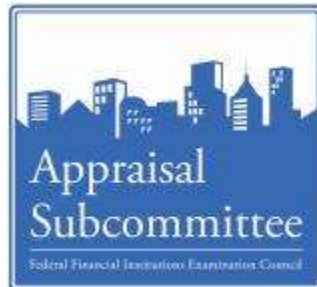


Briefing

Summary Notes

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May 10, 2017



**APPRAISAL SUBCOMMITTEE
SUMMARY NOTES
FEBRUARY 10, 2017**

ATTENDEES

ASC MEMBERS: FRB – Art Lindo (Chair)
CFPB – Calvin Hagins
FDIC – Marianne Hatheway
FHFA – Robert Witt
NCUA – Tim Segerson
OCC – Richard Taft

ASC STAFF: Executive Director – Jim Park
Deputy Executive Director – Denise Graves
General Counsel – Alice Ritter
Financial Manager – Girard Hull
Policy Manager – Claire Brooks
Policy Manager – Kristi Klamet
Policy Manager – Vicki Metcalf
Policy Manager – Jenny Tidwell
Management & Program Analyst – Lori Schuster
Administrative Officer – Brian Kelly

OBSERVERS: CFPB – Paul Sanford
FDIC – Michael Briggs
FDIC – Suzy Gardner
FDIC – Lori Thompson
FRB – Gillian Burgess
FRB – Carmen Holly
FRB – Matt Suntag
FRB – Kirin Walsh
HUD – Robert Frazier
OCC- Kevin Lawton

Purpose of the Briefing

The purpose of this Briefing was to discuss the following items: (1) Regulatory and Hiring freeze; (2) ASC Grant Funds; and (3) Update on Recent ASC Staff Meetings with Congressional Staff and Trade Organizations.

Regulatory and Hiring Freeze

A. Ritter said staff is awaiting further guidance from OMB and OPM regarding the hiring freeze. It affects the ASC's hiring of a Regulatory Affairs Specialist and a Grants Administrator.

Regarding the regulatory freeze, A. Ritter said the OMB is developing a process to review pending regulations. The regulatory freeze is fairly broad and it is staff's position that the draft Revised Policy Statements, which are currently published in the *Federal Register* for public comment, are affected by the freeze. A notice has been posted on the ASC website about the regulatory freeze and its effect on the Policy Statements and the AMC Registry Fee Rule. A. Ritter said that it is unknown when the ASC may be able to move forward on either document.

ASC Grant Funds Discussion

J. Park discussed ASC revenue priorities regarding: (1) ASC Administration; (2) State Grants; and (3) the Appraisal Foundation Grant. J. Park stated that reducing the frequency of USPAP editions would be a fiscal challenge for the Foundation. He added that the Foundation is cutting costs and which resulted in \$700,000 in net income for 2016. R. Taft noted that the current Criteria could be part of the cause for a shortage of appraisers. J. Park answered that the college degree requirement has been a barrier for some persons who wished to get into the real estate appraisal field, but noted revised Criteria may streamline the ability for more persons to get into the appraisal industry. A. Lindo asked about providing upgraded technology to States. J. Park said that providing Simple Object Access Protocol (SOAP) may allow States to submit registry submissions more frequently than once a month. J. Park commented that if the ASC did provide grants to States to purchase these items, a State Appraisal Program's budget could be decreased in a commensurate amount by the State. D. Graves commented that States are noted as out of compliance if they do not submit a registry update at least once a month. J. Park said the ASC could request more frequent registry updates from States. A. Ritter said that could be done through a Notice of Proposed Rulemaking. M. Hatheway said the ASC could consider establishing funding for other State training opportunities and include it in the reserve balance. A. Lindo noted that it may be difficult to determine an amount for training each year to include in the reserve if it is a multi-year program. M. Hatheway suggested that one year of a multi-year program could be included in the reserve. R. Taft said the ASC should determine what Foundation expenses the ASC is responsible for versus the Foundation expenses that are not the concern of the ASC. J. Park said the Foundation is looking closely at its Boards' expenses. B. Gardner asked if AMC Registry fees can be used for grants to the Foundation. J. Park responded yes because all ASC revenue is put into one Treasury account.

Update on Recent ASC Staff Meetings with Congressional Staff and Trade Organizations

J. Park said there has been much discussion regarding appraisal modernization since the November 16th hearing on Capitol Hill. He has heard there has been discussion to abolish the ASC. ASC staff has significant concerns that there could be legislation that could potentially remove federal oversight of appraisers. ASC staff met with several trade organizations over the past week to discuss the ASC's role in appraiser oversight. Some States have said they may write to Congress to address State concerns about removing federal oversight and baseline minimum requirements.