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Appraisal Subcommittee
Federal Financial Institutions Examination Council

Agenda

Date: June 8, 2018
Time: 10:00 a.m.
Location: Via conference call

Open Session

Action and Discussion Item

- **State Requests for Extension of Implementation Period to establish AMC Program** **A. Ritter**

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Appraisal Subcommittee

Federal Financial Institutions Examination Council

To: Appraisal Subcommittee

From: Jim Park, Executive Director

Date: June 5, 2018

Subject: Requests for Extension of Implementation Period

ASC staff has received additional requests for extension of the Implementation Period. The ASC has called a Special Meeting for June 8, 2018, to consider the additional requests.

Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act¹ (Dodd-Frank Act) included amendments to Title XI to include additional duties for States, if they so choose, to register and supervise AMCs. States electing to register and supervise AMCs must implement minimum requirements in accordance with the AMC Rule.² Title XI as amended by the Dodd-Frank Act imposes a statutory restriction on performance of services by appraisal management companies (AMCs) for federally related transactions (FRTs)³ that applies after August 10, 2018 (Implementation Period).⁴ The ASC, with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this period for an additional 12 months if the ASC makes a written finding that the State has made substantial progress in establishing a State AMC

¹ Pub. L. 111-203, 124 Stat. 1376.

² The Dodd-Frank Act added section 1124 to Title XI, *Appraisal Management Company Minimum Requirements*, which required the Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Bureau of Consumer Financial Protection (Bureau); and Federal Housing Finance Agency (FHFA) to establish, by rule, minimum requirements for the registration and supervision of AMCs by States that elect to register and supervise AMCs pursuant to Title XI and the rules promulgated thereunder. The Agencies issued a final rule (AMC Rule) with an effective date of August 10, 2015. (80 FR 32658, June 9, 2015).

³ A federally related transaction includes any real estate-related financial transaction which: (a) a Federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser. *See* Title XI sec. 1121 (4), 12 U.S.C. 3350, implemented by the OCC: 12 CFR 34.42(f) and 34.43(a); Board: 12 CFR 225.62(f) and 225.63(a); FDIC: 12 CFR 323.2(f) and 323.3(a); and NCUA: 12 CFR 722.2(f) and 722.3(a). Based on 2014 Home Mortgage Disclosure Act (HMDA) data, at least 90 percent of residential mortgage loan originations are not subject to the Title XI appraisal regulations. (FFIEC report to Congress, *Economic Growth and Regulatory Paperwork Reduction Act*, 82 FR 15900 (March 30, 2017).

⁴ *See* 12 U.S.C. 3353(f)(1). "Implementation Period" is the 36-month period that began when the AMC Rule became effective. Upon expiration of the Implementation Period (August 10, 2018), an AMC, as defined by Title XI, may not provide services for FRTs in a State unless the AMC is registered with the State pursuant to a registration and supervision program established under Section 1117, or is subject to oversight by a Federal financial institutions regulatory agency.

registration and supervision system (AMC Program) that appears to conform with the provisions of Title XI.⁵

The ASC issued Bulletin No. 2017-02 on November 21, 2017, to provide information regarding State applications for extension of the Implementation Period. The Bulletin advised States that they may make a request in writing, and that a request must include evidence of substantial progress⁶ made by the State towards establishing an AMC Program that appears to conform with Title XI. The Bulletin also advised States that any request for an extension should be received by the ASC by **June 1, 2018**, in order to process a State's request prior to the expiration of the Implementation Period. Finally, the Bulletin informed States that if the request for an extension is granted, the statutory restriction on performance of services by AMCs for FRTs will be lifted until August 10, 2019, for AMCs operating in the subject State.

Attached is a chart that reflects States' status on implementation of AMC Programs, either "participating" or "non-participating" if known, as well as those States that have applied for an extension to the Implementation Period. This chart is also posted to the ASC website. (On the website version, each State is linked to that State's website for the most current information.)

Summary of Additional State Requests

Arkansas: The State has been regulating AMCs since 2010. They have revised the AMC statutes to meet the AMC Rule, but are in the process of preparing and promulgating rules and regulations.

Colorado: The State has been regulating AMCs since 2013. However, Colorado law does not comply with the AMC Rule. A bill is currently pending to amend the law to comply with the AMC Rule. It has passed the General Assembly, but has not been signed by the Governor. If it is signed into law, they will begin work on the rules.

Connecticut: The State is a participating State, but does not have all statutes and regulations in place. The State submitted those areas that are in compliance with the AMC Rule, and those areas that they plan to address in the upcoming legislative session.

Florida: The State has been regulating AMCs since 2011. While the State has made progress in implementing rules for an AMC Program that complies with the AMC Rule, there are certain areas of the Code that are still in progress, including renewal periods, citation authority and disciplinary guidelines. They are also making revisions to the registry fee collection.

Indiana: The State has made progress on the registration of AMCs and on specific requirements such as USPAP compliance and recordkeeping. However, the State continues to work on revisions to the code to meet other minimum requirements as established in the AMC Rule.

⁵ 12 U.S.C. 3353(f)(2).

⁶ Examples of "substantial progress" may include draft legislation, rulemaking or policy to establish an AMC Program that has not yet been finalized.

Maine: The State submitted recent history of legislation passed and repealed relative to AMC registration and supervision. The end result was the repeal of the chapter authorizing licensure and oversight of AMCs. If a special session of the Legislature is convened, that provision may be addressed and the chapter re-enacted. Because of the uncertainty as to whether there will be a special session, the State is requesting an extension. The next legislative session is January 2019.

Mississippi: The State statute on AMC registration and supervision passed in 2011. However, there are changes that will be required in order to comply with the AMC Rule. The Legislature does not reconvene until January 2019. The Board has begun the process toward recommendation to the Legislature regarding the necessary changes.

New Jersey: The State statute has been amended. The State has now begun the regulatory process. The Board has approved rules for proposal which were included with their request along with the description for the process going forward.

North Carolina: The current statute of registration and supervision of AMCs requires amendments to comply with the AMC Rule, and in particular the provisions relative to AMCs having processes and controls in place reasonably designed to ensure compliance with TILA appraiser independence requirements.

Ohio: The statutory implementation of registration and supervision of AMCs will not meet the August 10, 2018 date. The Division and the Board are proceeding with drafting of rules and other operational necessities to implement the AMC Program in compliance with the AMC Rule as soon as the bill is enrolled.

Rhode Island: The statute is in place for registration and supervision of AMCs. However, the Department is currently in the comment phase of proposed regulations. The State anticipates the AMC Program may be in place by the fall of 2018.

Vermont: Statutory reform has facilitated conformity with the AMC Rule. However, preliminary assessment of AMC regulation and rulemaking are still in progress.

Washington: The State's current AMC statute and rules are in need of amendment to comply with the AMC Rule. The Department has been working with ASC Policy Managers to identify and correct deficiencies.

Staff Comment

Staff recommends the 12-month extension be granted for all subject State requests. These States have been working very closely with ASC staff, particularly their Policy Managers, to establish an AMC Program that is compliant with the minimum requirements in the AMC Rule. Policy Managers have confirmed that the status of each of the subject States is as represented in the requests for an extension, and therefore is consistent with examples for substantial progress provided in Bulletin 2017-02. The status of each State and the efforts made toward establishing an AMC Program support the ASC making a written finding that each State has made substantial

progress in establishing a State AMC Program that appears to conform with the provisions of Title XI (draft written finding attached).

Attachments

States' Status on Implementation of AMC Programs

Below is a chart on the status of States and AMC Program Implementation. Staff will continue to update the chart when notified of changes in status. [Links are provided on the chart to State websites, which until the AMC Registry is fully operational, will be the best and most accurate source on States' status.](#)

State	Participating ⁽¹⁾	Non-participating ⁽²⁾	Participation Unknown	1-yr Extension ⁽³⁾
Alabama	X			
Alaska	X			Preliminary Approval
Arizona	X			
Arkansas	X			Applied
California			X	
Colorado	X			Applied
CNMI		X		
Connecticut	X			Applied
Delaware	X			
DC		X		
Florida	X			Applied
Georgia	X			Preliminary Approval
Guam		X		
Hawaii	X			
Idaho	X			
Illinois	X			
Indiana	X			Applied
Iowa	X			
Kansas			X	
Kentucky	X			Preliminary Approval
Louisiana			X	
Maine	X			Applied
Maryland	X			
Massachusetts	X			Preliminary Approval
Michigan			X	
Minnesota			X	
Mississippi	X			Applied

Missouri	X			
Montana			X	
Nebraska			X	
Nevada	X			Preliminary Approval
New Hampshire			X	
New Jersey	X			Applied
New Mexico			X	
New York	X			Preliminary Approval
North Carolina	X			Applied
North Dakota	X			
Ohio	X			Applied
Oklahoma	X			Preliminary Approval
Oregon	X			
Pennsylvania	X			
Puerto Rico		X		
Rhode Island	X			Applied
South Carolina	X			
South Dakota			X	
Tennessee	X			
Texas	X			
U.S. Virgin Islands			X	
Utah			X	
Vermont	X			Applied
Virginia	X			
Washington	X			Applied
West Virginia			X	
Wisconsin			X	
Wyoming			X	

1. "Participating" refers to a State that has elected to register and supervise AMCs in accordance with the [AMC Rule](#).

2. "Non-participating" refers to a State that has elected not to register and supervise AMCs in accordance with the [AMC Rule](#).

3. The ASC, with the approval of the FFIEC, may extend the Implementation Period as established by the [AMC Rule](#) for an additional 12 months if the ASC makes a finding that the State has made substantial progress in establishing a State AMC Program that meets the standards of Title XI (12 U.S.C. 3353(f)(2)).

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Appraisal Subcommittee

Federal Financial Institutions Examination Council

WRITTEN FINDING ON ADDITIONAL REQUESTS FOR EXTENSION

Background

The Dodd-Frank Act¹ amendments to Title XI include additional duties for States, if they so choose, to register and supervise appraisal management companies (AMCs). States electing to register and supervise AMCs must implement minimum requirements in accordance with the AMC Rule.² Title XI as amended by the Dodd-Frank Act imposes a statutory restriction on performance of services by AMCs for federally related transactions (FRTs)³ that applies after August 10, 2018 (Implementation Period).⁴ The Appraisal Subcommittee (ASC), with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this period for an additional 12 months if the ASC makes a written finding that the State has made substantial progress in establishing a State AMC registration and supervision system (AMC Program) that appears to conform with the provisions of Title XI.⁵

The ASC issued Bulletin No. 2017-02 (attached) on November 21, 2017, to provide information regarding State applications for extension of the Implementation Period. The Bulletin advised States that they may make a request in writing, and that a request must include evidence of substantial progress⁶ made by the State towards establishing an AMC Program that appears to conform with Title XI. The Bulletin also advised States that any request for an extension should be received by the ASC by **June 1, 2018**, in order to process a State's request prior to the expiration of the Implementation Period. Finally, the Bulletin informed States that if the request for an extension is granted, the statutory restriction on performance of services by AMCs for FRTs will be lifted until August 10, 2019, for AMCs operating in the subject State.

¹ Pub. L. 111-203, 124 Stat. 1376.

² The Dodd-Frank Act added section 1124 to Title XI, *Appraisal Management Company Minimum Requirements*, which required the Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Bureau of Consumer Financial Protection (Bureau); and Federal Housing Finance Agency (FHFA) to establish, by rule, minimum requirements for the registration and supervision of AMCs by States that elect to register and supervise AMCs pursuant to Title XI and the rules promulgated thereunder. The Agencies issued a final rule (AMC Rule) with an effective date of August 10, 2015. (80 FR 32658, June 9, 2015).

³ A federally related transaction includes any real estate-related financial transaction which: (a) a Federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser. *See* Title XI sec. 1121 (4), 12 U.S.C. 3350, implemented by the OCC: 12 CFR 34.42(f) and 34.43(a); Board: 12 CFR 225.62(f) and 225.63(a); FDIC: 12 CFR 323.2(f) and 323.3(a); and NCUA: 12 CFR 722.2(f) and 722.3(a). Based on 2014 Home Mortgage Disclosure Act (HMDA) data, at least 90 percent of residential mortgage loan originations are not subject to the Title XI appraisal regulations. (FFIEC report to Congress, *Economic Growth and Regulatory Paperwork Reduction Act*, 82 FR 15900 (March 30, 2017).

⁴ *See* 12 U.S.C. 3353(f)(1). "Implementation Period" is the 36-month period that began when the AMC Rule became effective. Upon expiration of the Implementation Period (August 10, 2018), an AMC, as defined by Title XI, may not provide services for FRTs in a State unless the AMC is registered with the State pursuant to a registration and supervision program established under Section 1117, or is subject to oversight by a Federal financial institutions regulatory agency.

⁵ 12 U.S.C. 3353(f)(2).

⁶ Examples of "substantial progress" may include draft legislation, rulemaking or policy to establish an AMC Program that has not yet been finalized.

Summary of State Requests

Arkansas: The State has been regulating AMCs since 2010. They have revised the AMC statutes to meet the AMC Rule, but are in the process of preparing and promulgating rules and regulations.

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Connecticut: The State is a participating State, but does not have all statutes and regulations in place. The State submitted those areas that are in compliance with the AMC Rule, and those areas that they plan to address in the upcoming legislative session.

Florida: The State has been regulating AMCs since 2011. While the State has made progress in implementing rules for an AMC Program that complies with the AMC Rule, there are certain areas of the Code that are still in progress, including renewal periods, citation authority and disciplinary guidelines. They are also making revisions to the registry fee collection.

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Maine: The State submitted recent history of legislation passed and repealed relative to AMC registration and supervision. The end result was the repeal of the chapter authorizing licensure and oversight of AMCs. If a special session of the Legislature is convened, that provision may be addressed and the chapter re-enacted. Because of the uncertainty as to whether there will be a special session, the State is requesting an extension. The next legislative session is January 2019.

Mississippi: The State statute on AMC registration and supervision passed in 2011. However, there are changes that will be required in order to comply with the AMC Rule. The Legislature does not reconvene until January 2019. The Board has begun the process toward recommendation to the Legislature regarding the necessary changes.

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necessities to implement the AMC Program in compliance with the AMC Rule as soon as the bill is enrolled.

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Vermont: Statutory reform has facilitated conformity with the AMC Rule. However, preliminary assessment of AMC regulation and rulemaking are still in progress.

Washington: The State's current AMC statute and rules are in need of amendment to comply with the AMC Rule. The Department has been working with ASC Policy Managers to identify and correct deficiencies.

ASC Finding

The ASC reviewed the subject State requests at a Special Meeting held June 8, 2018. Each State submitted evidence of substantial progress made towards establishing an AMC Program. ASC staff confirmed these States have been working very closely with ASC staff, particularly their Policy Managers, to establish an AMC Program that is compliant with the minimum requirements in the AMC Rule and that any deficiencies or inconsistencies are being remedied. The status of each State and the efforts made toward establishing an AMC Program support the ASC making a written finding that each State has made substantial progress in establishing a State AMC Program that appears to conform with the provisions of Title XI.

Dated this _____ day of _____, 2018.

Arthur Lindo
ASC Chairman

Attachment

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Appraisal Subcommittee

Federal Financial Institutions Examination Council

Bulletin No. 2017-02

Issue Date: November 21, 2017

To: State Appraiser Regulatory Officials

Subject: Extension of Implementation Period for State Registration and Supervision of Appraisal Management Companies (AMCs)

Purpose

The Appraisal Subcommittee (ASC) is issuing this Bulletin to provide information regarding State applications for extension of the Implementation Period for registration and supervision of AMCs.

Background

Section 1473 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act)¹ included amendments to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989² (Title XI). Section 1117³ of Title XI, *Establishment of State appraiser certifying and licensing agencies*, was amended by the Dodd-Frank Act to include additional duties for States, if they so choose, to register and supervise AMCs. States electing to register and supervise AMCs must implement minimum requirements in accordance with the AMC Rule.⁴

Implementation Period

Title XI as amended by the Dodd-Frank Act imposes a statutory restriction on performance of

¹ Pub. L. 111-203, 124 Stat. 1376.

² Pub. L. 101-73, 103 Stat. 183.

³ 12 U.S.C. 3346.

⁴ The Dodd-Frank Act added section 1124 to Title XI, *Appraisal Management Company Minimum Requirements*, which required the Office of the Comptroller of the Currency (OCC); Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Bureau of Consumer Financial Protection (Bureau); and Federal Housing Finance Agency (FHFA) to establish, by rule, minimum requirements for the registration and supervision of AMCs by States that elect to register and supervise AMCs pursuant to Title XI and the rules promulgated thereunder. The Agencies issued a final rule (AMC Rule) with an effective date of August 10, 2015. (80 FR 32658, June 9, 2015).

services by AMCs for federally related transactions (FRTs)⁵ that applies after August 10, 2018 (Implementation Period).⁶ The ASC, with the approval of the Federal Financial Institutions Examination Council (FFIEC), may extend this period for an additional 12 months if the ASC makes a finding that the State has made substantial progress in establishing a State AMC registration and supervision system (AMC Program) that meets the standards of Title XI.⁷

Application for Extension of the Implementation Period

A State may make a request in writing to the ASC for a 12-month extension of the Implementation Period. A request must include evidence of substantial progress⁸ made by the State towards establishing an AMC Program that appears to conform with Title XI.

Any request for an extension should be received by the ASC by **June 1, 2018**, in order to process a State's request prior to the expiration of the Implementation Period.

If the request for an extension is granted, the statutory restriction on performance of services by AMCs for FRTs will be lifted until August 10, 2019, for AMCs operating in the subject State.

For further information, contact James R. Park, Executive Director, at (202) 595-7575 or Jim@ASC.gov, or Alice M. Ritter, General Counsel, at (202) 595-7577 or Alice@ASC.gov.

Sincerely,



Arthur Lindo
ASC Chairman

⁵ A federally related transaction includes any real estate-related financial transaction which: (a) a Federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser. *See* Title XI sec. 1121 (4), 12 U.S.C. 3350), implemented by the OCC: 12 CFR 34.42(f) and 34.43(a); Board: 12 CFR 225.62(f) and 225.63(a); FDIC: 12 CFR 323.2(f) and 323.3(a); and NCUA: 12 CFR 722.2(f) and 722.3(a). Based on 2014 Home Mortgage Disclosure Act (HMDA) data, at least 90 percent of residential mortgage loan originations are not subject to the Title XI appraisal regulations. (FFIEC report to Congress, *Economic Growth and Regulatory Paperwork Reduction Act*, 82 FR 15900 (March 30, 2017).

⁶ *See* 12 U.S.C. 3353(f)(1). "Implementation Period" is the 36-month period that began when the AMC Rule became effective. Upon expiration of the Implementation Period (August 10, 2018), an AMC, as defined by Title XI, may not provide services for FRTs in a State unless the AMC is registered with the State pursuant to a registration and supervision program established under Section 1117, or is subject to oversight by a Federal financial institutions regulatory agency.

⁷ 12 U.S.C. 3353(f)(2).

⁸ Examples of "substantial progress" may include draft legislation, rulemaking or policy to establish an AMC Program that has not yet been finalized.



Appraiser Licensing & Certification Board

101 E. Capitol Avenue, Suite 430 • Little Rock, AR 72201
Office 501-296-1843 • Fax 501-296-1844

May 11, 2018

Denise Graves, Deputy Executive Director
Appraisal Subcommittee
1401 H Street, NW, Suite 760
Washington, DC 20005

Dear Ms. Graves:

The Arkansas Appraiser Licensing & Certification Board (AALCB) would like to request a one-year extension of the August 10, 2018, deadline to have Appraisal Management Company (AMC) Statutes and Rules and Regulations completed.

The AALCB has had an AMC program in effect since January 1, 2010. We have revised our AMC Statutes to meet the new requirements, but are in the process of preparing and promulgating our Rules and Regulation revisions. And, we have recently learned of an additional revision required in our AMC Statutes which will need the approval of the Arkansas Legislature. The next meeting of our Legislature is not until the spring of 2019.

Please let me know if you need any additional information, or have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Diana Piechocki".

Diana Piechocki
Executive Director

cc: Claire Brooks, Policy Manager
Shannon Mueller, Board Chair



COLORADO

**Department of
Regulatory Agencies**

Division of Real Estate
1560 Broadway, Suite 925
Denver, CO 80202-5111

May 22, 2018

Jim Park, Executive Director
Appraisal Subcommittee
1401 H Street, NW Suite 760
Washington, D.C. 20005

Re: Extension of Implementation Period for Appraisal Management Companies

Dear Mr. Park:

On behalf of the Colorado Board of Real Estate Appraisers ("CBREA"), I am requesting a 12-month extension of the implementation period for state registration and supervision of appraisal management companies ("AMCs"). Colorado elected to begin regulating AMCs in 2013. Colorado law does not comport with the federal regulations that were promulgated in 2015 and are scheduled to go into effect on August 10, 2018. Senate bill 18-210 was introduced to ensure that Colorado law aligns with the federal regulations. The bill passed the General Assembly, but has not yet been signed into law by the Governor. The CBREA will need to promulgate rules to effectuate the changes created by SB18-210, provided that it is signed into law. Additionally, the Division of Real Estate will need to modify its licensing database to collect the data that is required for the AMC submissions to the National Registry.

I appreciate your consideration of this extension request. If you need additional information, please do not hesitate to contact me.

Thank you,

Marcia Waters
Division Director





STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION

May 14, 2018

Mr. James R. Park
Executive Director
Appraisal Subcommittee (ASC)
1401 H Street, NW
Suite 760
Washington, DC 20005
Jim@ASC.gov

RE: Request for an Extension of the Implementation Period for Registration and Supervision of Appraisal Management Companies

Dear Mr. Park:

The state of Connecticut is "opting in" to have an Appraisal Management Companies (AMCs) Program; however, Connecticut's statutes and regulations will not be in compliance by August 10, 2018. As such, the state of Connecticut is hereby requesting an extension of the Implementation Period for registration and supervision of AMCs for an additional 12 months.

Evidence of substantial progress by the state of Connecticut towards establishing an AMC Program that appears to conform with Title XI can be seen in our pending and recent legislative initiatives as well as Connecticut's substantial compliance with the minimum requirements for Participating States illustrated by the AMC Pre-formal Review Worksheet which is attached for your review.

As you will note, the items the state of Connecticut has self-identified as not in compliance with the minimum requirements for participating states will be addressed in our upcoming legislative session.

I trust this information is helpful. Should you have any further questions or require any additional information, please do not hesitate to contact me at (860) 713-6091 or by email at vicky.bullock@ct.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Vicky E. Bullock".

Vicky E. Bullock
Staff Attorney

Attachment

cc: Jenny Howard Tidwell, Policy Manager
Frank Virnelli, Legal Division Manager
Linda Kieft-Robitaille, Real Estate Examiner

Jonathan Zachem, Secretary

Rick Scott, Governor

May 29, 2018

Mr. James R. Park, Executive Director
Appraisal Subcommittee
1401 H Street, NW
Suite 760
Washington, DC 20005

Via Email to Jim@asc.gov

Re: Application for Extension of the AMC Implementation Period

Dear Mr. Park,

The Florida Department of Business and Professional Regulation and the Division of Real Estate work together with the Florida Real Estate Appraisal Board as the regulators responsible for the registration and supervision of Appraisal Management Companies (AMCs) in Florida.

Pursuant to Appraisal Subcommittee Bulletin No. 2017-02 of November 21, 2017, Florida's AMC regulatory agency is submitting this letter as an application for a 12-month extension of the Implementation Period for registration and supervision of AMCs in Florida.

Currently there are 256 registered, active AMCs within the Florida regulatory program, which began on July 1, 2011 with the passage of legislation granting statutory authority under Chapter 475, Part II, Florida Statutes. Since that time, the Florida Legislature has passed legislation, as necessary, to keep the substance of the statute within the guidelines of Title XI. The most recent change was in 2017 with the passing of House Bill 927, attached, which became effective on October 1, 2017.

The 2017 changes addressed issues such as clarify the regulatory duties of the Department and Division as identified by the Interagency Interim Rules and Final Rules, provide the necessary authority to create rules that support the regulation of AMCs with respect to the AMC National Registry and collection of the appropriate fees, and enable compliance with Appraisal Subcommittee's Policy Statements for AMC reporting compliance.

Sections of the Florida Administrative Code have been either developed, and/or amended, as necessary by the Department and the Florida Real Estate Appraisal Board to integrate the regulation of AMCs into the work flow of the Department, the Division, and the Florida Real Estate Appraisal Board. Rulemaking for collection of AMC Registry fees and annual reporting is underway. Rules currently being addressed include 61J1-2.001 Fees, 61J1-2.002 Renewal Period, 61J1-8.001 Citation Authority, and Rule 61J1-8.002 Disciplinary Guidelines, draft copies attached. In addition, rules governing the creation of internal business processes and forms are still being developed.

Our extension request is being made to ensure the future business process for the collection and payment of the AMC National Registry fees to the Appraisal Subcommittee, in its final version, will help Florida maintain the Excellent Rating received during its 2017 ASC Field Review.

We are grateful for your time and consideration of this request.

Sincerely,



Lori Crawford
Executive Director
Florida Real Estate Appraisal Board

LC/br

Professional Licensing Agency
402 West Washington Street
Room W072
Indianapolis, IN 46204



Eric J. Holcomb
Governor of Indiana
Deborah J. Frye
PLA Executive Director

To: Mr. Neal Fenochietti, ASC Policy Manager

From: Meredith Lizza, Director of Communications and Legislative Affairs, Indiana Professional Licensing Agency

CC: Deanna Alexander, Board Director, Real Estate Appraiser Licensure & Certification Board

Date: Monday, June 4th, 2018

Re: Extension Request

Mr. Fenochietti:

On behalf of the Indiana Professional Licensing Agency (IPLA) and Real Estate Appraiser Licensure & Certification Board (board), I would like to formally request consideration for the one year extension of the statutory implementation period of the final rule to implement collection and transmission of appraisal management company (AMC) annual registry fees.

Indiana has already made substantial progress towards implementing the required procedures for the registration and oversight of appraisal management companies in the state. Under Indiana Code 25-34.1-11, the state of Indiana requires all AMCs to register with the Real Estate Appraiser Licensure & Certification Board, maintain adherence to USPAP standards, and abide by strict recordkeeping requirements. However, additional changes are necessary to be in compliance with the final rule, including the creation of procedures and applications for the following:

- Reporting for panel size
- Verification for use of licensed appraisers
- Ownership/appraiser registration limitations
- Exemption language
- Disciplinary procedures
- Collection and transmittal of fees to the Appraisal Subcommittee

During this last legislative session, the Indiana General Assembly passed Senate Enrolled Act 351 and House Enrolled Act 1277, which granted the board rulemaking authority to update the Indiana Administrative Code to comply with the final rule. The board has begun the drafting process and plans to have draft language as quickly as possible.

However, the rulemaking process itself requires a minimum of 12 to 16 months to undergo the required review and public comment period. As a result, it is unlikely the IPLA and board will be able enact the necessary changes required to be in compliance when the statutory implementation period ends this summer.

As stated above, Indiana has already made important steps towards compliance with the final rule. However, due to the nature of the rulemaking process, additional time is needed to draft new rules and establish procedures to accomplish the above. With the additional time afforded by the one year extension and diligent work by the board, both IPLA and the board believe the necessary rules and procedures can be put in place to be fully in compliance.

Thank you for your consideration of this request. If you have any further questions or comments, please do not hesitate to reach out to this office.

Sincerely,

Meredith A. Lizza

Director of Communications and Legislative Affairs
Indiana Professional Licensing Agency
Indianapolis, IN 46204
Office: (317) 234-3050



STATE OF MAINE
DEPARTMENT OF PROFESSIONAL
AND FINANCIAL REGULATION
OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION
BOARD OF REAL ESTATE APPRAISERS
35 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0035

Paul R. LePage
Governor

Anne L. Head
Commissioner

May 24, 2018

James R. Park
Executive Director
Appraisal Subcommittee
1401 H Street, NW Suite 760
Washington, DC 20005

Sent Via Regular First Class Mail and Email

Dear Mr. Park:

On behalf of the State of Maine Department of Professional and Financial Regulation and the Maine Board of Real Estate Appraisers ("the Board"), I submit this request for an extension of the implementation period for regulation of appraisal management companies.

During the first session of the 128th Legislature, "An Act Regarding the Licensure of Appraisal Management Companies" was enacted as Public Law Chapter 270, a copy of which is enclosed. Section 14049-K of that chapter included a provision that the chapter be repealed on March 15, 2018. It provided that the Board submit to the legislative oversight committee by January 1, 2018 a report regarding any repeal or substantial amendment to the federal Dodd-Frank Wall Street Reform and Consumer Protection Act (2010). The section also provided that the oversight committee "may report out a bill to the Legislature related to the report." Public Law Chapter 270 was effective November 1, 2017.

The Board reported to the oversight committee that no changes had been made to the federal legislation. Therefore, in the second session of the 128th Legislature, the oversight committee submitted a bill repealing Section 14049-K. This bill was enacted as Public Law Chapter 351, a copy of which is enclosed.

However, Public Law Chapter 351 was enacted on April 1, 2018, after the repeal date of March 15, 2018 that was included in Public Law Chapter 270. Therefore the chapter authorizing licensure and oversight of AMCs was repealed. If a special session of the Legislature is convened, this provision may be addressed and the original chapter may be re-enacted.

Because it is not certain whether such a special session will be convened and if so, whether this particular issue will be addressed, we respectfully request an extension. The next session of the legislature will convene in January 2019, during which new legislation may be submitted to re-instate the regulatory provisions of Public Law Chapter 270.

Sincerely,

Karen L. Bivins

Karen L. Bivins
Board Administrator

cc: Anne L. Head, Commissioner
Janet A. Stocco, Legislative Analyst
Committee on Labor, Commerce, Research and Economic Development



PRINTED ON RECYCLED PAPER
TTY USERS CALL MAINE RELAY 711



Mississippi Real Estate Appraiser Licensing and Certification Board

ADMINISTRATOR
ROBERT E. PRAYTOR

LEFLEUR'S BLUFF TOWER, SUITE 300
4780 I-55 NORTH, JACKSON, MS 39211

P.O. BOX 12685
JACKSON, MS 39236

(601) 321-6970 – Office
(601) 321-6956 - Fax

www.mrec.ms.gov

May 24, 2018

VIA U.S. Mail and Electronic Mail: jim@asc.gov; lori@asc.gov

Mr. Jim Park
Executive Director
Appraisal Subcommittee
1401 H Street, NW
Washington, DC. 20005

Re: Request for Extension of Implementation Period for Registration and Supervision of Appraisal Management Companies (AMCs)

Dear Mr. Park:

Please accept this notice as official request of the Mississippi Real Estate Appraiser Licensing and Certification Board (“Board”) for a twelve (12) month extension of the Implementation Period for the registration and supervision of AMCs in the State of Mississippi.

In 2011, the Legislature of the State of Mississippi enacted the *Mississippi Appraisal Management Company Registration Act*, (2011 Miss. Laws Ch. 458), Miss. Code Ann. §§73-34-101, *et seq.* (“the Act”), to establish a registration and supervision program for AMCs doing business in Mississippi, effective December 1, 2013.

Our ASC Policy Manager has identified one or more areas of concern wherein the statutory language of the Act is not compliant with the AMC Final Rule and where ambiguity in a definition section of the ACT may result in unintended consequences in enforcement of the ACT. In specific example, our statute (Miss. Code Ann. §73-34-129) provides for an initial ninety (90) day period within which an AMC may remove an appraiser from a panel *without notice*, which is not compliant with the AMC Final Rule.

The Board has begun the process toward recommendation to the Legislature regarding these necessary changes to our statutes so that our AMC registration and supervision program will be in full compliance. However, our Legislature is currently out of session and will not reconvene until January, 2019. Therefore, the Board respectfully requests

the additional time available with the extension in order to bring Mississippi's applicable statutes and regulations into compliance with the AMC Final Rule.

Should the Appraisal Subcommittee need anything further from the Board in order to grant the requested extension, please do not hesitate to contact us.

Sincerely,



Mike McGee
Deputy Director
601-321-6998



MAY 21 2018

NORTH CAROLINA APPRAISAL BOARD

5830 SIX FORKS ROAD
RALEIGH, NC 27609
TELEPHONE: 919-870-4854
FAX: 919-870-4859

E-mail: don@ncab.org
Website: www.ncappraisalboard.org

May 16, 2018

James Park, Executive Director
Appraisal Subcommittee
1401 H. Street, NW, Suite 760
Washington, DC 20005

Dear Mr. Park:

The North Carolina Appraisal Board hereby requests a 12 month extension of the implementation period for registration and supervision of appraisal management companies. The Board has made substantial progress in this process but must make some changes to the current statute before it is fully compliant.

Our current statute does not appear to comply with the requirement that states must "establish and comply with processes and controls reasonably designed to ensure that the AMC conducts its appraisal management services in accordance with the requirements of section 129E(a) through (i) of the Truth in Lending Act, 15 U.S.C. 1639e(a) through (i), and regulations thereunder." Section (d) states that "No certified or licensed appraiser conducting, and no appraisal management company procuring or facilitating, an appraisal in connection with a consumer credit transaction secured by the principal dwelling of a consumer may have a direct or indirect interest, financial or otherwise, in the property or transaction involving the appraisal." Our current statute does not have the language regarding conflict of interest.

The next legislative session where we can address this change to our statute begins in January 2019. A 12-month extension should give us enough time to have this language added to the statute to make us fully compliant.

Please let us know if you need further information or clarification.

Very truly yours,

A handwritten signature in black ink, appearing to read "Donald T. Rodgers", is written over a horizontal line.

Donald T. Rodgers
Executive Director



PHILIP D. MURPHY
Governor

SHEILA Y. OLIVER
Lt. Governor

New Jersey Office of the Attorney General

Division of Consumer Affairs
State Real Estate Appraisers Board
124 Halsey Street, 3rd Floor, Newark NJ 07102



GURBIR S. GREWAL
Attorney General

KEVIN R. JESPERSEN
Acting Director

Mailing Address:
P.O. Box 45032
Newark, NJ 07101
(973) 504-6480

May 16, 2018

Mr. James Park, Executive Director
Appraisal Subcommittee
1401 H Street NW
Washington DC, 20005

Dear Mr. Park:

With this letter, I am requesting on behalf of the New Jersey State Real Estate Appraisers Board, a one year extension in regard to AMC registration. While our statute has been amended, during the additional year we plan to complete our regulatory process, establish a program and begin issuing AMC registrations. The Board at its May 16, 2018 meeting approved the rules for proposal. A copy of the rule proposal is included for your reference.

The Board's regulatory analyst will now prepare the prefatory statements (summary of the proposed amendments and new rules; social impact; economic impact; regulatory flexibility statement, etc...), and submit the proposal for the internal review process. The internal review process consists of review and approval by the Division of Law (DOL), Division of Consumer Affairs, the Office of the (State) Attorney General (OAG), an additional level of review for approval before it is transmitted to the Office of Administrative Law (OAL) for publication.

At the DOL, the Deputy Attorney General reviews the proposal and writes a legal justification for the Board's proposal. There are then two additional levels of review within the DOL before the proposal is submitted to the Director of the Division of Consumer Affairs for review and approval. After the Division of Consumer Affairs signs off, the proposal is submitted to the OAG for review and approval to transmit to the next level of review to be approved for submission to OAL for publication.

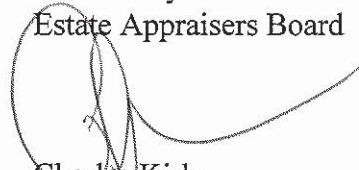
Once the proposal is filed with OAL, based upon the New Jersey Register publication schedule, the proposal will be published. There is a 60-day comment period. Once the comment period concludes, the Board will review and prepare responses for any and all comments received. The Regulatory Analyst drafts an Adoption Notice, which is presented to the Board for approval. Note, depending upon the comments and the Board's determined response, the proposal may be subject to an additional comment period (i.e., if there are substantial changes upon adoption).

Once the Board approves the Adoption Notice it is subject to the same internal review process described above (i.e., DOL, DCA, OAG, OAL). The amendments and new rules become effective once the adoption notice is published in the New Jersey Register.

Please note that the amount of time the review process can take varies. However, on average, the regulatory process, from proposal through adoption, is at least one year.

Very truly yours,

New Jersey State Real
Estate Appraisers Board

A handwritten signature in black ink, appearing to read 'Charles Kirk', is written over the printed name and extends to the right.

Charles Kirk
Executive Director

w/enc.



Department of Commerce

Division of Real Estate &
Professional Licensing

John R. Kasich, Governor
Jacqueline T. Williams, Director

May 24, 2018

Appraisal Subcommittee
Arthur Lindo, Chairman
1401 H Street NW, Ste 760
Washington, DC 20005

RE: Request for extension – Appraisal Management Company program

Dear Chairman Lindo,

Please accept this letter as a formal request from the Ohio Division of Real Estate and Professional Licensing (Division) and the Ohio Real Estate Appraiser Board (Board) for an extension of time in which to implement Ohio's Appraisal Management Company (AMC) regulatory program as required under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act).

While Ohio House Bill 213, which includes language for emergency enactment, was recently passed by both chambers of the Ohio General Assembly (GA), circumstances beyond the control of the Administration and the Board have prohibited the bill from being enrolled, therefore preventing us from meeting the statutory implementation deadline of August 10, 2018. We are hopeful that the root cause of this delay will be resolved by the GA by January 1, 2019.

Although the Division and the Board are proceeding with drafting of rules, application/form development, infrastructure improvements and other operational necessities to implement Ohio's AMC program as soon as the bill is enrolled, we hereby respectfully request an extension of twelve (12) months to August 10, 2019, in which to do so.

Sincerely,

A handwritten signature in blue ink that reads "Anne M. Petit".

Anne M. Petit
Superintendent

Cc: Jacqueline T. Williams, Director, Ohio Dept. of Commerce
John McIntyre, OREAB Chairman
OREAB Members



State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
1511 Pontiac Avenue, Bldg. 69-1
Cranston, Rhode Island 02920

Division of Commercial Licensing
Real Estate Appraisers Section

May 22, 2018

Mr. James R. Park
Executive Director
Appraisal Subcommittee
1401 H Street NW
Suite 760
Washington, DC. 20005

Dear Mr. Park,

Regarding Bulletin No. 2017-02, dated November 21, 2017 with the subject of "Extension of Implementation Period for State Registration and Supervision of Appraisal Management Companies (AMCs)". The State of Rhode Island, Department of Business Regulation is requesting an extension of the implementation date for one year. The State of Rhode Island has Rhode Island General Law § 5-20.9 entitled Real Estate Appraisal Management Company Registration Act becoming effective July 1, 2018. The Department is currently in the comment phase of proposed regulations. Our applications and internal processes are proceeding forward and on schedule. We anticipate being able to accept AMC applications and processing fees by the fall of 2018 barring unforeseen obstacles. Please advise if this request for extension is granted.

I may be contact directly at 401-462-9596. Thank you for your time and consideration in this matter.

Sincerely,

William J. DeLuca
Real Estate Administrator



State of Vermont
Office of the Secretary of State

[phone] 802-828-1505
[fax] 802-828-2465
www.sec.state.vt.us

James C. Condos, Secretary of State
Christopher D. Winters, Deputy Secretary
Colin R. Benjamin, Director

Office of Professional Regulation
89 Main Street, 3rd Floor
Montpelier, VT 05620-3402

Ms. Kristi Klamet, Regulatory Policy Manager
Appraisal Subcommittee
1401 H Street, NW, Suite 760
Washington, DC 20005

May 31, 2018

Dear Ms. Klamet:

Pursuant to ASC Bulletin No. 2017-02, the State of Vermont asks that ASC extend to August 10, 2019 the Implementation Period for registration and supervision of AMCs in conformity with the *Minimum Requirements for Appraisal Management Companies*, 80 FR 32658.

Aware of evolution in AQB criteria for individual appraisers, as well as new requirements for those states electing to register and supervise AMCs, the Vermont Board of Real Estate Appraisers and the Office of Professional Regulation have worked with our General Assembly committees of jurisdiction to build flexibility into the State's statutory architecture for appraisal regulation.

By 2017, No. 48, § 22-24, drafted in partnership with the Office, the General Assembly struck prescriptive and non-compliant statutory guidance on AMC regulation in favor of a concise grant of authority to establish by rule regulatory programs conforming to the requirements of FIRREA and federal rules derived therefrom. The 2017 amendments were "intended to facilitate an informed decision by the General Assembly regarding whether the State should opt in or out of appraisal management company regulation ... and to allow Board rulemaking in preparation for that legislative decision." *Id.* § 24. The Office was directed to conduct a preliminary assessment of appraisal management company regulation in accordance with 26 V.S.A. chapter 57 (setting out criteria for evaluation of regulatory programs). *Id.* Because that assessment may be informed by the experiences of other states not yet operating compliant programs, the Office has deferred completion of the preliminary assessment to January 1, 2019.

The statutory default, prevailing unless changed in a future session, will be continued State regulation of AMCs:

[T]he Board shall ... perform ... functions and duties as may be necessary to carry out the provisions of [Vermont appraisal law] and to comply with the requirements of [FIRREA], including by adopting rules defining and regulating appraisal management companies in a manner consistent with [FIRREA].


—26 V.S.A. § 3314(b)(6) (eff. July 1, 2017).

In view of the relevant deadlines—January 1, 2019 to complete a preliminary assessment of AMC regulation, and August 10, 2019 to implement a program as required by § 3314(b)(6)—the State simultaneously will be: (1) drafting compliant AMC rules and (2) assessing whether to recommend that the General Assembly opt in or out of AMC regulation prior to the ordinary adjournment of our legislative session in the early summer of 2019.

Although statutory reforms facilitating conformity with 80 FR 32658 represent substantial progress toward implementation of a compliant AMC program, rule adoption under the Vermont Administrative Procedure Act (3 V.S.A. § 800, *et seq.*) is a four- to eight-month process. Extension of the Implementation Period to August 10, 2019 will enable us to meet our reporting obligations to the General Assembly while developing compliant administrative rules and processes in order that those may be timely implemented if the General Assembly determines to maintain the State's default, opt-in status.

We are grateful for ASC's consideration of this request. Please do not hesitate to contact me at 802.828.2492 if you have questions.

Very truly yours,

A handwritten signature in black ink, appearing to read 'G. Gilman', with a long horizontal flourish extending to the right.

Gabriel M. Gilman
General Counsel



STATE OF WASHINGTON
DEPARTMENT OF LICENSING

PO Box 9021 Olympia, Washington 98502-9021

June 1, 2018

James Park, Executive Director
Appraisal Subcommittee
1401 H Street NW, Suite 760
Washington, D.C. 20005

Dear Mr. Park:

The Washington State Department of Licensing, Appraisal Management Company (AMC) program is requesting a twelve-month extension of the implementation period for the registration and supervision of Appraisal Management Companies. During Washington's 2017 ASC Priority Contact visit, our then ASC Policy Manager provided informal comments regarding our AMC statutes and rules. The preliminary, informal review revealed that our AMC statute contains areas that fall short of compliance with Title XI and the Appraisal Subcommittee's policies.

Attached is a copy of Washington's current AMC statutes and rules that contain proposed changes to bring before the legislature for consideration. To date, the Department has been working with ASC policy managers to identify and resolve potential conflicts in our statutes and rules necessary to bring the Washington AMC program into compliance. Going forward, the AMC program will be seeking legal advice pertaining to the proposed changes from agency counsel and will continue to communicate with the ASC Policy Managers regarding the status of the statutory changes.

The AMC program has appreciated the opportunity to work with your staff. Your staff are professional, courteous, and perform a thorough review. Our staff feel well prepared for upcoming reviews as a result of the clear direction from your policy managers.

The Department of Licensing is committed to having an Appraisal Management Company Program that is compliant. We also want our program to reflect the Governor's commitment to quality service and protection of the public. As always, the Department and the Real Estate Appraiser/Appraisal Management Company programs appreciate your assistance to us in staying in compliance. If you have any further questions, you may contact Dee Sharp (360) 664-6501 or Jerry McDonald at (360) 664-6525.

Sincerely,

Jennifer Clawson
Assistant Director
Business and Professions Division