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**Appraisal Subcommittee**  
*Federal Financial Institutions Examination Council*

December 8, 2015

Ms. Nicole Novotny Smith, Executive Director  
Wyoming Real Estate Commission  
2617 E Lincolnway, Suite H  
Cheyenne, WY 82002

RE: ASC Compliance Review of Wyoming's Appraiser Regulatory Program

Dear Ms. Smith:

The Appraisal Subcommittee (ASC) staff conducted an ASC Compliance Review (Review) of the Wyoming appraiser regulatory program (Program) on September 2-4, 2015, to determine the Program's compliance with Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended.

The ASC considered the preliminary results of the Review and the State's response to those results. The Program has been awarded an ASC Finding of "Good." The final ASC Compliance Review Report (Report) is attached.

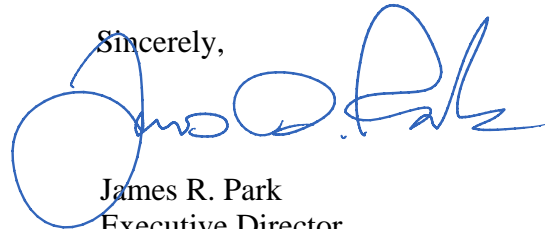
The ASC identified the following area of non-compliance:

- States must recognize on a temporary basis appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction.<sup>1</sup>

ASC staff will confirm that appropriate corrective actions have been taken during the next Review. Wyoming will remain on a two-year Review Cycle.

This letter and the attached Report are public records and available on the ASC website. Please contact us if you have any questions about this Report.

Sincerely,



James R. Park  
Executive Director

Attachment

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<sup>1</sup> 12 U.S.C. § 3351; Policy Statement 2.

## ASC Finding Descriptions

ASC Finding	Rating Criteria	Review Cycle*
Excellent	<ul style="list-style-type: none"> <li>• State meets all Title XI mandates and complies with requirements of ASC Policy Statements</li> <li>• State maintains a strong regulatory Program</li> <li>• Very low risk of Program failure</li> </ul>	2-year
Good	<ul style="list-style-type: none"> <li>• State meets the majority of Title XI mandates and complies with the majority of ASC Policy Statement requirements</li> <li>• Deficiencies are minor in nature</li> <li>• State is adequately addressing deficiencies identified and correcting them in the normal course of business</li> <li>• State maintains an effective regulatory Program</li> <li>• Low risk of Program failure</li> </ul>	2-year
Needs Improvement	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies are material but manageable and if not corrected in a timely manner pose a potential risk to the Program</li> <li>• State may have a history of repeated deficiencies but is showing progress toward correcting deficiencies</li> <li>• State regulatory Program needs improvement</li> <li>• Moderate risk of Program failure</li> </ul>	2-year with additional monitoring
Not Satisfactory	<ul style="list-style-type: none"> <li>• State does not meet all Title XI mandates and does not comply with all requirements of ASC Policy Statements</li> <li>• Deficiencies present a significant risk and if not corrected in a timely manner pose a well-defined risk to the Program</li> <li>• State may have a history of repeated deficiencies and requires more supervision to ensure corrective actions are progressing</li> <li>• State regulatory Program has substantial deficiencies</li> <li>• Substantial risk of Program failure</li> </ul>	1-year
Poor <sup>2</sup>	<ul style="list-style-type: none"> <li>• State does not meet Title XI mandates and does not comply with requirements of ASC Policy Statements</li> <li>• Deficiencies are significant and severe, require immediate attention and if not corrected represent critical flaws in the Program</li> <li>• State may have a history of repeated deficiencies and may show a lack of willingness or ability to correct deficiencies</li> <li>• High risk of Program failure</li> </ul>	Continuous monitoring

\*Program history or nature of deficiency may warrant a more accelerated Review Cycle.

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<sup>2</sup> An ASC Finding of “Poor” may result in significant consequences to the State. See Policy Statement 5, *Reciprocity*; see also Policy Statement 8, *Interim Sanctions*.

ASC Compliance Review Report

ASC Finding: **Good**

Final Report Issue Date: **December 8, 2015**

**Wyoming Appraiser Regulatory Program (State)**

**Wyoming Certified Real Estate Appraiser Board (Board) / Decision Making**

PM: N. Fenochietti

ASC Compliance Review Date: September 2-4, 2015

Review Period: September 2013 to September 2015

Umbrella Agency: Wyoming Real Estate Commission (Commission)

Number of State Credentialed Appraisers on National Registry: 347

Review Cycle: Two Year

Applicable Federal Citations	Compliance (YES/NO) Areas of Concern (AC)			ASC Staff Observations	State Response	Required/Recommended State Actions	General Comments
	YES	NO	AC				
<b>Statutes, Regulations, Policies and Procedures:</b>			X				
States must, at a minimum, adopt and/or implement all relevant AQB Criteria. (12 U.S.C. § 3345; 12 U.S.C. § 3347; Policy Statement 1 C, D.)				AQB Criteria requires that Certified General and Certified Residential applicants have a Bachelor's degree or higher from an accredited college or university. Wyoming statute 33-39-112 (a) and (b) do not include this requirement.	On November 16, 2015, the State reported the Board will work directly with the Attorney General's Office to investigate possible statutory amendments to emphasize that a Bachelor's degree or higher from an accredited college or university is a prerequisite for becoming a Certified Appraiser in Wyoming.	To strengthen the Program, the State should amend its statute consistent with AQB Criteria and reflect what is done in practice. A copy of the statute should be provided to ASC staff once adopted.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 1.
<b>Statutes, Regulations, Policies and Procedures: (continued)</b>		X					
States must recognize on a temporary basis appraiser credentials issued by another State if the property to be appraised is part of a federally related transaction. (12 U.S.C. § 3351; Policy Statement 2.)				Title XI requires a State appraiser certifying or licensing agency to recognize on a temporary basis the certification or license of an appraiser issued by another State. Wyoming Rules Chapter 1 Section 15 does not provide for recognition of a State Licensed credential or that the applicant holds a credential in the other State.	On November 16, 2015, the State reported that it will amend its administrative rules to bring them into compliance with Title XI.	The State must amend its Rule to bring it into compliance with Title XI and reflect what is done in practice. A copy of the proposed Rule should be provided to ASC staff.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with Title XI and ASC Policy Statement 2.
<b>Temporary Practice:</b>	X						
				No compliance issues noted.	N/A	None	None
<b>National Registry:</b>	X						
				No compliance issues noted.	N/A	None	None

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	YES	NO	AC				
<b>Application Process:</b>			X				
States must ensure that appraiser experience logs conform to AQB Criteria. (12 U.S.C. § 3347; Policy Statement 4 D.)				The State's experience log forms meet AQB Criteria, however, 3 applicants were credentialed based on experience logs that did not contain all the necessary data.	On November 16, 2015, the State reported that the Board added new trainee sections to the agency's website to provide trainees with AQB compliant experience logs.	The State should ensure experience logs accepted meet AQB Criteria.	During the next Compliance Review, ASC staff will pay particular attention to this area for compliance with AQB Criteria and ASC Policy Statement 4.
<b>Reciprocity:</b>	X						
				No compliance issues noted.	N/A	None	None
<b>Education:</b>	X						
				No compliance issues noted.	N/A	None	None
<b>Enforcement:</b>	X						
				No compliance issues noted.	N/A	None	None