

**APPRAISAL SUBCOMMITTEE
QUARTERLY MEETING MINUTES
JUNE 8, 2022**

LOCATION: Zoom Conference

ATTENDEES

ASC MEMBERS: CFPB – Zixta Martinez (Chair)
FDIC – Luke Brown/Tom Lyons
FHFA – Julie Giesbrecht
FRB – Keshia King
HUD – Bobbi Borland (Vice Chair)
NCUA – Tim Segerson
OCC – James Rives

ASC STAFF: Executive Director – Jim Park
Deputy Executive Director – Denise Graves
General Counsel – Alice Ritter
Financial Manager – Girard Hull
Attorney Advisor – Ada Bohorfoush
Management and Program Analyst – Lori Schuster
Administrative Officer – Brian Kelly
Regulatory Affairs Specialist – Maria Brown
Policy Manager – Claire Brooks
Policy Manager – Neal Fenochietti
Policy Manager – Kristi Klamet
Policy Manager – Jenny Tidwell

OBSERVERS: See attached list.

The Meeting was called to order at 10:00 a.m. by Chair Z. Martinez.

REPORTS

• **Chair**

Z. Martinez thanked observers for attending. She provided opening remarks. She announced that the FRB has new primary and alternate members, Suzanne Williams and Keshia King, respectively; FDIC has named a new primary member and alternate member, Luke Brown and Tom Lyons, respectively. She welcomed the new members and thanked former FRB member Keith Coughlin and former FDIC member John Jilovec and alternate member Rae-Ann Miller for their service.

- **Executive Director**

J. Park welcomed Z. Martinez to her first ASC Meeting as Chair. He updated the ASC on recent staff activity as noted below.

- The process to hire a new Grants Director is underway. Currently ASC Policy Manager Claire Brooks is managing the grants program along with assistance from temporary staff.
- The Action Plan from the Interagency Task Force on Property Appraisal and Valuation Equity (PAVE) was published in March. Agencies are working to implement recommendations in the Action Plan. More information will be forthcoming.
- The *2021 ASC Annual Report* was published and delivered to Congress. It is available on the ASC website.
- The updated ASC website will be completed later this summer. Updates to the Appraisal Complaint National Hotline section will include information and links for filing complaints related to alleged appraisal bias.

- **Grants Program**

C. Brooks provided an update of the grants program since the March 9th ASC Quarterly Meeting.

- The ASC has awarded 15 State support grants, totaling approximately \$2M, since 2020. Seven States were recently awarded second-year funding; four States are in the approval process for second-year funding; one State is in the process of applying for second-year funds and three States are in the first year of their grant. These grants support activities such as: information technology and software upgrades; digitizing paper records; staff training; and hiring complaint investigators and additional program staff. Mississippi and South Dakota are using grant funds for a Practicum Course to train aspiring appraisers. These programs are targeting participants from minority populations and areas with appraiser shortages within those States.
- The Grants Office is reviewing and approving semi-annual and year-end federal financial and progress reports for State support grants and the Cooperative Agreement with the Council on Licensure, Enforcement and Regulation (CLEAR). These reviews should be completed by the end of June.

- **Financial Manager**

G. Hull provided a mid-year financial update.

- As of March 31st, the ASC has recognized revenue in the amount of \$5.7M, representing 62% of the total Fiscal Year (FY) 2022 budgeted revenue of \$9.1M. Appraiser registry fees account for \$1.8M, or 32% of mid-year revenue, and AMC

registry fees account for \$3.9M, or 68% of mid-year revenue. FY22 mid-year revenue shows a 28% increase over FY21 revenue of \$4.4M for the same period. If the trend continues, the ASC could recognize revenue between \$10.5-\$11M.

- Expenses as of March 31st are running below projections and totaled \$4.1M, or 46% of the annual budget of \$8.9M.

- **Notation Vote**

L. Schuster reported that the approval to print and distribute the *2021 ASC Annual Report* passed by a 7-0 vote on May 5, 2022.

ACTION ITEMS

- **March 9, 2022 Quarterly Meeting Minutes**

T. Segerson made a motion to approve the March 9th quarterly meeting minutes as presented. J. Rives seconded and all members present voted to approve.

- **Appraiser Census/Survey**

David Byerman, Project Manager from CLEAR, was present to provide an update on Cooperative Agreement activities.

- Under Training and Technical Assistance, the Policy Statement and Regulations (PStAR) course in May was attended by 62 State attendees. There has been high turnover in State staff recently, so this was a great opportunity for new staff to hear from Subject Matter Experts on their experience with the ASC Policy Statements. A segment on Diversity, Equity and Inclusion (DEI) was part of the course. Three more courses are slated for this summer: a three-day course on investigation of complaints against appraisers and/or appraisal management companies, a one-day course for newly appointed State board members and a one-day DEI course focusing on implicit bias.
- The Census/Survey includes three projects. The first project is to create a census using data from the ASC's Appraiser Registry to create a universe of active appraisers. Once this is set up, it will be linked to other private and federal data sources. This will allow CLEAR to utilize statistical sampling techniques from that universe to draw scientifically defensible conclusions on the demographics, experiences, and barriers to entry experienced by active appraisers. CLEAR has engaged with a research and management organization with expertise on developing testable research questions, aggregating data from multiple sources, and assembling a plan to collect and integrate data. The outcome of this project is to improve appraiser supply and diversity. A Request for Information (RFI) was published at the end of May to identify what data is needed to move forward and identify partners in the private and public sector. Responses to the RFI are due June 24th. The second project will identify how to move forward. A Needs Assessment that included a series of focus groups of "thought leaders" among the State appraiser regulatory community has been completed. The survey component will employ a variety

of strategies including one-on-one interviews, additional focus groups or online polls directed towards appraisers, State staff, appraisal management companies, and lenders. The third project is developing data visualization techniques to compile the data and develop new ways to analyze the information and create new strategies for data-based decision making. L. Brown said that training for State staff is helpful and asked who is developing the course materials and instructing the courses. D. Byerman responded that CLEAR and the Association of Appraiser Regulatory Officials (AARO) are collaborating on course material development. AARO leadership led the PStAR course and CLEAR/AARO developed talking points. CLEAR provided an instructor, a former AARO Director, who worked in DEI, to teach that portion of the course. L. Brown noted that DEI training was a focus of the PAVE Action Plan and not a typical training provided to regulators in the past. D. Byerman said that, while DEI is a recent priority for the appraiser field, it is not a new topic for the appraiser regulatory community. J. Schroeder asked what the course delivery mechanism will be for the future courses and when those courses would be available. D. Byerman responded that the courses would be held online. There would be a combination of asynchronous and synchronous learning to include online meetings. PStAR was held in person because it was in conjunction with the AARO Spring Conference in San Antonio and States could be reimbursed for travel to PStAR as part of the Cooperative Agreement. J. Park added that CLEAR hopes to partner with fair housing staff within the ASC member agencies to develop workshops to include discussions on how States can best handle complaints on DEI issues. T. Segerson and Z. Martinez asked if there is an anticipated due date for the census/survey. D. Byerman responded the due date is flexible. He added that the due date for the RFI could be extended based on the quality and quantity of responses received. He added that two Q&A sessions are scheduled for June 10th and June 21st for interested parties to ask questions. J. Schroeder asked if training is being developed for individual appraisers. D. Byerman responded that training is focused on State appraiser regulatory staff. (L. Brown and D. Byerman left the meeting.)

- **Budget Amendment**

J. Park said that ASC staff is requesting to hire an additional Attorney Advisor in addition to the position approved at the March 9th ASC Meeting. If approved, this Attorney Advisor would work on items related to the Appraisal Foundation, State oversight and ASC Board management. Funding is available in the FY22 budget due to unspent travel funds. T. Segerson asked if an applicant to the previous announcement would be hired for this position or would it be posted. J. Park responded that he was pleased with the quality of applicants to the previous posting, but the additional position would need to be posted. ASC staff would move expeditiously to fill the position. T. Lyons asked how the job duties would differ from the duties of the current Attorney Advisor and the position approved in March. J. Park responded that the intention was to hire the Attorney Advisor to potentially replace A. Ritter, who is retiring at the end of the year. The second position may be at a lower grade level and may be focused on rulemaking. T. Lyons asked if approval was being requested at this Meeting. J. Park responded “yes,” due to the increase in the current workload of the legal staff, he would like approval today so that staff can start the paperwork. Z. Martinez said

that given the lengthy hiring process and the impact to the ASC budget, she is comfortable with approving this request as presented. T. Segerson asked what the makeup of the legal staff would be after A. Ritter retires. J. Park responded that currently there is a General Counsel and Attorney Advisor. If this request is approved, there would be one General Counsel and three Attorney Advisors until A. Ritter retires. J. Schroeder noted that A. Bohorfoush has other responsibilities that take up her time. J. Park said that A. Bohorfoush works closely with the Policy Managers in reviewing materials for State Compliance Reviews/State Off-Site Assessments. She also is the lead on Annual Report preparation along with work in the contracting area. This additional position would give the ASC more depth and continuity if current legal staff had to take leave for any time period. He stressed that help is needed with Rulemaking. J. Rives said that OCC is supportive of hiring an additional Attorney Advisor. T. Segerson made a motion to approve the hiring of an additional Attorney Advisor as requested by ASC staff. J. Rives seconded; all members present voted to approve except T. Lyons who abstained.

The Open Session adjourned at 10:55 a.m. The next quarterly ASC Meeting is scheduled for September 14, 2022.

Attachment: Observer list

Meeting:	Appraisal Subcommittee Meeting	Meeting Date:	June 8, 2022
Time:	10:00 AM ET	Location:	Zoom Meeting

OBSERVERS	
Affiliation	Name
American Society of Appraisers	Justin Kane
Appraisal Foundation	David Bunton
Appraisal Foundation Board of Trustees	Randall Kopfer
Appraisal Institute	Bill Garber
Appraisal Institute	Brian Rodgers
Arkansas Appraiser Licensing & Certification Board	Diana Piechocki
California Bureau of Real Estate Appraisers	Tinna Morlattt
Conference of State Bank Supervisors	Daniel Berkland
Consumer Financial Protection Bureau	Kara Allen
Consumer Financial Protection Bureau	Deana Krumhansl
Consumer Financial Protection Bureau	Orlando Orellano
Consumer Financial Protection Bureau	John Schroeder
District of Columbia Government	Andrew Sullivan
Federal Deposit Insurance Corporation	Richard Foley
Federal Deposit Insurance Corporation	Patrick Mancoske
Federal Financial Institutions Examination Council	Kaelin Browne
Federal Financial Institutions Examination Council	Judith Dupre
Federal Financial Institutions Examination Council	Rosanna Piccirilli

Federal Housing Finance Agency	Sara Todd
Federal Reserve Board	Carmen Holly
Federal Reserve Board	David Imhoff
Federal Reserve Board	Devyn Jeffereis
Federal Reserve Board	Matt McQueeney
Federal Reserve Board	Derald Seid
Federal Reserve Board	Matt Suntag
Independent Community Bankers of America	Ron Haynie
National Credit Union Administration	Rachel Ackmann
National Credit Union Administration	Gira Bose
Office of the Comptroller of the Currency	Stacey Fluellen
Office of the Comptroller of the Currency	Kevin Lawton
Real Estate Valuation Advocacy Association	Mark Schiffman
Texas Real Estate Commission	Kathleen Santos