

**FFIEC-APPRAISAL SUBCOMMITTEE
MEETING MINUTES
JULY 14, 1999**

ATTENDEES: G. Gibbs (FRB), M. Holman (HUD), M. McKenna (NCUA Voting Alternate), J. Price (OTS), J. Snyder (FDIC), T. Watson (OCC Voting Alternate). **Permanent staff:** B. Henson (Executive Director), K. Gearheard (Senior Appraisal Policy Manager), D. Greene (Appraisal Policy Manager), V. Ledbetter (Appraisal Policy Manager), L. Schuster (Administrative Officer), R. Seward (Information Management Specialist). **Others:** D. Deale (OTS), J. Leitner (FDIC).

ABSENT: D. Gibbons (OCC); H. Yolles (NCUA); M. Weinberg (ASC).

- The meeting was called to order at 1:30 p.m.

ADMINISTRATIVE MATTERS

- Meeting Minutes –M. Holman moved to approve the June 9th minutes with edits and J. Snyder seconded. All members present approved.

ACTION

- **Approval of the Iowa field review report and draft letter** – D. Greene presented the field review report and draft letter. D. Greene noted that, as of July 1st, Iowa no longer has a licensed classification. Of approximately 150 licensed appraisers, at the time of the review, about 100 had upgraded to a certified level or allowed their licenses to lapse. The remaining licensed appraisers had upgraded or lapsed by June 30th. Iowa did not require the upgrading licensed appraisers to take and pass the certified examination. To become certified, Title XI specifically requires passing the relevant certified examination. The Board stated that, at the time the licensed appraisers originally became licensed (early 1990's), the exam for certified residential was the same as for licensed appraisers. Because the licensed appraisers who were upgrading passed the same exam as appraisers who became certified residential in the early 90's, Iowa decided not to require the upgrading appraisers to take the certified exam. During the Board meeting attended by D. Greene and B. Henson, the Iowa Board agreed to require the appropriate exam for all future upgrades and upgrades that were in process. The ASC agreed that the actions specified in the draft field review letter were appropriate, given Iowa's willingness to address the issue. The ASC agreed to ask Iowa for periodic reports. G. Gibbs moved to accept the Iowa field review report and for the staff to edit the letter consistent with this discussion and send it out for notation vote. J. Snyder seconded and all members approved with T. Watson voting "no." G. Gibbs amended her motion to ask staff to edit the Iowa letter and send it to T. Watson for editorial review before sending the letter to the Chairman for review and signature. T. Watson seconded and all members present approved. G. Gibbs asked that an update of the Iowa situation be given at the August ASC meeting.

- **Approval of the Montana field review report and draft letter** – D. Greene presented the field review report and draft letter. After further discussion, G. Gibbs moved for acceptance of the field review report and draft letter with edits and delegated authority to the Chairman to review and sign the letter. J. Snyder seconded and all members present approved.
- **Approval of the North Dakota field review report and draft letter** – V. Ledbetter presented the field review report and draft letter. G. Gibbs moved for acceptance of the field review report and approval of the draft letter with edits and delegated authority to B. Henson to review and sign the letter. M. Holman seconded and all members present approved.
- **Approval of the South Dakota field review report and draft letter** – V. Ledbetter presented the field review report and draft letter. G. Gibbs moved for acceptance of the field review report and approval of the draft letter with edits and delegated authority to B. Henson to review and sign the letter. J. Price seconded and all members present approved.
- **Approval of the Appraisal Foundation January-March 1999 grant reimbursement requests** - G. Gibbs moved for approval of the January, February, and March reimbursement requests in the amounts of \$57,820, \$44,063, and \$53,560, respectively. M. Holman seconded and all members present approved.
- The meeting adjourned at 3:00. The next scheduled meeting August 11, 1999.