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Appraisal Subcommittee
Federal Financial Institutions Examination Council

October 8, 2009

Mr. Jay Pitts, Administrator
Real Estate Appraisers Board
Department of Labor, Licensing and Regulation
P.O. Box 11847
Columbia, South Carolina 29211-1847

Dear Mr. Pitts:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review of the South Carolina real estate appraiser regulatory program (Program) on May 12-14, 2009. This is the final 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 South Carolina's Program appears to be in substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

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: Herbert Sass, Chair

ASC Compliance Review Report

Finding: In Substantial Compliance

South Carolina Appraiser Regulatory Program (Program)

South Carolina Real Estate Appraisers Board (Board)

ASC Compliance Review (Review) Date: May 12-14, 2009

Review Period: 02/07 - 05/09

Umbrella Agency: Department of Labor, Licensing and Regulation (Department)

Number of SC credentialed appraisers on National Registry: 2,525

Issue Date: October 8, 2009

Requirement/Guidance	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required State Actions	Recommended State Actions	General Comments
	YES	NO	AC					
South Carolina Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	None.	None.	None.	None.
Temporary Practice:	X			No compliance issues noted.	None.	None.	None.	None.
National Registry:	X			No compliance issues noted.	None.	None.	None.	None.
Application Process:	X							
States must use a reliable means of validating experience claims on all initial applications, including tax assessors. (Title XI § 1116 (a), 12 U.S.C. 3345; Title XI § 1118 (a), 12 U.S.C. 3347; AQB Real Property Appraiser Qualification Criteria; ASC Policy Statement 10G)				During this Review, ASC staff found the Board uses a point system for determining experience hours and has never required applicants to provide their actual number of hours per assignment. In accordance with the 2008 AQB Criteria, South Carolina developed a revised experience log to include the number of corresponding hours. However, due to staffing changes, applicants have not been required to complete that portion of the experience log as Program staff thought this was optional.	On 7/10/2009, the Board reported that "appraisers are required now to provide the actual number of hours they worked on each appraisal assignment on their experience log."	No further action required.	None.	None.
Enforcement:	X							

States must maintain sufficient documentation. (Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E)				During this Review, ASC staff found that due to a Department directive, cases considered as "Do Not Open" are being destroyed after one year. Therefore, ASC staff was unable to review any complaint files that had been closed for a year or more.	On 7/10/2009, the Department reported that "Case files that are considered 'Do Not Open' will be maintained and not destroyed until ASC staff have had an opportunity to review the files at their next compliance review."	No further action required.	None.	During the next Review, the ASC will pay particular attention to this area for compliance with ASC Policy Statement 10E.
Reciprocity:	X			No compliance issues noted.	None.	None.	None.	None.
Education:	X			No compliance issues noted.	None.	None.	None.	None.