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Appraisal Subcommittee

Federal Financial Institutions Examination Council

April 24, 2013

To: State Appraiser Regulatory Officials

Subject: July 1, 2013 Compliance Review Changes

As a reminder to State Appraiser Regulatory Officials, effective July 1, 2013, the Appraisal Subcommittee (ASC) will formally incorporate new requirements into its State Compliance Review process. As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) amendments to Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Title XI), and in accordance with Bulletin No. 2011-01 issued by the ASC on March 18, 2011, the ASC will formally incorporate the following requirements into the State Compliance Review process beginning July 1, 2013:

- **Reciprocity:** In order for a State's appraisers to be eligible to perform appraisals for federally related transactions, the State must have a policy in place for issuing reciprocal credentials if:
 - a. the appraiser is coming from a State that is "in compliance" with Title XI as determined by the ASC;
 - b. the appraiser holds a valid credential from that State; and
 - c. the credentialing requirements of that State (as they exist at the time of application for reciprocal credential) meet or exceed those of the reciprocal credentialing State (as they exist at the time of application for reciprocal credential).

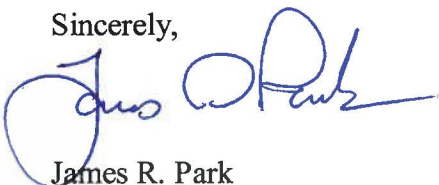
A State may be more lenient in the issuance of reciprocal credentials by implementing a more open door policy. However, States cannot impose additional impediments to issuance of reciprocal credentials.

- **Certification and Licensing Requirements for State licensed appraisers:** If a State has the "State licensed appraiser" category, the minimum qualification criteria issued by the Appraiser Qualifications Board (AQB) is mandatory.

Therefore, effective July 1, 2013, any credential on or reported to the National Registry with an AQB Compliant status of "No" or "Unknown" will automatically become inactive.

- **Certification and Licensing Requirements — Minimum Qualification Requirements:** If a State has the "Trainee Appraiser" or "Supervisory Appraiser" categories, minimum qualification criteria issued by the AQB is mandatory.

Sincerely,



James R. Park
Executive Director