

**APPRAISAL SUBCOMMITTEE  
OPEN SESSION SPECIAL MEETING MINUTES  
DECEMBER 8, 2021**

LOCATION: Zoom Conference

**ATTENDEES**

**ASC MEMBERS:** CFPB – John Schroeder (Vice Chair)  
FDIC – John Jilovec  
FHFA – Robert Witt  
HUD – Bobbi Borland  
NCUA – Tim Segerson (Chair)  
OCC – James Rives

**ASC STAFF:** Executive Director – Jim Park  
Deputy Executive Director – Denise Graves  
General Counsel – Alice Ritter  
Grants Director – Mark Abbott  
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

**OBSERVERS:** See attached list.

The Meeting was called to order at 11:03 a.m. by Chair T. Segerson.

**REPORTS**

- **Chairman**

T. Segerson thanked observers for attending. He noted that this is the last ASC Meeting for 2021. The recommendations from the Property Appraisal and Valuation Equity Task Force (PAVE) are being finalized. The report on the review of the Real Property Appraiser Qualification Criteria (AQB Criteria) and the Uniform Standards of Professional Appraisal Practice (USPAP) is nearly complete. The goal of the review is to ensure that the AQB Criteria and USPAP do not encourage or systematize bias, and consistently support or promote fairness, equity, objectivity and diversity in both appraisals and the training and credentialing of appraisers.

- **Executive Director**

J. Park updated the ASC on recent staff activity as noted below.

- The State Off-Site Assessments (SOA) that were initiated at the beginning of 2021 are going well. ASC staff has completed 17 SOAs with several in process. J. Schroeder asked if ASC staff will continue with SOAs in 2022 or start on-site Compliance Reviews (CR). D. Graves responded that there may be a couple of States that will have an on-site CR scheduled at the end of Fiscal Year (FY) 2022 as well as a one-day SOA for States that have new staff.
- J. Park reported on the ASC Roundtables held on September 22<sup>nd</sup> and November 9<sup>th</sup>. The Roundtables included a diverse audience of the lending and fair housing industries as well as individual appraisers and appraisal management companies. The November 9<sup>th</sup> Roundtable included a breakout session that served as a listening session for PAVE. Due to Federal Advisory Committee Act Rules, PAVE representatives were unable to answer any questions, but they did appreciate the opportunity to hear from attendees. There was also a breakout session with Freddie Mac to discuss its report on appraisal bias and to answer questions from attendees. A third Roundtable is being planned for the first quarter of 2022.
- J. Park noted that PAVE's work is winding down. T. Segerson thanked ASC staff for their participation in PAVE.

- **Grants Director**

M. Abbott provided an update of the grants program. Two States have submitted renewal applications for their current grants, and he anticipates that eight States awarded grants in the first round of FY21 will submit renewals. Financial status and progress reports from current grants show great progress. New grant applications will now be allowed on a rolling basis.

As to the Cooperative agreement with the Council on Licensure, Enforcement & Regulation, work continues on developing training for States and the census/survey project. As noted by the Chair earlier, the USPAP/AQB Criteria Review is nearly complete.

The ASC has been asked to support grants allowing minority and underrepresented groups into the appraiser profession. He will remind States that they can use grant funds to support these initiatives.

T. Segerson asked for an update on outreach for diversity initiatives with PAVE. M. Abbott responded that ASC staff believes that quality supervisors can help the States better administer their Title XI requirements. Mississippi and South Dakota will recruit underrepresented groups to work with those supervisors. ASC staff will consider other models to reform the supervisory model and encourage States to do so as well.

- **Financial Manager**

G. Hull provided a financial update since the ASC's September 15<sup>th</sup> Meeting. In FY21, which ended on September 30<sup>th</sup>, the ASC's unaudited financial statements recognize \$9.8M

of total revenue, representing 97% of the budgeted \$10.2M. Total AMC Registry revenue was \$6.4M with 46 States populating the AMC Registry. Appraiser Registry fees totaled \$3.4M. FY21 expenses totaled approximately \$5M as budgeted. The net income for FY21 was \$5M with a total of \$5.5M in the reserve account. The FY21 financial audit is scheduled to start next week. J. Jilovec asked which States are not submitting data to the AMC Registry and G. Hull responded that Hawaii, Maine, and Massachusetts are not submitting data at this time.

## **ACTION ITEMS**

- **September 15, 2021 Open Session Minutes**

J. Jilovec made a motion to approve the September 15<sup>th</sup> open session meeting minutes as presented. J. Schroeder seconded and all members present voted to approve. The vote passed 6-0 as the Federal Reserve Board did not have a voting member present.

- **Notice of Proposed Rulemaking on Temporary Waiver**

T. Segerson thanked ASC staff and agency staff for their work on the Notice of Proposed Rulemaking (NPRM). A. Ritter also thanked agency staff for their input. She noted that since the Temporary Waiver Rule was created in 1992, there have only been two instances of relief: one in 1993 to the Commonwealth of the Northern Mariana Islands and the second in 2019 to the State of North Dakota. In applying the existing rules to current practice, it was determined that the current rules need revisions to provide clarity in the process as well as extend the timeframe for ASC deliberation. If approved today, the NPRM will be posted in the *Federal Register* in January 2022 for a 60-day comment period. ASC members were amendable to this approach. T. Segerson requested a motion to approve for publication in the *Federal Register*, the NPRM on practices and procedures governing temporary waiver proceedings for a 60-day notice and comment period, subject to any technical (non-substantive) edits by the ASC prior to publication in the *Federal Register*. J. Schroeder moved to approve. J. Rives seconded and all members present voted to approve. The vote passed 6-0 as the Federal Reserve Board did not have a voting member present.

J. Park thanked all ASC members and staff for their work the past year. T. Segerson added that 2021 has been a challenging year and thanked ASC members, agency staff and ASC staff for their work.

The Open Session adjourned at 11:35 a.m. The next regularly scheduled ASC Meeting is scheduled for March 9, 2022.

Attachment: Observer list

<b>Meeting:</b>	<b>Appraisal Subcommittee Meeting</b>	<b>Meeting Date:</b>	December 8, 2021
<b>Time:</b>	11:00 AM ET	<b>Location:</b>	Zoom Meeting

<b>Observers</b>	
<b>Name</b>	<b>Affiliation</b>
Justin Kane	American Society of Appraisers
David Bunton	Appraisal Foundation
Brian Rodgers	Appraisal Institute
Michelle Bradley	Appraisal Standards Board Chair
Craig Morley	Appraisal Standards Board Member
David Byerman	CLEAR, Inc.
Daniel Berkland	Conference of State Bank Supervisors
Deana Krumhansl	Consumer Financial Protection Bureau
Orlando Orellano	Consumer Financial Protection Bureau
Barbara Leslie	Department of Housing and Urban Development
Richard Foley	Federal Deposit Insurance Corporation
Patrick Mancoske	Federal Deposit Insurance Corporation
Mark Mellon	Federal Deposit Insurance Corporation
Lauren Whitaker	Federal Deposit Insurance Corporation
Sara Todd	Federal Housing Finance Agency
David Imhoff	Federal Reserve Board
Devyn Jeffereis	Federal Reserve Board
Peter Gallo	HomeSight Appraisal

Rachel Ackmann	National Credit Union Administration
Gira Bose	National Credit Union Administration
Denise Daly	North Carolina Association of Realtors
Will Binkley	Office of the Comptroller of the Currency
Stacey Fluellen	Office of the Comptroller of the Currency
Mark Schiffman	Real Estate Valuation Advocacy Association
Craig Steinley	Steinley Real Estate Appraisals and Consulting
William King	ValueOne Appraisal
Ernest Durbin	Voxtur Valuation
Louis Pitoni	Woodland Appraisal Group
Susan Martins-Phipps	
Mike Warren	