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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

August 8, 2011

Ms. Sherry Bren, Executive Director  
Appraiser Certification Program  
South Dakota Department of Labor and Regulation  
445 East Capitol Avenue  
Pierre, South Dakota 57501-3185

Dear Ms. Bren:

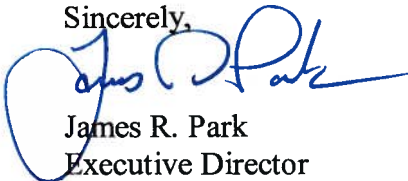
Thank you for the letter of July 11, 2011, regarding the South Dakota Appraiser Certification Program's adoption of legislation for the registration and supervision of Appraisal Management Companies (AMCs).

While we appreciate South Dakota's proactive approach, please be aware that the implementation of the Dodd Frank Act provisions regarding AMCs is not yet complete. The following provides general information on the implementation process for those AMC provisions:

1. First, the Federal financial institution regulators, Federal Housing Finance Agency and the Bureau of Consumer Financial Protection will jointly promulgate rules setting forth the minimum requirements to be applied by the States in registering and supervising AMCs. The minimal timeline set forth in the Dodd-Frank Act indicates that those rules may be promulgated within 18 months of July 21, 2011.<sup>1</sup>
2. After the rules are in final form, States have 36 months to implement the minimum requirements established by the rules for registration and supervision of AMCs. (The ASC may grant States up to a 12-month extension, subject to specific limited conditions set forth in the Dodd-Frank Act.)
3. Once the States have implemented the minimum requirements, AMC's must be registered with the State agency in order to perform appraisal services for federally related transactions. AMCs that are subsidiaries, owned and controlled by a financial institution regulated by a Federal financial institution regulatory agency, shall not be required to register with a State. (Note: the exemption from State registration for these AMCs does not apply to registration of AMCs on the Registry to be established by the ASC.)

ASC staff anticipates that the AMC Registry and annual AMC registry fees will be implemented along with the State's establishment of AMC registration in accordance with federal law as set forth above. Please contact us if you have any questions.

Sincerely,



James R. Park  
Executive Director

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<sup>1</sup> See Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub.L. 111-203), Title XIV, Mortgage Reform and Anti-Predatory Lending Act, § 1400(c) Regulations; Effective Date (2010).