to the expiration of the one-year period and the ASC would consider the information submitted and by vote, in open session, may extend the temporary waiver for an additional one-year period. On July 6, 2020, the Requesters submitted an extension request and as amended on July 8, 2020, sought extension of the commercial real estate transaction temporary waiver relief for an additional one-year period. In their July 6th submission, the Requesters reported that a November 6, 2019 meeting had been held with North Dakota stakeholders, including appraisers. Requesters provided a list of 25 “ideas and potential solutions” identified by the meeting’s 58 attendees as potential steps to address appraiser scarcity or appraisal delays. The Requesters stated that a follow-up meeting was planned for the spring of 2020, but that “due to the challenges presented by the COVID-19 pandemic, all in-person meetings and conventions were canceled when travel became restricted and everyone responded to the crisis.” The Requesters further stated that “although our collaboration efforts have been disrupted for the time being, we are anticipating future collaboration to do as much as we can locally.” In support of their assertion that a scarcity of appraisers persists in North Dakota, the Requesters cited data from the Appraiser Board indicating that the number of certified general appraisers has fallen from 67 as of September 17, 2018, to 65 as of April 30, 2020. The Requesters reported that a May 2020 survey by the North Dakota Department of

Financial Institutions found that turnaround times for commercial appraisals have improved over the past year (which Requesters attributed to the current waiver and the increased appraisal threshold for credit unions for commercial real estate transactions) but 23 percent of respondents still reported delays more than 50 percent of the time and 23 percent of respondents reported 5 or more delays in the past 12 months. The ASC also received information from the Appraiser Board. The Appraiser Board stated that a July 2020 survey found that at least 80 percent of commercial appraisers responding reported appraisal turn times of five weeks or less in each of North Dakota's six regions. According to the same survey, 90 percent of agricultural appraisers responding, reported appraisal turn times of six weeks or less in five of North Dakota's six regions. To summarize ASC staff's recommendations to the Board, staff found that while the information submitted by the Requesters is less than robust than expected to support a one-year extension under the terms of the original Order, we acknowledge extenuating and unprecedented circumstances due to the national emergency declared on March 13, 2020. ASC staff recognizes the significant impact to all parties due to the pandemic. It is reasonable to conclude that the Requesters' intentions to further collaborate with financial institutions as well as other North Dakota stakeholders were negatively impacted by the disruption resulting from COVID-19. If the ASC votes to extend the commercial transaction temporary waiver for an additional one-year term, staff recommends that it be subject to specified terms and conditions as follows:

1. During the additional one-year period, Requesters are expected to continue efforts to develop, through continued dialogue with the Appraiser Board and other North Dakota stakeholders, a plan to identify potential solutions to address appraiser scarcity and appraisal delays; and
2. The ASC may terminate the waiver on a finding that significant delays in the receipt of appraisals for FRTs no longer exists, or that the terms and conditions of the Order are not being satisfied.

T. Segerson thanked J. Park and requested comments from ASC members. J. Schroeder recognized that the Requesters did make efforts in 2019 to meet with stakeholders consistent with the 2019 Order. He also noted that COVID-19 has provided challenges to financial institutions to serve their customers and described recent regulatory flexibilities provided by bank regulatory agencies. He supported granting a one-year waiver with the conditions noted above. A. Lindo agreed with J. Schroeder's comments adding that the ASC wants to maintain its focus on resolving the scarcity and delay issues, but the current circumstances require flexibility. B. Borland disagreed stating that all lenders are dealing with the pandemic. She added the Requesters had seven months to make progress before a national pandemic was declared in March 2020. She stated that she voted against the temporary waiver in 2019 and would not support an additional one-year waiver. She did not feel that the Requesters provided the specific information requested by the Order in their July 6th extension request and that the Appraiser Board provided information to refute information submitted by the Requesters. J. Jilovec agreed with comments provided by J. Schroeder and

A. Lindo and was inclined to support the one-year temporary waiver extension. B. Witt said he voted against the temporary waiver in 2019 and would have considered voting no on this request if not for the pandemic. Due to the pandemic, he supports extending the temporary waiver for one year. While he felt that documentation provided by the Requesters was weak, the pandemic allows for some latitude. J. Rives agreed with others in support of approving the temporary waiver for an additional year. He also agreed with B. Witt that while the documentation provided by the Requesters was insufficient, the pandemic should be considered an extenuating circumstance. T. Segerson said he voted in support of the waiver request in 2019 with reservations. He would have liked to have seen more progress along with more detailed information provided in the extension request; however, this temporary waiver was requested by State authorities, and due to the pandemic, he stated it was worthwhile to provide the one-year extension. He then asked for a motion to be put forward.

R. Witt moved to approve the temporary waiver for an additional one-year period through August 7, 2021. J. Schroeder requested an amendment to the motion, which was adopted, as follows:

Commercial temporary waiver relief should be extended for an additional one-year period, subject to specified terms and conditions, and subject to FFIEC approval, as follows:

1. A temporary waiver of appraiser credentialing requirements for appraisals of FRTs under \$1,000,000 for commercial real estate transactions throughout the State of North Dakota is extended for an additional one-year period, expiring August 7, 2021.
2. During the additional one-year period, Requesters are expected to continue efforts to develop, through continued dialogue with the Appraiser Board and other North Dakota stakeholders, a plan to identify potential solutions to address appraiser scarcity and appraisal delays.
3. The ASC pursuant to 12 CFR 1102.7 may terminate this waiver order on a finding that significant delays in the receipt of appraisals for FRTs no longer exists, or that the terms and conditions of the order are not being satisfied.

Art Lindo seconded the motion, and the vote passed 6-1 with HUD voting no. T. Segerson requested a roll call vote for the record:

J. Schroeder – yes; J. Jilovec – yes; R. Witt – yes; J. Rives – yes; B. Borland – no; A. Lindo – yes; T. Segerson – yes.

The Open Session adjourned at 4:25 p.m. The next regularly scheduled ASC Meeting will be held on September 9, 2020.

Attachment: Observer List

| | | | |
|-----------------|---------------------------------------|----------------------|---------------|
| | | | |
| Meeting: | Appraisal Subcommittee Meeting | Meeting Date: | July 29, 2020 |
| Time: | 4:00 PM ET | Location: | Zoom Meeting |

| Name | Affiliation |
|------------------|---------------------------------------|
| Justin Kane | American Society of Appraisers |
| David Bunton | Appraisal Foundation |
| Kelly Davids | Appraisal Foundation |
| Jim Amarin | Appraisal Institute |
| Scott DiBiasio | Appraisal Institute |
| Bill Garber | Appraisal Institute |
| Brian Rodgers | Appraisal Institute |
| Wade Becker | Boulder Appraisal, LLC |
| Dan Berkland | Conference of State Bank Supervisors |
| Mary Beth Quist | Conference of State Bank Supervisors |
| Deana Krumhansl | Consumer Financial Protection Bureau |
| Orlando Orellano | Consumer Financial Protection Bureau |
| Brian Field | Crown Appraisals, Inc. |
| Megan Sheeley | Crown Appraisals, Inc. |
| Tyler Walsh | Crown Appraisals, Inc. |
| Joe Ibach | Dakota Appraisal & Consulting |
| Richard Foley | Federal Deposit Insurance Corporation |
| Suzy Gardner | Federal Deposit Insurance Corporation |
| Ben Gibbs | Federal Deposit Insurance Corporation |

| Name | Affiliation |
|----------------------|--|
| Lauren Whitaker | Federal Deposit Insurance Corporation |
| Kaelin Browne | Federal Financial Institutions Examination Council |
| Judith Dupre | Federal Financial Institutions Examination Council |
| Ming-Yuen Meyer-Fong | Federal Housing Finance Agency |
| Keith Coughlin | Federal Reserve Board |
| Trevor Feigleson | Federal Reserve Board |
| Carmen Holly | Federal Reserve Board |
| David Imhoff | Federal Reserve Board |
| Derald Seid | Federal Reserve Board |
| Matt Schlenvogt | Gate City Bank |
| Richard Tshara | General Accountability Office |
| Steve Pleger | Georgia Department of Banking & Finance |
| William Gion | Gion Appraisal, LLC |
| Brandy March | Iowa Real Estate Appraiser Examining Board |
| Stephen Sousa | Massachusetts Board of Real Estate Appraisers |
| Jonathan Miller | Miller Samuel, Inc. |
| James Rist | Minnesota Department of Commerce |
| Rachel Ackmann | National Credit Union Administration |
| Gira Bose | National Credit Union Administration |
| Ian Marena | National Credit Union Administration |
| Cate Agnew | Natixis |
| Lise Kruse | North Dakota Department of Financial Institutions |

| Name | Affiliation |
|-----------------|--|
| Jodie Campbell | North Dakota Real Estate Appraisers Board |
| Corey Kost | North Dakota Real Estate Appraisers Board |
| Tim Timian | North Dakota Real Estate Appraisers Board |
| Luke Shields | North Dakota Senator Hoeven's Office |
| Eric Oberg | Oberg Appraisals, Inc. |
| Will Binkley | Office of the Comptroller of the Currency |
| Stacey Fluellen | Office of the Comptroller of the Currency |
| Kevin Lawton | Office of the Comptroller of the Currency |
| Joanne Phillips | Office of the Comptroller of the Currency |
| Susan Broaddus | Regulatory Report |
| Patrick Keefe | Regulatory Report |
| Vance Patton | Tennessee Appraiser |
| Greg Gonzales | Tennessee Department of Financial Institutions |

Appraiser News, Conference Coverage



ASC exec updates appraisers

Appraiser News, Conference Coverage



Exclusive

Monday, December 14, 2020

Appraisal Subcommittee (ASC) Executive Director Jim Park gave an industry update to conference attendees at this year's virtual Appraisal Summit. Park addressed confusion he believes the profession has when it comes to the workings of the appraisal regulatory system.

"The U.S. appraisal regulatory system is unique in the world of financial regulation. I am not aware of a comparable system domestically or abroad," Park told *Valuation Review* following the conference. "The unique and somewhat complicated aspects of the system lead to some misunderstandings. The appraisal regulatory system consists of three main partners in the states, the Appraisal Foundation (a non-profit organization) and the Appraisal Subcommittee (federal government agency).

"The ASC of the Federal Financial Institutions Examination Council (FFIEC) was created on Aug. 9, 1989, pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI). Title XI's purpose is to 'provide that federal financial and public policy interests in real estate transactions will be protected by requiring that real estate appraisals utilized in connection with federally related transactions are performed in writing, in accordance with uniform standards, by individuals whose competency has been demonstrated and whose professional conduct will be subject to effective supervision'," Park added.

The executive said in order to carry out the purposes of Title XI, Congress empowered the ASC to:

- Monitor the requirements established by the states, territories, and the District of Columbia and their appraiser regulatory agencies for the certification and licensing of appraisers, and for the registration and supervision of the operations and activities of appraisal management companies (AMCs). The ASC reviews each state's compliance with the requirements of Title XI and is authorized by Title XI to take action against noncomplying states. The ASC has rulemaking and enforcement authority.
- Monitor the requirements established by the Federal Financial Institutions Regulatory Agencies regarding appraisal standards for federally related transactions and determinations of which federally related transactions will require the services of state-licensed or state-certified appraisers.
- Maintain a national registry of state-licensed and certified appraisers who may perform appraisals in connection with federally related transactions.
- Maintain a national registry of AMCs that either are registered with and subject to supervision of a state agency or are operating subsidiaries of a federally regulated financial institution.
- Monitor and review the practices, procedures, activities, and organizational structure of the Appraisal Foundation. ASC staff actively monitors all activities of the foundation.

- Provide grant funds to the foundation to support Title XI-related activities of the foundation's Appraiser Qualifications Board and Appraisal Standards Board.
- Provide grant funds to state agencies to support their Title XI-related

activities.

There are some key steps regarding the ASC making sure the states know what is expected of them concerning meeting outlined appraisal requirements.

"The ASC provides policy statements to the state agencies that explain the ASC's expectations for Title XI compliance," Park said. "ASC policy managers conduct compliance reviews of state regulatory programs at least once every two years. At times states may be required to provide additional information, including routine reports when deficiencies in the state program are identified that require additional monitoring and oversight."

"Additionally, ASC policy managers work with the states' programs on an ongoing basis to ensure they have access to the information needed for them to comply with Title XI," he said.

And just like most businesses and organizations, the ASC had some noteworthy areas to point out as it relates to dealing with COVID-19 and its many impacts. What were some of the more noteworthy areas the ASC had to deal with as far as the impacts from COVID-19?

Specifically, he said state compliance reviews were canceled for 2020 and policy managers shifted their focus to technical assistance to the states rather than compliance.

Compliance reviews, Park went on to say, will likely be canceled for at least the first quarter of 2021 and ASC staff is currently developing an off-site assessment program that will allow it to monitor and review aspects of state programs that can be shared electronically.



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2020 Annual Employee Survey Results For Appraisal Subcommittee

1. **Interpretation of Results:** (to be written by agency)
2. **How the survey was conducted:** The survey was conducted online from September 14, 2020, to October 2, 2020.
3. **Description of sample:** All 14 full-time permanent employees of the agency were surveyed.
4. **Survey items and response choices:** See the tables on the following pages.
5. **Number of employees surveyed, number who responded, and representativeness of respondents:** Of the 14 employees surveyed, 12 responded, for a 86% response rate. These respondents are representative of the population.

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

Response Rate: 86%

| Prescribed Questions: Personal Work Experiences | | | | | | | | |
|--|-------------|-----------------------|--------------|----------------|-----------------|--------------------------|--|--------------|
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | | Total |
| 1. The people I work with cooperate to get the job done. | Frequencies | 10 | 2 | 0 | 0 | 0 | | 12 |
| | Percentages | 83.3% | 16.7% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 2. I am given a real opportunity to improve my skills in my organization. | Frequencies | 5 | 4 | 2 | 0 | 0 | | 11 |
| | Percentages | 45.5% | 36.4% | 18.2% | 0.0% | 0.0% | | 100.0% |
| 3. My work gives me a feeling of personal accomplishment. | Frequencies | 6 | 3 | 3 | 0 | 0 | | 12 |
| | Percentages | 50.0% | 25.0% | 25.0% | 0.0% | 0.0% | | 100.0% |
| 4. I like the kind of work I do. | Frequencies | 8 | 2 | 2 | 0 | 0 | | 12 |
| | Percentages | 66.7% | 16.7% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 5. I have trust and confidence in my supervisor. | Frequencies | 8 | 2 | 1 | 1 | 0 | | 12 |
| | Percentages | 66.7% | 16.7% | 8.3% | 8.3% | 0.0% | | 100.0% |
| Item Text | | Very Good | Good | Fair | Poor | Very Poor | | Total |
| 6. Overall, how good a job do you feel is being done by your immediate supervisor? | Frequencies | 9 | 1 | 1 | 0 | 0 | | 11 |
| | Percentages | 81.8% | 9.1% | 9.1% | 0.0% | 0.0% | | 100.0% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

Response Rate: 86%

| Prescribed Questions: Recruitment, Development, & Retention | | | | | | | | |
|---|-------------|-----------------------|--------------|----------------|-----------------|--------------------------|--------------------|--------------|
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | Do Not Know | Total |
| 7. The workforce has the job-relevant knowledge and skills necessary to accomplish organizational goals. | Frequencies | 9 | 3 | 0 | 0 | 0 | 0 | 12 |
| | Percentages | 75.0% | 25.0% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 8. My work unit is able to recruit people with the right skills. | Frequencies | 4 | 7 | 1 | 0 | 0 | 0 | 12 |
| | Percentages | 33.3% | 58.3% | 8.3% | 0.0% | 0.0% | | 100.0% |
| 9. I know how my work relates to the agency's goals and priorities. | Frequencies | 7 | 3 | 1 | 0 | 0 | 0 | 11 |
| | Percentages | 63.6% | 27.3% | 9.1% | 0.0% | 0.0% | | 100.0% |
| 10. The work I do is important. | Frequencies | 8 | 2 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 66.7% | 16.7% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 11. Physical conditions (for example, noise level, temperature, lighting, cleanliness in the workplace) allow employees to perform their jobs well. | Frequencies | 9 | 2 | 0 | 0 | 0 | 1 | 11 |
| | Percentages | 81.8% | 18.2% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 12. Supervisors in my work unit support employee development. | Frequencies | 7 | 3 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 58.3% | 25.0% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 13. My talents are used well in the workplace. | Frequencies | 7 | 3 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 58.3% | 25.0% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 14. My training needs are assessed. | Frequencies | 4 | 4 | 4 | 0 | 0 | 0 | 12 |
| | Percentages | 33.3% | 33.3% | 33.3% | 0.0% | 0.0% | | 100.0% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

Response Rate: 86%

| Prescribed Questions: Performance Culture | | | | | | | | |
|---|-------------|-----------------------|--------------|----------------|-----------------|--------------------------|--------------------------|--------------|
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | Do Not Know | Total |
| 15. Promotions in my work unit are based on merit. | Frequencies | 4 | 3 | 5 | 0 | 0 | 0 | 12 |
| | Percentages | 33.3% | 25.0% | 41.7% | 0.0% | 0.0% | | 100.0% |
| 16. In my work unit, steps are taken to deal with a poor performer who cannot or will not improve. | Frequencies | 3 | 3 | 4 | 0 | 0 | 2 | 10 |
| | Percentages | 30.0% | 30.0% | 40.0% | 0.0% | 0.0% | | 100.0% |
| 17. Creativity and innovation are rewarded. | Frequencies | 5 | 2 | 5 | 0 | 0 | 0 | 12 |
| | Percentages | 41.7% | 16.7% | 41.7% | 0.0% | 0.0% | | 100.0% |
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | No Basis to Judge | Total |
| 18. In my most recent performance appraisal, I understood what I had to do to be rated at different performance levels (e.g., Fully Successful, Outstanding). | Frequencies | 6 | 6 | 0 | 0 | 0 | 0 | 12 |
| | Percentages | 50.0% | 50.0% | 0.0% | 0.0% | 0.0% | | 100.0% |
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | Do Not Know | Total |
| 19. In my work unit, differences in performance are recognized in a meaningful way. | Frequencies | 5 | 4 | 3 | 0 | 0 | 0 | 12 |
| | Percentages | 41.7% | 33.3% | 25.0% | 0.0% | 0.0% | | 100.0% |
| 20. Pay raises depend on how well employees perform their jobs. | Frequencies | 3 | 4 | 3 | 2 | 0 | 0 | 12 |
| | Percentages | 25.0% | 33.3% | 25.0% | 16.7% | 0.0% | | 100.0% |
| 21. My performance appraisal is a fair reflection of my performance. | Frequencies | 5 | 5 | 1 | 0 | 0 | 1 | 11 |
| | Percentages | 45.5% | 45.5% | 9.1% | 0.0% | 0.0% | | 100.0% |
| 22. Discussions with my supervisor about my performance are worthwhile. | Frequencies | 7 | 4 | 0 | 0 | 0 | 0 | 11 |
| | Percentages | 63.6% | 36.4% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 23. Supervisors work well with employees of different backgrounds. | Frequencies | 5 | 6 | 0 | 0 | 0 | 1 | 11 |
| | Percentages | 45.5% | 54.5% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 24. My supervisor supports my need to balance work and family issues. | Frequencies | 9 | 3 | 0 | 0 | 0 | 0 | 12 |
| | Percentages | 75.0% | 25.0% | 0.0% | 0.0% | 0.0% | | 100.0% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

Response Rate: 86%

| Prescribed Questions: Leadership | | | | | | | | |
|---|-------------|-----------------------|--------------|----------------|-----------------|--------------------------|--------------------|--------------|
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | Do Not Know | Total |
| 25. I have a high level of respect for my organization's senior leaders. | Frequencies | 6 | 4 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 50.0% | 33.3% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 26. In my organization, leaders generate high levels of motivation and commitment in the workforce. | Frequencies | 4 | 6 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 33.3% | 50.0% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 27. Managers review and evaluate the organization's progress toward meeting its goals and objectives. | Frequencies | 6 | 4 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 50.0% | 33.3% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 28. Employees are protected from health and safety hazards on the job. | Frequencies | 6 | 3 | 0 | 0 | 0 | 2 | 9 |
| | Percentages | 66.7% | 33.3% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 29. Employees have a feeling of personal empowerment with respect to work processes. | Frequencies | 5 | 5 | 2 | 0 | 0 | 0 | 12 |
| | Percentages | 41.7% | 41.7% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 30. My workload is reasonable. | Frequencies | 4 | 8 | 0 | 0 | 0 | 0 | 12 |
| | Percentages | 33.3% | 66.7% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 31. Managers communicate the goals and priorities of the organization. | Frequencies | 6 | 6 | 0 | 0 | 0 | 0 | 12 |
| | Percentages | 50.0% | 50.0% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 32. My organization has prepared employees for potential security threats. | Frequencies | 5 | 4 | 2 | 0 | 0 | 1 | 11 |
| | Percentages | 45.5% | 36.4% | 18.2% | 0.0% | 0.0% | | 100.0% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

Response Rate: 86%

| Prescribed Questions: Job Satisfaction | | | | | | | | |
|---|-------------|-----------------------|------------------|----------------|----------------------|---------------------------|--|--------------|
| Item Text | | Very Satisfied | Satisfied | Neither | Dis-satisfied | Very Dis-satisfied | | Total |
| 33. How satisfied are you with the information you receive from management on what's going on in your organization? | Frequencies | 5 | 7 | 0 | 0 | 0 | | 12 |
| | Percentages | 41.7% | 58.3% | 0.0% | 0.0% | 0.0% | | 100.0% |
| 34. How satisfied are you with your involvement in decisions that affect your work? | Frequencies | 6 | 5 | 1 | 0 | 0 | | 12 |
| | Percentages | 50.0% | 41.7% | 8.3% | 0.0% | 0.0% | | 100.0% |
| 35. How satisfied are you with your opportunity to get a better job in your organization? | Frequencies | 5 | 2 | 5 | 0 | 0 | | 12 |
| | Percentages | 41.7% | 16.7% | 41.7% | 0.0% | 0.0% | | 100.0% |
| 36. How satisfied are you with the recognition you receive for doing a good job? | Frequencies | 5 | 6 | 1 | 0 | 0 | | 12 |
| | Percentages | 41.7% | 50.0% | 8.3% | 0.0% | 0.0% | | 100.0% |
| 37. How satisfied are you with the policies and practices of your senior leaders? | Frequencies | 5 | 5 | 2 | 0 | 0 | | 12 |
| | Percentages | 41.7% | 41.7% | 16.7% | 0.0% | 0.0% | | 100.0% |
| 38. How satisfied are you with the training you receive for your present job? | Frequencies | 4 | 5 | 3 | 0 | 0 | | 12 |
| | Percentages | 33.3% | 41.7% | 25.0% | 0.0% | 0.0% | | 100.0% |
| 39. Considering everything, how satisfied are you with your job? | Frequencies | 9 | 2 | 1 | 0 | 0 | | 12 |
| | Percentages | 75.0% | 16.7% | 8.3% | 0.0% | 0.0% | | 100.0% |
| 40. Considering everything, how satisfied are you with your pay? | Frequencies | 5 | 6 | 1 | 0 | 0 | | 12 |
| | Percentages | 41.7% | 50.0% | 8.3% | 0.0% | 0.0% | | 100.0% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**

Surveys Sent: 14

Surveys Returned: 12

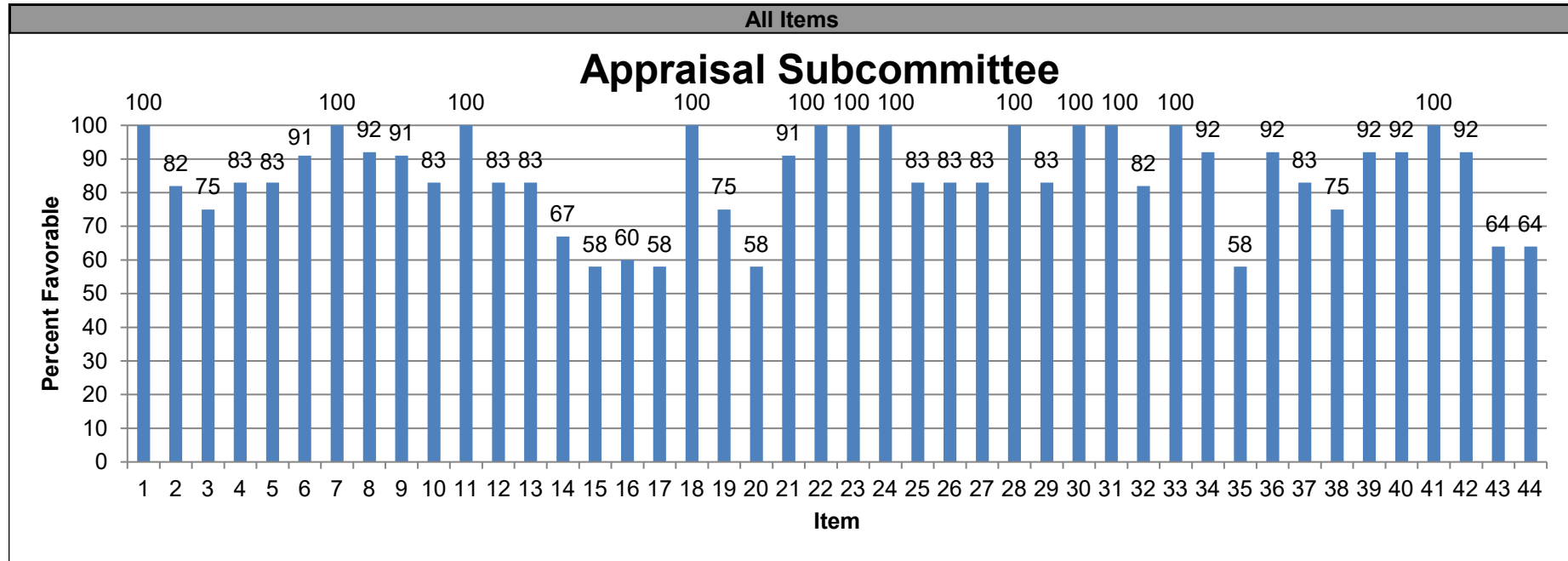
Response Rate: 86%

| Additional Questions | | | | | | | | |
|---|-------------|-----------------------|------------------|----------------|----------------------|---------------------------|--------------------|--------------|
| Item Text | | Very Satisfied | Satisfied | Neither | Dis-satisfied | Very Dis-satisfied | | Total |
| 41. Considering everything, how satisfied are you with your organization? | Frequencies | 6 | 6 | 0 | 0 | 0 | | 12 |
| | Percentages | 50.0% | 50.0% | 0.0% | 0.0% | 0.0% | | 100.0% |
| Item Text | | Strongly Agree | Agree | Neither | Disagree | Strongly Disagree | Do Not Know | Total |
| 42. I recommend my organization as a good place to work. | Frequencies | 8 | 3 | 1 | 0 | 0 | 0 | 12 |
| | Percentages | 66.7% | 25.0% | 8.3% | 0.0% | 0.0% | | 100.0% |
| 43. I believe the results of this survey will be used to make my agency a better place to work. | Frequencies | 4 | 3 | 2 | 2 | 0 | 1 | 11 |
| | Percentages | 36.4% | 27.3% | 18.2% | 18.2% | 0.0% | | 100.0% |
| 44. I can disclose a suspected violation of any law, rule or regulation without fear or reprisal. | Frequencies | 5 | 2 | 4 | 0 | 0 | 1 | 11 |
| | Percentages | 45.5% | 18.2% | 36.4% | 0.0% | 0.0% | | 100.0% |

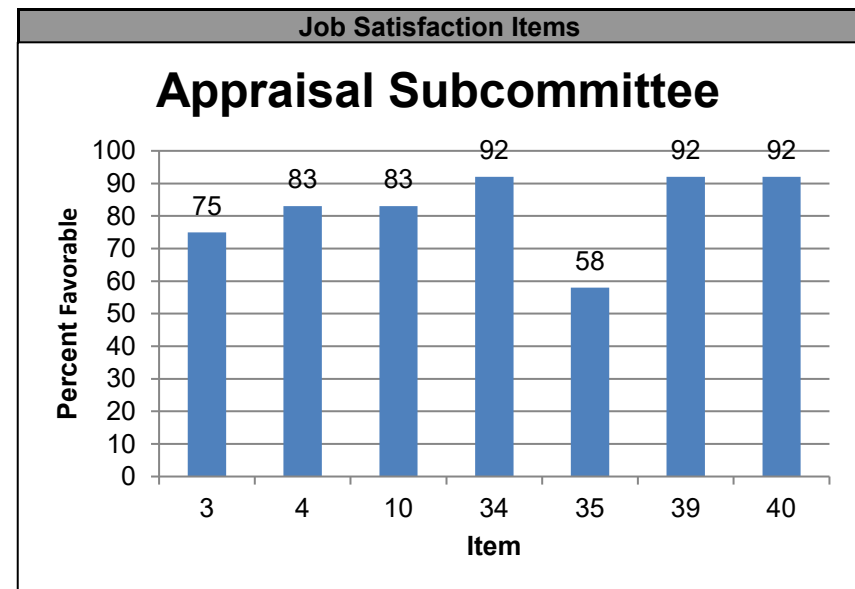
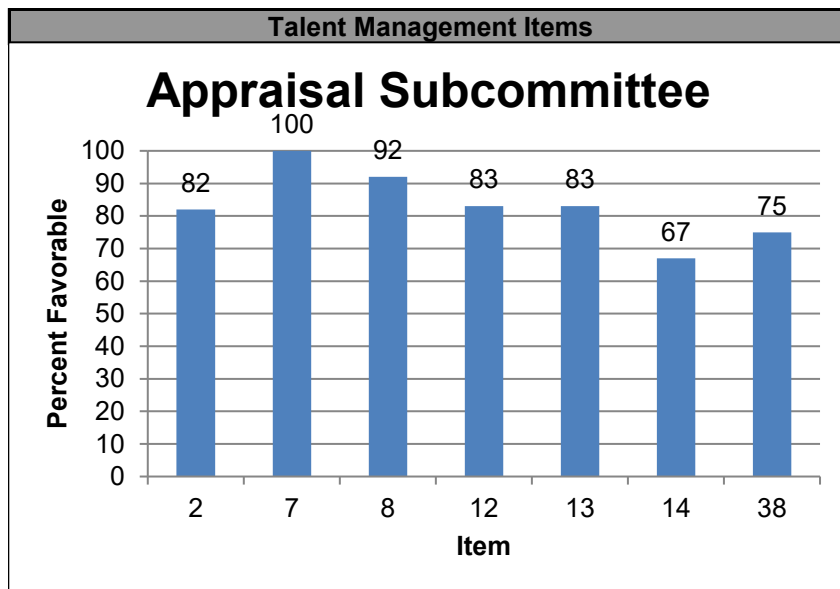
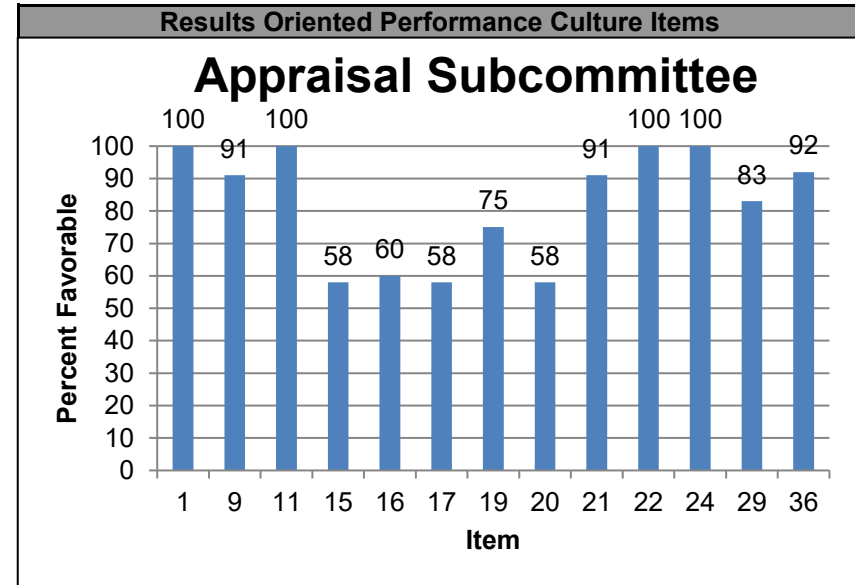
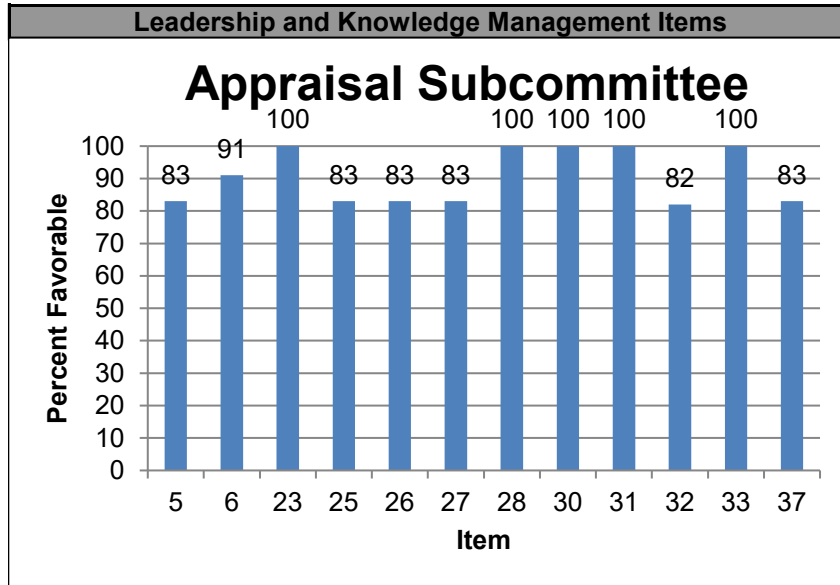
HCAAF Indices

| Index | % Favorable |
|--------------------------------------|--------------------|
| Leadership and Knowledge Management | 91% |
| Results Oriented Performance Culture | 82% |
| Talent Management | 83% |
| Job Satisfaction | 82% |

**2020 Annual Employee Survey Results For
Appraisal Subcommittee**



**2020 Annual Employee Survey Results For
Appraisal Subcommittee
Results by HCAAF Index**



■ ■ ■ ■ ■ ■ ■

Appraisal Subcommittee

Federal Financial Institutions Examination Council

October 13, 2020

Via Email: AQB@appraisalfoundation.org

Mr. Mark A. Lewis, Chairman
Appraiser Qualifications Board
1155 15th St. NW #1111
Washington, DC 20005

Dear Chairman Lewis:

The Appraisal Subcommittee (ASC) staff appreciates the opportunity to comment on the Second Exposure Draft of *Practical Applications of Real Estate Appraisal* (PAREA). These comments reflect the opinions of ASC staff and are not necessarily those of the ASC or its member agencies.

We have supported the PAREA concept since the first Concept Paper was published over five years ago, as well as other paths to obtaining an appraiser credential. However, significant questions that could undermine its success remain unanswered, including:

- cost to potential users
- investment to develop the training
- approval by States

The AQB maintains that PAREA is intended to satisfy the experience requirement, not education. The experience component of the *Real Property Appraiser Qualification Criteria* (Criteria) has been a significant barrier to entry for decades. This has taken on even more relevance considering the lack of diversity among appraisers.

If the AQB were to consider an alternative path to credentialing that did not include an experience component, PAREA could offer a hybrid solution as simulated experience in an educational environment. Title XI does not require experience. Therefore, PAREA as an education component could complement an entirely different approach, such as an examination, in lieu of experience, that demonstrates practical application of appraisal theory and practice, similar to the legal and accounting professions. Using a practice-based examination without the need for experience would follow the model Congress recommended in a report¹ on the initial implementation of Title XI.

The PAREA outline indicates that any PAREA program must be approved by the AQB. The approval of PAREA programs could instead be modeled after the Course Approval Program (CAP) which would allow the AQB to approve voluntarily submitted PAREA programs, and at the same time, allow the States to do so as well. The proposed Guide Notes are well thought out, comprehensive and would provide States with the ability to approve PAREA. This approach could increase the speed with which this concept can be brought to the marketplace.

¹ H.R. REP. NO. 101-981, at 10 (1990).

PAREA as proposed is eligible to satisfy 100% of the Criteria's experience requirement. States can be more restrictive and allow only a portion of the required experience to be completed via PAREA. If the programs were designed in distinct modules (*e.g.*, by topic area or type of property), PAREA could gain more acceptance. For example, an appraiser who has no experience with Small Residential Income Property appraisals and wants to gain such experience could train using a module specifically designed for that purpose. Modules could also make PAREA more affordable and accessible.

The Mentor qualification requirements as proposed appear to be less than the Criteria's existing Supervisory Appraiser requirements. For example, Mentors are not required to take the Supervisory Appraiser Course; given the lack of prerequisites proposed for Mentors, the same shortcomings that exist with Supervisory Appraisers could carry over to Mentors. They could even be amplified since there is no limitation on the number of Trainees under a Mentor. Moreover, the financial incentive for having numerous Trainees could be significant. Additionally, the qualification requirements as proposed prohibit individuals who could be qualified such as retired appraisers, formerly credentialed appraisers, professional educators and those simply not active on the Appraiser Registry from becoming Mentors.

Finally, as proposed, PAREA creates a linear path to licensing or residential certification by requiring completed education before PAREA can be started. This differs from the existing Criteria by increasing the time required to obtain a credential, and thereby could pose a barrier to entry for a more diverse set of candidates.

The general concept of PAREA is a good one and we appreciate the hard work the AQB has put into this concept. We are particularly appreciative for the opportunity to share our thoughts and concerns for the AQB's consideration before adoption.

Please contact us if you have any questions.

Sincerely,



James R. Park
Executive Director

■ ■ ■ ■ ■ ■ ■

Appraisal Subcommittee

Federal Financial Institutions Examination Council

February 18, 2021

Via Email: www.surveymonkey.com/r/ASBComments

Appraisal Standards Board
Wayne R. Miller, Chair
The Appraisal Foundation
1155 15th Street, NW
Suite 1111
Washington, DC 20005

RE: ASC Staff Comments on Fourth Exposure Draft of Proposed Changes
for the 2022-2023 edition of the USPAP; Advisory Opinion 16

Dear Chair Miller,

The Appraisal Subcommittee (ASC) staff appreciates the opportunity to comment on the Appraisal Standards Board's (ASB) Fourth Exposure Draft of proposed changes for the 2022-2023 edition of the *Uniform Standards of Professional Appraisal Practice* (USPAP). The following comments reflect the opinions of the ASC staff, not necessarily the ASC or its member agencies.

We appreciate the work the ASB performs on behalf of appraisers, regulators, users of appraisal services and consumers. We remain concerned about the cadence of USPAP changes, the burden and cost these changes generate for appraisers and other stakeholders, and the nexus between USPAP changes and Foundation revenue. This is even more concerning when the same issues are revisited.

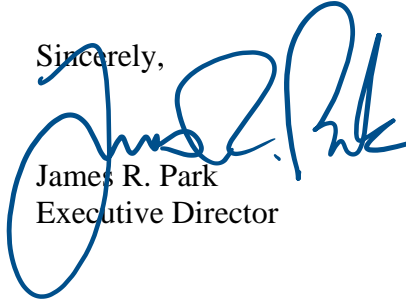
Industry opinion on the Fourth Exposure Draft appears to be mixed. We share similar concerns to those expressed by some stakeholders regarding the changes proposed in Section 1. Section 1 is largely in response to the increased use of hybrid or bifurcated appraisals where the inspection is provided by a third party. We appreciate the concerns some of these appraisal assignments may cause for appraisers. However, development of appraisal products to assist in this regard could be beneficial to the financial markets and appraisal profession in the future. Since USPAP does not require any inspection of the subject property, we ask that the ASB consider whether this is an area that needs increased regulation.

The proposed changes to DEFINITIONS, such as Significant Professional Assistance and Assignment Results, will likely pose potential downstream impacts on trainees and other areas of the profession. We encourage you to ensure that the proper research and analysis be completed.

We applaud TAF's and the ASB's commitment to diversity and inclusion. We ask that you consider lines 198-200 in the 2020-2021 USPAP. This language could be construed to allow the use of supported conclusions to justify discriminatory findings as an ethical act.

Please contact us if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "James R. Park", is written over the typed name and title.

James R. Park
Executive Director

Lori L. Schuster

From: James R. Park
Sent: Tuesday, December 22, 2020 9:15 AM
To: Alice M. Ritter; Denise Graves; Mark Abbott
Cc: Lori L. Schuster
Subject: FW: 4th Exposure Draft for 2022-23 USPAP

FYI

Lori – please include this in the next meeting package.

From: Dave Towne <dtowne@fidalgo.net>
Sent: Saturday, December 19, 2020 9:05 PM
To: Dave Towne <dtowne@fidalgo.net>
Subject: 4th Exposure Draft for 2022-23 USPAP

The Appraisal Foundation/Appraisal Standards Board have released the **4th Exposure Draft** to the FUTURE version (**2022-23**) of USPAP.

I, like so many other ‘stakeholders’ and appraisers, have grown weary of the incessant Exposure Drafts and updates to our mandated PROTOCOL MANUAL, which for many years has been massaged and modified in various ways every 2 years. Largely because new members cycle onto the ASB every year or two.

The constant updates has resulted into a continuing cash cow for the TAF/ASB. But in actual use, that should not happen because USPAP is codified as ‘law’ in virtually every state and territory of the US. Nobody has to buy a copy of whatever ‘law’ applies to their profession except appraisers.

It’s time to quit the constant updating process (after this FUTURE edition), and only update IF REALLY necessary at a minimum of every 4-5 years. *(Yes.....license renewal CE hours will be affected, but is not difficult to remedy.)*

But, in quickly reading the info about pending (FUTURE) changes, I agree with one:

The ASB is proposing adding the word “appraiser” to describe exactly who is providing Significant Appraisal Assistance:

SIGNIFICANT APPRAISAL (or APPRAISAL REVIEW) ASSISTANCE: assistance that affects the assignment results and is provided by **another appraiser** explicitly in support of a particular assignment.

Ever since the words “significant appraisal assistance” were added to USPAP a few issues ago, the intent was never defined well. It was addressed in a FAQ in a subsequent USPAP, but many appraisers don’t read that far into the tome.

You can access the 2022-23 Exposure Draft at the link below. **Follow directions in it if you want to provide comments**, as there is a new process to do that.

Dave Towne, MNAA, AVAA, AGA

Certified Residential RE Appraiser

19+ yrs Experience

FHA Approved

Accredited **Green** Appraiser

Specialist – HUD Sec. 184 Lending Pgms.

Freelance Writer – Appraisal Topics

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Mount Vernon, WA

Owner / Educator

Appraiser Education Service

Quality live appraiser CE education

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National Association of Appraisers – Member

Appraisers' Coalition of Washington – Member

American Veteran American Appraiser – Honored Recipient

[DISCUSSION DRAFT]

116TH CONGRESS
2^D SESSION

H. R. _____

To establish an interagency Task Force to analyze Federal collateral underwriting standards and guidance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To establish an interagency Task Force to analyze Federal collateral underwriting standards and guidance, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Appraisal Fairness and
5 Improvement Act of 2020”.

6 **SEC. 2. FINDINGS.**

7 The Congress finds the following:

1 (1) Two Federal agencies, the Federal Home
2 Owners' Loan Corporation and the Federal Housing
3 Administration played a major role in the develop-
4 ment of the modern home mortgage origination in-
5 dustry.

6 (2) Both Federal agencies explicitly considered
7 the racial and ethnic make up of neighborhoods
8 when underwriting loans and valuing the real estate
9 to be used as home loan collateral.

10 (3) Both agencies devalued property or refused
11 to make loans secured by property in communities of
12 color.

13 (4) The harmful consequences of this discrimi-
14 nation remain unresolved.

15 **SEC. 3. REAL ESTATE VALUATION TASK FORCE.**

16 (a) ESTABLISHMENT.—The Appraisal Subcommittee
17 of the Financial Institutions Examination Council shall fa-
18 cilitate the establishment and convening of an Interagency
19 Task Force on Real Estate Valuation (in this section re-
20 ferred to as the “Task Force”).

21 (b) MEMBERS.—The Task Force shall consist of the
22 following members or their designees:

23 (1) The Director of the Federal Housing Fi-
24 nance Agency.

1 (2) The chairman of the board of directors of
2 the Federal National Mortgage Association.

3 (3) The Chairman of the Board of Directors of
4 the Federal Home Loan Mortgage Corporation.

5 (4) The President of the Government National
6 Mortgage Association.

7 (5) The Chairperson of the board of directors
8 of one of the Federal home loan banks, selected by
9 **[—?]**.

10 (6) The Assistant Secretary of the Department
11 of Housing and Urban Development who is the Fed-
12 eral Housing Commissioner.

13 (7) The Undersecretary for Rural Development
14 of the Department of Agriculture.

15 (8) The Secretary of Veterans Affairs.

16 (9) The Director of the Bureau of Consumer
17 Financial Protection, who shall serve as the Chair-
18 person of the Task Force.

19 (c) DUTIES.—The Task Force shall—

20 (1) harmonize to the greatest extent possible
21 the various collateral underwriting standards and
22 guidance of the agencies and entities represented on
23 the Task Force governing residential and commer-
24 cial real estate valuations, including standards and
25 guidance with respect to appraisals, non-traditional

1 and alternative methods of providing real estate
2 property evaluations such as automated valuation
3 models, and standards and guidance with respect to
4 the valuation of energy efficient housing;

5 (2) to the extent that standards or guidance de-
6 scribed under paragraph (1) are not harmonized,
7 each member of the Task Force shall issue a report
8 to Congress explaining why harmonization cannot or
9 should not be implemented;

10 (3) establish specific definitions for limited or
11 inactive housing markets in which comparable sales
12 are limited or unavailable over a certain period of
13 time, and establish greater flexibilities and guidance
14 for appraisals and any underwriting processes asso-
15 ciated with appraisals conducted in such markets,
16 such as the ability to consider market evidence for
17 similar properties in other geographic areas;

18 (4) aggregate data across Task Force members
19 and conduct a study to determine whether there are
20 racial disparities at both the borrower and commu-
21 nity level in the valuation and price of the residential
22 real estate to be used as collateral for mortgage ap-
23 plications processed by Task Force Members;

24 (5) identify specific causes of such racial dis-
25 parities and—

1 (A) adopt changes to address such causes;

2 or

3 (B) if the Task Force determines that ad-
4 ditional statutory authority is needed to adopt
5 such changes, issue a report to Congress de-
6 scribing the needed statutory authority; and

7 (6) evaluate whether current minimum experi-
8 ence requirements established by the Appraiser
9 Qualifications Board are disproportionately pre-
10 venting minorities from entering into the appraisal
11 profession.

12 (d) MEETINGS.—The Task Force shall convene regu-
13 larly, including with the advisory committee described
14 under subsection (g), to carry out the duties under sub-
15 section (c) and submit the reports required under sub-
16 section (f).

17 (e) SHARING OF INFORMATION.—Each agency and
18 entity represented on the Task Force shall share with the
19 Task Force any data of the agency or entity necessary
20 for the Task Force to carry out the duties of the Task
21 Force under this Act.

22 (f) REPORTS.—

23 (1) INITIAL.—The Chairperson of the Task
24 Force shall submit a report to the Congress not
25 later than the expiration of the 24-month period be-

1 ginning on the date of the enactment of this Act de-
2 tailing the findings and any actions taken to further
3 the duties of the Task Force as of such time and de-
4 scribing any planned efforts and activities.

5 (2) ONGOING.—Periodically after the submis-
6 sion of the report pursuant to paragraph (1), the
7 Chairperson shall submit reports to the Congress
8 setting forth updates of the findings and actions
9 taken to further the duties of the Task Force.

10 (g) ADVISORY COMMITTEE.—The Task Force shall
11 establish an advisory committee to provide advice with re-
12 spect to the duties of the Task Force. The advisory com-
13 mittee shall consist of—

14 (1) at least 2 civil rights advocates;

15 (2) at least 2 consumer advocates;

16 (3) at least 2 real estate appraisers (or rep-
17 representatives of real estate appraiser trade groups);

18 (4) at least 1 small lender (or representative of
19 a trade group for small lenders);

20 (5) at least 1 representative of a trade group
21 that represents private investors; and

22 (6) at least 1 individual expertise on alternative
23 valuation models.

1 (h) SUNSET.—The Task Force shall terminate upon
2 the expiration of the 5-year period beginning on the date
3 of the enactment of this Act.

4 **SEC. 4. PROMOTING DIVERSITY AND INCLUSION IN THE AP-**
5 **PRAISAL PROFESSION.**

6 The Financial Institutions Reform, Recovery, and
7 Enforcement Act of 1989 is amended—

8 (1) in section 1103(a) (12 U.S.C. 3332(a))—

9 (A) in paragraph (3), by striking “and” at
10 the end;

11 (B) in paragraph (4), by striking the pe-
12 riod at the end and inserting a semicolon;

13 (C) in paragraph (5), by striking the pe-
14 riod at the end and inserting a semicolon;

15 (D) in paragraph (6), by striking the pe-
16 riod at the end and inserting “a semicolon;
17 and”;

18 (E) by adding at the end the following new
19 paragraph:

20 “(7) administer the grant program under sec-
21 tion 1122(j).”; and

22 (2) in section 1122 (12 U.S.C. 3351), by add-
23 ing at the end the following new subsection:

24 “(j) GRANT PROGRAM TO PROMOTE DIVERSITY AND
25 INCLUSION IN THE APPRAISAL PROFESSION.—

1 “(1) IN GENERAL.—The Appraisal Sub-
2 committee shall carry out a program under this sub-
3 section to makes grants to State agencies, nonprofit
4 organizations, and institutions of higher education to
5 promote diversity and inclusion in the appraisal pro-
6 fession.

7 “(2) ELIGIBLE ACTIVITIES.—Activities carried
8 out with amounts from a grant under this Act shall
9 be designed to promote diversity and inclusion in the
10 appraisal profession, and may include—

11 “(A) funding scholarships;

12 “(B) providing training and education;

13 “(C) providing implicit bias training for
14 appraisers; and

15 “(D) other activities as determined appro-
16 priate to further the purposes of this grant pro-
17 gram by the Appraisal Subcommittee.

18 “(3) ALLOCATION OF FUNDS.—In making
19 grants under this subsection, the Appraisal Sub-
20 committee shall—

21 “(A) allocate 50 percent of the funds made
22 available to Historically Black Colleges and
23 Universities or universities with degree pro-
24 grams approved by the Appraiser Qualifications

1 Board or a relevant State regulatory agency
2 for—

3 “(i) scholarships for students of color
4 who want to pursue a career in real estate
5 appraisal; and

6 “(ii) subsidizing living expenses for
7 those students while in training; and

8 “(B) allocate 20 percent of the funds to
9 cover the cost of fulfilling the experience re-
10 quirements or other applicable requirements
11 that the students described under subparagraph
12 (A) will need to complete in order to become
13 appraisers.

14 “(4) ADMINISTRATIVE COSTS.—The Appraisal
15 Subcommittee may use 1 percent of amounts appro-
16 priated pursuant to paragraph (6) to cover the ad-
17 ministrative costs of carrying out this subsection.

18 “(5) REPORTS.—For each fiscal year during
19 which grants are made under the program under
20 this subsection, the Appraisal Subcommittee shall
21 submit a report to the Congress regarding imple-
22 mentation of the program and describing the grants
23 made and activities conducted using grant amounts.

24 “(6) AUTHORIZATION OF APPROPRIATIONS.—
25 There is authorized to be appropriated to the Ap-

1 praisal Subcommittee for grants under this sub-
2 section \$50,000,000 for each of fiscal years 2021
3 through 2025.”.