

Appraisal Subcommittee

Federal Financial Institutions Examination Council

November 7, 2013

Mr. Lee Gordon, Executive Director
Arkansas Appraiser Licensing and Certification Board
101 E. Capitol, Suite 430
Little Rock, AR 72201

Dear Mr. Gordon:

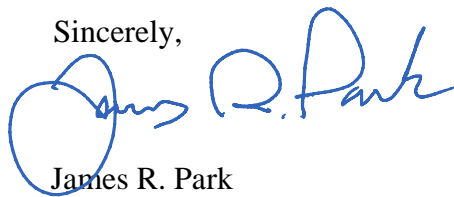
Thank you for meeting with the Appraisal Subcommittee staff on October 19, 2013, to discuss the Arkansas real estate appraiser regulatory program's (Program) efforts to comply with the January 1, 2015 Appraiser Qualifications Criteria's background check requirement. The purpose of the meeting was two-fold: (1) to understand Arkansas' attempts to achieve compliance and the limitations encountered; and (2) to offer assistance in how the Program may continue to function after January 1, 2015, until it is able to implement background checks.

We understand you anticipate receiving the statutory authority to require background checks from applicants within the first quarter of 2015. In September, you began notifying us of the difficulties you were encountering in establishing this requirement by the January 1, 2015 effective date. As we discussed, the Arkansas Generally Assembly is unable to entertain the proposed bill regarding this matter and the associated fees until its 2015 legislative session. You stated that in 2014 the legislature will only address budgetary and fiscal issues. You informed us of your plans to pre-file the required bills in the fall of 2014. You believe the Arkansas General Assembly will approve the bills in the first few weeks of its 2015 regular session, thus permitting implementation within the first quarter of that year. We know that you are also working with the Arkansas Attorney General's Office to explore alternative short term solutions. If allowed, the Program would conduct background checks without the authority to charge a fee, but with the belief that the matter of fees would be resolved legislatively in the first quarter of 2015.

Until the requisite authority is received and implemented, we informed you that as of January 1, 2015, Arkansas will be unable to issue AQB-compliant appraiser credentials. Arkansas must continue to offer temporary practice permits. We noted that Arkansas may consider using temporary practice permits to assist potential reciprocal applicants wishing to work in the State during this interim period.

Again, thank you for warning us about this potential area of non compliance. Please keep your Policy Manager informed about any new developments.

Sincerely,



James R. Park
Executive Director