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Appraisal Subcommittee

Federal Financial Institutions Examination Council

August 14, 2013

Mr. Clifford Cooks, Program Manager
Department of Consumer and
Regulatory Affairs
1100 4th Street SW, Suite 500E
Washington, DC 20024

RE: ASC Compliance Review of the District of Columbia's appraiser regulatory program

Dear Mr. Cooks:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the District of Columbia appraiser regulatory program (Program) on March 18-20, 2013. This is the final ASC Compliance Review Report (Report) on that Review.

The ASC has considered the preliminary findings regarding the Review and the State's response. The ASC has determined the Program is not in substantial compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended. The ASC identified the following area of non-compliance:

- States should resolve all complaints filed against appraisers within one year, except for special documented circumstances.¹

ASC staff will confirm corrective actions have taken place and are appropriate and during the next Review. The District of Columbia will remain on a two-year Review Cycle.

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,



Arthur Lindo
Chairman

Attachment

cc: Mr. Jerome Farrow, Board Chair
Mr. Leon Lewis, Program Manager

¹ Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statements.

ASC Finding” Defined for ASC Compliance Review Report

1. IN SUBSTANTIAL COMPLIANCE

Applies when no issues of non-compliance or violations of Title XI, ASC Policy Statements or AQB Criteria are identified.

2. NOT IN SUBSTANTIAL COMPLIANCE

Applies when there are one or more issues of non-compliance or violations of Title XI, ASC Policy Statements and/or AQB Criteria but the concerns do not rise to the level of “not in compliance.”

3. NOT IN COMPLIANCE

Applies when the number, seriousness, and/or repetitiveness of the Title XI, ASC Policy Statements and/or AQB Criteria violations warrant this finding.

ASC Compliance Review Report

ASC Finding: Not In Substantial Compliance

Final Report Issue Date: August 14, 2013

District of Columbia Appraiser Regulatory Program (Program)

Board of Real Estate Appraisers (Board) /
Decision Making

PM: V. Metcalf

ASC Compliance Review Date: March 18-20, 2013

Review Period: March 2011 - March 2013

Umbrella Agency: Department of Consumer and Regulatory Affairs (Department)

Number of State Credentialed Appraisers on National Registry: 724

Review Cycle: Two Year

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					
District of Columbia Statutes, Regulations, Policies and Procedures:	X			No compliance issues noted.	N/A	None	None	None
Temporary Practice:	X			No compliance issues noted.	N/A	None	None	None
National Registry:	X			No compliance issues noted.	N/A	None	None	None
Application Process:	X			No compliance issues noted.	N/A	None	None	None
Reciprocity:	X			No compliance issues noted.	N/A	None	None	None
Education:	X			No compliance issues noted.	N/A	None	None	None
Enforcement:		X		No compliance issues noted.	N/A	None	None	None
States should resolve all complaints filed against appraisers within one year, except for special documented circumstances. (Title XI § 1118 (a), 12 U.S.C. 3347; ASC Policy Statement 10E)				<p>State had 6 outstanding complaints of which 2 were unresolved for more than 1 year. Of the complaints outstanding for more than 1 year, none fall under the exception for special documented circumstances.</p> <p>Of those 2 cases, 1 was heard in October 2012 and is awaiting a decision from the administrative law judge of the Office of Administrative Hearings (OAH) and the other case is waiting for a notice of intent to discipline to be issued.</p>	<p>On June 6, 2013, the Program Manager reported that in 1 case the appraiser failed to submit his hearing request within the 20 days specified in the Notice of Intent to Take Disciplinary Action; this case will be taken to the next Board meeting for consideration. In an effort to expedite the resolution of the second case, the General Counsel of the Department will meet with the Chief Administrative Law Judge of the OAH to discuss the steps that can be taken to obtain a decision in the case already heard and prioritize the backlog of appraisal cases needing to be heard.</p>	<p>The Board must establish written procedures to ensure timely processing and resolution of complaints including those referred to OAH.</p>	None	<p>During the next Review, ASC staff will pay particular attention to this area for compliance with ASC Policy Statements.</p>