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Appraisal Subcommittee

Federal Financial Institutions Examination Council

April 13, 2018

The Honorable Phil Murphy
Office of the Governor
125 W State Street
Trenton, NJ 08608

Dear Governor Murphy:

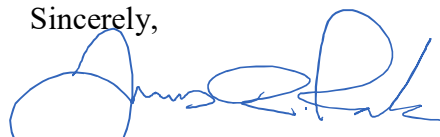
This is a follow-up to our letter of March 15, 2018, introducing you to the unique federal oversight of the New Jersey Real Estate Appraiser Program pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI). As you will recall, the Appraisal Subcommittee (ASC) conducts on-site Compliance Reviews to assess each State's program for compliance with Title XI. It has come to our attention that the New Jersey Real Estate Appraiser Board currently has five vacancies on the nine-member Board. ASC staff is concerned the Board's ability to function effectively may be compromised because of these vacancies.

It appears a majority of the serving Board members must be present and available to vote under New Jersey law. We are concerned that when Board members recuse themselves from voting due to some type of conflict, or are absent from deliberations, the Board may be left with insufficient representation to conduct business. This could impact their ability to fulfill obligations under Title XI. We urge you to give consideration to filling these vacancies expeditiously.

As an additional consideration, recent amendments to Title XI as a result of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 authorized State appraiser regulatory programs, if they so choose, to register and supervise appraisal management companies (AMCs). The majority of States have elected to register and supervise AMCs and are in the process of implementing the minimum federal requirements. Rules for registering and supervising AMCs are pending in the State of New Jersey which will add additional responsibilities to the Board.

If you have any questions, please contact us.

Sincerely,



James R. Park
Executive Director