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Appraisal Subcommittee

Federal Financial Institutions Examination Council

August 24, 2015

Via Email

Mr. Drew Vance, Chairman
Arkansas Appraiser Licensing and Certification Board
101 E. Capitol Avenue, Suite 430
Little Rock, AR 72201

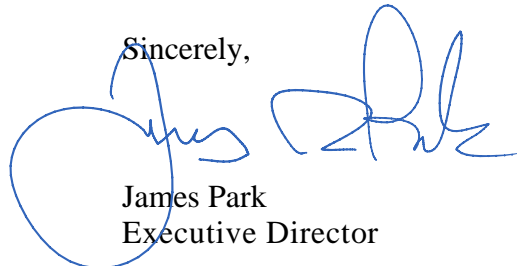
Dear Mr. Vance:

The Arkansas Real Estate Appraiser Board (REA Board) is one of many important State Programs. As you know, however, the REA Board is unique in that the Federal government has oversight and enforcement authority over State appraiser regulatory programs (State Programs) pursuant to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI).

The Appraisal Subcommittee (ASC) is the agency responsible for Federal oversight of State Programs. We have received information on a pending Memorandum of Understanding (MOU) to transfer the responsibilities associated with the Arkansas Home Inspectors Registration Board (HIR Board) to the staff currently responsible for the REA Board without any additional resources. ASC staff is concerned that a transfer of the additional responsibilities associated with the HIR Board without additional funding and staffing could have a negative impact on the REA Board's ability to remain in compliance with Title XI. One of the Federal requirements for State Programs is to maintain adequate funding and staffing to carry out Title XI responsibilities. Programs that are found to be non-compliant with Title XI may face Federal sanctions, including non-recognition of State appraiser credentials for federally related transactions.

The ASC's most recent Annual Report which can be found on our website at <https://www.asc.gov/Documents/AnnualReports/2014%20Annual%20Report.pdf> details the unique partnership and regulatory structure created by Title XI between the Federal and State governments and the private sector. This Report also provides detailed information about the ASC's oversight responsibility of your State Program. Please feel free to contact me at (202) 595-7575 if you have any questions or would like further information.

Sincerely,



James Park
Executive Director

cc: Mr. Lee Gordon, Executive Director