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Appraisal Subcommittee

Federal Financial Institutions Examination Council

July 18, 2000

Mr. Carl Dutch
Director of Education
The Chicopee Group
3301-R-Coors Rd. NW #255
Albuquerque, NM 87120

Dear Mr. Dutch:

This letter responds to your July 12th letter in which you questioned why certain disciplinary actions against appraisers are not listed on our Web site. You pointed out that questions regarding this and related issues arise during your appraiser education courses and that you wish to be able to provide an appropriate response.

As you noted, Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended, ("Title XI") provides the statutory directive that the Appraisal Subcommittee ("ASC") maintain a registry of appraisers. Specifically, Section 1103(a)(3) of Title XI directs the ASC to "maintain a national registry of State certified and licensed appraisers who are eligible to perform appraisals in federally related transactions." The ASC issued Policy Statements 8, *National Registry of State Certified and Licensed Appraisers*, and 9, *Information Sharing*, to provide direction to the States for submitting National Registry data and for sharing information, such as disciplinary actions. Copies of these documents are available on our Web site (www.asc.gov).

The key purpose of the National Registry is to provide a listing of appraisers who are eligible to perform appraisals in connection with federally related transactions. In summary, this means appraisers holding valid Licensed, Certified Residential, and Certified General credentials from States with appraiser regulatory programs in compliance with Title XI. To be a "valid" credential, the credential must be current (not expired), and not subject to a disciplinary action that renders the credential invalid. Three disciplinary actions affect validity: revocation, suspension, and voluntary surrender in lieu of disciplinary action. These three sanctions are reported to us, included in the National Registry, and are publicly available. While States may impose other disciplinary sanctions (*e.g.*, monetary penalties, probations, education requirements), these sanctions do not affect appraisers' eligibility to perform appraisals in federally related transactions. Therefore, they are not reported to the public on our Web site.

In response to your comments in the last paragraph of your letter, the publication of sanctions *that affect an appraiser's eligibility to perform appraisals* in federally related transactions is useful and necessary and is universally enforced by us. All States provide appraiser data, including disciplinary actions, to us each month. Most States provide disciplinary action information even more frequently. As discussed above, only those disciplinary actions that affect an appraiser's eligibility to perform appraisals are listed for public information.

We appreciate your interest in understanding Title XI and the ASC's functions. If you have any further questions, please contact us.

Sincerely,

Ben Henson
Executive Director