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# Appraisal Subcommittee

*Federal Financial Institutions Examination Council*

January 19, 2010

Mr. Michael Lara, Chair  
Iowa Appraiser Examining Board  
Department of Commerce  
Professional Licensing Division  
1920 S.E. Hulsizer Road  
Ankeny, IA 50021-3941

Dear Mr. Lara:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of Iowa's appraiser regulatory program (Program) on July 23-24, 2009. This is the final ASC Compliance Review Report (Report) on that Review.

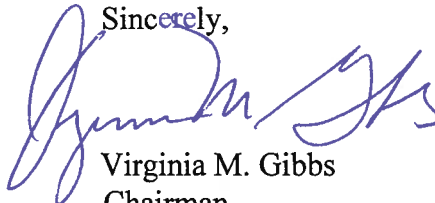
The ASC has considered the staff's preliminary findings regarding the Review and the State's response. The ASC has determined that the Program is in substantial compliance with Title XI of the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989, as amended (Title XI). However, the ASC did identify the following concern:

- Iowa must recognize, on a temporary basis, the certification or license of an appraiser issued by another State.<sup>1</sup> While performing appraisal services in the State, even on a temporary basis, Iowa must ensure, by establishing routine ways of communicating with appropriate authorities, that appraisers are held accountable for their actions.<sup>2</sup>

In the response, the State indicated it has taken corrective actions, which are detailed in the attached Report. During the next Review, ASC staff will confirm that these corrective actions have taken place and are appropriate. Please also be advised that this letter and the attached Report are public record and available on the ASC website in accordance with the Freedom of Information Act.

Please contact us if you have any questions.

Sincerely,



Virginia M. Gibbs  
Chairman

Attachment

cc: Toni Bright, Executive Officer  
Shari Fett, Bureau Chief

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<sup>1</sup> Title XI§ 1122 (a), 12 U.S.C. 3351; ASC Policy Statement 5

<sup>2</sup> ASC Policy Statement 9B(2)

**ASC Compliance Review Report**

**Finding: In Substantial Compliance**

**Iowa Appraiser Regulatory Program (Program)**

**Iowa Real Estate Appraiser Examining Board (Board)**

**ASC Compliance Review (Review) Date: July 23-24, 2009**

**Review Period: 9/07 - 7/09**

**Umbrella Agency: Department of Commerce,  
Professional Licensing Bureau (Bureau)**

**PM: V. Ledbetter**

**Number of State credentialed appraisers on National Registry: 1213**

**Issue Date: January 19, 2010**

Requirement/Guidance	Compliance (YES/NO)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
<b>Iowa Statutes, Regulations, Policies and Procedures:</b>	X							
				No compliance issues noted.	N/A	None	None	None
<b>Temporary Practice:</b>			X					
States must recognize on a temporary basis the licenses issued by another State for FRTs. (Title XI § 1118 (a), 12 U.S.C. 3347; Title XI § 1122 (a), 12 U.S.C. 3351; AQB Real Property Appraiser Qualification Criteria; ASC Policy Statement 5.)				We reviewed the file of a licensed level appraiser from Wisconsin who was denied a temporary practice credential. The Board, staff and Assistant Attorney General explained that Iowa eliminated the licensed level in the mid 1990's and believe it posed equal protection issues if it were to extend a credential type not offered to in-state applicants. Although Iowa does not issue licensed-level appraiser credentials, it must recognize such credentials when they are held by a temporary practice applicant from another state.	In its September 15, 2009 written response, the Board, upon consultation with its attorney, agreed to no longer deny licensed level applicants for temporary practice.	No further action is required.	In accordance with ASC Policy Statement 9B(2), Iowa must ensure that, in all cases, certified and licensed appraisers are held accountable for their actions while performing appraisal activities in the State, including appraisers in the State on a temporary basis who are licensed or credentialed in another jurisdiction, regardless of whether Iowa issues a credential. Iowa, therefore, needs to establish routine ways to communicate with other governmental agencies information regarding matters of mutual interest, including allegations of unethical, incompetent or fraudulent practice of an appraiser while in the State of Iowa, should a complaint be received.	During the next Review, the ASC will pay particular attention to this area for compliance with Policy Statement 5.
<b>Education:</b>	X							
				No compliance issues noted.	N/A	None	None	None
<b>National Registry:</b>	X							
				No compliance issues noted.	N/A	None	None	None
<b>Application Process:</b>	X							
				No compliance issues noted.	N/A	None	None	None
<b>Reciprocity:</b>	X							
				No compliance issues noted.	N/A	None	None	None
<b>Enforcement:</b>	X							
				No compliance issues noted.	N/A	None	None	None